



Abbott

GLOBAL
SUSTAINABILITY
HIGHLIGHTS



GLOBAL

SUSTAINABILITY

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ABOUT THE COVER

Sustainability isn't a destination but an ongoing journey. At Abbott, our journey to helping people live their best lives starts with being a committed and compassionate steward of the environment. We work to preserve and promote healthy living in communities around the world by minimizing our environmental footprint and protecting clean water sources. We have a responsibility to use resources wisely, and we take our commitment seriously as we look toward our future.

ABOUT THE PHOTO

Through her work in our Global Environment, Health and Safety organization, Megan Roberts channels her passion for environmental protection and sustainability into projects and initiatives that touch each of our businesses around the world.

“By driving our business to achieve positive economic, social and environmental impact, Abbott is delivering life-changing technologies, creating value in communities worldwide and achieving sustainable growth.”

MILES D. WHITE
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

OUR BUSINESS

Our business has brought new products and technologies to market for 130 years, creating more possibilities for more people at all stages of life. Today, 103,000 of us are working to help people live not just longer, but better, in the more than 160 countries we serve. Within our four major businesses, our relentless pursuit of innovation is delivering an unprecedented number of advances that will extend our impact and sustain our growth for years to come.

A key element of our long-term success has been our ability to proactively shape our company and build significant positions in those areas where the need for new solutions is greatest.



MEDICAL DEVICES

CARDIOVASCULAR

Keeping your heart healthy with medical technology that helps you and your doctor better manage your health



DIABETES CARE

Giving people with diabetes the freedom to monitor their glucose levels without the pain of fingersticks

NEUROMODULATION

Treating chronic pain and movement disorders by targeting specific areas of the brain

DIAGNOSTICS

Providing accurate, timely information so you and your doctor can make better decisions for your health



NUTRITION

Using the latest science to create better ways to nourish your body at every stage of life



BRANDED GENERIC MEDICINES

Delivering high-quality, trusted medicines to help people get and stay healthy



OUR APPROACH

Sustainability is about applying the power of our business to drive positive economic, social and environmental impact.

It's about making sure that the work we do helps people live healthier and better both today and for generations to come.

To focus our efforts in the areas where we can have the greatest possible impact, we work to understand people's changing healthcare needs, as well as the most important environmental, social and economic factors affecting our business. We identify issues that are relevant to us, our stakeholders and the industry — issues that have the greatest significance and potential impact on the long-term sustainability of our business. These insights help inform our sustainability priorities in the coming year.

In this edition of our Highlights Report, we feature six examples of our work in sustainability. Each story illustrates a key environmental, social and economic area: affordability, cybersecurity, disruptive technologies, patient and consumer empowerment, resource scarcity and supply chain resilience.

OUR VISION FOR SUSTAINABILITY

- We earn trust for our brand and products through high standards of ethics, integrity, quality and safety.
- We innovate new solutions to meet changing healthcare needs and get high-quality healthcare to those who need it.
- We promote and preserve healthy living environments by minimizing the environmental footprint of our operations and protecting clean water sources around the world.
- We work closely with suppliers to apply the highest standards of environmental and social responsibility throughout our supply chain.
- We protect the health and well-being of our employees to help them fulfill their potential.



MAKING AN IMPACT

Each of our businesses and functions work to make Abbott more sustainable, responsible and inclusive, contributing to Abbott's sustainability performance, impact on society and commitment to the environment.



ENVIRONMENTAL



REDUCING CO₂ EMISSIONS

↓35% reduction in Scope 1 and 2 CO₂e emissions since 2010*[†]

*Normalized by sales
†Calculated using the market-based method



CONSERVING WATER

↓24% reduction in water intake since 2010*

*Normalized by sales



ELIMINATING WASTE

↓41% reduction in waste since 2010*

*Normalized by sales

SOCIAL



ADVANCING WOMEN AND MINORITIES

43%

women in management in 2017

30%

minorities in management in 2017



COLLABORATING WITH DIVERSE SUPPLIERS

↑15%

increase in spend with small and diverse suppliers in 2017

Worked with 4,478 small and diverse suppliers in 2017



EMPLOYEE GIVING

80%

U.S. employee participation rate in our 2017 annual employee giving campaign
\$5.6 million in 2017

GOVERNANCE



ADDRESSING ENTERPRISE RISKS

70+

senior leaders engaged through annual enterprise risk assessment process



DELIVERING VALUE CONSISTENTLY

379

consecutive dividend payments

46

consecutive years of increasing dividend payout



MAINTAINING A DIVERSE BOARD OF DIRECTORS

12 of 13

directors are independent

6 of 13

directors are women or minorities



INNOVATE

Abbott is committed to innovating to help people get healthy and stay healthy at all stages of life. We develop new products to meet changing healthcare needs and emerging health challenges. We focus on new approaches to advance the affordability and accessibility of healthcare and create new systems that help deliver it to those who need it most.

