



Redefining Responsibility  
2009 Global Citizenship Report



## About this Report

Welcome to Abbott's 2009 Global Citizenship Summary Report. This is an overview of Abbott's citizenship strategy, actions and performance in 2009. Our Web site, [www.abbott.com/citizenship](http://www.abbott.com/citizenship), is the primary means of communication for our citizenship initiatives and houses our complete report. Our reporting is intended for a range of audiences, including employees, investors, customers, suppliers, governments and regulators, and key opinion formers. We have referred to the Global Reporting Initiative G3 Guidelines in compiling our report, and an index is available on our site.

## About the Cover

Abbott and Boston-based Partners In Health, a leading nonprofit organization, have worked together to address health care and social challenges in Haiti for several years. Abbott nutrition scientists and engineers are working with Haitian farmers and health care workers like those shown on the cover to help create locally produced, sustainable sources of nutritious, affordable food products. This partnership is designed to support good health while creating jobs and stimulating Haiti's economy. For more information about Abbott's work to help rebuild Haiti, turn to page 36.

## Our Promise

We are here for the people we serve in their pursuit of healthy lives. This has been the way of Abbott for more than a century – passionately and thoughtfully translating science into lasting contributions to health. Our products encircle life, from newborns to aging adults, from nutrition and diagnostics through medical care and pharmaceutical therapy. Caring is central to the work we do and defines our responsibility to those we serve:

**We advance leading-edge science and technologies** that hold the potential for significant improvements to health and to the practice of health care.

**We value our diversity** – that of our products, technologies, markets and people – and believe that diverse perspectives combined with shared goals inspire new ideas and better ways of addressing changing health needs.

**We focus on exceptional performance worldwide** – demanding of ourselves and each other because our work impacts people's lives.

**We strive to earn the trust** of those we serve by committing to the highest standards of quality, excellence in personal relationships and behavior characterized by honesty, fairness and integrity.

**We sustain success for our business and the people we serve** by staying true to key tenets upon which our company was founded over a century ago: innovative care and a desire to make a meaningful difference in all that we do. The promise of our company is in the promise that our work holds for health and life.

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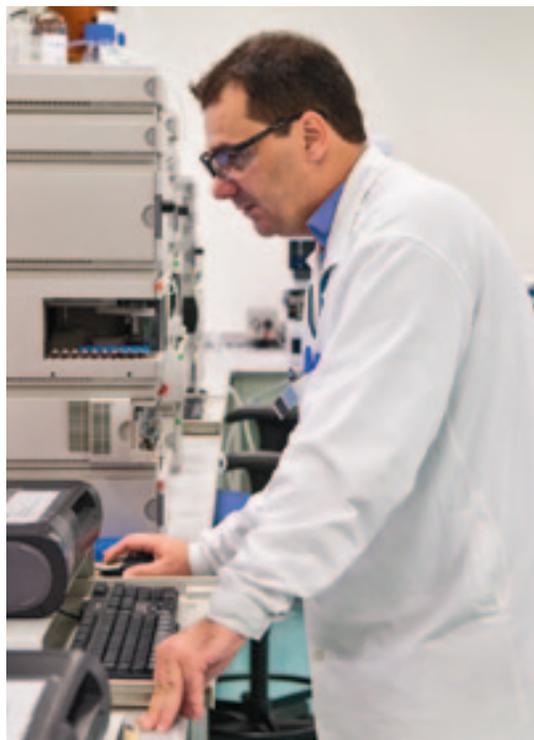
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Abbott is redefining the concept of responsibility. Beyond philanthropy, we apply our science, expertise and technology to address critical health care needs through innovative collaborations and partnerships. We are working to build sustainable solutions to the world's most pressing health care challenges, while reducing our impact on the environment – creating lasting value for both current and future stakeholders.



# To Our Stakeholders



## Welcome to Abbott's 2009 Global Citizenship Report

We appreciate your interest in our efforts to live out our company's citizenship commitments while decreasing its impacts on our planet – work that has never been more important than it is today. The environments in which we operate – natural, social, economic and political – are particularly sensitive and challenging, requiring companies like Abbott to be more thoughtful than ever about the ways we operate our business.

2009 was a year of extraordinary challenge on a number of fronts, raising pressures on business and expectations for its contribution. First and foremost, of course, was the global economic situation, which has significantly affected trust in business and prompted much discussion of change in certain rules governing the economy. In the health care arena, budget pressures are rising around the world, and the system reform process in the United States bears significant implications for the future of health care innovation and delivery.

In short, these are times that test a company's commitment to citizenship and operating responsibly and sustainably. We believe that Abbott has met that challenge, across the spectrum of its business activities. 2009 was another successful year for our company, with healthy growth across our range of businesses and around the world. This was due to both our continued introduction of advanced new products to improve health, and to our ongoing expansion in international markets.

Approximately 54 percent of our sales in 2009 were outside the United States, our highest percentage ever. We expect to continue in this direction, and we took significant steps last year to strengthen our position for global growth. These included the construction of a state-of-the-art nutritional manufacturing facility in Singapore, our largest-ever capital investment in Asia, as well as our acquisition of Solvay Pharmaceuticals, which increases our presence around the world, particularly in emerging markets. We're not only localizing our business operations around the world – we're doing the same with our citizenship efforts, enabling our international affiliates to adapt our approach to local stakeholders and their concerns.

## Innovating for the Future

We're conducting this global expansion in accordance with our values, as set out in the Abbott Brand Promise. Our Promise pledges us to the welfare of "the people we serve in their pursuit of healthy lives." The fundamental, and most important, way in which we do so is through our core purpose: developing new and better solutions to unmet health needs. We advanced this goal in a number of important ways in 2009.

In addition to launching new technologies across our range of businesses, we increased our research capacity with new laboratories in China and Singapore to help us focus on varying regional requirements. Also with an eye toward global needs, we've dedicated an expert research team to a partnership we formed with the Drugs for Neglected Diseases initiative (DNDi) to help advance potential treatments for illnesses that disproportionately impact the developing world, such as malaria and tuberculosis.

**These are times that test a company's commitment to citizenship and operating responsibly and sustainably. We believe that Abbott has met that challenge.**

## Enhancing Access

As important as developing innovative treatments is ensuring that they get to the people who need them. We're enhancing access to our products through a multi-faceted approach. We continue to engage with governments around the world to offer our products at sustainable prices, appropriate to local economic circumstances. We also offer our products for free or at deeply discounted prices through our Patient Assistance Programs. And we donate them widely to address acute needs, such as the earthquake in Haiti. To help address needs on a sustainable, long-term basis, we also work in partnership with not-for-profit organizations and government agencies to remove underlying barriers to access, such as lack of disease awareness or lack of infrastructure. In 2009, Abbott and the Abbott Fund invested more than \$580 million to support capacity-building partnerships, provide patient assistance and donate cash and products to people in need.

## Protecting Patients and Consumers

Because we develop products to improve human health, it's particularly important that we ensure the safety of the ingredients and processes used in their production. We're deeply committed to this goal at Abbott, and hold our more than 20,000 suppliers around the world to the same rigorous quality and safety standards we employ internally.

We also offer a wide range of educational Web sites to help patients better understand their diseases and treatments, get answers to their questions and connect with each other for information and support.

## Safeguarding the Environment

Our commitment to improving lives extends, naturally, to stewardship of our environment. By reducing the use of coal and oil in our manufacturing operations, we've been able to cut our CO<sub>2</sub> emissions by 36 percent since 2006. We're also investing in renewable energy sources, such as solar power; installing energy-efficient equipment; and increasing our use of clean energy, such as co-generation technology that recycles waste heat for electricity. Abbott is saving more than 1 billion gallons of water annually through production process improvements. And we're addressing the environmental impacts of our product packaging through more than 40 sustainable packaging initiatives.

## Commitment

We understand well at Abbott that our citizenship work is never done. The essence of citizenship is that our commitment and vigilance are ongoing. Our inclusion on the Dow Jones Sustainability Index for the fifth consecutive year confirms that we take our citizenship responsibilities very seriously. We also were honored in early 2010 with recognition as the most admired pharmaceutical company on *Fortune* magazine's annual list, which is based on a rigorous survey of industry executives, board members and financial analysts.

We appreciate this affirmation that we're moving in the right direction, as we will continue to do. We don't have all the answers today. We will keep working to embed citizenship in every aspect of our operations and to build a continually more sustainable business. We appreciate your interest in our efforts.

Sincerely,



Miles D. White  
Chairman and Chief Executive Officer  
April 2010

# Our Business

## About Abbott

We are a diverse, global health care company with scientific expertise and products that span the human life cycle. Our products and services address the full range of health care needs from disease prevention and diagnosis to treatment and cure. Abbott discovers, develops, manufactures and markets leading pharmaceuticals, medical devices, diagnostics and nutrition products that are increasingly in demand in rapidly growing markets.

In 2009, we took several strategic actions to augment and reshape our portfolio for the long term. For example, with Solvay Pharmaceuticals, we are expanding our footprint in Eastern Europe and emerging markets while adding approximately \$2.9 billion in annual sales of stable, global pharmaceutical brands.

We also entered the vision care market through the acquisitions of Advanced Medical Optics – a global leader in cataract, refractive and corneal products – and Visiogen, adding an entry point into the key accommodating intraocular lens segment for the treatment of presbyopia. In our vascular business, we entered the fast-paced sector of structural heart repair with Evalve, while in molecular diagnostics we added Ibis Biosciences.

## Global Growth

We deliver results for patients, health care professionals, employees and shareholders. In 2009, we achieved record revenues of \$30.8 billion. Abbott's financial success enables us to continually invest, innovate and introduce new products that are changing the practice of medicine. More than half our sales come from international markets, with strong performance in the emerging markets of Asia and Latin America.

Our success creates economic benefits for stakeholders around the world. We spent approximately \$14 billion with suppliers during the year; paid \$635 million in income taxes; paid our employees \$7.7 billion; reinvested \$2.7 billion in research and development; and returned \$2.4 billion in dividends to investors. We also contributed more than \$580 million in philanthropic grants and product donations from Abbott and the Abbott Fund.

We have declared 345 consecutive quarterly dividends to shareholders since 1924. Our return of cash to shareholders through dividends – combined with Abbott's stock price appreciation – has generated a total shareholder return of 20 percent over the past three years, compared to a decline of 16 percent for the Standard & Poor's Index over the same time period. Complete financial information about Abbott and a list of our products are available at [abbott.com](http://abbott.com).

## Global Presence

Abbott is headquartered in north suburban Chicago, Illinois. We serve customers worldwide with a staff of approximately 83,000 employees at more than 100 research and development, manufacturing and distribution locations.

## Improving Global Health

Our work targets diseases that pose the greatest burdens on society, including cardiovascular disease, cancer, diabetes, infectious disease, autoimmune diseases, cognition disorders, vision disorders and pain. Our diversity enables us to make a unique and powerful contribution to global health by combating diseases on many fronts. For example, scientists in our pharmaceutical, medical devices and nutrition businesses are collaborating on multiple approaches to prevent, diagnose, treat and manage heart disease.

We constantly explore new ways of ensuring that patients have access to our products and benefit from our knowledge. By partnering with others who share our commitment, we are finding better ways to help people in need overcome barriers to health care and live longer, more productive lives.

