# **Abbott Laboratories - Climate Change 2019**



## C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Abbott is a global healthcare company that helps people live fuller lives with our life-changing technology. Since 1888, our business has brought new products to market for 130 years, creating more possibilities for more people at all stages of life. We create breakthrough products – in diagnostics, medical devices, nutrition and branded generic pharmaceuticals – that help you, your family and your community lead healthier lives, full of unlimited possibilities. Today, 103,000 of us are working to make a lasting impact on health in the more than 160 countries we serve.

Abbott's four core businesses are positioned for leadership across diverse markets and geographies, providing more ways to grow by helping people live better lives:

- · Our medical devices business uses the most advanced technologies to keep hearts and arteries healthy, to treat chronic pain and movement disorders, and to give people with diabetes more freedom and less pain.
- · Our diagnostics business provides accurate, timely information so people can make better decisions for their health.
- · Our nutrition business uses the latest science to create better ways to nourish bodies at every stage of life.
- · Our medicines business delivers high-quality, trusted and affordable medicines to help people get and stay healthy.

In each of our businesses, we innovate early, moving quickly to address developing health needs and empowering people and their doctors with the data and knowledge required to make better, faster and more complete decisions about their health.

Our ability to respond in this way ultimately depends upon our sustainability as a business. This includes operating ethically and responsibly, ensuring quality and safety, valuing our people, building a resilient supply chain and delivering results for our shareholders.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

		Start date End date Indicate if you are providing emissions data for past reporting years		Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for	
ľ	Row 1	January 1 2018	December 31 2018	Yes	3 years	

C0.3

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(C0.3) Select the countries/regions for which you will be supplying data.	
Argentina Belgium	
Brazil	
Canada	
Chile	
China	
Colombia	
Costa Rica	
Germany	
India	
Indonesia	
Ireland	
Japan Malaysia	
Mexico	
Netherlands	
Pakistan	
Peru	
Puerto Rico	
Russian Federation	
Singapore	
Spain	
Switzerland	
United Kingdom of Great Britain and Northern Ireland United States of America	
Viet Nam	
VICTIVALII	
C0.4	
(C0.4) Select the currency used for all financial information disclosed throughout	your response.
USD	
C0.5	
(C0.5) Select the option that describes the reporting boundary for which climate-ralign with your consolidation approach to your Scope 1 and Scope 2 greenhouse Operational control	
C-AC0.6/C-FB0.6/C-PF0.6	
(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/n	nanufacturing, distribution activities or emissions from the consumption of your
products – whether in your direct operations or in other parts of your value chain	
	Relevance
Agriculture/Forestry	Please select
Processing/Manufacturing	Please select
Distribution	Please select
Consumption	Please select
0.4.00.7/0.500.7/0.050.7	
C-AC0.7/C-FB0.7/C-PF0.7	
(C. A.C.) 7/C FD0.7/C DF0.7/ Which agricultural commodity/ico) that your arganization	ion maduose and/or courses are the most significant to your business by
(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organizat revenue? Select up to five.	ion produces and/or sources are the most significant to your business by
C1 Covernonce	
C1. Governance	
C1.1	
01.1	

Yes

(C1.1) Is there board-level oversight of climate-related issues within your organization?

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Director on board	The Board has four key committees: Audit, Compensation, Nominations and Governance and Public Policy. Each of these board committees are fully independent. The Public Policy Committee is composed of several board members, with one appointed as the Chairman. This Committee assists the Board of Directors in fulfilling its oversight responsibility with respect to Abbott's public policy, certain areas of legal and regulatory compliance and governmental affairs and healthcare compliance issues that affect Abbott. In addition, this Committee has responsibility to review social, political, economic and environmental trends and public policy issues that affect Abbott's business activities, performance, and public mage, and review them with the Board as appropriate. The Public Policy Committee Charter, which details the Committee's Authority and Responsibilities, is at http://dam.abbott.com/en-us/documents/pdfs/investors/public-policy-committee-charter-672018.pdf

# C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

with which med climate- into related issues are a	echanisms to which	Please explain
some guic meetings stra Rev guic plar Rev guic mar poli Ove maj exp acq and	iding rategy exieving and iding major and or iding major and iding risk anagement olicies everseeing ajor capital penditures, equisitions	Abbott is committed to strong corporate governance that aligns with shareholder interests. Our Board of Directors and senior management lead our sustainability activities. Abbott's Senior management to understand the dynamics, issues and opportunities in its environment, and to provide both insights and ask probing questions that guide decision-making. This collaborative approach to risk oversight and emphasis on long term sustainability begins with our leaders and is ingrained in Abbott's culture. The Board also regularly monitors leading practices and trends in governance and adopts measures that it determines are in the best interest of Abbott and its shareholders. The Board's Public Policy Committee is responsible for reviewing and evaluating our policies and practices regarding corporate responsibility.

# C1.2

(C1.2) Provide the highest management-level position (s) or committee (s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)		Frequency of reporting to the board on climate-related issues
	Both assessing and managing climate-related risks and opportunities	As important matters arise
	Both assessing and managing climate-related risks and opportunities	As important matters arise

# C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Abbott's commitment to sustainable business starts at the top and is integrated across our organization. Our Board of Directors and senior management lead our sustainability activities. The Board's Public Policy Committee is responsible for reviewing and evaluating our policies and practices regarding corporate responsibility. Our Global Citizenship Advisory Council (GCAC), a group of independent expert advisors and thought leaders in the area of sustainability, provides Abbott with guidance on strategic sustainability issues. This includes identifying risk and opportunities across our organization.

Our environmental impacts are closely interconnected – and our approach to managing them must be integrated as well. Our Environment, Health and Safety management and governance systems reflect our environmental targets and incorporate them within our day-to-day planning and business processes. Improving our performance requires clear lines of accountability and senior-level leadership and support. A key role is taken by the Divisional Vice President, Compliance and Operational Services who then elevates matters, as needed, to the Senior Vice President, Quality Assurance, Regulatory and Engineering Services, a senior corporate officer who reports to our Board Chairman and CEO. The Senior Vice President, Quality Assurance, Regulatory and Engineering Services oversees our environmental strategy (including climate-related risk identification and mitigation strategies), reviews environmental metrics, key programs and progress regularly, and reports key developments to our Chairman and CEO, as needed.

Additionally, the following leadership councils are responsible for informing and implementing our Environment, Health and Safety (EHS) and climate-related programs and initiatives, and include representation from Abbott's four businesses and appropriate operational areas including engineering, quality and supply chain:

Global Operations Council – The Global Operations Council (GOC) oversees execution of the strategy for all Abbott operations (Manufacturing, Supply Chain, Engineering and Environment, Health and Safety) based on internal assessment, risk profiles and industry best practices to continuously improve Abbott's performance. The council is chaired by our Senior Vice President, Quality Assurance, Regulatory and Engineering Services, and includes three corporate officers and 26 divisional vice presidents, representing division and corporate operations. For more information on our management of operational sustainability, see the Safeguarding Our Environment, Strengthening Our Supply Chain and Valuing Our People sections of the Global Sustainability Report.

Commercial Environment, Health and Safety Executive Council – This council sets priorities and establishes EHS goals and objectives for our commercial operations, such as increasing driver safety and implementing actions that reduce GHG emissions. The Senior Vice President in Abbott's nutrition business, a senior corporate officer, chairs this group. This council comprises 13 divisional vice presidents representing all of Abbott's commercial operations, their corresponding EHS support personnel, and representatives from Global Security, Procurement, Risk Management and Finance.

Environment, Health and Safety Leadership Council – This council establishes EHS programs, builds awareness, education and expertise, and promotes our EHS awards in accordance with the priorities set by the Global Operations Council and the Commercial EHS Executive Council. Led by the Divisional Vice President, Compliance and Operation Services, the council consists of EHS leads from each of our operating businesses and the corporate EHS team.

As an example of Abbott's leadership participation in climate-related strategy and oversight, both the DVP and SVP participated in discussions to consider the adoption of climate-related initiatives within Abbott's next generation sustainability strategy.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets? Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

## Who is entitled to benefit from these incentives?

Management group

### Types of incentives

Monetary reward

### Activity incentivized

Energy reduction target

#### Comment

All levels of the organization go through an annual goal and performance review process. In particular, performance incentive goals are taken by senior leaders across a wide variety of disciplines, some of which impact Abbott's climate change performance, including transportation, packaging, supply chain, energy management, resource efficiency, etc. These management-level goals have a trickle-down effect throughout the organization, as management goals are adopted by staff reporting into that position. Senior leadership levels receive performance incentives if they accomplish their goals. Depending on the person's area of responsibility, a goal could be (1) supportive of climate change issues, such as risk management plans that ensure we are prepared to deal with weather related issues within our operations and/ or supply chain, (2) or climate change specific, such as an energy or emissions related target.

### Who is entitled to benefit from these incentives?

Business unit manager

#### Types of incentives

Monetary reward

### **Activity incentivized**

Emissions reduction target

#### Comment

Performance goals taken by division level management may include actions to meet Abbott's established public GHG reduction target and annual division targets.

Management receive performance incentives based on multiple criteria, including consideration of annual goal achievement. Various business groups with impacts throughout the value chain (i.e. operations, packaging, and supply chain) also take goals that can impact climate change related issues, such as energy reduction projects, efficiency improvements and supplier engagement, and are rewarded based on those accomplishments. We also have the following KPIs which can influence our climate related performance and efficiencies: Energy Efficiency, Supply Chain Engagement, Water Intake, Total Waste, and Packaging Reduction by Weight.

# Who is entitled to benefit from these incentives?

All employees

## Types of incentives

Monetary reward

### **Activity incentivized**

Emissions reduction target

## Comment

We encourage employees to manage activities that may impact climate change and provide guidance through our Climate Responsible Energy Policy. EHS and Engineering division directors take goals to manage energy use and CO2 emissions. Our Energy Council and Global Energy Community of Practice (CoP) monitor, evaluate and reduce total energy consumption, negotiate best-in-class energy contracts and promote financially beneficial conservation and alternative energy projects. Through our CoPs and Awards Programs, we encourage a culture of continuous improvement and share best practices. Our Excellence Awards specifically recognize individuals/teams that improve our carbon footprint, reduce waste and drive efficiency. For example, in 2017, a team implemented a process to divert icepacks from landfill reducing more than 100 U.S. tons of waste and associated CO2e annually. In 2018, a team in Ireland optimized HVAC performance resulting in a 68% reduction in energy consumption. We also have the following KPIs which can influence our climate related performance and efficiencies: Energy Efficiency, Supply Chain Engagement, Water Intake, Total Waste, and Packaging Reduction by Weight

## C2. Risks and opportunities

## C2.1

## (C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment	
Short-term	0	2		
Medium-term	2	5		
Long-term	5	10		

## C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

## C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	of monitoring	How far into the future are risks considered?	
Row 1	Annually	,	Abbott develops and maintains necessary governance infrastructure, procedures, policies and practices to enable us to respond to crisis events that may adversely impact the business. This broad scope allows Abbott to prepare for climate-related or any other event that can cause significant business disruption. Abbott's Executive Crisis Management Team, led by two corporate officers—one reporting directly to the CEO identifies and manages risk to business continuity, including water supply interruptions, drought, flooding and other climate-related risks. Risks related to events such as weather or other natural events are monitored and responded to daily. Key action plans to address critical risks and opportunities are typically managed by key leaders responsible for the action plans. Progress against these action plans is monitored periodically throughout the year.