400 MILLION PEOPLE

400 MILLION PEOPLE ARE LIVING WITH DIABETES GLOBALLY.¹



TECHNOLOGY DESIGNED WITH ACCESS IN MIND DIABETES CARE

At the intersection of innovative technology and sustainability is *FreeStyle Libre*[®], our groundbreaking flash glucose monitoring system. This device focuses on sustainability throughout its life cycle by providing more people greater affordability, thereby lowering the disease burden on the world's healthcare infrastructure and producing less environmental impact during manufacturing and less consumer waste. This focus is maintained by keeping patient-centered innovation at the forefront, empowering people in the management of their health.

PATIENT-CENTRIC INNOVATION

For many people with diabetes, the routine finger-sticking needed to monitor their glucose levels is a time-consuming and uncomfortable experience. We designed the *FreeStyle Libre* family of products to help eliminate the hurdles of traditional glucose monitoring.

This groundbreaking system has taken the pain and inconvenience out of glucose monitoring by removing some of the challenges that come with managing diabetes on a daily basis. With the *FreeStyle Libre* family of products, there are no routine fingersticks* and no fingerstick calibrations needed. This system allows people to check their glucose levels with a one-second scan, instead of painful fingersticks, making it easier to monitor their health.

The *FreeStyle Libre 14 day system* consists of a handheld reader and a small, discreet sensor applied to the back of the upper arm that provides real-time glucose readings for up to 14 days — day and night² — and can be read through clothing.³ This makes testing discreet and convenient.⁴

By tracking and monitoring glucose continuously,[†] *FreeStyle Libre* family of products helps people with diabetes better adjust their lifestyles, diets and treatments to suit their needs. This system also helps more than 1 million people in more than 43 countries have the freedom to enjoy more active, healthier lives.⁴

AFFORDABILITY

From the beginning, we have focused on providing broad access to *FreeStyle Libre* family of products in countries around the world. This includes a global pricing structure that keeps the product low-priced, with costs averaging out to the price of about two cups of coffee per day.

6–17 PERCENT

ACCORDING TO THE INTERNATIONAL DIABETES FEDERATION, AN ESTIMATED 6–17 PERCENT OF HEALTHCARE SPENDING AROUND THE WORLD IS ON DIABETES.⁵

“Because of the simplicity and ease of use with FreeStyle Libre, people are testing their glucose more often, which is providing them with actionable information that allows them to make more informed and meaningful changes to the way they are managing their condition.”

**MAHMOOD KAZEMI, M.D.,
DIVISIONAL VICE PRESIDENT, GLOBAL MEDICAL
AND SCIENTIFIC AFFAIRS, DIABETES CARE**

*The FreeStyle LibreLink app and the FreeStyle Libre and FreeStyle Libre 14 Day reader have similar but not identical features. Fingersticks are required for treatment decisions when you see Check Blood Glucose symbol, when symptoms do not match system readings, when you suspect readings may be inaccurate or when you experience symptoms that may be due to high or low blood glucose. When using FreeStyle LibreLink app, access to a blood glucose monitoring system is required as the app does not provide one.

[†]Based on the sensor being replaced once every 14 days, and scanned at least once every 8 hours.



Beyond the price of the system, using *FreeStyle Libre* saves people from having to pay for test strips that are typically used for routine blood glucose self-monitoring. Abbott recently presented data that showed that users of this new glucose monitoring system saw a savings of more than \$120 a month by eliminating the cost of test strips.⁶ Additionally, removing the need for test strips allows people with diabetes to avoid discarding an estimated 1.8 billion test strips annually.⁷

Abbott also works with governments around the world, especially in emerging economies, to get *FreeStyle Libre* qualified for government reimbursement, making the device even more accessible for people who could most benefit. Not only is this product both discreet and easy to use, but it helps remove the financial burden that can put a strain on many people trying to manage their diabetes.

1.8 BILLION TEST STRIPS

ELIMINATING FINGERSTICKS WITH *FREESTYLE LIBRE* REMOVES THE NEED TO USE TEST STRIPS, WHICH HELPS PEOPLE AVOID DISCARDING AN ESTIMATED 1.8 BILLION TEST STRIPS EACH YEAR.⁷

“At Abbott, we are continuously challenging ourselves to ensure our innovative technology is accessible to the majority of people who need it.”

JARED WATKIN,
SENIOR VICE PRESIDENT, DIABETES CARE



REDUCING DISEASE BURDEN

Not only does managing diabetes incur expenses to individuals, but it's estimated that approximately 6 to 17 percent of healthcare spending is allocated for diabetes in countries around the world.⁵

FreeStyle Libre system is designed to reduce the burden on local healthcare systems, both with reduced product cost of the device itself and by minimizing the cost of diabetes-related complications, including costs of additional treatment that could lead to hospitalizations and other long-term care.^{8,9} By tracking their glucose regularly, people can better adjust their lifestyles and treatments, enabling them to manage their health and make informed decisions.