### READ MORE ONLINE

- Citizenship Management and Governance
- GRI Index

[www.abbott.com/citizenship/ourbusiness](http://www.abbott.com/citizenship/ourbusiness)



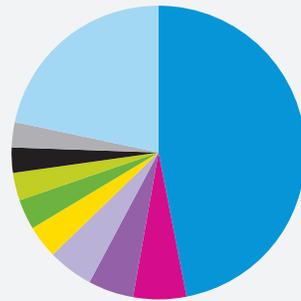


**2009 Net Sales by Country**

Dollars in millions

**Total: \$30,765**

- United States \$14,453
- The Netherlands \$1,801
- Japan \$1,590
- Germany \$1,481
- Italy \$1,172
- Spain \$970
- France \$959
- Canada \$902
- United Kingdom \$779
- All Other Countries \$6,658

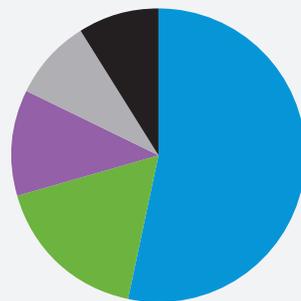


**2009 Summary of Worldwide Sales**

Dollars in millions

**Total: \$30,765**

- Pharmaceutical Sales \$16,486
- Nutritional Sales \$5,284
- Diagnostics Sales \$3,578
- Devices Sales \$2,692
- Other Sales \$2,725



Responding to the needs of moms and health care professionals, we developed *Similac Advance EarlyShield* to support a strong immune system, and designed the *SimplePac* container to enable easy, mess-free bottle preparation without adding stress to the environment.

# Innovation to Impact: **The Similac Story**



Citizenship and stakeholder engagement are integral to Abbott's processes for developing, manufacturing, marketing and distributing our products. For example, we introduced in the United States *Similac Advance EarlyShield*, an innovative baby formula that Abbott scientists developed in consultation with physicians, hospitals and other infant nutrition experts. To meet the needs of today's busy moms, we also designed a new, parent-friendly container, *Similac SimplePac*.

## 1 Consumer Input

Seven out of 10 U.S. moms we surveyed told us that strengthening their babies' immune systems is a top priority. Abbott product development and packaging experts also gathered input from 1,600 moms to understand their concerns and frustrations with existing infant formula products and packaging.

## 2 Research and Development

Abbott used cutting-edge science to create *Similac Advance EarlyShield*. Recognizing that 70 percent of the body's immune system is located in the digestive tract, we researched how creating a healthy digestive system can help support a strong immune system. We added prebiotics to promote digestive tract health, to complement nucleotides to support the immune system. *Similac Advance EarlyShield* has been specially designed to help support the baby's developing immune system.

## 3 Raw Materials Sourcing

The milk, ingredients, vitamins and minerals that go into *Similac Advance EarlyShield* come from only the highest-quality suppliers. As with all Abbott raw materials sourcing, we subject these ingredients to strict standards for safety, purity and integrity. We also conduct rigorous tests to ensure the safety of our packaging materials.

## 4 Enhancing Hygiene and Convenience

We redesigned our *Similac* packaging to improve both hygiene and ease of use. Our innovative *SimplePac* container, with its unique scoop-in-the-lid design, eliminates the need for caregivers to dig through the powdered formula by hand. *SimplePac* is easy to grab and hold with one hand, and its wide rectangular shape and rounded corners make storage easier than ever. The Chicago Innovation Awards honored *SimplePac* with the organization's first-ever People's Choice Award in 2009.

## 5 Responsible Marketing

Along with numerous health organizations worldwide, we believe breastfeeding is the optimal form of infant nutrition. We offer our infant nutrition products as high-quality alternatives for use when breastfeeding is either unavailable or not chosen. We work diligently to educate consumers and health care providers to help them make optimal nutrition choices for infants and toddlers, and we carefully audit our marketing and sales practices wherever Abbott nutrition products are sold to ensure compliance with relevant local codes and standards.

## 6 Managing Environmental Impacts

We subject certain Abbott product packaging to formal life cycle analysis so we can better understand its environmental impacts – in our manufacturing and distribution as well as in consumers' product usage and disposal. *SimplePac* packaging, for example, delivers improved hygiene and convenience with no increased environmental impact over conventional packaging.



# Citizenship at Abbott

We regard our strategies for business growth and profitability as inseparable from our strategies for citizenship and sustainability. We strive to simultaneously create both public and private value – advancing science and helping to reduce the global disease burden, while rewarding our employees and shareholders.

Given the growing complexities of our business, our markets and the world we inhabit, it is essential that we establish concrete goals, priorities and processes to guide our citizenship strategies and measure our performance. Wherever possible, we develop metrics so that we and others may accurately assess our progress.

The people of Abbott are committed to using our expertise to improve global health care and advance sustainable development, while minimizing our impact on the environment.

## Strategic Priorities

A year ago, Abbott established four strategic priorities to align our citizenship activities with our business priorities. These are the areas where our core business can have the most significant impact on society and the environment. In the past year, we have worked diligently in pursuit of these priorities:

- **Innovating for the future** – Using our core strengths as an innovator to make a difference to the health and well-being of people everywhere.
- **Enhancing access** – Breaking down barriers that prevent many people worldwide from accessing the medicine and health care they need.
- **Protecting patients and consumers** – Protecting the health of those who use our products while promoting quality and safety in our operations and throughout our value chain.
- **Safeguarding the environment** – Playing our part in addressing the global challenges of climate change and water scarcity while minimizing the environmental impacts of our products.

## Embedding Citizenship Strategy with Business Strategy

A cross-functional Global Citizenship Working Group leads the integration of citizenship strategy with core business strategy, while driving transparency in the reporting of our economic, social and environmental performance. The team includes representatives from Corporate Purchasing, Global Environment, Health and Safety, the Office of Ethics and Compliance, Quality and Regulatory Affairs, Human Resources, Investor Relations, Government Affairs and Commercial Operations. Many team members carry performance goals and targets related to citizenship issues.

Additionally, we conducted citizenship workshops with senior managers and cross-functional teams from Brazil, China, India, Ireland, Singapore and Vietnam in 2009 – enabling our local country operations to enhance their effectiveness in partnering with local stakeholders and addressing local concerns. We will continue working throughout 2010 to further embed our citizenship commitments and priorities across our diverse businesses, functions and geographies.



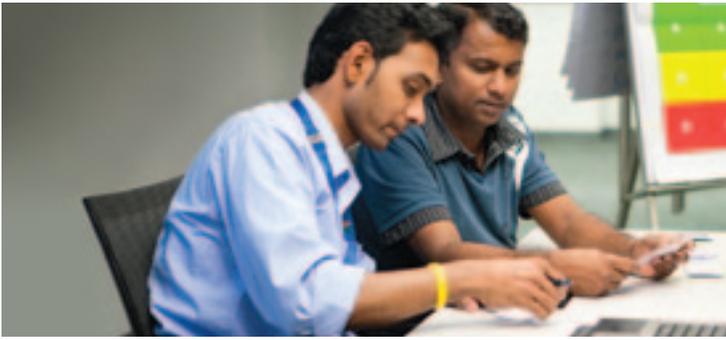
Abbott was named to the Dow Jones Sustainability World Index for the fifth consecutive year. Abbott also was voted the most admired company in the pharmaceutical industry in *Fortune* magazine's annual list. Additionally, we ranked 6th on the 100 Best Corporate Citizens list published by *Corporate Responsibility* magazine.

### READ MORE ONLINE

- Citizenship Management and Governance
- GRI Index
- Citizenship Awards and Recognition

[www.abbott.com/citizenship/ourbusiness](http://www.abbott.com/citizenship/ourbusiness)





# Stakeholder Engagement

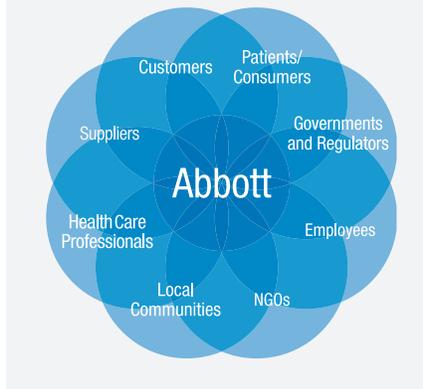
## Engaging Our Stakeholders

Listening to our stakeholders and responding thoughtfully to their concerns and ideas is vital to our progress as a global citizen. Stakeholder insights help us develop new products to address unmet health care needs; educate patients, health care professionals and others about emerging diseases and treatment options; and understand how and where our company can make a difference.

## Key Stakeholder Groups and How We Engage

- **Patients, consumers and customers** provide us with important insights about how we can improve our products and develop new ones. We engage with consumers through patient groups, customer care lines, educational Web sites, surveys and market research. We also gain valuable feedback from retailers, employers, hospitals and clinics.
- **Health care professionals** help us stay abreast of challenges on the front lines of health care; provide feedback on product quality, safety and efficacy; and conduct vital research. We engage with health care professionals through educational programs, research partnerships and day-to-day clinical practice.
- **Governments and regulators** help inform us about the needs and requirements of various communities, and we work with them both directly and through trade groups to advocate for advances in global health care. Abbott's Code of Business Conduct guides all of our public policy engagements.

The complex challenges of advancing global health care require extensive collaboration and partnership with a wide range of groups.



- **Our employees** offer important insights on the full range of company policies and procedures. We offer both formal and informal mechanisms to encourage employee feedback.
- **Our suppliers** provide the raw materials we need to operate our businesses. Abbott maintains a Supplier Social Responsibility program (please see page 34) that helps suppliers understand our citizenship expectations and requirements. We also work with them to improve both their processes and ours.
- **Non-governmental organizations (NGOs)** play a valuable role in alerting us to emerging health care issues. We partner with numerous health care advocacy organizations around the world.
- **Local communities** where we operate have an important stake in how we do business and participate in community affairs. In addition to our role as an employer and local taxpayer, we support educational efforts, civic, cultural and community health care organizations in our neighborhoods.

In 2010, Abbott will continue to expand our engagement with key stakeholders and further enhance our understanding of company impacts. We will conduct a survey of those who read this report, hold one-on-one meetings with key NGOs and expand our collaboration with certain patient organizations.

### READ MORE ONLINE

- GRI Index
- Our Partners

[www.abbott.com/citizenship/ourbusiness](http://www.abbott.com/citizenship/ourbusiness)





# Our Strategic Priorities





Our society faces continuing economic challenges, coupled with rapid shifts in the global disease burden and rising concerns about the environment. We focus our global citizenship efforts in four key areas where we can best apply our science and expertise to address these complex, interrelated issues while earning stakeholder trust. Our strategic priorities remain:

Innovating for the Future

Enhancing Access

Protecting Patients and Consumers

Safeguarding the Environment



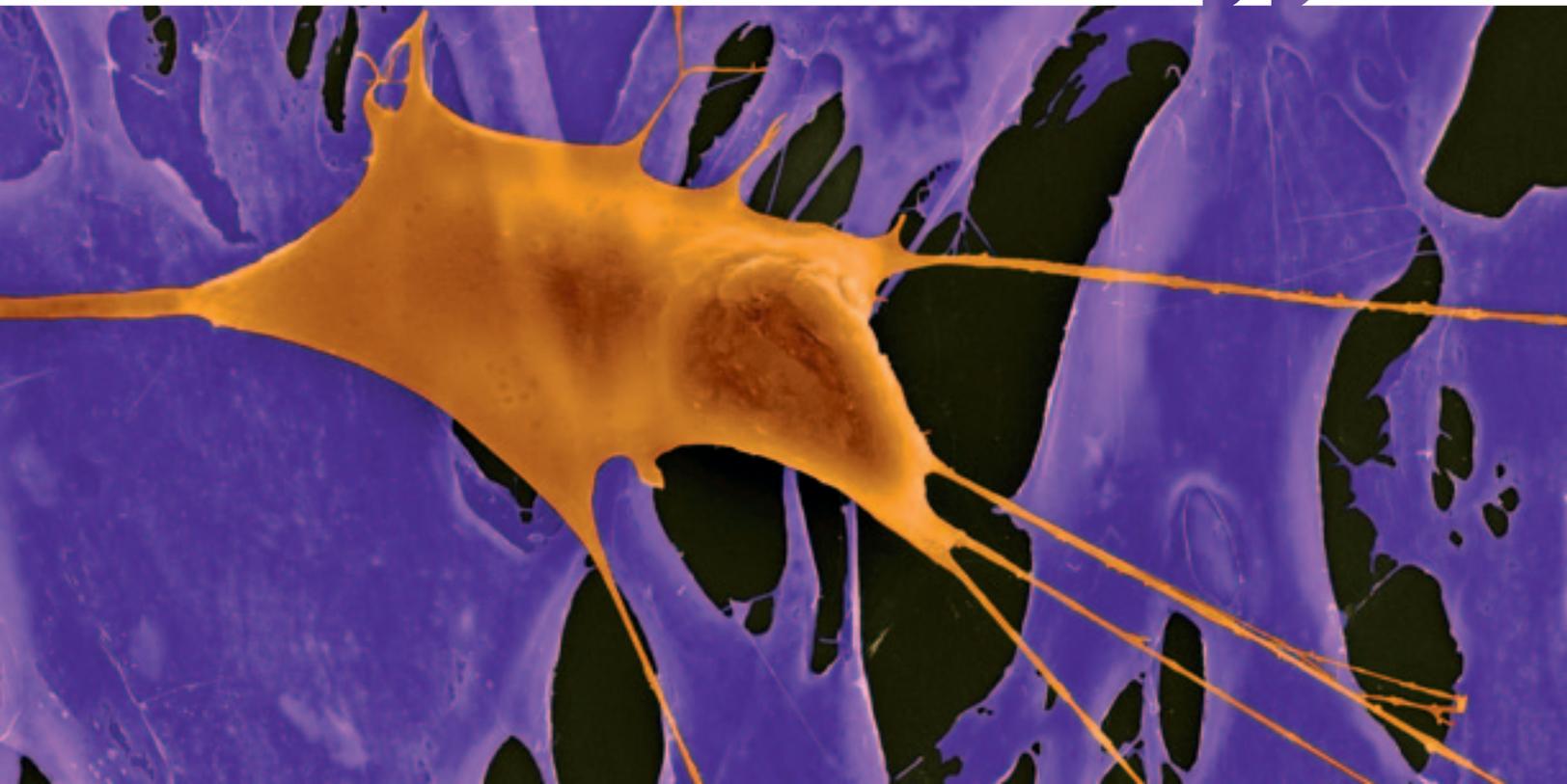


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We are pleased to partner with Abbott to advance the treatment of cancer in Brazil. Our current efforts are focused around a clinical trial for an experimental medicine to treat non-small cell lung cancer. Supporting local studies not only helps develop new solutions for patients, but also helps to foster scientific and technological development in our country.

Jose Rodrigues Pereira, M.D., professor, Irmandade da Santa Casa de Misericórdia de São Paulo

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# Innovating for the Future

Scientific discovery and innovation are the hallmarks of Abbott's business – and the core of our commitment to advancing health and well-being.

Our broad scientific expertise enables us to create new health care products, carry them through the critical stages of development and then deliver them to patients and health care providers around the world. Abbott's diverse portfolio of pharmaceuticals, nutritionals and medical and diagnostic devices share a common framework of excellence in science, research, development and engineering.

In 2009, Abbott invested \$2.7 billion in research and development. Our ongoing investment in R&D enables us to address the ever-changing global disease burden and to foster new, improved solutions for emerging health care challenges.

As health care systems become increasingly integrated, health care payers, governments, patients and others are demanding that health care companies demonstrate clinical comparative effectiveness, and these stakeholders increasingly negotiate for value-based pricing. Abbott understands these expectations and works to meet the changing needs of our customers and stakeholders.

## A Collaborative Approach

Health care research and development is costly and time-consuming. Only about one in 1,000 pharmaceutical compounds progresses from the laboratory into a clinical trial, and only one in 12 compounds entering clinical trials ultimately will reach patients. The development cycle for medical devices is also long and complex, with products being tested in large clinical trials throughout the world. We believe Abbott and our industry must respond to the challenges of

health care innovation and affordability with new approaches that entail collaboration, coordination and partnership.

Abbott scientists regularly share knowledge and experience with scientists outside our company. For example, Abbott nutritionists and endocrinologists are assisting health care professionals in China in establishing new guidelines for appropriate treatment of malnutrition and diabetes. In the United States and Europe, our scientists participate in numerous public-private technical advisory committees.

Abbott works to ensure sufficient diversity in our product pipeline so as to minimize risks while still pursuing exciting new discoveries. We balance our R&D investments in high-risk, potentially breakthrough products with investments in less risky, yet still vitally important refinements and improvements to existing products.

Both types of investment deliver real value for patients and for our company. Achieving the right balance is crucial

to Abbott's continued economic sustainability – and to the sustainability of our investment in potential new cures.

**\$2.7 billion**

**Abbott's research and development investment in 2009.**

(Top left) Abbott has engaged in decades of research to understand the progression of cancer and identify new ways of treating it. Our oncology research is focused on the discovery and development of more targeted, less toxic therapies than are currently available – enabling patients to live longer, healthier lives.

(Bottom left) A diseased non-small cell lung carcinoma is depicted among healthy cells. This cancer is the focus of the clinical trial under way at Irmandade da Santa Casa de Misericórdia de São Paulo.

## Breakthrough Discoveries

Many of Abbott's pharmaceutical R&D initiatives focus on discoveries with the potential to unlock solutions to an important spectrum of medical needs. For example, Abbott has spent more than 14 years researching our investigational Bcl-2 family protein inhibitor known as ABT-263, which may correct defects in cancer cells that allow them to survive chemotherapy and other existing cancer treatments. Our research – the subject of a 2005 cover story in the leading scientific journal *Nature* – aided in the development of a potential new product for Abbott. Moreover, the findings are continuing to help answer fundamental questions about the progress of cancer itself, as well as the progress of new therapies.

Similarly, Abbott is conducting innovative research in neuroscience – developing compounds that target receptors in the brain that help regulate mood, memory and other neurological functions. These innovations are designed to address such conditions as Alzheimer's disease and schizophrenia.

Additionally, our experience in bringing to market the anti-TNF biologic *HUMIRA* provides a strong foundation for developing additional therapies designed to inhibit on a selective basis the proteins responsible for inflammation.

Along with innovative new products, we work tirelessly to enhance existing products. In 2009, for example, we launched our next-generation drug eluting stent, the *XIENCE PRIME* Everolimus Eluting Coronary Stent System, in Europe and select countries throughout the Asia-Pacific and Latin American regions. *XIENCE PRIME* capitalizes on the proven clinical benefits of the market-leading *XIENCE V* stent, and is designed to provide outstanding flexibility and deliverability. In addition, Abbott is studying new alloys and thinner struts for improving ease of use, and we are leading the way in studying a fully bioresorbable device. Abbott's rich vascular pipeline demonstrates our commitment to continuous innovation in advancing treatment for coronary artery disease.

Abbott also invests in science that has originated outside our company where we see opportunities to apply our expertise in developing and distributing new products. For example, we recently acquired the *PlexID* High-Throughput Bioidentification

System, which has the potential to identify virtually all bacteria, viruses, fungi and other microorganisms. Our recent acquisition of Solvay Group's pharmaceuticals division positions us to introduce our innovative health care products and services into Eastern Europe and emerging markets.

## Innovation Outside the Laboratory

Our commitment to innovation extends beyond the laboratory into everything we do – not only the creation, development and distribution of important health care products, but also to the work we do to help more people throughout the world gain access to appropriate health care products and services.

We look for innovative ways to operate in developing and emerging countries – pioneering new products to address unmet and rapidly growing health care needs. For example, we are developing a mid-price nutritional formula for infants and toddlers in India, where much of the population is anemic but cannot afford the premium formulas that are common in developed countries. These innovative products meet all international standards for quality and ingredient composition but are offered in more affordable forms and package sizes.

## Responsible Research

Biomedical research often raises ethical questions about the conduct of clinical trials, the use of new technologies, animal welfare practices and other matters.

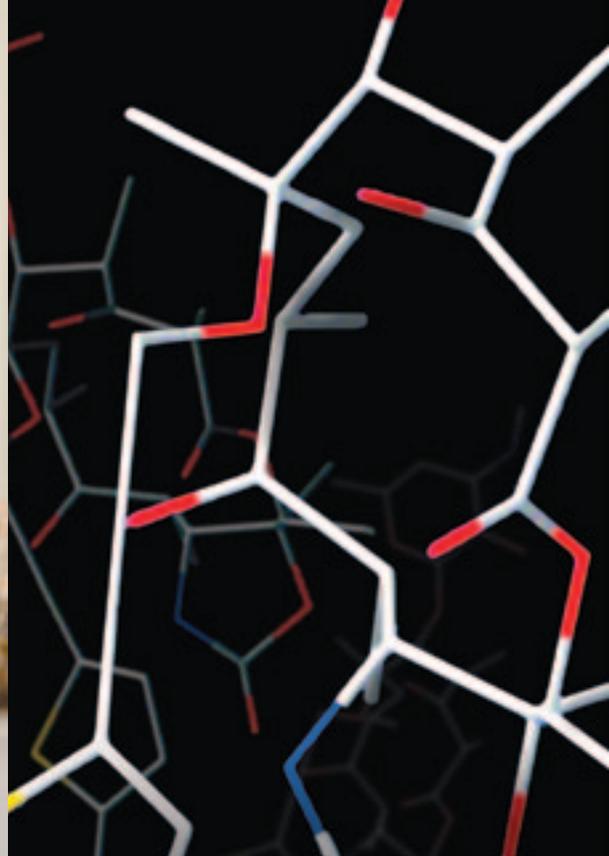
Abbott is committed to the highest standards of clinical practice in all of our research, including areas of bioethics bearing upon the complex interaction of human life, science and technology.

Our biomedical principles, embodied in our corporate policies, focus on safeguarding the volunteers and patients who participate in clinical trials. We take numerous steps – often going above and beyond what is legally required – to uphold our high standards of quality, safety and transparency at all stages and in all countries where we conduct trials.

We also are committed to transparency in the clinical trials we sponsor, recognizing the important public health benefits that can ensue. Abbott registers and discloses all applicable clinical studies, regardless of outcome, in a publicly accessible

**Abbott's new *PlexID* High-Throughput Bioidentification System was named one of 2009's top innovations by *The Scientist* magazine, and also won *The Wall Street Journal's* annual Technology Innovation Award.**





## Addressing Neglected Diseases

Along with our research targeting some of the world's most pressing health care concerns, Abbott is committed to addressing neglected diseases – including tropical diseases that are especially endemic in low-income regions of Africa, Asia and South America. In 2008, we formed a Neglected Disease Council to align and coordinate previously disparate scientific discovery efforts. In 2009, we partnered with the Drugs for Neglected Diseases initiative (DNDi) to identify existing molecular compounds in Abbott's research library that may offer promise in addressing neglected diseases. Using computer modeling techniques, we have identified about 70,000 compounds from a library of more than 1 million. For example, one class of Abbott compounds shows potential impact on parasitic diseases. We are working with DNDi on a plan to further investigate this discovery. Abbott also encourages its scientists to provide pro bono consulting to DNDi on projects of mutual interest.

“Science has the power to change lives. Today's health care challenges faced by low-income countries require innovative and collaborative approaches. Drugs for Neglected Diseases initiative is proud to partner with Abbott and other leading scientific institutions to explore potential solutions to some of the world's most pressing health care needs.”

Shing Chang, Ph.D., R&D Director, DNDi

(Top left) Shing Chang, Ph.D., Research and Development Director at the Geneva-based Drugs for Neglected Diseases initiative (DNDi), is working to develop new treatments for conditions such as malaria, sleeping sickness and Chagas' disease. Abbott is partnering with DNDi to identify existing compounds in our library that may offer promise in addressing these and other illnesses.

clinical trials registry ([www.ClinicalTrials.gov](http://www.ClinicalTrials.gov)). We voluntarily abide by the PhRMA Principles on Conduct of Clinical Trials and Communication of Clinical Trial results and comply with all relevant state and federal laws. For further details, please visit [abbott.com](http://abbott.com).