### C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Substantive change is defined as any event which could impact our direct operations or supply chain to a degree that it would significantly interrupt product flow to our customers in any of the global markets that we serve. Abbott's established Enterprise Risk Management Process risks based on the impacts of margin combined with reputational risk and impact on other segments of the business.

Abbott is committed to identifying and mitigating climate-related risks that impact our operations, supply chain and distribution network. These risks include potential physical risks, as well as emerging transitional risks. We have an integrated multi-disciplinary company-wide risk management process which assesses and manages climate-related risks at various levels of the organization to ensure that our businesses and operations are resilient. Our policies, standards and programs drive business resilience and are regularly updated to align with current and future global requirements.

Abbott's Enterprise Risk Management process identifies and evaluates the most critical risks to our business and provides guidance to our Board of Directors and management team. Our ERM process is designed to evaluate risks on a consistent basis, measuring likelihood, impact and velocity to ensure the largest risks to Abbott have the appropriate focus and attention of our management team. Sustainability is incorporated into the ERM process through risks arising from the impact of climate change and extreme weather patterns on human health and disease. We also assess the vulnerability of Abbott's operations to extreme weather events and climate-related financial risks and take steps to ensure the continuity of our business and our supply chain.

During 2018, we formed a new ERM Network team with eight functional experts, led by Abbott's Vice President, Internal Audit. The network brings additional structure and consistency to risk evaluation and integrates ERM more closely within Abbott's leadership culture. It engages with different stakeholders who are subject matter experts on various enterprise risks, helping to identify additional mitigating actions that may be required and ensuring risk management keeps pace with business strategy. The team will present an ERM update to the Audit Committee of the Board of Directors once a year and make additional presentations on our key enterprise risks to the Board at least once a year.

Abbott's EHS Governance teams and businesses also monitor emerging climate-related trends and regulations to analyse their potential impact on Abbott and understand our risk exposures and develop appropriate management strategies. To calculate the financial implications of potential climate-related risks, Abbott's EHS and Economics organizations undertake scenario sensitivity risk-modelling analyses; recent analyses have considered COP21, potential carbon taxes, water scarcity and impacts to agriculture supply chains.

To address climate-related risks and ensure our business' resilience, Abbott's Business Continuity and Crisis Management organization works to implement measures which allow us to ensure business continuity and minimize the financial impacts from physical climate-related risks. Likewise, a core part of Abbott's business strategy includes reducing our energy and carbon footprint in our operations and engaging our value chain in strategic sourcing categories.

Abbott's Supply Chain Council (SCC) oversees the development of our global supply chain strategy, meeting quarterly and reporting to the Global Operations Council as needed. The SCC makes recommendations on the vision and targets for achieving a sustainable and resilient supply chain and works to embed a consistent approach to identify and manage sustainability risks among our suppliers.

Abbott's SCC and Business Continuity group use a real-time risk intelligence and supplier mapping tool to track the geopolitical, security, sustainability, environmental and infrastructure risks that could affect Abbott's supply chain. Through this system, we have identified a number of suppliers at high risk of losing manufacturing capacity due to natural disasters, and all Abbott businesses have prepared contingency plans for such catastrophic events. We also use the World Resources Institute Aqueduct Tool™ to determine which suppliers have the greatest risk of water supply interruptions.

Our supply chain management approach emphasizes partnership in sustainability and innovation. Working closely with our suppliers on new solutions supports our delivery of life-changing technology. It also promotes new approaches that help reduce our environmental impact and multiply the social and economic value we create. The SCC has established multiple initiatives to embed sustainability as a key element of our supplier partnerships. These initiatives enable us to manage risks systematically and to identify opportunities to enhance the sustainability of our business as a whole.

	Relevance	Please explain
	& inclusion	
Current regulation	Relevant, always included	Abbott has a formal EHS regulatory intelligence process for monitoring environmental regulatory developments globally and in particular areas where we do business. This process includes external service subscriptions to organizations that monitor regulatory development and an internal database to capture and manage identified issues. We highlight the potential impact and identify action plans for compliance and internally communicate impacts. The database allows us to track and follow-up on issues and close out action items. This process, while mostly driven from corporate EHS Governance, allows for anyone to identify and communicate potential regulatory changes that may impact the business. The degree of evaluation and investigation depends on the scope of the issue. For example, the EHS and Economics teams at Abbott undertake risk modeling exercises to calculate the financial implications of potential environmental regulation risks and opportunities. In 2017 and 2018, Abbott conducted analyses of existing and emerging carbon tax regulations to evaluate current and emerging impacts at site and enterprise levels allowing us to integrate these regulations into existing internal technical standards and practices.
regulation always included example, Abbott undertake risk modeling exercises to understand the necessary actions and to calculate example, Abbott's Economics team completed an analysis of the potential impacts of emerging climate regulations of that might be driven by changes in regulation, we have found that Abbott is below average on three carbon emissions suggesting new policies restricting use of fossil fuels and carbon emissions will not be an immediate threat to our country to the likelihood of potential regulatory changes impacting Abbott's business across the globe. To manage the internal identify and implement ways to reduce energy usage and thus operating costs. Our Climate Responsible Energy Poworld manage energy use and related emissions. Our Global Energy Council includes utility professionals from our ubusiness units launched the Utility Excellence (UEx) program in February 2013. The objective of UEx is to cultivate awareness and accountability. The goal to achieve reductions in utility usage of 50 percent by 2017 was met by the		Abbott's EHS team continuously monitors new and emerging regulations, to ensure that all operations are prepared to comply with all legal requirements. In addition to this, the EHS and Economics teams at Abbott undertake risk modeling exercises to understand the necessary actions and to calculate the financial implications of potential environmental regulations. For example, Abbott's Economics team completed an analysis of the potential impacts of emerging climate regulations globally and on Abbott. In terms of the financial risks of climate change that might be driven by changes in regulation, we have found that Abbott is below average on three carbon emissions ratios (emissions per employee, per \$ profit, and per \$ market cap), suggesting new policies restricting use of fossil fuels and carbon emissions will not be an immediate threat to our competitive position. Additionally, we work with our affiliates to assess the likelihood of potential regulatory changes impacting Abbott's business across the globe. To manage the internal direct risk from potential regulation changes, Abbott continues to identify and implement ways to reduce energy usage and thus operating costs. Our Climate Responsible Energy Policy provides guidance and goals to help our employees around the world manage energy use and related emissions. Our Global Energy Council includes utility professionals from our most energy-intensive businesses. For example, one of our largest business units launched the Utility Excellence (UEx) program in February 2013. The objective of UEx is to cultivate a culture of sustainable utility management through employee awareness and accountability. The goal to achieve reductions in utility usage of 50 percent by 2017 was met by the end of 2016. In 2016, the UEx team delivered \$7MM in sustainable utility savings and completed energy assessments at all Nutrition sites.
Technology	Relevant, always included	Energy assessments are regularly conducted across Abbott operations, which consider technology implementation and upgrades which may help Abbott to reduce the carbon impacts of our manufacturing processes and energy consumption, as well as mitigate the impacts of climate change to our business. In the last three years, 62 energy assessments have been conducted at 67 percent of Abbott operations. Furthermore, in 2018, we implemented 34 energy efficiency and air emissions projects at 23 manufacturing sites.
Legal	Not relevant, explanation provided	Due to the nature of our business and our value chain activities, Abbott minimally contributes to climate-related impacts. Therefore, due to the nature of our business and activities, climate related litigation is not considered material to our business risk profile.
Market	Relevant, always included	Shifts in supply and demand throughout our value chain are evaluated at the country level on an annual basis. Potential supply chain climate-related interruptions and commodity risks are also evaluated by our procurement and economics teams to identify risk exposure. For example, in 2015 an internal scenario analysis was conducted on the El Nino Southern Oscillation, to evaluate potential exposure to our commodity spend. This was done to determine what remediation strategies related to any supply chain impacts resulting from drought. Through this analysis, it was identified that commodity prices related to dairy could be impacted, however business continuity planning and the geographic distribution of the business would minimize the overall impact. Likewise, we also complete risk analyses to understand the potential impacts to pricing and markets for agricultural commodities exposed to natural disasters, such as typhoons, droughts, tsunamis and earthquakes.
Reputation	Not relevant, explanation provided	Due to the nature of our business and our value chain activities, Abbott minimally contributes to climate-related impacts. Therefore, climate related reputational risks are not considered material to our business risk profile.
Acute physical	Relevant, always included	Our Enterprise Risk Management Process (as described in 2.2b) and our EHS Management System (as described in 2.2c Current/Existing Regulation) both work to identify and mitigate longer-term chronic risks, such as those posed by climate change (e.g. shifts in climate patterns, drought and heat waves, and sea level rise). These processes are ongoing and always consider the potential for climate-related acute physical risks at site and regional levels. For example, we use the WRI Aqueduct Global Water Tool to evaluate our manufacturing operations to identify the risk on an annual basis to identify those operating in water stressed areas. Having a clear definition for water stress allows us to identify sites that require a more intensive local water risk assessment, which in turn allows us to proactively address those risks to prevent them from becoming substantive. In 2018, we classified 43 of our manufacturing sites to be operating in water-stressed areas. Abbott's Water Management Planning Tools, Global Technical Standard for Water and Water Efficiency Guidelines provide water-stressed sites direction and support for reducing local risk and adopting a context-based water management approach. NOTE: While water is a key resource for manufacturing, the company is not exposed to significant physical risks at a global level. Interruption of water supply to any single manufacturing site or locale could have a local impact; however, operating contingencies and geographic diversification limit these risks to Abbott's business, operations, revenue, and expenditures.
Chronic physical	Relevant, always included	Our Enterprise Risk Management Process (as described in 2.2b) and our EHS Management System (as described in 2.2c Current/Existing Regulation) both work to identify and mitigate longer-term chronic risks, such as those posed by climate change (e.g. shifts in climate patterns, drought and heat waves, and sea level rise). For example, we use the WRI Aqueduct Global Water Tool to evaluate our manufacturing operations to identify the risk on an annual basis to identify those operating in water stressed areas. Having a clear definition for water stress allows us to identify sites that require a more intensive local water risk assessment, which in turn allows us to proactively address those risks to prevent them from becoming substantive. In 2018, we classified 43 of our manufacturing sites to be operating in water-stressed areas. Abbott's Water Management Planning Tools, Global Technical Standard for Water and Water Efficiency Guidelines provide water-stressed sites direction and support for reducing local risk and adopting a context-based water management approach. NOTE: While water is a key resource for manufacturing, the company is not exposed to significant physical risks at a global level. Interruption of water supply to any single manufacturing site or locale could have a local impact; however, operating contingencies and geographic diversification limit these risks to Abbott's business, operations, revenue, and expenditures.
Upstream	Relevant, always included	Upstream risks are evaluated through our Enterprise Risk Management Process, as well as by our Supply Chain and Economics teams using the DHL R360 tool and scenario analysis to identify both short, medium and long-term risks to business continuity (this is described in greater detail in 2.2b above). These analyses include evaluation of key and strategic commodities, suppliers operating in at-risk areas (e.g. coastlines and areas/regions with prolonged drought), as well as evaluation of key material inputs which may be sourced from a single area/region or may be subject to increasing climate regulation. For example, as part of our approach to managing environmental and social sustainability risk in our supply chain, the Supply Chain Council has developed strategic initiatives for several high-sustainability risk sourcing categories: energy, transportation and distribution, agriculture, chemicals of environmental concern and active pharmaceutical ingredients, packaging, dairy and waste management. An example initiative has included working with our transportation suppliers in 2017 and 2018 to increase fuel efficiency contract requirements to ensure that prices will be less susceptible to potential carbon emission taxes. Another example includes completion of risk analyses to understand the potential impacts to pricing and markets for agricultural commodities exposed to natural disasters, such as typhoons, droughts, tsunamis and earthquakes.
Downstream	Not relevant, included	When natural disasters and other emergencies strike, Abbott and its foundation, the Abbott Fund, work closely with our trusted humanitarian relief partners to address both immediate needs and longer-term reconstruction and rehabilitation efforts. In addition to this, we also work to strategically preposition product in our warehouses throughout the world in anticipation of increased demand for our products as a result of such events. Several disasters in 2017 called on Abbott to support our own people and the impacted communities through our work and the giving nature of colleagues. • Following the earthquake in central Mexico, our colleagues shared space in makeshift offices as they worked to ensure patients, doctors, labs, operating rooms and pharmacies continued to receive Abbott products. They also volunteered in their own communities to help clean up and rebuild facilities that were damaged or destroyed. • In California, Abbott supported impacted employees and secured facilities near the 2017 wildfires. Additional support included respiratory masks for employees and families, an on-site Occupational Health nurse, Employee Assistance Program EAP) counselors and delivery of generators. • In Puerto Rico, the employee online portal, myHR, and the myHRTeam call center were available 24/7 to employees impacted by Hurricane Maria, as a path for receiving assistance. Abbott engineers, IT professionals and others flew in to help. • The Clara Abbott Foundation continues to support our Abbott colleagues who were impacted by the hurricanes in the United States and Puerto Rico, the earthquake in Mexico, and wildfires in California.