PRODUCT SUSTAINABILITY

The next step in developing sustainability with *FreeStyle Libre* family of products is moving from handheld readers to cloud-based, consumer-driven connected electronic devices, such as smartphones.

We recently launched the *FreeStyle LibreLink* mobile app in the United States, and it is also available in Europe. *FreeStyle LibreLink* app allows remote monitoring of glucose levels for patients themselves without needing the glucose reader. Using a cloud-based data framework, this mobile app allows users to access their glucose information from their smartphones,¹⁰ giving people greater management of their health information, which ultimately enables people to make better healthcare decisions. Eliminating the separate *FreeStyle Libre* reader¹¹ also reduces materials and saves resources, helping to advance environmental sustainability.

FreeStyle Libre represents an example of innovating in a sustainable way to ensure positive healthcare outcomes for people in all states of life.



INDICATIONS AND IMPORTANT SAFETY INFORMATION

FreeStyle Libre and FreeStyle Libre 14 day Flash Glucose Monitoring systems are continuous glucose monitoring (CGM) devices indicated for replacing blood glucose testing and detecting trends and tracking patterns aiding in the detection of episodes of hyperglycemia and hypoglycemia, facilitating both acute and long-term therapy adjustments in persons (age 18 and older) with diabetes. The systems are intended for single patient use and require a prescription.

CONTRAINDICATIONS

Remove the sensor before MRI, CT scan, X-ray, or diathermy treatment.

WARNINGS/LIMITATIONS

Do not ignore symptoms that may be due to low or high blood glucose, hypoglycemic unawareness, or dehydration. Check sensor glucose readings with a blood glucose meter when Check Blood Glucose symbol appears, when symptoms do not match system readings, or when readings are suspected to be inaccurate. The system does not have alarms unless the sensor is scanned, and the system contains small parts that may be dangerous if swallowed. The system is not approved for pregnant women, persons on dialysis, or critically-ill population. Sensor placement is not approved for sites other than the back of the arm and standard precautions for transmission of blood borne pathogens should be taken. The built-in blood glucose meter is not for use on dehydrated, hypotensive, in shock, hyperglycemic-hyperosmolar state, with or without ketosis, neonates, critically-ill patients, or for diagnosis or screening of diabetes. When using FreeStyle LibreLink app, access to a blood glucose monitoring system is required as the app does not provide one. Review all product information before use or contact Abbott Toll Free (855-632-8658) or visit www.freestylelibre.us for detailed indications for use and safety information.





EXCLUSIVE TECHNOLOGY

WE ARE THE ONLY COMPANY IN THE WORLD TO OFFER THE *BURSTDR* AND DORSAL ROOT GANGLION (DRG) STIMULATION THERAPY TO ALLEVIATE DIFFICULT-TO-TREAT CHRONIC PAIN.

PROVEN RESULTS

IN A RETROSPECTIVE 5,400-PATIENT STUDY, OUR RESEARCH SHOWS THAT NEUROMODULATION THERAPY HELPS REDUCE OR STABILIZE OPIOID USE IN CHRONIC PAIN PATIENTS.¹³

Depending on a person's specific needs, our neuromodulation solutions involve different pain-relief options, including spinal cord stimulation (SCS) with *BurstDR*™ therapy and dorsal root ganglion (DRG) therapy. These innovative treatments connect to Apple® iOS™ software, allowing the user to control the device. We are the only company to offer *BurstDR* and DRG stimulation technologies to manage difficult-to-treat chronic pain.

For those whose lives are affected by chronic pain, this life-changing technology offers an easy-to-use, drug-free option to help them live a better, more manageable life. This is technology at its most personal, the kind that helps people live healthier, so they can do the things they love.

DISRUPTING TRADITIONAL PAIN THERAPY NEUROMODULATION

For people living with chronic pain, including 100 million U.S. adults,¹² finding ways to alleviate pain can be challenging. Unlike other illnesses, chronic pain is largely misunderstood and undertreated, yet it affects more than 1.5 billion people worldwide.¹² Prescribing opioids for chronic pain has been a traditional method of treatment; however, opioids can lead to addiction in some cases. Neuromodulation has advanced as a disruptive technology, giving people a way to live a better life.

This transformative neuromodulation therapy uses an implanted device that delivers electrical signals to certain nerves in the body, creating interference that prevents the nerves from signaling pain to the brain. This type of technology targets nerves around and in the spinal column to provide relief from pain. Individuals are equipped with a wireless controller in which stimulation settings can be changed within prescribed limits for better pain management.