### READ MORE ONLINE

- R&D Productivity and Capacity
- Product Highlights
- Clinical Trial Registrations and Results Disclosures
- Animal Welfare

[www.abbott.com/citizenship/innovation](http://www.abbott.com/citizenship/innovation)





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We've taken on the major health problems of the poorest – tuberculosis, maternal mortality, AIDS, malaria. We've scored some victories in the sense that we've cured or treated thousands and changed the discourse about what is possible.

Paul Farmer, United Nations Deputy Special Envoy for Haiti, Co-Founder, Partners In Health

”



# Enhancing Access

Abbott's expertise, resources and global presence help to bridge gaps in health care access. We tailor our approach to specific patient needs in specific regions of the world.

Expanding access to care requires addressing a complex array of challenges. Affordability is only one of many factors that may be a barrier to access. The proportion of health care costs borne by individuals, governments and employers varies significantly around the world. Lack of awareness about health care issues and treatments, inadequate health care infrastructure and social stigmas also can make it difficult for patients to get the medicines they need. Abbott works to address these and other obstacles as part of our core business strategy and as part of our commitment to enhancing global health and well-being.

The recent economic recession has heightened concerns about health care access issues. For example, in the United States, 46 million patients do not have health insurance – and nearly a quarter of uninsured adults report forgoing needed care. In 2009, Abbott worked with partners to advocate for U.S. health care reform legislation that would expand health care coverage while fostering medical advances.

## Changing Disease Burden

Abbott's areas of expertise address many of the world's most serious health care challenges – including cardiovascular disease, cancer, HIV/AIDS, malnutrition and diabetes. In keeping with our expertise, our approach to expanding health care access is designed not only to address acute health care dilemmas in the developing world, but also to help governments and health care professionals in emerging markets manage the growing impact of chronic conditions.

We work to reach patients and health care professionals in different economic strata through a variety of methods including education, infrastructure improvements and making specific products more available and affordable. In 2009, we:

- Trained more than 1,000 community physicians in 10 Chinese cities in diabetes prevention, treatment and management techniques.
- Trained more than 600 Chinese health care professionals from 17 provinces in pediatric nutrition management through the Abbott Fund Institute of Nutrition Science – helping to achieve a 27 percent reduction in malnutrition among pediatric hospital patients in Shanghai.
- Reduced malnutrition by 42 percent among children under age 5 participating in a school-based pediatric nutrition program in Vietnam.
- Partnered with Drug Resource Enhancement against AIDS and Malnutrition (DREAM) to provide high-quality molecular testing systems to measure HIV viral load in patients in Mozambique and Malawi.

**Affordability is only one of many factors that play a role in increasing access.**



(Top left) Paul Farmer, M.D., formed Partners In Health (PIH) to serve patients in Haiti more than 20 years ago. Abbott supports PIH projects including health clinics, training programs and mobile health screening units in 12 countries.

(Bottom left) Abbott experts are helping the Haiti PIH team expand its nutrition production and quality while supporting local economic development. We are committed to advancing this work in 2010 and beyond as part of Haiti's rebuilding process (for further details, please see page 36).

We also introduced a number of country-specific innovations to address local health care challenges. In Tanzania, Abbott and the Abbott Fund are working with the government to implement a comprehensive, multi-year strengthening of the country's health care system, with special focus on treating Tanzanians living with HIV and other chronic diseases. In December 2009, we helped open the nation's first emergency medical department at Muhimbili National Hospital in Dar es Salaam. The department treated more than 500 patients – and helped to stabilize more than 100 patients who were critically ill – during its first week of operation. Going forward, a new, Abbott-sponsored educational effort housed at Muhimbili is helping to train health care providers throughout the country in emergency medicine.

We also donate rapid diagnostic tests to relief partners in developing countries, focusing on preventing mother-to-child HIV transmission. Since 2002, Abbott has donated 15 million rapid HIV tests through this program – helping to avert more than 125,300 potential infections of infants.

In addition, Abbott has developed an HIV-1 dried blood spot protocol that allows patient samples from remote areas of the world to be transported and tested while maintaining high-quality results. We have studied performance of the methodology in countries such as Tanzania, Cameroon and South Africa, and the technology is gaining greater acceptance in remote health care settings that are far from centralized laboratory services.

## Sustainable Pricing

Abbott works with governments and other health care purchasers to make our products available at prices appropriate to each marketplace. Abbott's preferential pricing system is designed to increase access to our HIV medicines while balancing affordability based on disease burden and governments' ability to finance health systems. In 2002, Abbott made a commitment to sell its HIV medicines at \$500 per patient per year in Africa and the United Nations-defined least developed countries (69 countries). Abbott then expanded its preferential pricing program to create a new tier for low- and low-middle-income countries. A further price reduction occurred in 2009. In less developed countries, Abbott has consistently provided branded antiretroviral medicines at prices competitive with those of generic alternatives.

## Intellectual Property

Intellectual property protection and the patent system are necessary mechanisms to promote the research and development of new, life-improving products. Strong intellectual property systems foster an innovative culture, in which local innovators can develop new products and technologies knowing that their inventions and creativity are secure. Policies and mechanisms that undermine intellectual property protections impede the development of, and access to, new medicines over the longer term because they lead to an unsustainable environment for the introduction of new medicines for that environment.

Abbott evaluates intellectual property protection on a case-by-case basis, taking into consideration the drivers

for promoting innovation and investment, as well as public health needs. For our HIV products, Abbott does not have patent protection in any least developed country or all of Africa, with the exception of South Africa. In conjunction with this, Abbott offers a comprehensive program to expand access and affordability to its HIV medicines in the developing world. We are committed to broad registration of our products with regulatory agencies in nations where those products are needed.



**reduction in malnutrition among children under age 5 participating in a school-based pediatric nutrition program in Vietnam.**

## Broad Registration

As an example of our approach to broadening health care access, *Kaletra* (lopinavir/ritonavir), marketed as *Aluvia* in developing countries, is Abbott's leading HIV protease inhibitor and is the most widely registered HIV medicine in the world, according to the World Health Organization. *Kaletra/Aluvia* tablets are available, filed or approved in 170 countries where 98 percent of the developing world's HIV-positive population lives. Additionally, our lower-strength tablet for pediatric use has been approved, available or filed in 124 countries. Abbott plans an equally broad and rapid registration process for our new heat-stable *Norvir* tablet.

## Effective Philanthropy

Whenever possible, we work to facilitate access by expanding our core businesses in pharmaceuticals, nutritionals, medical devices and diagnostics – developing new products and services to address unmet health care needs. We favor



## Increasing Access Through Our Diversified Expertise

Abbott is a worldwide leader in helping physicians treat patients with heart disease. For example, Abbott's market-leading *XIENCE V* stent is used to prop open a narrowed or blocked artery and release the drug everolimus in a controlled manner to prevent the artery from becoming blocked again following a stent procedure.

*XIENCE V* – which is available in the United States, as well as key countries in Europe, Asia and Latin America – is built upon Abbott's market-leading bare metal stent, the *MULTI-LINK VISION* Coronary Stent System. The *VISION* platform is designed to facilitate ease of delivery, making it easier for physicians to maneuver the stent and treat the diseased portion of the artery.

Abbott sponsors numerous education and training programs to provide physicians with the latest information on interventional cardiology procedures. For example, we support the Crossroads Institutes in Tokyo and Brussels in providing advanced training and peer-to-peer education for physicians from around the world.

“I couldn't believe I was having a heart attack. At first, doctors planned to perform a triple bypass. But my partner asked if stents were an option – and we were relieved to discover that I was a good candidate. I got to go home two days after the procedure – and two days after that, I was back to work and feeling great.”

Terry Ortega, patient, San Diego, California

market-based solutions to health care challenges because they tend to be more sustainable over the long term.

However, when market-based solutions are impractical or insufficient, we facilitate access through our philanthropy – by donating health care products and services, by facilitating patient assistance and by supporting a wide array of civil society organizations engaged in the direct delivery of health care services. Often, we find we can most effectively promote health care access by collaborating in public-private partnerships with governments, universities, research centers, health care companies, hospitals, clinics and related institutions.

(Top left) Terry Ortega suffered a heart attack during a family camping trip. His partner, Danell Templeton, an Abbott Vascular employee, requested that he be treated with a *XIENCE V* stent. Following his stent procedure, Terry was able to rapidly return to his active lifestyle – including camping, bowling and riding motorcycles.

(Bottom left) Abbott's *XIENCE V* stent is just one example of the company's focus on advancing the treatment of vascular disease by combining the latest medical device innovations with world-class pharmaceuticals, investing in research and development and supporting training and education.

### READ MORE ONLINE

- Patient Assistance Programs
- Product Donations
- Global AIDS Care
- Our Commitment to Child Nutrition

[www.abbott.com/citizenship/access](http://www.abbott.com/citizenship/access)





“

I am proud to work at Abbott, a company that takes good care of patients with rheumatoid arthritis, especially those like my mom. Working in Abbott's immunology business, I have the privilege of helping patients with serious diseases manage their symptoms and live normal lives.

Elaine Wagner, Executive Assistant, Abbott Brazil

”



# Protecting Patients and Consumers

Our ability to create life-enhancing and life-preserving products is constantly bolstered by scientific advances, but delivering on our commitment to patients and consumers goes well beyond the laboratory.

To deliver safe and effective products – at the right time and in the right dosage or formulation – we must work to educate patients and health care professionals about potential risks and side effects. All medicines, health care interventions, procedures and products carry some degree of risk – which must be balanced against the often greater risks associated with the illnesses or injuries these interventions are designed to treat. Fully educating and informing our stakeholders about these risks and benefits is paramount.

Along with educating patients and health care professionals about the safe use of our products, we work hard to ensure safety and consumer protection throughout the manufacturing and distribution process. The safety of many product ingredients is generating significant debate throughout the health care industry. At the same time, the broad geographic dispersion of our supply chain requires increased oversight and auditing.

Our obligation to protect patients and consumers goes beyond simply complying with regulatory requirements. It means earning and keeping the trust of all those who depend on Abbott products by:

- Ensuring quality, safety and product integrity across the full spectrum of research, development and manufacturing of our products and packaging.
- Ensuring the quality, safety and authenticity of each product that bears the Abbott name through our distribution channels.
- Effectively identifying and targeting the most appropriate patient profiles for each Abbott product and ensuring

that health care professionals are fully informed of the benefits and risks of our products.

- Directly and indirectly educating patients about proper storage, use and disposal of their medicines and health care products under appropriate medical supervision.

Our commitment to patient and consumer protection is shared by all 83,000 Abbott employees and by the even greater numbers of people working on behalf of our partners and suppliers. We hold all of them to high ethical and performance standards and maintain effective management systems to review and audit them.

## 83,000

**Abbott employees are committed to patient and consumer protection.**

### Ensuring Quality in Manufacturing

Abbott employs and adheres to robust manufacturing quality standards for all of our products at every manufacturing site

around the world. We use a common quality management system throughout the company, and when we acquire new businesses, we use due diligence and rigorous analysis to ensure that their quality standards and practices quickly conform to ours.

(Top left) Elaine Wagner, Executive Assistant in Abbott Brazil's immunology department, has seen firsthand how *HUMIRA* helps her mother, Neusa Maria Franco Wagner, manage the challenges of rheumatoid arthritis.

(Bottom left) Muriel Huf was born prematurely, with a congenital heart defect. Abbott's *Synagis* helped protect her lungs, and her parents used Abbott Brazil's educational Web site about caring for premature babies to help her grow and thrive.

All our processes and products are regularly monitored and assessed against approved specifications before distribution. We conduct a rolling two-year program of audits covering all of our 60 manufacturing sites, assessing each site against our quality standards. The Abbott Quality and Regulatory organization is itself routinely challenged and assessed through internal audits and regulatory inspections.