# C2.2d

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### (C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Abbott is committed to identifying and mitigating climate-related risks that impact our operations, supply chain and distribution network. These risks include potential physical risks, as well as emerging transitional risks. We have an integrated multi-disciplinary company-wide risk management process which assesses and manages climate-related risks at various levels of the organization to ensure that our businesses and operations are resilient. Our policies, standards and programs drive business resilience and are regularly updated to align with current and future global requirements.

Abbott's Enterprise Risk Management process identifies and evaluates the most critical risks to our business and provides guidance to our Board of Directors and management team. Our ERM process is designed to evaluate risks on a consistent basis, measuring likelihood, impact and velocity to ensure the largest risks to Abbott have the appropriate focus and attention of our management team. Through this process Abbott is able to identify, manage and mitigate the impacts of identified risks, as well as implement opportunities to mitigate these risks when applicable. Sustainability is incorporated into the ERM process through risks arising from the impact of climate change and extreme weather patterns on human health and disease. We also assess the vulnerability of Abbott's operations to extreme weather events and climate-related financial risks and take steps to ensure the continuity of our business and our supply chain.

Abbott's EHS Governance teams and businesses also monitor emerging climate-related trends and regulations to analyse their potential impact on Abbott and understand our risk exposures and develop appropriate management strategies. To calculate the financial implications of potential climate-related risks, Abbott's EHS and Economics organizations undertake scenario sensitivity risk-modelling analyses; recent analyses have considered COP21, potential carbon taxes, water scarcity and impacts to agriculture supply chains.

To address climate-related risks and ensure our business' resilience, Abbott's Business Continuity and Crisis Management organization works to implement measures which allow us to ensure business continuity and minimize the financial impacts from physical climate-related risks. Likewise, a core part of Abbott's business strategy includes reducing our energy and carbon footprint in our operations and engaging our value chain in strategic sourcing categories. At a local level, site-specific risks and opportunities are assessed and managed by local management groups. Sites are required to conduct formal EHS assessments to identify operational risks and opportunities. When risks and opportunities are identified, management plans are developed to avoid and mitigate them. For example, significant GHG emitting sites and sites operating in water-stressed areas are required to assess related risks and to develop management plans.

Abbott's Supply Chain Council (SCC) oversees the development of our global supply chain strategy, meeting quarterly and reporting to the Global Operations Council as needed. The SCC makes recommendations on the vision and targets for achieving a sustainable and resilient supply chain and works to embed a consistent approach to identify and manage sustainability risks among our suppliers. Abbott's SCC and Business Continuity group use a real-time risk intelligence and supplier mapping tool to track the geopolitical, security, sustainability, environmental and infrastructure risks that could affect Abbott's supply chain. Through this system, we have identified a number of suppliers at high risk of losing manufacturing capacity due to natural disasters, and all Abbott businesses have prepared contingency plans for such catastrophic events. We also use the World Resources Institute Aqueduct Tool<sup>TM</sup> to determine which suppliers have the greatest risk of water supply interruptions.

Working closely with our suppliers on new solutions supports our delivery of life-changing technology and promotes new approaches that help reduce our environmental impact and multiply the social and economic value we create. The SCC has established multiple initiatives to embed sustainability as a key element of our supplier partnerships. These initiatives enable us to manage risks systematically and to identify opportunities to enhance the sustainability of our business as a whole. Climate-related initiatives in our supply chain include monitoring and evaluating suppliers through our Supplier Sustainability Program and the CDP Supply Chain Program, as well as category-specific climate-related initiatives in the following high-sustainability-risk sourcing categories: energy, transportation and distribution, agriculture, chemicals of environmental concern and active pharmaceutical ingredients, packaging, dairy, and waste management.

## C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

## C2.3b

(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary	Please explain
	reason	
Row	Risks exist,	Through Abbott's risk management processes, we have determined that climate-related risks and opportunities exist at site and regional operation levels and throughout our supply chain,
1	but none	however Abbott is not exposed to any substantive climate related risks or opportunities at a global level. Through Abbott's diversified geographical distribution and the various initiatives that we
	with	have implemented to reduce our carbon emissions and improve operational efficiency, the potential impact for climate change-related physical and regulatory risks to be material to our business
	potential to	is significantly mitigated. Interruption at any Abbott site could have a local impact; however, operating contingencies and geographic diversification limit these risks to Abbott's business,
	have a	operations, revenue, and expenditures. In addition, Abbott constantly shapes our portfolio to ensure that we are in the right markets and success is not over-reliant on a single therapy,
	substantive	technology or country. This diversification, along with the actions we have already taken to ensure the efficiency of our operations and the business sector we are in, limits our exposure to both
	financial or	physical and regulatory climate-related risks. Our most significant climate-related risks are transition risks related to emerging GHG emissions management expectations, including carbon limits
	strategic	and taxes, enhanced emissions-reporting obligations, costs to transition to lower emissions technologies, and increased costs of goods and services. EHS and Economics teams at Abbott
	impact on	undertook risk modeling exercises to calculate the financial implications of potential environmental regulations and found that Abbott is below average on 3 carbon emissions ratios, suggesting
	business	new policies restricting use of fossil fuels will not be an immediate threat to our competitive position.

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business? No

## C2.4b

(C2.4b) Why do you not consider your organization to have climate-related opportunities?

	Primary	Please explain	
	reason		
Row 1	exist, but none with potential to	Through Abbott's diversified geographical distribution and the various initiatives that we have implemented to reduce our carbon emissions and improve operational efficiency, the potential impact for climate change-related physical and regulatory risks to be material to our business is significantly mitigated. This diversification, along with the actions we have already taken to ensure the efficiency of our operations and the business sector we are in, limits our exposure to both physical and regulatory climate-related risks. Compared to many industries, Abbott's carbon footprint is relatively small and our climate risk and opportunities are likewise not substantive to our business. Abbott has worked to develop a comprehensive management program to address our climate-related risks and opportunities. Since 2004, Abbott has set public carbon reduction targets to drive our efforts to reduce our climate-related impacts, as well as improve our operating efficiencies. As we integrate sustainable engineering technologies and concepts into our operations, we reach a diminishing return on our opportunities to reduce Scope 1 emissions – also resulting in decreased risk exposure from transition risks posed by climate change. Since 2016, we have placed greater emphasis on influencing our Scope 2 emissions – improving our resilience through the purchase of electricity with above average renewable energy mixes. Regarding the products that we supply, Abbott has an opportunity to advance our mission to help people live their best lives by being there to meet healthcare needs as the result of potential changes to disease burden and nutrition needs, such as those potentially related to climate change. To the extent that changes in physical climate parameters occur, there may be an increased need for the pharmaceutical, diagnostic, medical device and nutrition products that Abbott makes; however, these are not anticipated to have substantive financial or strategic impacts on our businesses. For example, there is the potential fo	

## C3. Business Strategy

## C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

# C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

Yes, qualitative and quantitative

# $\texttt{C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b/C-CH3.1b$

 $(C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-FF3.1b/C-TO3.1b/C-TC3.1b)\\ Indicate whether your organization has a constant of the constant of t$ developed a low-carbon transition plan to support the long-term business strategy.

Please select

# C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

#### CLIMATE INFLUENCES TO ABBOTT'S BUSINESS OBJECTIVES AND STRATEGY:

Our commitment to good citizenship begins at the top. Our Board of Directors and senior management lead our sustainability activities. The Board's Public Policy Committee is responsible for the review and evaluation of Abbott's policies and practices regarding social responsibility.

Abbott's Global Sustainability team takes the lead in implementing our sustainability strategy, working with our four businesses, key functional areas and affiliates around the world. The Global Sustainability team reports to our Vice President and Chief Marketing and External Affairs Officer who reports directly to our Chairman and CEO.

Abbott's cross-functional Sustainability Working Group leads the integration of sustainability within our business and oversees Abbott's reporting of environmental, social and governance (ESG) performance. The team includes representatives from Corporate Purchasing, Global Environment, Health and Safety, Ethics and Compliance, Quality and Regulatory Affairs, Cybersecurity, Human Resources, Supply Chain, Legal, Corporate Governance, Research and Development, Investor Relations, Global Marketing, Government Affairs and Commercial Operations. It also includes representatives from our affiliate operations in key markets around the world.

Several of our global affiliates have formed their own local cross-functional sustainability working groups, which embed responsible business practices and drive stakeholder engagement initiatives tailored to local needs.

The Global Operations Council (GOC) oversees execution of the strategy for all Abbott operations (Manufacturing, Supply Chain, Engineering and Environment, Health and Safety) based on internal assessment, risk profiles and industry best practices to continuously improve Abbott's performance. The council is chaired by our Senior Vice President, Quality Assurance, Regulatory and Engineering Services, and includes three corporate officers and 26 divisional vice presidents, representing division and corporate operations.