100 MILLION U.S. ADULTS

100 MILLION U.S. ADULTS ARE LIVING WITH CHRONIC PAIN.¹²

1.5 BILLION PEOPLE

CHRONIC PAIN AFFECTS APPROXIMATELY 1.5 BILLION PEOPLE WORLDWIDE, MORE THAN HEART DISEASE, CANCER AND DIABETES COMBINED.¹³

ONE IN FOUR

CHRONIC PAIN AFFECTS 1 IN 4 ADULTS OVER AGE 40 IN THE UNITED STATES AND 1 IN 4 ADULTS OVER AGE 25 IN THE EUROPEAN UNION.^{14,15}



“At the end of the day, we need to do what’s best for the patient. For most patients managing chronic pain, opioids aren’t the answer.”

KEITH BOETTIGER,
PRESIDENT, NEUROMODULATION



EMPOWER

Abbott invests in spreading ideas, information and inspiration that can enable better health. We do so by working with different groups and organizations, engaging consumers, and leveraging the skills and passion of our own employees.



INNOVATING PRODUCT DESIGN BRANDED GENERIC MEDICINES

A healthcare product, such as a bottle of medicine, has to be designed in a way that allows people to use the medicine conveniently and safely. If a product is not designed in a user-friendly way, medicine might not be dosed properly or even at all. Understanding the way people use our products is a cornerstone in Abbott product design. Patient empowerment inspired our change in bottle-cap design for our innovative medicine *LiDoCon*®.

Sometimes innovative ideas come from unexpected sources. Santosh Shukla, head of marketing for Abbott's multispecialty team in India, provided the inspiration for an innovative design for the containers of medicine he gives his son.

Mr. Shukla's son suffers from asthma, and he explained the challenges of managing the many liquid medications that his son had to take. Keeping the dispensing caps clean and separate was difficult, which made it difficult to monitor the medicines' correct dosages.

Mr. Shukla approached the innovation team in our branded generic medicines business about his challenges with the product design. After validating this innovative insight with our other customers and investing a year and half into developing a prototype, we created *LiDoCon*, which stands for **liquid dosing concept**: a type of cap that attaches to the neck of a liquid medicine bottle. It fills with the correct dose without allowing backflow, enabling medicines to be taken straight from the bottle.

LiDoCon technology is the first of its kind to be used in India, and it is currently being explored for use in various other liquid formulations. This type of packaging innovation is important because it can reduce medication errors in dosing and lower the risk of contamination since no washing is required for dispensing, and it can minimize the time spent preparing medication.

Being a pioneer in medicine and healthcare can sometimes mean making an adjustment to an existing product design. With *LiDoCon*, we innovated a new product design solution, which is one of the many ways that we strive to make medicine more accessible to more people at every stage of life.

INNOVATIVE PACKAGING

THE HEALTHCARE COMPLIANCE PACKAGING COUNCIL OF EUROPE AWARDED *LIDOCON* ITS COLUMBUS AWARD FOR IMPROVING PATIENT LIVES THROUGH INNOVATIVE PACKAGING.

*“Our goal is to help people get and stay healthy. Our new *LiDoCon* dosing device is simple, compact and helps avoid spillage and product contamination. This provides safer, more accurate and convenient dosing of liquid medicines, ultimately making it easier for people to take their medicine and get better. At Abbott, we constantly strive to make technology user friendly, while maintaining safety and efficacy at all times.”*

RAVIRAJ PILLAI,
SENIOR DIRECTOR OF RESEARCH AND DEVELOPMENT,
BRANDED GENERIC MEDICINES, MUMBAI, INDIA





OPERATE

Operating responsibly and sustainably is the foundation of our business. For us, operating responsibly means earning trust in our products, reducing our environmental impact, enabling healthy living environments, protecting the well-being of our employees and ensuring environmental and social responsibility throughout our supply chain.

\$4.25 MILLION

IN 2017, ABBOTT AND OUR FOUNDATION, THE ABBOTT FUND, PROVIDED MORE THAN \$4.25 MILLION IN DISASTER RELIEF FUNDING AND PRODUCTS, INCLUDING SIGNIFICANT SUPPORT FOR RELIEF EFFORTS IN PUERTO RICO.

RESILIENCY IN THE FACE OF DISASTER CARDIOVASCULAR

Extreme weather patterns and natural disasters can impact people's ability to live full and healthy lives and affect our ability to keep our businesses and operations functional.

Natural disasters, such as the hurricanes, wildfires and earthquakes experienced in 2017, created an immediate need for critical food and healthcare products for relief efforts while also complicating the delivery of lifesaving products to our existing customers.