## Addressing Concerns

Abbott takes potential safety concerns about our products very seriously, and we work quickly to address questions from customers, patients, consumers and the general public. We investigate each instance and communicate findings and lessons learned to the appropriate regulators, to others in our industry, if appropriate, and across all our business divisions.

For example, in early 2009, we acted voluntarily to withdraw several varieties of *ZonePerfect* nutrition bars in 13 countries because they contained peanut ingredients sourced from a supplier that had been implicated in a salmonella contamination incident. Although none of our nutrition bars was shown to be contaminated, we withdrew them from the market in order to ensure consumer confidence in our brand.

## Patient Education

Education efforts aimed directly at patients and consumers are another important tool for ensuring appropriate use of medicines and health care products, and for helping families more effectively manage their ongoing health care needs. Abbott supports a wide range of educational programs and activities, ranging from health screenings to education about the signs and symptoms of chronic diseases to partnerships with health care professionals and nonprofit organizations.

For example, in the United States, Abbott partners with the American Diabetes Association to support Safe at School, an educational program that helps families learn more about appropriate diabetes care in school settings. In 2009, we joined forces with several Danish patient associations and health care providers to sponsor an interactive exhibit called LEARN (Living the Experience of Autoimmune ReactionNs). This exhibit enables visitors to literally walk through a model of the immune system to understand how autoimmune diseases cause the body to attack itself. The exhibition – which engages

the senses to make disease prevention information more accessible – is currently touring throughout Europe.

Web sites are another important educational tool. Abbott's public education Web sites include:

- [www.knowyourhdl.com](http://www.knowyourhdl.com) and [www.knowyourtrigs.com](http://www.knowyourtrigs.com), two Web sites introduced in 2009 that help people understand the importance of HDL and triglyceride levels in managing the risk of heart disease.
- Our Diabetes Control for Life program ([www.diabetescontrolforlife.net](http://www.diabetescontrolforlife.net)), a free, 24-week Web-based diabetes management program available in multiple languages for people with Type 2 diabetes.
- [www.prematuro.com.br](http://www.prematuro.com.br), a Brazilian Web site providing education about the unique health care needs of premature infants following hospital discharge.
- [www.iLASIK.com](http://www.iLASIK.com), a Web site educating patients about laser

vision correction that is available in seven languages and offers an automated physician finder feature to help facilitate patient interactions with potential surgeons.

**Educational Web sites help patients and families more effectively manage their ongoing health care needs.**



## Responsible Sales and Marketing Practices

Abbott recognizes public concerns about the interaction between health care sales and marketing personnel and health care providers, and we work to ensure that our employees and partners stay focused at all times on our commitment to protecting patients and consumers. An important part of that commitment is an obligation to

communicate responsibly with patients, consumers and health care professionals about diseases, our health care products and the alternatives available to them.

Abbott's sales force and distribution network are trained to educate health care professionals on disease prevention and treatment options, and we adhere to a rigorous set of standards and codes governing advertising, payments to doctors and other health care professionals, as well as other sales and marketing practices. For details of these codes and guidelines, please turn to page 30 or visit [abbott.com](http://abbott.com).

## Appropriate Patient Treatment

Providing health care professionals with detailed data and information to help them properly use and prescribe our products is another essential element of patient protection.



“Abbott’s commitment to vision care has allowed me to offer a safe, state-of-the-art, effective option for cataract patients. It allows them to achieve more functional vision after the surgery than was possible before.”

Coleman R. Kraff, M.D., surgeon, Chicago, Illinois

Darlene Schweitzer discovered she had fast-growing cataracts during a routine eye exam. Her doctor recommended surgery to restore her vision and help her maintain her active lifestyle.

Improved science, epidemiologic data and increasingly customized diagnostic technologies provide us with better understanding of which medical interventions are most appropriate for a given patient. For instance, Abbott’s research and investment in the rapidly expanding field of molecular testing are enhancing health care professionals’ ability to customize treatment methodologies for each patient. Our scientists are working to integrate findings from our ongoing study of molecular diagnostics into our discovery and development programs for new treatments.

We continually improve and update the training we provide for our sales representatives so that they can help physicians better understand how to prescribe the right medicine or medical device for the right patient in the right dosage at the right time. In 2009, Abbott continued to establish mechanisms to enhance the quality of our interactions with health care professionals. These metrics help ensure that sales initiatives for a given product reach only the appropriate physicians; that those physicians are well apprised of the most up-to-date

clinical evidence; and that Abbott sales representatives are accountable for serving the interests of patients and consumers.

## Product Protection

Today’s health care marketplace also faces a growing black market for counterfeit medicines, as well as stolen or illegally diverted products. Counterfeit or diverted products pose risks to patients because they may contain incorrect ingredients or be subject to tampering. Our Global Product Protection Team constantly analyzes our global supply chain – looking for weak points and identifying opportunities to reduce the possibility of product interference.

### READ MORE ONLINE

- Ensuring Quality in Manufacturing
- Serious Adverse Events Consortium
- Sales, Marketing and Advertising Standards and Codes
- Protecting Patients from Counterfeiting and Theft

[www.abbott.com/citizenship/patients](http://www.abbott.com/citizenship/patients)





“

Abbott strives to be a good steward of the earth and its resources – with every product we make and in every market we serve. We are committed to reducing our carbon intensity and water use, while revising product features and design to minimize environmental impact.

Corlis Murray, Vice President, Global Engineering Services

”



# Safeguarding the Environment

Abbott has long been committed to minimizing our global environmental impacts – in the sourcing of raw materials, in the manufacture and distribution of our products and in the use and disposal of our products by consumers and health care practitioners.

Our environmental stewardship initiatives help protect the planet while improving efficiency, reducing costs and preserving our ability to do business in the future. Our three environmental priorities are climate change, water usage and product stewardship.

## Addressing Global Climate Change

Climate change is a serious issue that has the potential to affect businesses in many ways. For example, extreme weather patterns and water scarcity may pose challenges for sourcing, operations and distribution, while a more carbon-constrained world could add to energy costs. Additionally, climate change could lead to significant changes in the global disease burden.

Action is required on our part – not only to mitigate these risks, but also to help society adapt to the climatic changes already under way. As a global health care company, we are committed to helping address this issue – by reducing our direct impacts through manufacturing and by making a positive difference through indirect impacts across our value chain.

Government and policymakers also have an important role to play in addressing global climate change. Through our membership in the U.S. Environmental Protection Agency's Climate Leaders Program and the Business Roundtable Climate Resolve Initiative, Abbott has joined other businesses in advocating public-private partnerships to ensure responsible climate policy. Abbott is committed

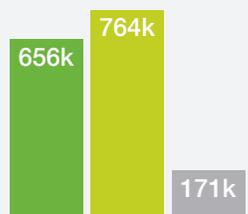
to working with governments and non-governmental organizations to achieve further progress toward climate policy goals.

## Abbott's Carbon Footprint

Our direct emissions come from the carbon emitted at our manufacturing sites, in our offices and by our vehicle fleets. We have been measuring these emissions for many years, and we have established a policy and targets to help us achieve continuous improvements.

### Abbott's Carbon Footprint

- **Manufacturing Fuel Combustion**  
656,000 metric tons CO<sub>2</sub>e
- **Electricity Use**  
764,000 metric tons CO<sub>2</sub>e
- **Global Sales Fleet**  
171,000 metric tons CO<sub>2</sub>e



Includes Greenhouse Gas Protocol Scopes 1 and 2

## Adapting Our Energy Practice for a Low Carbon Economy

High energy prices and price volatility, coupled with the impact on the environment of greenhouse gases generated from our use of energy, make energy management an important issue for Abbott. The greenhouse gases we emit from fuel combustion at our manufacturing sites make up a significant proportion of our direct impacts.

By the end of 2009, we had reduced carbon dioxide equivalent (CO<sub>2</sub>e) emissions from manufacturing by 36 percent compared with 2006

(Top left) Corlis Murray, Vice President, Global Engineering Services, leads a team of more than 1,000 professionals in advancing Abbott's operational excellence while ensuring environment, health and safety leadership.

(Bottom left) Through an educational partnership with Project WET, volunteers from Abbott's manufacturing plant in Casa Grande, Arizona, are helping local businesses, schools and families save more than 2.3 million gallons of water.

levels, normalized by sales, thereby exceeding our target of a 30 percent reduction by 2011.

We are achieving these reductions primarily by improving energy efficiency and switching to low carbon fuels and renewable energy. We generate electricity through co-generation at five of our manufacturing sites, which increases plant efficiency while reducing both energy costs and environmental impact. In 2009, we achieved a 32 percent reduction in electricity purchased, exceeding our 2011 target of a 12 percent reduction (on a 2006 baseline, indexed to sales). We also have committed to investing in renewable energy projects at each of our major manufacturing locations by the end of 2011. To date, we have launched renewable energy programs at three of our 10 largest facilities.

To challenge ourselves further, we have set an absolute reduction target for CO<sub>2</sub>e for 2015 (see box on page 28). Between 2005 and 2009, we reduced our absolute CO<sub>2</sub>e by 10.7 percent, which represents good progress toward this new target.

## Our Wider Footprint

Carbon emissions also are associated with the sourcing, distribution and consumer use of our products.

We are starting to estimate this wider carbon footprint, focusing first on indirect emissions arising in the supply chain and distribution. Our initial analysis suggests that our supply chain footprint is on the order of six to 14 times that of our direct emissions. Emissions from agriculture, particularly linked to the nutrition business, represent the single largest source of emissions.

We are using this analysis of our wider footprint to help shape our future priorities. For example, waste management emerged as one of the top five sources of emissions – and we are responding by putting in place a phased waste management strategy that covers both our own manufacturing operations and, ultimately, those of our suppliers.

Additionally, we are working to assess other sources of indirect emissions, such as consumer use and disposal of our products.

## A Comprehensive Water Approach

Clean water is a critical and finite resource, essential to sustaining human health, economic growth and the environment. Access to water is essential to our manufacturing operations and to all those who use our products. Our

company is committed to managing its water use in an efficient, sustainable manner and to improving people's access to clean water in the communities where we work and live.

In 2004, we set a global target to reduce total water intake by 40 percent (normalized by sales), and we exceeded that target by the end of 2009. Each of our 15 most water-stressed manufacturing sites is preparing local water management plans to help them better understand, anticipate and plan for water restrictions that could have an impact on business operations. We also are partnering with Project WET – a leading water advocacy organization – to educate communities about steps that homes, schools and businesses can take to conserve water and reduce waste. In 2009, more than 2,600 grade school students and dozens of businesses in neighborhoods surrounding our Casa Grande, Arizona, manufacturing plant participated in Project WET training and conservation measures – saving more than 2.3 million gallons of water.

In addition, Abbott is incorporating water-saving design and technology into our facilities in less stressed areas. For example, our manufacturing plant in Altavista, Virginia, conducted a utilities optimization study during 2009 that helped us reduce usage by 12 million gallons of water annually.

## Product Stewardship

Abbott is partnering with a wide range of stakeholders to ensure appropriate stewardship of our products across our value chain. We are revising product features as well as design to enhance the safety and effectiveness of our products, while minimizing their environmental impact across the life cycle of manufacturing, storage, distribution, use and disposal.

## Sustainable Packaging

Abbott's primary concern in designing packaging for our health care products is to ensure their quality, safety and integrity. Packaging protects our products from damage and contamination, communicates essential product information and often makes the product easier to use.

Nonetheless, we recognize that our packaging has impacts on the environment through the energy and materials required in its manufacture and in its ultimate disposal. We are implementing strategies to reduce those impacts throughout our company.



(Left) A worker at Abbott's manufacturing plant in Casa Grande, Arizona, prepares corrugate trays for loading into a wrapping machine. Abbott is working to reduce our environmental impact through investments in sustainable packaging.

(Right) Abbott's manufacturing plant in Sturgis, Michigan, operates a state-of-the-art wastewater treatment facility and has installed efficient water scrubbers to control dust emissions – resulting in the saving of 8.5 million gallons of water per year.