Abbott is committed to identifying and mitigating climate-related risks that impact our operations, supply chain and distribution network. These risks include potential physical risks, as well as emerging transitional risks. We have an integrated multi-disciplinary company-wide risk management process which assesses and manages climate-related risks at various levels of the organization to ensure that our businesses and operations are resilient. Our policies, standards and programs drive business resilience and are regularly updated to align with current and future global requirements.

In our operations and supply chain, Abbott has actively worked to reduce our climate impacts and monitors our operations in water scarce areas, as governed by our policies and programs. Our Climate Responsible Energy Policy and Energy Guidelines direct our efforts to reduce our carbon emissions through setting aggressive goals to reduce our carbon emissions through energy sourcing and improved efficiencies.

Abbott's sustainability strategy has three strategic priorities of which operating sustainably and responsibly is one. Abbott is committed to addressing climate change, primarily through the establishment of long range reduction targets and performance reporting of our carbon emissions and efforts to reduce impacts. This has driven Abbott to set a target to reduce Abbott's global Scope 1 and 2 GHG emissions CO2 emissions by 40% by 2020, compared to 2010, normalized to sales. Similarly, Abbott has global policies and procedures for evaluating the resilience of our supply chain, including evaluation of climate change related risks and opportunities. Through this model, Abbott's diversified business model has wide geographical distribution designed to significantly mitigate the impact of any single event.

In 2018, the most substantial business decision made which was influenced by Abbott's climate change strategy was the collaboration between our Global Environment, Health and Safety (EHS), Global Procurement, and leaders across our business divisions to purchase additional renewable electricity at several Abbott manufacturing locations. In addition to helping us to exceed our ambitious 2020 carbon reduction target, this decision was made in alignment with existing and emerging regulations. This resulted in a reduction of 77,000 metric tons of CO2e in 2018.

SHORT-TERM STRATEGY INFLUENCE: In the near term, increased energy costs can impact operating margins while climatic events have the potential to directly impact our operations and those of suppliers/markets. Thus, Abbott has focused in the short term on business continuity, crisis management and hedging strategies to manage and control these risks.

LONG-TERM STRATEGY INFLUENCE: Longer term, potential constraints in the sourcing of agricultural commodities and water may play a more significant role, and opportunities exist in the health and nutrition arenas to address these risks. To anticipate and remediate these risks, Abbott has global policies and procedures for evaluating the potential risks to operations and supply chain, and actively works to ensure operational and supply chain resilience to mitigate the effects of climate change to our business and the communities which we operate in. For example, there are reported sustainability risks associated with palm oil. Accordingly, Abbott closely monitors ingredients in our supply chain and works diligently to ensure that palm oil and palm oil associated ingredients, are ethically procured.

STRATEGIC ADVANTAGE OVER COMPETITORS: Climate change is not a major strategic driver for our business and plays an influencing role rather than a controlling role. Climate change impacts on our business may be buried within energy and supply cost, while opportunities may develop from possible change health care product needs. Both cost and potential market/ growth are critical to our strategy and are driven by many factors, not just potential climate change. We do not plan any new business models, plant locations, product offerings, R&D or mergers and acquisitions, based on climate change. Abbott manages supply chain risk, facility weather related risks and our emissions to avoid and reduce the potential impacts from climate change.

(C3.1d) Provide details of your organization's use of climate-related scenario analysis.

Climate-	Details
related	
scenarios	
RCP 2.6	In 2017, Abbott contracted with the World Resources Institute (WRI) to complete a 2-degree scenario analysis, based on 2015 performance data for Abbott's global direct operations, i.e. scope 1 and 2 data (not including our 2017 acquisitions of St. Jude Medical and Alere). In order to align the analysis with the COP21 Paris Agreement's 2-degree target, the IPCC's Representative Concentration Pathway (RCP) 2.6 was chosen as the scenario. The analysis applied the Sector Decarbonization Approach (SDA) using the "other Industry" segment and the absolute contraction approach. Through this analysis, the absolute contraction approach yielded the most ambitious results through 2030 for a scope 1 and 2 emissions. The analysis also included consideration for Scope 3 emissions, as they are a substantial portion of value chain emissions for companies in the various sectors Abbott operates in (nutrition, pharmaceuticals, medical devices, diagnostics). Abbott is currently working to develop our next generation sustainability strategy which includes consideration for a next generation carbon target.

# C4. Targets and performance

# C4.1

(C4.1)  $\operatorname{Did}$  you have an emissions target that was active in the reporting year? Intensity target

# C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

#### Target reference number

Int 1

#### Scope

Scope 1+2 (location-based)

### % emissions in Scope

100

### Targeted % reduction from base year

40

#### Metric

Metric tons CO2e per unit revenue

#### Base year

2010

#### Start year

2012

## Normalized base year emissions covered by target (metric tons CO2e)

0.0000573

### Target year

2020

### Is this a science-based target?

No, but we anticipate setting one in the next 2 years

## % of target achieved

100

### Target status

Achieved

#### Please explain

All environmental data have been adjusted to account for acquisitions and divestitures, in accordance with the methodology prescribed in the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP). We report data from acquisitions as soon as practical. To that end, these data include the 2017 acquisitions of St. Jude Medical and Glomed, but not Alere Inc. Furthermore, these data reflect the divestiture of Abbott Medical Optics. The data for CO2 emissions has been re-calculated since last year's submission to CDP to account for amended data reporting, resulting in the previously stated values changing slightly. Our 2020 carbon emission reduction target to reduce our Scope 1 and 2 emissions by 40 percent against 2010 levels, adjusted for sales, is evidence of our commitment to address and reduce emissions. Abbott has tracked progress towards our 2020 carbon goal utilizing the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP) since the goals implementation in 2012. In 2018, we achieved a 42 percent reduction, adjusted for sales since 2010. Scope 1 and 2 emissions were calculated using the World Resources Council (WRI) Greenhouse Gas Protocol (GHGP). To calculate our Scope 2 emissions, we use the GHGP market-based methodology. Where market-based information is not available, location-based results have been used as proxy. We have reported the results of the location- and market-based methodologies in both the text and metrics sections of our Global Sustainability Reports since 2015. In our 2018 Global Sustainability Report, these metrics can be found on pages 103 to 124.

## % change anticipated in absolute Scope 1+2 emissions

-9.6

## % change anticipated in absolute Scope 3 emissions

0

## C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

# C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

## C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	11	10552
To be implemented*	23	4486
Implementation commenced*	11	4797
Implemented*	23	4819
Not to be implemented	4	3275

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type

Energy efficiency: Processes

**Description of initiative** 

Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

62

Scope

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

Investment required (unit currency - as specified in C0.4)

Payback period

No payback

Estimated lifetime of the initiative

>30 years

Comment

Clean in Place (CIP) process modifications to optimize production system efficiency.

Initiative type

Energy efficiency: Building fabric

Description of initiative

Insulation

Estimated annual CO2e savings (metric tonnes CO2e)

35

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency - as specified in C0.4)

Payback period

11-15 years

Estimated lifetime of the initiative

11-15 years

Comment

Initiative type

Energy efficiency: Building services

Description of initiative

Building controls

Estimated annual CO2e savings (metric tonnes CO2e)

753

Scope

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative type

Energy efficiency: Building services

**Description of initiative** 

HVAC

Estimated annual CO2e savings (metric tonnes CO2e)

1713

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

Investment required (unit currency - as specified in C0.4)

Payback period

<1 year

Estimated lifetime of the initiative

11-15 years

Comment

Initiative type

Energy efficiency: Building services

Description of initiative

Motors and drives

Estimated annual CO2e savings (metric tonnes CO2e)

2

Scope

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

Investment required (unit currency - as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative type

Energy efficiency: Building services

Description of initiative

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

62

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative type

Energy efficiency: Processes

Description of initiative

Heat recovery

Estimated annual CO2e savings (metric tonnes CO2e)

1204

Scope

Scope 1

## Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

Investment required (unit currency - as specified in C0.4)

## Payback period

No payback

# Estimated lifetime of the initiative

16-20 years

## Comment

## Initiative type

Energy efficiency: Processes

## Description of initiative

Other, please specify (Other Utility Optimization)

# Estimated annual CO2e savings (metric tonnes CO2e)

988

## Scope

Scope 1

## Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

Investment required (unit currency - as specified in C0.4)

## Payback period

>25 years

## Estimated lifetime of the initiative

11-15 years

Comment

## C4.3c

## (C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	Our efforts to improve environmental efficiency depend upon engaging employees at all levels of our organization. To drive progress across our businesses and key functions, EHS leaders are evaluated against environmental performance goals as part of their annual performance appraisals. Likewise, our annual EHS awards program is designed to drive greater engagement by recognizing exceptional performance by sites, teams and individuals. This includes awards for large and small sites with the best overall EHS performance for the year, manufacturing sites achieving high performance through best practices, and outstanding initiatives. We also provide training to our EHS employees on applicable EHS regulations and internal technical standards through both internal and external trainings and conferences. We promote EHS awareness and share best practices across Abbott through a dedicated month highlighting EHS topics, as well as a monthly webinar series featuring subject matter experts and presentations from sites with high performance on our priority EHS issues.
Internal incentives/recognition programs	Abbott uses a variety of incentives for the management of climate change issues across the business in order to drive performance improvement throughout the organization. To meet Abbott's 2020 environmental targets, each business unit sets and tracks progress towards individual environmental goals on an annual basis. Incentives exist for a broad range of performance measures that may or may not include specific climate change language, but directly impact our climate change strategy and performance. For example, sites take goals and have incentives to comply with Abbott technical standards and guidelines that require CO2 and water risk management for which they are tracked and audited. All levels of the organization go through an annual goal and performance review process, which impact promotional and financial opportunities. EHS managers closer to direct management of climate change issues will have more specific goals that may include actions to reduce CO2e emissions needed to meet Abbott's established public GHG reduction target. In addition to this, we also work to recognize outstanding performance in our EHS programs to build a culture of continuous improvement. Abbott's annual EHS awards program recognizes teams, sites and people that deliver such performance and motivates our teams to keep finding ways to improve, while also highlighting best practices throughout Abbott's EHS community. In 2018, 55 manufacturing plants competed for the Plant of the Year and High Performance (including energy) awards, and 21 individuals were recognized across 10 sites through the EHS Excellence Awards.
Compliance with regulatory requirements/standards	We take a systematic approach to continuous improvement in environmental performance through the EHS management system. This is based on Abbott's published EHS policy and internal management and technical standards, including: 1) Environment, Energy and Water policies detailing environmental commitments; 2) Corporate Environmental Guidelines governing our approach to meeting these commitments; 3) Supplier Guidelines and Environmental Procurement Guidelines outlining principles and expectations for business relationships; 4) Internal EHS Audit Program to ensure compliance and continuous improvement. Technical and management experts regularly update Abbott policies and standards to reflect current and future environmental practices and regulatory changes as well as International Organization for Standardization (ISO) and regulatory requirements. Our comprehensive EHS audit program ensures that our sites comply with internal standards and regulatory requirements, as well as identify potential risks to our employees and the business. We also provide training to our EHS employees on applicable EHS regulations and internal technical standards through both internal and external trainings and conferences.