\$306 BILLION

ACCORDING TO REINSURANCE GIANT SWISS RE, ESTIMATED GLOBAL ECONOMIC LOSSES FROM NATURAL DISASTERS IN 2017 TOTALED \$306 BILLION, UP 63 PERCENT FROM THE PRIOR YEAR.¹⁶



ACTION IN CRISIS

For hurricanes and other disasters that may have a potential business impact, Abbott has a longstanding, comprehensive and proactive crisis management system in place that's designed to mitigate risks to our people and operations, and build resiliency across the company — so that we can continue to provide critically needed products to the people who depend on them.

These global efforts are led by our Executive Crisis Management Team (ECMT). Managed by Abbott Global Security and led by two corporate officers, our Senior Vice President of Quality Assurance, Regulatory and Engineering Services and our Vice President of Abbott Nutrition Supply Chain, the ECMT is tasked with coordinating the safety and security of Abbott employees and assets, advancing business continuity and staying prepared to serve others during catastrophic events.



“Over the years, I have seen firsthand the dedication of Abbott and our employees around the world, not only rising to do what is needed during crisis events, but doing so with great compassion and focus. The year 2017 delivered major overlapping events that tested our resiliency. The performance and response of the ECMT and everyone involved across our businesses was nothing less than exceptional.”

CORLIS MURRAY,
SENIOR VICE PRESIDENT, QUALITY, ENGINEERING
AND REGULATORY

IMMEDIATE ACTION

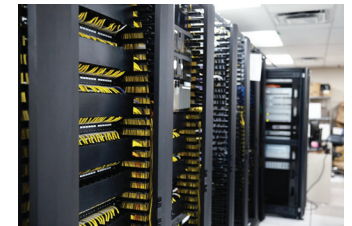
OUR EXECUTIVE CRISIS MANAGEMENT TEAM (ECMT) ACTS IMMEDIATELY DURING A CRISIS, FOCUSING ON EMPLOYEE SAFETY AND CONTINUING TO DELIVER OUR PRODUCTS TO THE PEOPLE WHO NEED THEM.



DETAILED FOCUS

In 2017, Hurricane Maria struck Puerto Rico just weeks after Hurricane Irma. These back-to-back hurricanes left more than 1 million residents without power in Puerto Rico and severely damaged communications, roads and other critical infrastructure across the island. These challenges also impacted our operations in Puerto Rico.

In anticipation of the potential severity of the storms, however, our ECMT and other teams across our sites were actively involved in coordinating preparations in advance. Once the storms hit, we immediately began reaching out to employees, their families and local communities while also assessing damage to our facilities on the island.



Reestablishing communication on the island was imperative — and very challenging — as we began the work of confirming the well-being of employees and assessing the state of our facilities and suppliers. We were able to take immediate action to deploy support to Puerto Rico. Our initial focus was ensuring the safety of Abbott's employees and their families. The second phase of support focused on asset impact quickly followed by business recovery efforts, including working to repair critical infrastructure, engaging with key suppliers and recommencing production.

RECOVERY IN DISASTER

One of the affected sites was our facility in Barceloneta that manufactures our cardiovascular products. The site sustained roof and water damage. In true Abbott fashion, employees — 65 of them — returned to the site right away to begin preparations to restore the facility to normal operations, despite some employees having lost everything. Their quick response and tireless effort returned the site to full function just days after impact.

Additionally, Abbott engineers, IT and Global Security professionals from our headquarters in Abbott Park, Illinois, flew in to help. The dedication of all of our teams working together ensured that our manufacturing and other facilities were up and running a few weeks after Hurricane Maria with no material impact to the business — and the products patients rely on were able to reach the people who needed them.

\$40 MILLION

OVER THE PAST DECADE, ABBOTT AND ITS FOUNDATION, THE ABBOTT FUND, HAVE PROVIDED MORE THAN \$40 MILLION IN FUNDING AND PRODUCTS TO HELP IMMEDIATE NEEDS AND LONG-TERM EFFORTS IN DISASTER RELIEF.

“Abbott operations would not be as resilient without the strength and commitment of our people, as demonstrated in the wake of the 2017 natural disasters that impacted Abbott facilities. In Puerto Rico, manufacturing plants were brought back online in very short order through the combined efforts of our global and local operations teams. This was possible because of the commitment of Abbott’s local personnel, who came to work to ensure that Abbott’s life-changing products were available to our customers, all while managing their own personal hurdles that the natural disasters presented.”

JOSE RODRIGUEZ,
AMERICAS REGIONAL ENGINEERING DIRECTOR
AND CORPORATE ENGINEERING DISASTER RESPONSE
TEAM LEAD





33.7 MILLION POUNDS

WE ELIMINATED MORE THAN 33.7 MILLION POUNDS OF PACKAGING IN EIGHT YEARS – SURPASSING OUR 2020 GOAL OF 30 MILLION POUNDS TWO YEARS AHEAD OF SCHEDULE.