“Working on the new wastewater treatment facility at our nutrition manufacturing plant helps me know I’m playing a role in building a sustainable future for our community.”

James Hoffman, Industrial Treatment Operator, Sturgis, Michigan

Our sustainable packaging initiatives are aimed at reducing the amount of packaging materials used through better design; substituting more environmentally friendly packaging materials wherever we can; reducing the use of materials of particular environmental concern; and working with others in our industry to promote best practices.

To date, Abbott has launched more than 40 sustainable packaging initiatives aimed at achieving a 5 percent reduction in the amount of packaging we use by 2013. Recent sustainable packaging initiatives include:

- A 15 percent reduction in the amount of plastic used in infant formula containers.
- An 8.3 percent reduction in the amount of polypropylene plastic used in Abbott Nutrition's eight-ounce reclosable bottles. By reducing the use of polypropylene by 2.7 million pounds annually, we also help save some 436,000 gallons of gasoline needed to transport our products.
- A new, smaller package for Abbott Vascular's *Emboshield* filters weighing 30 percent less.
- Redesigned clamshell packaging for *Lupron*, used in treating prostate cancer and endometriosis. The new package

reduces polystyrene use by 15.8 percent, or 12,750 pounds per year.

- A new pilot program for shipping physician samples that require refrigeration. In place of our old, single-use shipping box, the program introduces a new, smaller box that can be reused more than 100 times. It is made of recyclable, 100 percent organic-based materials.

Since 2007, we have eliminated nearly 4.5 million pounds of packaging annually. In addition, we have adopted new packaging guidelines to help our packaging and purchasing professionals make more sustainable choices.

Abbott also works with several industry and independent advisory groups, including the Sustainable Packaging Coalition and the European Organization for Packaging and the Environment (EUROPEN). We also partner with suppliers who have achieved or are pursuing certification with respected sustainability organizations, such as the Program for the Endorsement of Forest Certification, the Forest Stewardship Council and the Sustainable Forestry Initiative.

## Pharmaceuticals in the Environment

The issue of pharmaceuticals in the environment focuses on the disposal of unused and expired prescription medication. Trace amounts of pharmaceuticals have been found in U.S. water sources, and are the result of the flushing of digested and unused medication.

We support the current efforts of both the Environmental Protection Agency (EPA) and the Pharmaceutical Research and Manufacturers of America (PhRMA). The EPA standards for disposal of unused or expired medication direct individuals to dilute unused medication with coffee grounds or kitty litter before placing the container in the trash. PhRMA, along with the U.S. Fish and Wildlife Service and the American Pharmacists Association, have partnered to form *SMARxT DISPOSAL*, a consumer-focused program to educate consumers about proper disposal. Proper disposal of unused and expired medication can help prevent trace amounts from reaching water sources, and also aids in preventing potential abuse. Additionally, we are partnering with the Teleosis Institute to educate health care professionals about appropriate prescribing practices to minimize the risk of excess unused medicines requiring disposal.

## Environmental Management

Clear policies, standards and management systems ensure we operate in a manner that protects both human health and the environment. Our environmental management metrics, auditing and reporting mechanisms are evaluated regularly, and we hold our managers responsible for improving their performance against these targets as part of our annual performance appraisal process. For a second straight year, Abbott achieved the maximum score in the environmental policy and management category of the Dow Jones Sustainability Index. For further details, please visit [abbott.com](http://abbott.com).

### READ MORE ONLINE

- Environmental Awards and Recognition
- Environmental Performance Data by Region
- Environmental Policies, Standards and Management

[www.abbott.com/citizenship/ehs](http://www.abbott.com/citizenship/ehs)

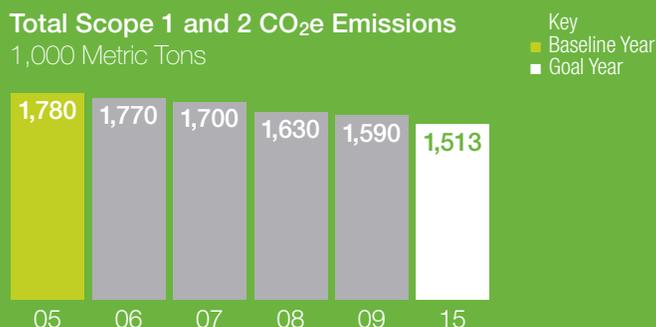


## 2015 GOALS

Abbott has a long track record of setting environmental performance targets – and challenging ourselves to achieve even greater results. Because we achieved our previous environmental goals well ahead of schedule, Abbott in 2009 established a series of new targets for further minimizing our environmental impacts. By 2015, we seek to reduce:

- Absolute CO<sub>2</sub>e emissions (from direct emissions or sources we own or control and from electricity we purchase) by 15 percent.
- Total water intake by 50 percent.
- Total waste by 50 percent, including the objective to achieve at least five zero waste to landfill plants by 2015.

**Total Scope 1 and 2 CO<sub>2</sub>e Emissions**  
1,000 Metric Tons



**Total Water Intake**

Gallons per \$1,000 Sales



**Total Waste Reduction**

Tons per \$1 Million Sales

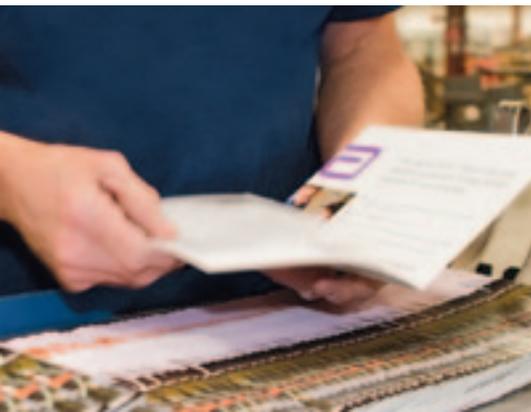


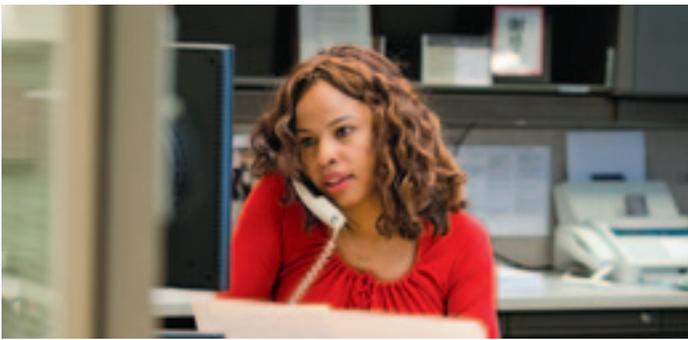
Data has been adjusted from last report based upon subsequent verification.



# Performance and Operational Review

Ethics and Compliance Our People Supply Chain Management Global Community Disaster Relief and Rebuilding in Haiti





# Ethics and Compliance

Abbott's 83,000 employees understand that earning trust is a result of their actions, the decisions they make and the manner in which they do business every day – in matters large and small. Each Abbott employee and every aspect of our business activities must be guided by a clear understanding of legal and regulatory requirements; company policies and procedures; and our values.

## Code of Business Conduct and Other Abbott Standards

Our basic guidelines and requirements for ethical behavior are set forth in *The Abbott Code of Business Conduct*, published in print and online in 35 languages. Abbott employees are required to read, understand and certify adherence to our Code annually. Training and education programs for employees further increase their awareness of the Code's precepts and the legal and ethical implications of their actions and behaviors.

Our Code states clearly that Abbott does not tolerate illegal or unethical behavior in any aspect of our business. It emphasizes the importance of ethical and honest conduct; treating confidential information appropriately; avoiding conflicts of interest; and maintaining Abbott's books and records with accuracy and integrity.

Our Code's guidelines and our policies also address provisions of the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) and the updated Pharmaceutical Research and Manufacturers of America (PhRMA) Code on Interactions with Health Care Professionals, as well as provisions of the Advanced Medical Technology Association (AdvaMed) Code of Ethics on Interactions with Healthcare Professionals.

**We follow voluntary industry guidelines on sales and marketing practices.**

In addition, the Abbott Code and policies set forth requirements for timely, accurate public disclosures and compliance with relevant laws, including food and drug laws, laws relating to government health care programs and antitrust laws. We regularly update our policies to incorporate changes in our industry's codes, including rules regarding gifts, meals and education.

## Monitoring Performance

Creating an environment where employees can raise questions and concerns helps us advance our commitment to ethical behavior. Employees can call Abbott's telephone- and Web-based Ethics and Compliance Helpline to raise concerns 24 hours a day,

seven days a week – and calls to the helpline can be made anonymously. Employees also may contact the Chief Ethics and Compliance Officer.

All allegations are analyzed, and corrective actions are taken when necessary, including terminating employees or supplier relationships. When appropriate, we report information about breaches of the Code to senior management. We look for trends in how employees understand and apply the Code, responding when appropriate.

(Top left) Abbott employees can call the Ethics and Compliance Helpline 24 hours a day, seven days a week.

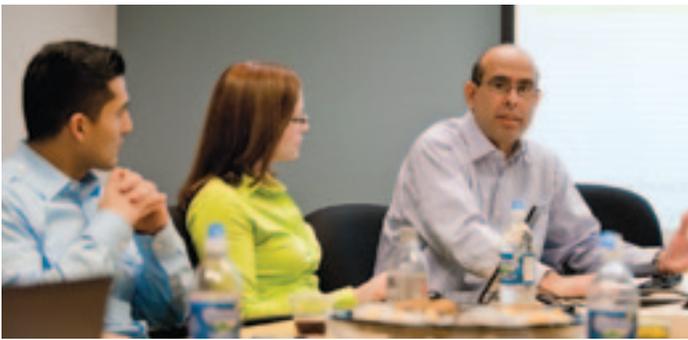
(Top right) Abbott affiliates' Compliance Executive Committees meet monthly to discuss ethics and compliance issues.

### READ MORE ONLINE

- Corporate Governance
- Board Committees
- Grants and Donations

[www.abbott.com/citizenship/ethics](http://www.abbott.com/citizenship/ethics)





## Minorities and Women in Management

Percentage of U.S. workforce



# Our People

Abbott is committed to helping our employees fulfill their potential and build rewarding careers. We choose our people carefully and guide them toward meaningful career paths, focusing on four key objectives:

- Finding a diverse mix of talent for the right roles across the global cultures and areas of expertise.
- Aligning the growth of our workforce with our global strategies.
- Supporting our people with strong organizational values, an inclusive culture and ongoing career development opportunities.
- Retaining our people with rewards and opportunities for personal growth.

**Representation of women and ethnic minorities in U.S. management has increased 59 percent and 68 percent respectively over the past 10 years.**

Our human resources strategy reflects the dynamic opportunities inherent in the breadth and diversity of our four businesses – which crisscross cultures, countries, functions, technologies and customers. Abbott exposes its people to a wide array of challenges and experiences, affording them opportunities to solve problems and address emerging health care needs on a global scale.

At the same time, we strive to keep every Abbott employee safe, with robust health and safety policies, procedures, training, and management based on rigorous standards. Continuous improvement is an important aspect of our health and safety commitment, and we regularly set performance improvement goals. Additionally, many of our managers are held accountable for employee development, performance, health and safety as part of our annual appraisal process.

## Recruitment and Hiring

Abbott offers numerous hiring and development programs to help employees begin or enhance their careers, starting with the Abbott internship program. In 2009, we hosted 360 interns across 25 facilities, up from 340 interns at 17 sites in 2008. More than half (55 percent) of our interns were women, and

37 percent were minorities. Ninety-nine percent of our interns said they were satisfied with the program, and 49 percent of our 2008 internship class accepted full-time positions at Abbott in 2009.

## A Diverse, Inclusive Workplace

Abbott has a longstanding commitment to employee diversity and inclusion. We offer numerous initiatives to support the varied needs of our employees, including employee networks, a robust mentoring program and our work-life programs.