# C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

# C5. Emissions methodology

C5.1
(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).
Scope 1
Base year start January 1 2010
Base year end December 31 2010
Base year emissions (metric tons CO2e) 569000
Comment
Scope 2 (location-based)
Base year start January 1 2010
Base year end December 31 2010
Base year emissions (metric tons CO2e) 668000
Comment
Scope 2 (market-based)
Base year start January 1 2010
Base year end December 31 2010
Base year emissions (metric tons CO2e) 668000
Comment
C5.2
(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.  The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
C6. Emissions data

C6.1

### (C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

#### Reporting year

### Gross global Scope 1 emissions (metric tons CO2e)

525000

### Start date

January 1 2018

#### End date

December 31 2018

### Comment

#### Past year 1

## Gross global Scope 1 emissions (metric tons CO2e)

526000

### Start date

January 1 2017

#### End date

December 31 2017

#### Comment

DATA RESTATEMENT: All environmental data have been adjusted to account for acquisitions and divestitures, in accordance with the methodology prescribed in the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP). We report data from acquisitions as soon as practical. To that end, these data include the 2017 acquisitions of St. Jude Medical and Glomed, but not Alere Inc. Furthermore, these data reflect the divestiture of Abbott Medical Optics. The data for climate performance have been re-calculated since last year's submission to CDP to account for amended data reporting, resulting in the previously stated values changing slightly.

## Past year 2

### Gross global Scope 1 emissions (metric tons CO2e)

516000

## Start date

January 1 2016

## End date

December 31 2016

#### Comment

DATA RESTATEMENT: All environmental data have been adjusted to account for acquisitions and divestitures, in accordance with the methodology prescribed in the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP). We report data from acquisitions as soon as practical. To that end, these data include the 2017 acquisitions of St. Jude Medical and Glomed, but not Alere Inc. Furthermore, these data reflect the divestiture of Abbott Medical Optics. The data for climate performance have been re-calculated since last year's submission to CDP to account for amended data reporting, resulting in the previously stated values changing slightly.

## Past year 3

## Gross global Scope 1 emissions (metric tons CO2e)

507000

## Start date

January 1 2015

## End date

December 31 2015

## Comment

DATA RESTATEMENT: All environmental data have been adjusted to account for acquisitions and divestitures, in accordance with the methodology prescribed in the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP). We report data from acquisitions as soon as practical. To that end, these data include the 2017 acquisitions of St. Jude Medical and Glomed, but not Alere Inc. Furthermore, these data reflect the divestiture of Abbott Medical Optics. The data for climate performance have been re-calculated since last year's submission to CDP to account for amended data reporting, resulting in the previously stated values changing slightly.

# C6.2

## (C6.2) Describe your organization's approach to reporting Scope 2 emissions.

## Row 1

## Scope 2, location-based

We are reporting a Scope 2, location-based figure

## Scope 2, market-based

We are reporting a Scope 2, market-based figure

# Comment

# C6.3

### (C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

#### Reporting year

## Scope 2, location-based

506000

### Scope 2, market-based (if applicable)

429000

#### Start date

January 1 2018

### End date

December 31 2018

#### Comment

## Past year 1

### Scope 2, location-based

506000

### Scope 2, market-based (if applicable)

472000

## Start date

January 1 2017

#### End date

December 31 2017

#### Comment

DATA RESTATEMENT: All environmental data have been adjusted to account for acquisitions and divestitures, in accordance with the methodology prescribed in the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP). We report data from acquisitions as soon as practical. To that end, these data include the 2017 acquisitions of St. Jude Medical and Glomed, but not Alere Inc. Furthermore, these data reflect the divestiture of Abbott Medical Optics. The data for climate performance have been re-calculated since last year's submission to CDP to account for amended data reporting, resulting in the previously stated values changing slightly.

## Past year 2

## Scope 2, location-based

544000

### Scope 2, market-based (if applicable)

574000

## Start date

January 1 2016

## End date

December 31 2016

## Comment

DATA RESTATEMENT: All environmental data have been adjusted to account for acquisitions and divestitures, in accordance with the methodology prescribed in the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP). We report data from acquisitions as soon as practical. To that end, these data include the 2017 acquisitions of St. Jude Medical and Glomed, but not Alere Inc. Furthermore, these data reflect the divestiture of Abbott Medical Optics. The data for climate performance have been re-calculated since last year's submission to CDP to account for amended data reporting, resulting in the previously stated values changing slightly.

## Past year 3

## Scope 2, location-based

570000

# Scope 2, market-based (if applicable)

607000

## Start date

January 1 2015

## End date

December 31 2015

## Comment

DATA RESTATEMENT: All environmental data have been adjusted to account for acquisitions and divestitures, in accordance with the methodology prescribed in the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP). We report data from acquisitions as soon as practical. To that end, these data include the 2017 acquisitions of St. Jude Medical and Glomed, but not Alere Inc. Furthermore, these data reflect the divestiture of Abbott Medical Optics. The data for climate performance have been re-calculated since last year's submission to CDP to account for amended data reporting, resulting in the previously stated values changing slightly.

## C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

## (C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

#### Purchased goods and services

#### **Evaluation status**

Relevant calculated

#### **Metric tonnes CO2e**

7753

### **Emissions calculation methodology**

Spend-Based Calculation Methodology using the United Kingdom Department of Environment, Food and Rural Affairs' (Defra) "2012 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting" ("Defra Guidelines"). Activity data includes spend information from our Corporate Purchasing organization. Emission factors are consistent with the Greenhouse Gas Protocol (see attachment in Section 7) and Global Warming Potential (GWP) values are those published in IPCC Fifth Assessment Report.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

#### **Explanation**

This category includes all upstream emissions from the production of products and services purchased or acquired by Abbott. Furthermore, this category includes emissions from all products and services not included in other scope 3 categories.

### Capital goods

### **Evaluation status**

Not relevant, calculated

### Metric tonnes CO2e

2100

### **Emissions calculation methodology**

Spend-Based Calculation Methodology using the "Defra Guidelines". Activity data includes spend information from our Corporate Purchasing organization. Emission factors are consistent with the Greenhouse Gas Protocol (see attachment in Section 7) and GWP values are those published in IPCC Fifth Assessment Report.

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

## Explanation

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

# **Evaluation status**

Not relevant, calculated

## Metric tonnes CO2e

257

## **Emissions calculation methodology**

Spend-Based Calculation Methodology using the "Defra Guidelines" for fuel-related activities. Activity data includes spend information from our Corporate Purchasing organization. Emission factors are consistent with the Greenhouse Gas Protocol (see attachment in Section 7) and GWP values are those published in IPCC Fifth Assessment Report. Average Data Method for electricity transportation, distribution, and transmission losses for purchased electricity, using Grid-region, country, or regional emission factors for extraction, production, transportation, and transmission loss rate per unit of consumption. GWP values are those published in IPCC Fifth Assessment Report.

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

## Explanation

# Upstream transportation and distribution

## **Evaluation status**

Relevant, calculated

## Metric tonnes CO2e

1047

## Emissions calculation methodology

Activity-specific emissions data provided by third party transportation and distribution partners. Activity data includes GHG emissions attributed to Abbott as reported to us through the CDP Supply Chain survey. The reported emissions represent 17% of our total spend in transportation for 2017, which was scaled up to equal 100% of spend. Emission factors are consistent with the Greenhouse Gas Protocol and GWP values are those published in IPCC Fifth Assessment Report.

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

1

## Explanation

This category includes emissions from the transportation and distribution of products (excluding fuel and energy products) purchased or acquired. In addition, Abbott is responsible for the majority of transportation of products to retailers and customers, therefore these are also considered in our upstream transportation and distribution.

### Waste generated in operations

## **Evaluation status**

Not relevant, calculated

### Metric tonnes CO2e

13

### **Emissions calculation methodology**

Solid Waste generated in operations using the Waste-Type Specific method. Abbott's activity data, global hazardous and nonhazardous waste data from operating facilities consists of quantity, fate, and type of waste. Carbon estimation was calculated using Annex 14b of the Defra tool, which contains emission factors for each type and fate of waste disposal. GWP values are those published in IPCC Fifth Assessment Report.

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

## Explanation

#### Business travel

## **Evaluation status**

Not relevant, calculated

## Metric tonnes CO2e

264

### **Emissions calculation methodology**

Distance-Based Method using activity data in total distance traveled by each mode. Emission factors are consistent with the Greenhouse Gas Protocol (see attachment in Section 7) and GWP values are those published in IPCC Fifth Assessment Report.

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

## **Explanation**

### **Employee commuting**

#### **Evaluation status**

Not relevant, calculated

#### **Metric tonnes CO2e**

266

### **Emissions calculation methodology**

Average-Data Method. Activity data includes an average distance per driver (based on an employee survey conducted in 2017) scaled up to the current number of employees. Emission factors are consistent with the Greenhouse Gas Protocol (see attachment in Section 7) and GWP values are those published in IPCC Fifth Assessment Report.

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

# Explanation

## **Upstream leased assets**

## **Evaluation status**

Not relevant, explanation provided

## Metric tonnes CO2e

<Not Applicable>

# Emissions calculation methodology

<Not Applicable>

# Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

## Explanation

 $Energy\ consumed\ in\ buildings\ and\ vehicles\ that\ are\ leased\ to\ Abbott\ are\ included\ in\ Scope\ 1\ and\ 2,\ as\ Abbott\ assumes\ operational\ control\ over\ them.$ 

## Downstream transportation and distribution

## **Evaluation status**

Not relevant, explanation provided

## Metric tonnes CO2e

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

## Explanation

Abbott pays for the majority of transportation of products to retailers and customers in efforts to control costs and are therefore considered upstream transportation and distribution. It is assumed that downstream transportation and distribution emissions are affiliated with retail space to store and sell products, which is marginal in the transportation and distribution category.

### Processing of sold products

## **Evaluation status**

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

## Explanation

Abbott assumes that the majority of its products are not further processed after they leave Abbott's manufacturing facilities.

### Use of sold products

#### **Evaluation status**

Relevant, calculated

#### Metric tonnes CO2e

534

### **Emissions calculation methodology**

Energy/Accelerant Using Products Lifetime-Uses Method; Sum across electricity and/or accelerant consumed from use of products. Abbott's activity data consists of quantities of products sold, expected uses of product(s), accelerant and/or electricity consumption per use of product. Carbon estimation was calculated using emission factors consistent with the Greenhouse Gas Protocol (see attachment in Section 7) and GWP values published in IPCC Fifth Assessment Report.

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

Abbott produces products which consume energy to operate (e.g. diagnostics devices), as well as inhalers, which require propellant gases to expel the product. Emissions related to both energy and accelerant consumption for these products were considered in the calculation of this scope 3 category.