DEVELOPING SUSTAINABLE PACKAGING NUTRITION

When creating a product, we consider environmental impacts throughout its life cycle, including sustainability in packaging. We are committed to creating safe, effective and sustainable packaging, not only in the design of the package itself but also in the types of materials used and how our packaging is manufactured. We pay attention to our use of resources throughout the entire life cycle of a product.

This includes:

- Ethical and sustainable procurement and production of all Abbott products and packaging.
- Designing, producing and distributing our products with consideration for their environmental and human health impacts.
- Ensuring that our products and packaging are consumed and disposed of in an environmentally responsible manner.

“At Abbott, packaging innovation and environmental sustainability are synonymous. We understand that packaging plays a key role in protecting, delivering and enhancing our product. Through thoughtful innovation, we improve these aspects of our packaging and its performance, creating a truly sustainable system.”

JAMES PERRY,
DIRECTOR, PRODUCT DESIGN AND PACKAGING,
NUTRITION

Since 2013, we have been aiming towards an aggressive target to reduce the total weight of our packaging by 10 percent by 2020 (compared to our 2010 baseline). **In 2017, we surpassed this goal two years in advance, and have eliminated approximately 33.7 million pounds of packaging since 2010.** Our nutrition division played an integral role in accomplishing this goal through partnerships across commercial and operations that resulted in reduced and improved packaging innovations in many nutritional products around the world.

Looking at packaging through a sustainability lens enables us to take action in different ways.

In 2018, we converted metal cans for liquid product to a lightweight alternative that's made of 40 percent renewable materials and recyclable paperboard. The new packaging, which allows people to reclose unfinished product, saves 14.7 million pounds of packaging material annually. By converting 281 million metal cans into the lightweight alternative each year, 75 percent less waste is generated.

In some of our *Similac* products, we replaced the usage of tin with our bag-in-the-box packaging. Not only does it reduce our environmental impact, but this innovation provides parents better value and convenience. We also introduced a refillable plastic jar in some of our other *Similac* products. The plastic jar contains a pouch of infant formula that can be washed and reused.



14.7 MILLION POUNDS SAVED

IN 2018, WE SAVED 14.7 MILLION POUNDS OF PACKAGING MATERIAL BY CONVERTING 281 MILLION METAL CANS TO A LIGHTWEIGHT ALTERNATIVE. BY CONVERTING METAL CANS INTO THE ALTERNATIVE EACH YEAR, 75 PERCENT LESS WASTE IS GENERATED.

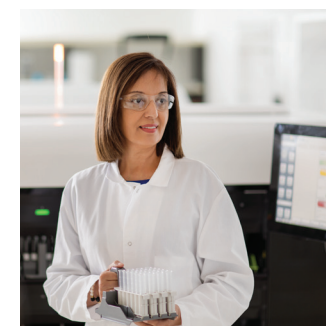
36 MONTHS' STORAGE

WE'VE DESIGNED OUR MILK-BASED NUTRITIONAL PRODUCTS TO BE STORED WITHOUT REFRIGERATION FOR UP TO 36 MONTHS, REDUCING THE ENERGY USED BY SHIPPERS, DISTRIBUTORS AND CUSTOMERS THROUGHOUT THE SUPPLY CHAIN.



Additionally, our milk-based nutritional products feature packaging that can be shipped and stored without refrigeration for up to 36 months, reducing the energy used by shippers, distributors and customers throughout the supply chain.

Our approach to sustainability in packaging is designed to help reduce environmental impact while protecting our products, whether that means converting metal cans to pouches or crafting a nutritional product that doesn't need refrigeration. By developing new packaging methods and solutions, we can continuously work to reduce, renew, recycle and reuse in all phases of the life cycle of a product.



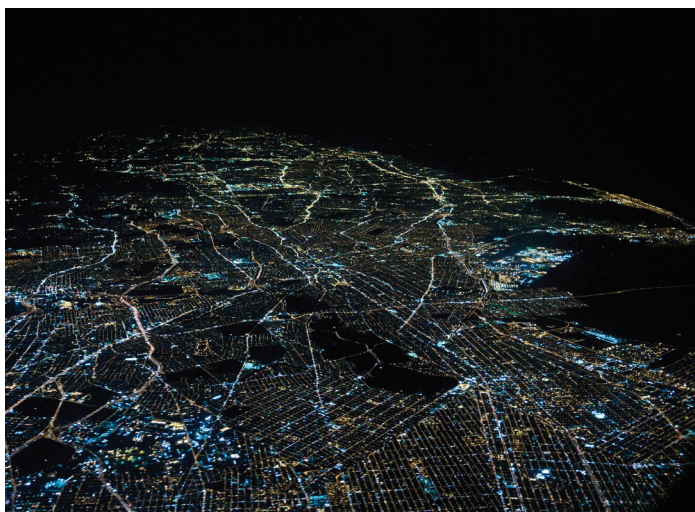
FOSTERING SUSTAINABLE PACKAGING PARTNERSHIPS

Abbott collaborates with companies, as well as many industry and independent groups, to advance sustainable packaging systems. We work with suppliers that have achieved or are pursuing certification with respected sustainability organizations, such as the Forest Stewardship Council. We also engage with our suppliers to improve their sustainability performance, holding them to stringent packaging requirements. We share information on our packaging reductions with retail customers around the world.