Abbott's Executive Inclusion Council, led by our Chairman and CEO, monitors the hiring and advancement of women

and minorities in management and supports programs that promote an inclusive work environment. In the United States, representation of women and ethnic minorities in management has increased 59 percent and 68 percent respectively over the past 10 years. Additionally, women now make up nearly half (47 percent) of our global workforce. We are increasingly focused on the challenges of defining and achieving a more diverse workforce outside North America. The expansion of our global inclusion focus will continue in 2010 – working with our local sites to develop culturally relevant solutions.

## Employee Learning and Development

We conduct ongoing learning and training programs to help employees at all levels realize their potential, and we provide extensive opportunities for one-on-one mentoring support. In 2009, more than 2,000 U.S. managers and directors attended Abbott-sponsored leadership development programs. Additionally, more than 2,300 mentoring partnerships have

(Top left) La Voice – an internal network established and led by Latino employees – offers learning and development workshops, community events and business initiatives to support a diverse work environment while attracting and retaining Hispanic/Latino talent.



## Our People Continued

been formed across the United States since our formal mentoring program launched in 2005, and 65 percent of participants attribute a specific career success to mentoring. Our Professional Development Programs provide employees opportunities to gain diverse experiences by rotating through three or four assignments within the company, including international affiliates. These programs provide an effective leadership pipeline, with a quarter of alumni advancing to senior leadership positions.

### Work-Life Benefits

Abbott makes a priority of helping employees balance their work commitments with their family lives and personal endeavors. We offer numerous flexible work options, including flextime, job-sharing, telecommuting, compressed or reduced workweeks and shift trades. Nearly 100 percent of our U.S. employees have access to flexible time schedules, while most salaried and many hourly employees have the tools to telecommute. We continue to develop programs to support employees across their employment life cycles, and our work-life programs have won awards from the Great Places to Work Institute in 15 countries. We are especially mindful of the complex and changing nature of retirement today. Through our Freedom to Work program, Abbott employees considering retirement have the option to scale back their hours and/or change their responsibilities without affecting their benefits. Roughly 160 U.S. employees have enrolled in this program to date – enabling efficient knowledge transfer for our company, while supporting employees through their transition.

**Most U.S. workers have access to flexible time schedules, along with the tools to telecommute.**



### Employee Well-Being

As a health care company, we are committed to the well-being of our employees. We offer a wide array of locally appropriate wellness programs around the globe. The most common offerings include health screenings, immunizations, on-site fitness centers and health club membership discounts. In the United States, 66 percent of employees and 50 percent of their spouses participate in LiveLifeWell, an integrated wellness program that motivates employees to adopt healthier lifestyles through online health assessments, personal coaching and on-site immunizations and health screenings. In 2009, we launched new Employee Assistance Programs to address emotional health care needs in Germany, Mexico, Norway, Russia, Sweden and the Netherlands – bringing the number of countries where these programs are offered to 15.

### Restructuring

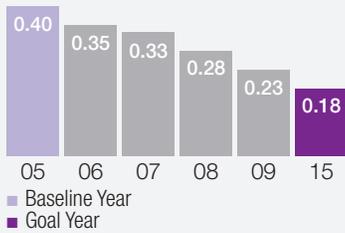
Abbott's global workforce has grown considerably over the past few years. However, like many companies, we continuously assess our business to ensure we have the right resources in the right places to support growth worldwide. In instances where reductions are necessary, our approach is to always treat impacted employees with dignity and support them with transitional assistance, which may include pay and/or health insurance continuation and outplacement services.

(Top left) Abbott's Freedom to Work phased retirement program enables Mary Tyrell to make family midday meals for her husband, daughter, son-in-law and grandchildren.

(Top right) More than 2,300 mentoring partnerships have been formed over the past four years – enabling protégés like Robert Wright, on the Value Stream Team, to learn from mentors like Colleen Kerr, Value Stream Manager in Global Pharmaceutical Operations.

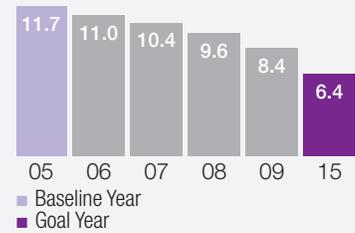
## Lost Workday Case Rate

Cases per 100 employees



## Global Fleet Accident Rate

Accidents per million miles driven



## Human Rights

Abbott believes in the dignity of every human being and respects individual rights as set forth in the Universal Declaration of Human Rights. These principles are reflected in our company's mission and core values. We contribute to the fulfillment of human rights through compliance with laws and regulations wherever we have operations, as well as through our policies and programs.

## Health and Safety

Abbott has clear, consistent global policies and standards to promote employee health as reflected in our Environment, Health and Safety Policy. We implement this policy through a variety of mechanisms. Each manufacturing plant and commercial site develops and executes a plan based on global standards. In 2009, we conducted 24 site audits to evaluate compliance with these plans, and we identified corrective actions wherever gaps were found. As an outcome of our EHS management system, we use a risk-based approach to focus on more significant risks in our facilities to drive continuous improvement. Additional health and safety initiatives include our Moving to Zero Incidents program – which focuses on changing behaviors to reduce injuries – and expanded preventive medical screenings at sites around the world, in which our occupational health professionals work to identify potential employee health risk factors. In 2004, we set a goal to reduce our Lost Workday Case Rate by 33 percent, and we exceeded that target by the end of 2009 with a 50 percent reduction. This year we have reset our long-range performance target to 0.18 cases per 100 employees, a 55 percent improvement over a 2005 baseline year. Senior management reviews our health and safety performance data frequently to monitor trends and ensure appropriate actions are taken.

Many Abbott employees have access to wellness programs such as discounted health club memberships.



In 2009, we launched the corporation's first Commercial EHS Program of the Year campaign – designed to recognize excellence in employee health and safety efforts within our worldwide commercial businesses. We established

comprehensive, activity-based performance scorecards to report affiliate compliance with key performance indicators. Based on a survey of our fleet employees last year, we also expanded our commercial EHS training and awareness in the areas of ergonomics, biosafety and occupational health. By the end of 2009, we reduced our global accidents per million miles by 37 percent compared with 2004 levels – thereby exceeding our target of a 30 percent reduction. Recently we reset our long-range target to 6.4 accidents per million miles driven, a 45 percent reduction over a 2005 baseline year.

Another important component of Abbott's commitment to the health and productivity of our employees is our Occupational Health and Safety program. In 2009, we conducted a global campaign to promote good hygiene and flu prevention. We also expanded our worksite-based screening initiative for conditions such as diabetes and obesity to nine Abbott sites around the world, reaching more than 1,600 employees.

(Top) Lisa Shurtz, Account Specialist in Abbott's Global Pharmaceutical Operations unit, greets her newest team members at an orientation class.

### READ MORE ONLINE

- Awards and Recognition
- Diversity and Inclusion
- Learning and Advancement
- Compensation and Benefits

[www.abbott.com/citizenship/people](http://www.abbott.com/citizenship/people)





### Supplier Diversity Performance

Dollars in millions

Category	2005	2006	2007	2008	2009
Minority	\$171	\$174	\$170	\$186	\$225
Women	\$147	\$106	\$100	\$128	\$207
Small	\$884	\$879	\$742	\$871	\$1,028

# Supply Chain Management

## Ensuring High Standards in Our Supply Chain

Abbott's suppliers are integral to the success of everything we do. In 2009, Abbott purchased an estimated \$14 billion in goods and services from more than 20,000 suppliers worldwide. We work closely with suppliers, holding them to the same quality and social responsibility standards to which we hold ourselves.

Responding to the recent global economic upheaval, we implemented in 2009 a financial risk screening process to ensure that both current and potential Abbott suppliers are viable and able to support Abbott operations. These analyses highlighted several weak spots, and we were able to take timely actions to prevent supply interruptions. We also strengthened our pandemic response plan to ensure supply chain continuity in the face of potential global health challenges such as the H1N1 virus.

**During the past two years, Abbott has conducted more than 1,000 on-site supplier quality audits and more than 45 on-site supplier social responsibility audits.**

## Supplier Guidelines

Abbott suppliers are expected to read and agree to *Abbott's Supplier Guidelines*, which set forth our expectations in a wide variety of areas: ethical behavior; business integrity and fair competition; human rights; privacy; labor rights and worker protection; animal welfare; environmental stewardship; and health and safety practices. We publish these guidelines – both online and in print – in numerous languages.

## Supplier Management and Auditing

Abbott utilizes a formal management review of our own systems – as well as supplier performance metrics – to evaluate the quality of suppliers' products and services, as well as their commitment to social responsibility.

During the past two years, we have completed more than 1,000 on-site quality audits of our most critical suppliers, and we have completed performance scorecards for more than 80 percent of them. Abbott also has established a metrics program to drive supplier performance through periodic feedback.

In addition, Abbott has conducted more than 400 surveys and 45 on-site audits to evaluate suppliers' social responsibility during the past two years. These audits led to the disqualification of three suppliers based on their noncompliance with Abbott standards. We also implemented an auditor training program in 2009 – doubling the number of eligible auditors. We have an even more intensive screening process for suppliers in emerging markets, where risk levels may be higher. In 2009, we conducted our first audits in India and Mexico, while continuing our focus on China.

## Electronic Sourcing

In 2009, we implemented an electronic auctioning system to increase transparency and assure fairness while helping Abbott rapidly obtain market rates and reduce paper. We hosted 145 electronic sourcing events, and we are scheduled to hold more than 200 such events in 2010.

## Supplier Diversity

As with our own workforce, diversity in our suppliers is an essential element in Abbott's ability to compete globally. In 2009, our purchases from small and diverse suppliers exceeded \$1 billion – an increase of more than 15 percent from 2008. We provide guidance to these suppliers through informal mentoring efforts, support for educational programs and our Supplier Excellence program.

(Top) Original Smith Printing partners with Abbott and the Green Suppliers Network to provide environmentally friendly fulfillment services.

### READ MORE ONLINE

- Selecting New Suppliers
- Green Purchasing
- Supplier Performance Program

[www.abbott.com/citizenship/supplychain](http://www.abbott.com/citizenship/supplychain)





## Employee Giving Campaign Results

Category	2005	2006	2007	2008	2009
Dollars Pledged (dollars in millions)	\$3.80	\$3.98	\$5.00	\$5.24	\$5.88
Employee Participation	62%	64%	65%	73%	78%



# Global Community

In communities large and small, Abbott seeks to make a significant and long-lasting difference in the quality of people's lives. Recognizing that we cannot do this work alone, we support, encourage and partner with a wide array of credible and effective community-based organizations. We ask all our employees and affiliates to join in the effort.

Our community initiatives focus on three areas where we can best apply our knowledge, expertise and resources:

- Advancing community health care and wellness.
- Lending medical expertise and promoting scientific knowledge.
- Strengthening community vitality.

## Community Health Care

The United Nations estimates that a third of the world's population lacks access to essential health services. Abbott addresses this challenge in a variety of ways. In 2009, Abbott and the Abbott Fund invested more than \$580 million to support capacity-building partnerships, product donations and patient assistance programs. For example, we provide financial grants, product donations and volunteer support to Feeding America's Backpack program to feed chronically hungry children. For additional information about our philanthropic initiatives, please visit [www.abbottfund.org](http://www.abbottfund.org).

## Medical Innovation and Science Education

The world urgently needs more well-trained scientists, and Abbott is committed to applying our expertise to address this challenge. Our science education platform focuses on K-12 after-school programs – especially in disadvantaged communities – and fosters broader understanding of the science behind health care and nutrition. Our scientists actively volunteer their knowledge in local schools and through other

community programs. In 2009, more than 1 million students and parents across the United States, Puerto Rico and Ireland benefited from Abbott-sponsored science education programs. In 2010, we will expand our program offerings into China, Germany, Singapore and the United Kingdom.