## End of life treatment of sold products

#### **Evaluation status**

Not relevant, calculated

#### **Metric tonnes CO2e**

178

## **Emissions calculation methodology**

Sustainability Consortium Open IO Life Cycle tool which uses estimations for Abbott's main product sectors. Emission factors are consistent with the Greenhouse Gas Protocol (see attachment in Section 7) and GWP values are those published in IPCC Fifth Assessment Report.

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

## Explanation

## Downstream leased assets

## **Evaluation status**

Not relevant, explanation provided

## Metric tonnes CO2e

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

## Explanation

Energy consumed in buildings and vehicles that are leased to Abbott are included in Scope 1 and 2, as Abbott assumes operational control over them.

## Franchises

## **Evaluation status**

Not relevant, explanation provided

## Metric tonnes CO2e

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

## Explanation

Abbott does not have emissions that fall under this category.

#### Investments

## **Evaluation status**

Not relevant, explanation provided

## Metric tonnes CO2e

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

## Explanation

Abbott does not have emissions that fall under this category.

## Other (upstream)

## **Evaluation status**

Not evaluated

## Metric tonnes CO2e

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

# Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

## Explanation

Abbott calculates applicable Scope 3 Categories identified by the WRI GHG protocol.

## Other (downstream)

**Evaluation status** 

### Metric tonnes CO2e

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

# Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

# Explanation

Abbott calculates applicable Scope 3 Categories identified by the WRI GHG protocol.

# C6.7

## (C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

## C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

## C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

955000

Metric numerator (Gross global combined Scope 1 and 2 emissions)

955000

Metric denominator

unit total revenue

Metric denominator: Unit total

28515000000

Scope 2 figure used

Market-based

% change from previous year

9.9

Direction of change

Decreased

## Reason for change

Our three most significant areas of climate change impact are electricity use, fuel consumption in manufacturing and global sales fleet. Together, these represent more than 90 percent of the Scope 1 (direct) and Scope 2 (indirect) emissions. In 2018, our greatest carbon reductions were achieved through the purchase of electricity from utility providers that include above-average renewable generation in their energy mix, particularly in Europe. This resulted in a reduction of 77,000 metric tons of CO2e. We achieved additional reductions by implementing 34 energy efficiency and air emissions reduction projects at 23 manufacturing sites globally.

## C7. Emissions breakdowns

## C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

# C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	515000	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	400	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	600	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	9000	IPCC Fifth Assessment Report (AR5 – 100 year)

# C7.2

## (C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Argentina	3000
Belgium	0
Brazil	8000
Canada	11000
Chile	0
China	7000
Colombia	1000
Costa Rica	0
Germany	11000
India	15000
Indonesia	1000
Ireland	30000
Japan	0
Malaysia	0
Mexico	13000
Netherlands	35000
Pakistan	20000
Peru	0
Puerto Rico	1000
Russian Federation	17000
Singapore	23000
Spain	5000
Switzerland	0
United Kingdom of Great Britain and Northern Ireland	3000
United States of America	241000
Viet Nam rounded to the nearest thousand metric tons	0
Latin America and Caribbean (LAC)	16000
Europe	31000
Asia Pacific (or JAPA)	34000

# C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide. By business division

# C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Nutritionals	227000
Established Pharmaceuticals	132000
Medical Devices	71000
Diagnostics	44000
Corporate	52000

# C7.5

## (C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Argentina	7000	7000	21000	0
Belgium	0	0	0	0
Brazil	1000	1000	11000	0
Canada	7000	7000	44000	0
Chile	3000	3000	7000	0
China	11000	11000	17000	0
Colombia	3000	3000	13000	0
Costa Rica	0	0	28000	0
Germany	11000	2000	26000	10000
India	30000	19000	41000	41000
Indonesia	3000	3000	3000	0
Ireland	18000	0	43000	43000
Japan	1000	1000	2000	0
Malaysia	9000	9000	13000	0
Mexico	0	0	0	0
Netherlands	39000	0	83000	83000
Pakistan	3000	3000	10000	0
Peru	1000	1000	5000	0
Puerto Rico	11000	11000	31000	0
Russian Federation	10000	10000	27000	0
Singapore	22000	22000	56000	0
Spain	4000	6000	15000	0
Switzerland	0	0	1000	0
United Kingdom of Great Britain and Northern Ireland	6000	7000	20000	0
United States of America	250000	245000	529000	14000
Viet Nam	3000	3000	6000	0
Latin America and Caribbean (LAC)	4000	4000	18000	0
Europe	7000	7000	28000	0
Asia Pacific (or JAPA)	41000	41000	82000	0

## C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide. By business division

## C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
	· · · · · · · · · · · · · · · · · · ·	
Nutritionals	191000	174000
Established Pharmaceuticals	99000	59000
Medical Devices	100000	93000
Diagnostics	66000	56000
Corporate	50000	47000

# C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

# C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)		Emissions value (percentage)	Please explain calculation	
Change in renewable energy consumption	42000	Decreased	4.3	The gross global emissions (Scope 1 + 2) of Abbott for 2018 are 955,000 metric tons of CO2e. Our gross global emissions for the previous reporting year were 997,000 metric tons of CO2e, This means that the total change in emissions is 42,000 metric tons of CO2e, equal to a 9% decrease, according to the formula in the explanation of terms, above: (42,000/997,000) *100 = 4.3%. The change from 997,000 to 955,000 metric tonnes is attributed to three reasons: 1) increased purchase of renewable energy, 2) increase in renewable energy generated on-site, and 3) increased availability of supplier-specific emission factors that were generally lower than location-based factors.	
Other emissions reduction activities	0	No change	0	General efficiency improvements, including cogeneration were offset by production increases.	
Divestment	0	No change	0	Historical data are adjusted for acquisitions and divestitures per the Greenhouse Gas Protocol.	
Acquisitions	0	No change	0	Historical data are adjusted for acquisitions and divestitures per the Greenhouse Gas Protocol.	
Mergers	0	No change	0	Not applicable	
Change in output	0	No change	0	Emissions decreased, despite production increases. This is due to increased purchases of renewable energy.	
Change in methodology	0	No change	0	Not applicable	
Change in boundary	0	No change	0	Historical data are adjusted for acquisitions and divestitures per the Greenhouse Gas Protocol.	
Change in physical operating conditions	0	No change	0	Historical data are adjusted for acquisitions and divestitures per the Greenhouse Gas Protocol.	
Unidentified	0	No change	0	Not applicable	
Other	0	No change	0	Not applicable	

## C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

# C8. Energy

## C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

# C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

# C8.2a

## (C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	3000	2552000	2555000
Consumption of purchased or acquired electricity	<not applicable=""></not>	150000	973000	1123000
Consumption of purchased or acquired heat	<not applicable=""></not>	0	2000	2000
Consumption of purchased or acquired steam	<not applicable=""></not>	0	7000	7000
Consumption of purchased or acquired cooling	<not applicable=""></not>	0	11000	11000
Consumption of self-generated non-fuel renewable energy	<not applicable=""></not>	1000	<not applicable=""></not>	1000
Total energy consumption	<not applicable=""></not>	154000	3545000	3699000

## C8.2b

## (C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	Yes

## C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

1996000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

## Comment

This includes natural gas at plants, warehouses, and commercial offices - Commercial office natural gas consumption is reported in our Scope 2 emissions. Allocation data to cogen vs non cogen purposes is not available.

## Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Comment

## Fuels (excluding feedstocks)

Motor Gasoline

## **Heating value**

HHV (higher heating value)

# Total fuel MWh consumed by the organization

376000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

104000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Comment

Fuels (excluding feedstocks)

Aviation Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

26000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Comment

Fuels (excluding feedstocks)

Petroleum Coke

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

18000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

20000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

## C8.2d

## (C8.2d) List the average emission factors of the fuels reported in C8.2c.

## **Aviation Gasoline**

#### **Emission factor**

21.67034

#### Unit

lb CO2e per gallon

### **Emission factor source**

http://www.eia.doe.gov/oiaf/1605/pdf/EIA1605\_Instructions\_10-23-07.pdf

#### Comment

### Diesel

### **Emission factor**

22.69627

#### Unit

lb CO2e per gallon

## **Emission factor source**

EIA - Voluntary Reporting of Greenhouse Gases Program Appendix H (Table 2 for CO2 and Table 7 (construction) for CH4 and N2O). Assumes E85 has same CH4 and N2O emission factors as gasoline.

## Comment

### **Fuel Oil Number 2**

## **Emission factor**

22.575

## Unit

lb CO2e per gallon

### **Emission factor source**

US Combustion fuel emission factors are based on EPA Mandatory Reporting Rule - Tier 1 - 40 CFR 98.38 Table C-1 and C-2

## Comment

Abbott uses two emission factors (one for US-only and one for non-US). The above emission factor is for US-only. Energy consumption above in MWH was given assuming all US consumption, which is not the case. Nonetheless, the difference would be less than 10%.

## Liquefied Petroleum Gas (LPG)

## **Emission factor**

13.462

# Unit

lb CO2e per gallon

## Emission factor source

International Combustion fuel emission factors are consistent with WRI's Greenhouse Gas Protocol, Vol. 2, Tables 1.2 & 2.3 and the WRI Stationary Combustion Tool ver.

## Comment

# Motor Gasoline

## Emission factor

19.51597

## Unit

lb CO2e per gallon

## **Emission factor source**

EIA - Voluntary Reporting of Greenhouse Gases Program Appendix H (Table 2 for CO2 and Table 7 (construction) for CH4 and N2O). Assumes E85 has same CH4 and N2O emission factors as gasoline.

## Comment

#### **Natural Gas**

## **Emission factor**

120.14

### Unit

lb CO2e per 1000 cubic ft3

#### **Emission factor source**

US Combustion fuel emission factors are based on EPA Mandatory Reporting Rule - Tier 1 - 40 CFR 98.38 Table C-1 and C-2

#### Comment

This is the emission factor for our natural gas in the US. International natural gas consumption has an emission factor of 117.79 lb CO2e/1000 ft3. The source for this factor is International Combustion fuel emission factors are consistent with WRI's Greenhouse Gas Protocol, Vol. 2, Tables 1.2 & 2.3 and the WRI Stationary Combustion Tool ver. 3.1

## Petroleum Coke

### **Emission factor**

6353.3

#### Unit

Ib CO2e per short ton

#### **Emission factor source**

International Combustion fuel emission factors are consistent with WRI's Greenhouse Gas Protocol, Vol. 2, Tables 1.2 & 2.3 and the WRI Stationary Combustion Tool ver. 3.1

## Comment

## C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

		Generation that is consumed by the organization (MWh)		Generation from renewable sources that is consumed by the organization (MWh)
Electricity	67000	67000	1000	1000
Heat				
Steam				
Cooling				

## C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

## Basis for applying a low-carbon emission factor

Energy attribute certificates, Guarantees of Origin

# Low-carbon technology type

Solar PV

Wind

# Region of consumption of low-carbon electricity, heat, steam or cooling

Europe

## MWh consumed associated with low-carbon electricity, heat, steam or cooling

136000

## Emission factor (in units of metric tons CO2e per MWh)

0

# Comment

# Basis for applying a low-carbon emission factor

Energy attribute certificates, Renewable Energy Certificates (RECs)

## Low-carbon technology type

Wind

## Region of consumption of low-carbon electricity, heat, steam or cooling

North America

# $\label{lem:mwh} \mbox{MWh consumed associated with low-carbon electricity, heat, steam or cooling}$

14000

## Emission factor (in units of metric tons CO2e per MWh)

0

# Comment

CDP

## C9.1

## (C9.1) Provide any additional climate-related metrics relevant to your business.

### Description

Waste

#### Metric value

2 08

### Metric numerator

US (short) tons

### Metric denominator (intensity metric only)

million USD sales

### % change from previous year

7.3

## Direction of change

Decreased

### Please explain

Abbott is committed to minimizing our waste impacts throughout the entire life cycle of our products and packaging. We recognize two key areas of responsibility in reducing waste: 1) Our operational waste, which includes the waste that we directly generate. 2) Our extended-producer responsibility, which considers the environmental impacts associated with our products throughout their complete life cycle, including design, production, consumption and disposal. Abbott strives to find ethical, economical and efficient ways to reduce the volume and toxicity of waste, to conserve and maximize the recovery of resources, ensure proper waste disposal practices, and reduce our climate related impacts. Through these efforts, we improve operating efficiency and reduce our environmental risks and impacts. Abbott's 2020 target is to reduce the total waste we generate by 50 percent, compared to 2010 and adjusted to sales. In 2018, we produced 59,324 tons of waste. This represented a reduction in total waste of almost 2 percent compared to 2017 and means we have now reduced our total annual production of waste by 26 percent on an absolute basis and by 44 percent when adjusted for sales, compared to 2010 levels.