“For years, Abbott has understood that proper stewardship of our packaging meaningfully contributes to our standing as a responsible corporate citizen. It means our packaging must protect our product, enhance the overall user experience, promote efficient operations and deliver these virtues with a keen eye to protecting the planet.”

JAMES PERRY,
DIRECTOR, PRODUCT DESIGN AND PACKAGING,
NUTRITION





CYBERSECURITY WITH OUR MEDICAL AND DIAGNOSTIC DEVICES

The promising future of a sustainable, interconnected, data-driven healthcare system cannot be realized without a strong focus on cybersecurity and protecting the values of patient safety and integrity. Our goal is to ensure our devices, products and systems meet the highest security standards, and this commitment governs how we approach cybersecurity across our businesses.

At Abbott, we recognize the importance of incorporating cybersecurity considerations throughout our product development process, whether it's for remote monitoring products, implantable medical devices or large-scale diagnostic systems. Cybersecurity has become a global concern that impacts connected devices around the world.

Through our cybersecurity vigilance on a global level, and by incorporating industry best practices, guidance from the U.S. Food and Drug Administration (FDA), external experts and others, we have become an industry leader in our approach to the safety and security of our products and data.

HIGHEST SECURITY

OUR GOAL IS TO ENSURE OUR DEVICES, PRODUCTS AND SYSTEMS MEET THE HIGHEST SECURITY STANDARDS.

CONSTANT VIGILANCE

WE INCORPORATE CYBERSECURITY CONSIDERATIONS THROUGHOUT OUR ENTIRE PRODUCT DEVELOPMENT PROCESS.

KEY PARTNERSHIP: DIAGNOSTICS

With our suite of blood-testing analyzers and other diagnostic products, cybersecurity has remained an important focus within our diagnostics business. Beginning in late 2013, our information security and risk management (ISRM) group developed a partnership with diagnostic product engineers and experts to create and implement a comprehensive product cybersecurity operating model and program.

Key elements of this cybersecurity program include cybersecurity risk management and secure product deployment, as well as product cybersecurity surveillance, vulnerability management and incident response. We conduct regular vulnerability scanning to identify potential risks related to our products and services. When we develop or acquire new products, we employ rigorous risk assessments to test the products' controls. We also work with independent third-party security experts in developing and testing our products.



“Abbott’s product cybersecurity program is designed in accordance with industry best practices and regulator guidance, and is designed to protect Abbott’s medical products from cybersecurity threats and ensure our products operate as intended for our customers.”

ROBERTA HANSEN,
DIRECTOR OF PRODUCT CYBERSECURITY

PATIENT TRUST

Our broad approach to ensuring safety and security protects the data, devices, products and systems that connect people to healthcare professionals and institutions. Against the backdrop of an evolving risk landscape, we continually evaluate and adapt our security measures with the goal of ensuring our patients receive the highest-quality care.

Our cybersecurity program allows us to continuously focus on maintaining data integrity and patient trust, regardless of the type of healthcare device, product or system being employed. The potential risks posed by cybersecurity of connected devices and systems can be felt by the entire industry, and we are committed to living up to the trust our customers place in us.

GLOBAL EXPANSION

IN ADDITION TO OUR PRODUCT SECURITY STRATEGIES, WE'RE EXPANDING OUR ENTERPRISE CYBERSECURITY PRESENCE GLOBALLY, WITH TEAMS IN RUSSIA, CHINA, INDIA, GERMANY, LATIN AMERICA AND SOUTHEAST ASIA.

CYBERSECURITY PROGRAM OVERVIEW



In late 2016, Abbott announced the formation of the industry's first Cyber Security Medical Advisory Board (CSMAB), made up of leading physicians who care for patients with implanted cardiovascular devices. These physicians provide direct feedback on patient management considerations.



Our cross-functional Product Security Working Group includes representatives from product development, information security, information technology and quality assurance that help us incorporate cybersecurity considerations throughout the product life cycle, including design controls and risk management.



As part of our commitment to protecting our devices, products and systems, we have an established coordinated product disclosure program through which external parties can submit potential security vulnerabilities or privacy issues with our products. Developed in accordance with guidance from the FDA, we evaluate and verify all of the issues reported.



We have a cybersecurity oversight committee and a separate cybersecurity steering committee. Both comprise executives from different groups who ensure wide engagement and action on cybersecurity issues across Abbott's businesses.

"Being dedicated to our cybersecurity program is part of Abbott's commitment to protecting foundational values of patient safety and integrity while helping people live fully with our life-changing technology."

ROBERTA HANSEN,
DIRECTOR OF PRODUCT CYBERSECURITY

AWARDS AND RECOGNITION

DOW JONES SUSTAINABILITY INDEX

- Global Industry Leader, sixth consecutive year (2013–2018)
- 14th year on North American Index and the World Index

FORTUNE

- *Fortune's* Most Admired Companies since 1984
- No. 1 in Medical Products 2014–2018
- No. 1 in our industry for Social Responsibility, fifth consecutive year (2014–2018)
- Named to *Fortune's* 2018 Change the World list

CORPORATE RESPONSIBILITY

Named to *Corporate Responsibility's* Best Corporate Citizens list for 10 consecutive years (2009–2018)

WORKING MOTHER

100 Best Companies by *Working Mother*, 18 years in a row

SCIENCE

Science Top Employer, for 15 years

CLARIVATE

Clarivate 2017 Top 100 Global Innovators List, fifth consecutive year

DIVERSITYINC

Top 50 companies for diversity by *DiversityInc*, 15 consecutive years



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FOOTNOTES

- ¹ World Health Organization. Diabetes Fact Sheet. <http://www.who.int/mediacentre/factsheets/fs312/en/>. Accessed March 19, 2018.
- ² Based on the sensor being replaced once every 14 days and scanned at least once every 8 hours.
- ³ The reader can scan through clothing with a thickness of 1 to 4 centimeters.
- ⁴ Data on file; Abbott Diabetes Care.
- ⁵ IDF Diabetes Atlas, 8th Edition, p. 54.
- ⁶ Hellmund R. Cost calculation and adherence to ADA recommendations based on a flash continuous glucose monitoring systems. Presented at the American Diabetes Association 78th Scientific Sessions. https://plan.core-apps.com/tristar_ada18/abstract/5188446740e191fd-289345d56a78cdc8.
- ⁷ Number based on the following calculation: 800,000 users multiplied by six strips per day, multiplied by 365 days per year (1.752 billion).
- ⁸ Hellmund R. Cost calculation and adherence to ADA recommendations based on a flash continuous glucose monitoring system for people with T1DM or T2DM using MDI therapy [Abstract]. *Diabetes*. 2018;67 (Suppl 1): 69-LB. <https://doi.org/10.2337/db18-69-LB>.
- ⁹ Hellmund R, Weitgasser R, Blissett D. Cost calculation for a flash glucose monitoring system for UK adults with type 1 diabetes mellitus receiving intensive insulin treatment. *Diabetes Res Clin Pract*. 2018. <https://ncbi.nlm.nih.gov/pubmed/29410149>.
- ¹⁰ The *FreeStyle LibreLink* app is designed to be compatible with NFC-enabled phones running Android OS 5.0 or higher and with Apple iPhone 7 and later running iOS 11 and later.
- ¹¹ The *FreeStyle LibreLink* app and the *FreeStyle Libre* reader are designed to have similar but not identical features. A finger prick test using a blood glucose meter is required during times of rapidly changing glucose levels when interstitial fluid glucose levels may not accurately reflect blood glucose levels or if hypoglycemia or impending hypoglycemia is reported by the sensor or when symptoms do not match the sensor readings.
- ¹² Institute of Medicine Committee on Advancing Pain Research, Care, and Education. Relieving pain in America: a blueprint for transforming prevention, care, education, and research. Washington, DC: National Academies Press; 2011. <http://www.nationalacademies.org/hmd/Reports/2011/Relieving-Pain-in-America-A-Blueprint-for-Transforming-Prevention-Care-Education-Research/Report-Brief.aspx>.
- ¹³ Data on file; Abbott Neuromodulation.
- ¹⁴ Leadley RM, Armstrong N, Lee YC, Allen A, and Kleijnen J. Chronic diseases in the European Union: The prevalence and health cost implications of chronic pain. *Journal of Pain & Palliative Care Pharmacotherapy*. 2012; 26(4), 310-325. <http://dx.doi.org/10.3109/15360288.2012.736933>; pulled from <https://www.sjm.com/en/patients/chronic-pain/what-is-chronic-pain>.
- ¹⁵ Kennedy J, Roll JM, Schraudner T, Murphy S, and McPherson S. Prevalence of persistent pain in the U.S. adult population: new data from the 2010 National Health Interview Survey. *The Journal of Pain: Official Journal of the American Pain Society*. 2014; 15(10), 979-984. <http://dx.doi.org/10.1016/j.jpain.2014.05.009>; pulled from <https://www.sjm.com/en/patients/chronic-pain/what-is-chronic-pain>.
- ¹⁶ Swiss Re. http://www.swissre.com/media/news_releases/nr20171220_sigma_estimates.html. Accessed October 1, 2018.



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