#### Description

Waste

### Metric value

33

## Metric numerator

zero waste to landfill certified sites

# Metric denominator (intensity metric only)

% change from previous year

3.12

## Direction of change

Increased

# Please explain

Abbott is committed to minimizing our waste impacts throughout the entire life cycle of our products and packaging. We recognize two key areas of responsibility in reducing waste: 1) Our operational waste, which includes the waste that we directly generate. 2) Our extended-producer responsibility, which considers the environmental impacts associated with our products throughout their complete life cycle, including design, production, consumption and disposal. To incentivize our sites to eliminate waste sent to landfill, Abbott's Zero Waste to Landfill program was launched in 2012. Besides helping to reduce waste generated, this program also reduces GHG emissions, saves costs and helps to engage employees in our environmental initiatives. In total, 26 Abbott manufacturing facilities and seven nonmanufacturing facilities, located across 16 countries, have now achieved Zero Waste to Landfill status. This has contributed to a 49 percent reduction in the total amount of waste that Abbott sends to landfill since 2010.

## Description

Energy usage

# Metric value

49

## Metric numerator

percent of ISO 50001 certified operations

Metric denominator (intensity metric only)

% change from previous year

# Direction of change

<Not Applicable>

## Please explain

By the end of 2018, 51 percent of Abbott manufacturing sites held environment-related ISO certifications. This included 30 manufacturing sites with ISO 14001 and 18 with ISO 50001 certifications. Abbott's ISO 50001-certified manufacturing sites represent 49 percent of our manufacturing energy use, and our ISO 14001 site represents 30 percent. In addition, eight nonmanufacturing sites achieved ISO 14001, and one achieved ISO 50001 certification.

## Description

### Energy usage

## Metric value

67

### Metric numerator

% operations with energy assessment within 3 yr

Metric denominator (intensity metric only)

% change from previous year

## Direction of change

<Not Applicable>

#### Please explain

Facilities are required to complete an assessment every 5 years. Within the last three years, 62 energy assessments have been conducted at 67 percent of Abbott operations.

### Description

Waste

### Metric value

13.95

#### Metric numerator

% reduction total weight of packaging from 2010

Metric denominator (intensity metric only)

## % change from previous year

2.43

### Direction of change

Please select

## Please explain

Under the principle of extended producer responsibility, we are committed to minimizing the environmental impact of our products on the environment and human health throughout a product's entire life cycle. Doing so enables us to improve operating efficiency, reduce product and operational costs, and reduce the overall impact of our products. To foster these principles, multiple functions across Abbott work together to incorporate sustainability considerations into our product research and development processes. In 2014, our Packaging Council, made up of Quality, Engineering, EHS and Procurement representatives, set an aggressive target to reduce the total weight of our packaging by 10 percent by 2020, compared to our 2010 baseline. We surpassed our initial goal in 2017 and continued this trajectory of progress by achieving total annualized reductions of 14 percent in 2018. Through this achievement, we have eliminated approximately 41.3 million pounds of packaging and saved more than \$100 million since 2010.

## C10. Verification

## C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

## C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

## Scope

Scope 1

## Verification or assurance cycle in place

Annual process

## Status in the current reporting year

Complete

## Type of verification or assurance

Limited assurance

## Attach the statement

2018 Abbott Assurance Statement.pdf

## Page/ section reference

Page 1-4

## Relevant standard

ISO14064-3

## Proportion of reported emissions verified (%)

100

## Scope

Scope 2 location-based

# Verification or assurance cycle in place

Annual process

# Status in the current reporting year

Complete

## Type of verification or assurance

Limited assurance

### Attach the statement

2018 Abbott Assurance Statement.pdf

# Page/ section reference

Pages 1-4

### Relevant standard

ISO14064-3

# Proportion of reported emissions verified (%)

100

# Scope

Scope 2 market-based

# Verification or assurance cycle in place

Annual process

## Status in the current reporting year

Complete

# Type of verification or assurance

Limited assurance

## Attach the statement

2018 Abbott Assurance Statement.pdf

## Page/ section reference

Pages 1-4

# Relevant standard

ISO14064-3

## Proportion of reported emissions verified (%)

100

## C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope

Scope 3- at least one applicable category

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Attach the statement

2018 Abbott Assurance Statement.pdf

Page/section reference

Pages 1-4

Relevant standard

ISO14064-3

## C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

## C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Year on year change in emissions (Scope 1)	International Standard on Assurance Engagements (ISAE) 3000	Scope 1 Energy data were verified for 2017 and 2018
C8. Energy	Year on year change in emissions (Scope 2)	International Standard on Assurance Engagements (ISAE) 3000	Scope 2 data were verified for 2017 and 2018
C9. Additional metrics	Year on year change in emissions (Scope 3)	International Standard on Assurance Engagements (ISAE) 3000	Hazardous waste data were verified for 2017 and 2018
C9. Additional metrics	Year on year change in emissions (Scope 3)	International Standard on Assurance Engagements (ISAE) 3000	Non-hazardous waste data were verified for 2017 and 2018

## C11. Carbon pricing

# C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)? Yes

# C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

# C11.1b

### (C11.1b) Complete the following table for each of the emissions trading systems in which you participate.

## **EU ETS**

% of Scope 1 emissions covered by the ETS

3 2

### Period start date

January 1 2018

#### Period end date

December 31 2018

### Allowances allocated

16888

### Allowances purchased

16888

## Verified emissions in metric tons CO2e

16888

#### Details of ownership

Facilities we own and operate

#### Comment

European Union Allowances. No additional allowances were required to be purchased for surrendering 2018 allowances.

## C11.1d

### (C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?

Abbott's environmental governance and management systems are part of an integrated Environmental, Health and Safety (EHS) approach. Our long-term environmental strategy focuses on reducing and mitigating EHS risks, delivering cost efficiency, ensuring business continuity, and addressing our stakeholder's expectations to be a responsible and sustainable leader. This includes reducing our greenhouse gas (GHG) emissions, water use and waste impacts.

Our EHS management and governance systems incorporate environmental focus within our day-to-day planning and business processes, with clear lines of accountability and senior-level leadership and support. To achieve a healthier planet and operate as a responsible corporate citizen, Abbott remains committed to helping address climate-related issues by reducing energy consumption and air emissions in our direct operations and throughout our value chain. Our comprehensive management program for tracking and reducing energy and air emissions is outlined in our Climate Responsible Energy Policy and Internal Energy Guidelines. Together, these detail our commitments and provide guidance on:

- Increasing energy efficiency in our manufacturing operations
- Investing in low-carbon energy
- Improving the efficiency of our transportation fleet
- Encouraging a lower carbon footprint in our supply chain
- Publicly reporting our performance

To ensure compliance with carbon pricing systems in which Abbott operates, we continue to execute our energy and emissions reduction strategies within our operations and across our value chain. If a site exceeds its emissions allocation within an emissions trading system we will then purchase emissions credits. For example, in 2018, one of our sites in the Netherlands purchased emissions credits through the EU ETS.

## C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

# C11.3

## (C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

## C12. Engagement

## C12.1

# (C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

### (C12.1a) Provide details of your climate-related supplier engagement strategy.

#### Type of engagement

Information collection (understanding supplier behavior)

#### **Details of engagement**

Collect climate change and carbon information at least annually from suppliers

#### % of suppliers by number

53

#### % total procurement spend (direct and indirect)

21

#### % Scope 3 emissions as reported in C6.5

15

#### Rationale for the coverage of your engagement

Abbott makes significant efforts to gain greater visibility into our supply chain to better understand sustainability-related risk exposure and mitigate those risks, which are supported by our global policies and procedures for evaluating the potential risks of new and existing suppliers. In 2018, Abbott had over 70,000 tier 1 suppliers globally. Only 11,000 suppliers had spend greater than \$50,000 and about 10% of suppliers provided materials and services that directly or indirectly impact regulated product. Thus, when evaluating and engaging suppliers which pose sustainability-related risk to our supply chain, they become a small subset of our overall suppliers by count. Abbott's Supply Chain Council has established multiple initiatives to embed sustainability as a key element of our supplier partnerships. These initiatives enable us to manage risks systematically and to identify opportunities to enhance the sustainability of our business as a whole. These initiatives include monitoring supplier compliance with the basic principles outlined in our Supplier Guidelines, and engaging with critical and strategic suppliers that represent our greatest sustainability risks and opportunities. Our Global Procurement team proactively identifies suppliers in high risk industries, geographies and spend categories, and by conducting intensive screening in emerging markets. We then assess the sustainability risk of these critical suppliers through the DHL Resilience 360 Tool: Sustainability Index which guides our Supplier Social Responsibility and CDP supplier engagements. Suppliers determined to have a high sustainability risk are then engaged through Abbott's Social Responsibility program and/or CDP (depending on applicability) to assess ESG performance and ensure they meet our quality and EGS requirements. In 2018, we successfully engaged with 53% of suppliers identified as high sustainability risk, representing 23% of our overall spend.

### Impact of engagement, including measures of success

Our supply chain management approach emphasizes partnership in sustainability and innovation. Working closely with our suppliers on new solutions supports our delivery of life-changing technology, and promotes new approaches to reduce our environmental impact and multiply the social and economic value we create. Through engaging with our supply chain to better understand our sustainability risks and opportunities, Abbott's Supply Chain Council has developed strategic initiatives for several high-sustainability risk sourcing categories: energy, transportation and distribution, agriculture, chemicals of environmental concern and active pharmaceutical ingredients, packaging, dairy and waste management. Example 2018 successes from these initiatives include 1) reducing approximately 77,000 metric tons of CO2e in 2018 through purchasing energy exclusively from renewable sources, 2) increasing the use of rail transportation, which is twice as efficient as truckload shipping, 3) continued enforcement of our supplier fuel-efficiency standard, 4) partnership with the U.S. Postal Service to reduce small-parcel deliveries during the last mile of transport, and 5) assessing 41 waste vendors to ensure they employ the most efficient and responsible disposal techniques in the management of our waste. We also conducted site audits at 30 suppliers that we identified as being high risk for sustainability issues through our ESG surveys. These audits utilized Workplace Conditions Assessment standards. In 65 percent of cases, the audits were acceptable, with minor observations. We worked with the remaining suppliers to address the needs that the audits identified. In cases of major and zero-tolerance findings, we required our suppliers to implement corrective and preventive action plans, which had to be submitted in documented form within 30 days of the audit results being received by the supplier. In total, we have audited 8 percent of our Tier 1 suppliers over the past three years.

## Comment

## Type of engagement

Innovation & collaboration (changing markets)

## **Details of engagement**

Other, please specify (1:1 Collaboration/Partnerships)

## % of suppliers by number

0

## % total procurement spend (direct and indirect)

5

## % Scope 3 emissions as reported in C6.5

5

# Rationale for the coverage of your engagement

Abbott makes significant efforts to gain greater visibility into our supply chain to better understand sustainability-related risk exposure and mitigate those risks, which are supported by our global policies and procedures for evaluating the potential risks of new and existing suppliers. In 2018, Abbott had over 70,000 tier 1 suppliers globally. Only 11,000 suppliers had spend greater than \$50,000 and about 10% of suppliers provided materials and services that directly or indirectly impact regulated product. Thus, when evaluating and engaging suppliers which pose sustainability-related risk to our supply chain, they become a small subset of our overall suppliers by count. In 2018, our Global Procurement and Global Environment, Health and Safety (GEHS) teams engaged in six one-to-one partnerships with strategic suppliers to identify sustainable supply chain opportunities.

## Impact of engagement, including measures of success

1:1 relationships included information and best-practice sharing for sustainability-related programming and initiatives, as well as exploring collaborative projects to improve product sustainability. Through these relationships, we identified opportunities to work together to enhance both Abbott's and the suppliers' sustainability programs. Considerations included product sourcing and manufacturing, alternative (more sustainable) products and product take-back at end of life. Among such opportunities were information and best-practice sharing for sustainability-related programming and initiatives, exploring collaborative projects to improve product sustainability, and supply chain mapping to validate the sustainable and ethical sourcing of current purchases. Furthermore, these supplier engagements Abbott have demonstrated that 1:1 relationships are valuable for the purposes of: mentoring to grow the potential and quality of a supplier; ensuring sustainability and ethical procurement of goods and services; and identifying and exploring additional opportunities, such as reduced costs, improved efficiencies and/or reduced environmental footprint of Abbott products. We will continue to foster relationships like these in 2019.

## Comment

## Type of engagement

Innovation & collaboration (changing markets)

#### **Details of engagement**

Run a campaign to encourage innovation to reduce climate impacts on products and services Other, please specify (Transportation Supplier Engagements / Initiatives)

### % of suppliers by number

1

### % total procurement spend (direct and indirect)

4

### % Scope 3 emissions as reported in C6.5

8

### Rationale for the coverage of your engagement

Abbott makes significant efforts to gain greater visibility into our supply chain to better understand sustainability-related risk exposure and mitigate those risks, which are supported by our global policies and procedures for evaluating the potential risks of new and existing suppliers. In 2018, Abbott had over 70,000 tier 1 suppliers globally. Only 11,000 suppliers had spend greater than \$50,000 and about 10% of suppliers provided materials and services that directly or indirectly impact regulated product. Thus, when evaluating and engaging suppliers which pose sustainability-related risk to our supply chain, they become a small subset of our overall suppliers by count. Abbott has identified upstream and downstream transportation as the sourcing category with the greatest opportunity to reduce carbon emissions in our supply chain. In 2018, we continued to enforce our increased supplier fuel-efficiency standard, which was implemented in 2017. Beginning in August 2018, Abbott's U.S. businesses joined the U.S. Environmental Protection Agency SmartWay® program, which helps companies advance supply chain sustainability by measuring, bench marking and improving freight transportation efficiency. We also continued to engage with key and strategic transportation suppliers to improve our transportation and environmental efficiencies.

### Impact of engagement, including measures of success

Engagement outcomes from 2018 included: - We increased our use of rail transportation, which is twice as efficient as truckload shipping. - We partnered with the U.S. Postal Service to reduce small-parcel deliveries during the last mile of transport. - Beginning in August 2018, Abbott's U.S. businesses joined the U.S. Environmental Protection Agency SmartWay® program. Through this program, Abbott reduced the carbon emissions associated with our transportation supply chain. - Our nutrition business, which uses 4.3 million gallons of diesel fuel, reduced its reported fuel consumption by 433,710 gallons.

#### Comment

#### Type of engagement

Compliance & onboarding

#### Details of engagement

Other, please specify (Waste Vendor Approval and Assessment)

### % of suppliers by number

0

## % total procurement spend (direct and indirect)

0

## % Scope 3 emissions as reported in C6.5

1

## Rationale for the coverage of your engagement

Abbott makes significant efforts to gain greater visibility into our supply chain to better understand sustainability-related risk exposure and mitigate those risks, which are supported by our global policies and procedures for evaluating the potential risks of new and existing suppliers. To ensure that we are only using appropriately qualified and responsible waste vendors, we conduct on-site evaluations and reviews of all waste management firms every five years, at a minimum, through Abbott's Waste Vendor Assessment program. In 2018, 41 of our waste vendors were assessed through this program. Abbott makes significant efforts to gain greater visibility into our supply chain to better understand sustainability-related risk exposure and mitigate those risks, which are supported by our global policies and procedures for evaluating the potential risks of new and existing suppliers. In 2018, Abbott had over 70,000 tier 1 suppliers globally. Only 11,000 suppliers had spend greater than \$50,000 and about 10% of suppliers provided materials and services that directly or indirectly impact regulated product. Thus, when evaluating and engaging suppliers which pose sustainability-related risk to our supply chain, they become a small subset of our overall suppliers by count. Abbott waste management activities make up less than 0.5% of Abbott's total spend and less than 0.5 percent of our total suppliers by number.

## Impact of engagement, including measures of success

Proper waste management and application of the principles of a circular economy play an important role in managing our climate change impacts by diverting waste from landfill and incineration; as well as recycling and reusing nonrenewable materials, which can be very energy intensive to generate from raw materials. Abbott strives to find ethical, economical and efficient ways to reduce the volume and toxicity of waste, to conserve and maximize the recovery of resources and ensure proper waste disposal practices. In the disposal of our waste, our technical standard for operational waste management establishes a framework for managing waste in accordance with circular economy principles and mandates auditing and approval of waste management vendors to ensure that they employ the most efficient and responsible disposal techniques. We work with our waste vendors to ensure they employ the most efficient and responsible disposal techniques in the management of our waste. We also partner with our IT life-cycle management suppliers to ensure that Abbott's used electronics are properly handled and disposed. Our electronic equipment reuse and recycling program recycled 450 U.S. tons and resold 96 U.S. tons of electronic equipment in 2018. This is an increase of 104 percent from 2017 activities.

## Comment

## C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Other

# C12.3e

### (C12.3e) Provide details of the other engagement activities that you undertake.

Abbott's direct advocacy efforts with government policymakers focus on issues related to health care, appropriate nutrition, and the business environment in which we operate. Abbott's primary focus is the manufacturing of our products and providing consumers access to these products.

## C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Abbott's commitment to sustainable business starts at the top and is integrated across our organization: Our Board of Directors and senior management lead our sustainability activities. The Board's Public Policy Committee is responsible for reviewing and evaluating our policies and practices regarding corporate responsibility. Abbott's Global Sustainability team takes the lead in implementing our sustainability strategy, working with our four businesses, key functional areas and affiliates around the world. The Global Sustainability team reports to our Vice President and Chief Marketing and External Affairs Officer who reports directly to our Chairman and CEO.

Our Global Citizenship Advisory Council (GCAC), a group of independent expert advisors and thought leaders in the area of sustainability, provides Abbott with guidance on strategic sustainability issues. This includes identifying risk and opportunities across our organization.

The Global Operations Council (GOC) oversees execution of the strategy for all Abbott operations (Manufacturing, Supply Chain, Engineering and Environment, Health and Safety) based on internal assessment, risk profiles and industry best practices to continuously improve Abbott's performance. The council is chaired by our Senior Vice President, Quality Assurance, Regulatory and Engineering Services, and includes three corporate officers and 26 divisional vice presidents, representing division and corporate operations.

Abbott's cross-functional Sustainability Working Group leads the integration of sustainability within our business and oversees Abbott's reporting of environmental, social and governance (ESG) performance. The team includes representatives from Corporate Purchasing, Global Environment, Health and Safety, Ethics and Compliance, Quality and Regulatory Affairs, Cybersecurity, Human Resources, Supply Chain, Legal, Corporate Governance, Research and Development, Investor Relations, Global Marketing, Government Affairs and Commercial Operations. It also includes representatives from our affiliate operations in key markets around the world.

Several of our global affiliates have formed their own local cross-functional sustainability working groups, which embed responsible business practices and drive stakeholder engagement initiatives tailored to local needs.

# C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

#### **Publication**

In voluntary communications

#### Status

Complete

#### Attach the document

### Page/Section reference

Abbott's 2018 Global Sustainability Report details our organization's response to climate change and GHG emissions performance on pages 5-9, 37-57, 59-65, 103-125.

## **Content elements**

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

#### Comment

Abbott's 2018 Global Sustainability Report is over 30MB, so cannot be attached above, it is available on Abbott's Public Website at:

https://www.abbott.com/responsibility/sustainability/reporting/current-reports.html

#### Publication

Other, please specify (Climate Responsible Energy Policy)

#### Status

Complete

### Attach the document

Abbott\_energy\_policy\_public website.pdf

### Page/Section reference

All pages

#### Content elements

Governance

Strategy

#### Comment

Available on Abbott's Public Website at: https://www.abbott.com/policies/environmental.html

# Publication

Other, please specify (Global Environment, Health and Safety Policy)

## Status

Complete

## Attach the document

Abbott\_global\_environmental\_health\_safety\_policy\_public website.pdf

## Page/Section reference

All pages.

## Content elements

Governance

Strategy

## Comment

 $\label{prop:linear} A vailable \ on \ Abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ Abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ Abbott's \ Public \ Website \ at: \ https://www.abbott.com/policies/environmental.html \ Abbott's \ Public \ Website \ Abbott's \ Public \ Publi$ 

## C14. Signoff

## C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

## C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

Pow 1 Senior Vice President Quality Assurance Regulatory and Engineering Services Other C.Suite Officer	Job title		Corresponding job category
Town 1 School Vice i resident, Quality Assurance, regulatory and Engineering Services	Row 1	Senior Vice President, Quality Assurance, Regulatory and Engineering Services	Other C-Suite Officer