**In 2009, more than 1 million students and parents across the United States, Puerto Rico and Ireland benefited from Abbott-sponsored science education programs.**



## Employee Giving

Giving back is an essential part of Abbott's culture, and our employees' generosity mirrors that of our company. In 2009, our employees contributed more than \$8.4 million through our Employee Giving Campaign and Matching Grant program, and their donations were matched by \$4.4 million in contributions from the Abbott Fund. At a time when employee giving campaigns at most large corporations experienced diminished participation, employee participation in our Employee Giving Campaign rose to 78 percent from 73 percent the previous year, and 62 percent in 2005.

Our employees also share their skills, scientific knowledge and enthusiasm by volunteering for a variety of important community-based initiatives. In mid-2008, we launched a pilot program to track U.S. employees' volunteer service – and our employees have donated more than 72,000 hours to eligible community organizations since the program's inception.

(Top left) Abbott Puerto Rico employees volunteer to fill Backpacks of food for chronically hungry children.

(Top right) A middle school student discovers her DNA during Abbott Fund's Operation Discovery science education program at the Abbott Diagnostics facility in Sligo, Ireland.

### READ MORE ONLINE

- Science and Medical Education
- Community Vitality
- Employee Giving

[www.abbott.com/citizenship/community](http://www.abbott.com/citizenship/community)





# Disaster Relief and Rebuilding in Haiti

The catastrophic earthquake that struck the nation of Haiti on January 12, 2010, killed or injured more than a half million people and left more than a million homeless. Haiti's already limited health care system needed immediate assistance – and emergency aid was slow to arrive due to logistical challenges.

Abbott and our trusted partner organizations were able to respond immediately – providing much-needed diagnostic, nutritional and pharmaceutical products for use in emergency medical care, along with financial assistance to support rebuilding. This rapid response was possible thanks to a disaster preparedness program we developed in partnership with Direct Relief International.

## Strategic Pre-Positioning

In preparation for each year's hurricane season, Abbott and our partners pre-position essential disaster relief products in health care clinics throughout the U.S. Gulf Coast and Puerto Rico, as well as Jamaica, the Dominican Republic and Haiti. Prior to the 2009 hurricane season, working with Direct Relief International and Feeding America, Abbott had already pre-positioned more than \$1.3 million worth of products in food banks and health facilities throughout the region.

As a result, as soon as the earthquake struck, our partners in Haiti were able to immediately care for their neighbors – while partners in unaffected areas were able to route supplies directly to Haiti. Health centers in Haiti were then able to provide urgently needed Abbott rehydration solutions, antibiotics, nutritional products and handheld diagnostic analyzers.

Abbott's pre-positioning work is aimed at making essential health care products and nutritionals available within two to three days – instead of the seven to 10 days that typically are required to transport aid into an emergency zone. Each clinic participating in our program receives a Hurricane Preparation Pack, designed to provide the most critical medical products for up to 100 patients over a 72-hour treatment period and to help mitigate mass referrals to local hospitals.

Our program provides local relief partners with the flexibility they need to rapidly deploy products from their local inventory whenever disaster strikes. In addition, our program reduces the risk of spoilage or improper storage associated with unsolicited donations.

## Long-Term Focus

Abbott's work in Haiti goes well beyond short-term disaster relief. Together with Boston-based Partners In Health – a leading nonprofit organization that has served more than 2 million vulnerable patients in Haiti and other developing nations during the past 20 years – we are working to address Haiti's longer-term health care and social challenges.

For example, building on our longstanding philanthropic partnerships in Haiti, we are leveraging the expertise of our nutrition scientists and engineers to help create locally produced, sustainable sources of nutritious, affordable, high-quality food products that support good health while creating jobs and stimulating Haiti's economy.

By early spring 2010, we had committed more than \$5 million in new grant funding and donations of critical nutritional and health care products to assist the people of Haiti.

Since 2007, Abbott and the Abbott Fund have provided Haiti with more than \$34 million in grants and product donations to address health care needs in areas ranging from maternal and child health to diabetes, HIV/AIDS and malnutrition.

Abbott's work in Haiti includes emergency relief (top left), support for local farmers (top center), and pre-positioned supplies to ensure rapid response to disasters (top right).

**Since 2007, Abbott and the Abbott Fund have donated more than \$34 million in grants and products to Haiti.**

### READ MORE ONLINE

- Product Donations
- Our Relief Partners
- Abbott Fund

[www.abbottfund.org](http://www.abbottfund.org)



Business Profile

# Diagnostics



Diagnostics play a key role in advancing the practice of medicine. The handheld *i-STAT* enables us to run tests on the go when time is of the essence. We use the device to provide our medical team with vital patient information during major orthopedic surgeries.

Kelly Felix Dos Santos, nurse, Hospital Abreu Sodré, Brazil



# A global leader in *in vitro* diagnostics

Abbott products have helped transform the practice of medical diagnosis from an art to a science, virtually creating the modern diagnostics industry through the company's commitment to improving patient care and lowering overall costs.

## 1985

Development of first diagnostic test to screen blood and blood products for HIV.

## 1995

First fully automated analyzer for high-volume blood screening.

## 2002

First gene-based companion diagnostic test approved for inclusion in the labeling of *Herceptin*, a revolutionary treatment for breast cancer.

## 2005

First gene-based test for diagnosis of patients suspected of having bladder cancer.

## 2010

First automated test for HE4 (human epididymis protein 4) for the assessment of epithelial ovarian cancer.

While the 20th century witnessed an explosion in the growth and development of medications, advances in 21st century health care could well belong to diagnostic science. Medical diagnosis consumes a small percentage of global health care costs, yet it is the essential first step in the vast majority of health care decisions. The worldwide market for *in vitro* diagnostic testing is expected to grow by nearly 10 percent annually over the next several years, as the favorable economic impact of laboratory testing is increasingly recognized.

Abbott Diagnostics has been a global leader in the field for nearly 40 years, offering a broad range of innovative *in vitro* tests and systems for use in hospitals, reference labs, blood banks, physician offices and clinics, with more than 69,000 institutional customers in more than 100 countries. Abbott is also a leader in point-of-care-testing with its innovative *i-STAT* system, the world's first handheld automated blood analyzer capable of performing a panel of commonly ordered blood tests on two or three drops of blood in just minutes at the patient's side. Additionally, Abbott is a leader in the rapidly expanding field of molecular diagnostics – giving physicians the ability to detect the presence of viruses and bacteria by identifying the presence of abnormal genes.

**From the first blood sample taken from a newborn's heel to elaborate diagnostic equipment used to measure a growing spectrum of disease factors, modern diagnostics are the vital link between a patient's symptoms and a doctor's treatment strategy.**

## Innovating for the Future

Abbott scientists are advancing the detection and treatment of serious diseases by developing highly sensitive molecular testing protocols that predict which patients are likely to benefit from a particular therapy. For example, we are working to develop a test to identify patients who could benefit from certain tyrosine kinase inhibitors, a class of drugs used to treat select patients with advanced non-small-cell lung cancer.

Abbott also is changing the way viruses, bacteria, fungi and other microorganisms are identified in research labs. Within eight hours, the *PlexID* High-Throughput Bioidentification System – which we acquired in 2009 – has the potential to detect virtually all microorganisms in a given sample without requiring technicians to predict the testing outcome. Designed to alert health officials

to new virus strains, it helped identify the earliest instances of the 2009 H1N1 flu virus in the United States. It has numerous applications, including biological research, epidemiological surveillance and forensics, and offers significant potential for human diagnostics.



In addition, we continue to explore opportunities in the area of pharmacogenomics – that is, identifying which patients will likely benefit the most from a specific treatment option. For example, our *PathVysion* HER-2 assay is a DNA-based test that identifies which patients are likely to benefit from *Herceptin*, a targeted breast cancer therapy. In early 2010, we received CE Mark certification for our *ARCHITECT* human epididymis protein 4, or HE4 test, the first automated HE4 test that can help in the assessment of epithelial ovarian cancer.

## Enhancing Access

Health care professionals throughout the world use Abbott tests to screen and help protect the blood supply, monitor medication levels and provide information to assist in the diagnosis and treatment of disease. The *Abbott PRISM* blood analyzer is used in more than 30 countries – nearly half of which use the system to screen all of their blood donations for HIV and other infectious diseases.

## Protecting Patients and Consumers

Our diagnostic tests and systems are critical to deciding who needs treatment and what kind – and to heading off potentially serious health conditions. For example, Abbott recently introduced in the European Union a test for a certain urine protein that helps predict the onset of acute kidney injury (AKI), a serious condition that afflicts 7 percent of all hospitalized patients and that, when left untreated, can pose a major challenge to recovery.

In addition, Abbott point-of-care diagnostics provide health care professionals with immediate access to accurate, critical test results. For example, our *i-STAT* handheld analyzer, which analyzes chemistry panels, blood gases, coagulation and cardiac markers, enables physicians to make treatment decisions at the patient's bedside, speeding care in emergency departments, operating rooms and critical care units.

## Safeguarding the Environment

Abbott Diagnostics is an integral partner in our company's commitment to help safeguard the global environment.

In 2009, six of our diagnostics manufacturing sites worked together to identify opportunities for reducing landfill waste by some 220 tons per year, representing a 34 percent reduction. Two of these sites will have eliminated virtually all landfill waste by mid-2010. Abbott will extend this landfill waste reduction initiative to additional plants in its Chicago-area headquarters. Our diagnostics plants also were among the first to install solar electrical and hot water systems, rainwater harvesting systems, renewable energy and energy-efficiency projects that reduce CO<sub>2</sub> emissions by 5.1 million pounds annually.

(Top) Abbott's diagnostic marker called urine NGAL can potentially save lives by enabling faster detection of acute kidney injury.

(Bottom) Abbott's *PathVysion* HER-2 assay can detect the HER-2 gene in breast cancer patients – helping doctors identify which patients will benefit from targeted therapy.

### READ MORE ONLINE

- Diagnostics Milestones
- Our Products
- Diagnostics Fact File

[www.abbott.com/citizenship/abbottdiagnostics](http://www.abbott.com/citizenship/abbottdiagnostics)



# Jane Nelson



Abbott has invited Jane Nelson, Director of the Corporate Social Responsibility Initiative (CSRI) at Harvard Kennedy School, to provide external commentary. Over the past 10 years, she has engaged with Abbott in numerous programs, field visits and research projects. Most recently, the CSRI has advised Abbott on its Haiti rebuilding work with Partners In Health, which is aimed at improving nutrition and health services while supporting local economic development. This commentary does not constitute an independent assurance or verification of the report.

*Abbott's 2009 Global Citizenship Report* provides a useful overview of the company's ongoing commitment to more closely align its citizenship policies and programs with its core business purpose, strategy and competencies. While opportunities for improvement remain, five areas of progress are worthy of note:

- **Increasing clarity of strategic priorities** – In 2008, Abbott identified four strategic priority areas for global citizenship: Innovating for the Future; Enhancing Access; Protecting Patients and Consumers; and Safeguarding the Environment. These provide a clear focus that was previously missing. They enable better targeting of the company's financial, scientific, technical and personnel resources, and offer a framework for stakeholders to assess performance and to engage with the company on challenging issues. Going forward, more specific, quantitative targets should be set for these priorities.
- **Strengthening internal and external oversight** – Internally, Abbott continues to strengthen and integrate the work of its executive-level committees and working groups focused on business conduct, pharmaceutical and nutritional policy, diversity and inclusion, global operations and citizenship. Abbott could make further progress by establishing a formal stakeholder advisory or review group for its citizenship reporting or by providing third-party verification.
- **Building local capacity and health systems** – Lack of human and institutional capacity is a critical obstacle to improving health outcomes in many countries. Abbott, along with its industry peers, is starting to play a more proactive role in building this local capacity. Programs range from training

health care workers to system-wide efforts to strengthen health infrastructure. This is an area that warrants further action, in terms of increased operational engagement, public policy dialogue and reporting.

- **Engaging in multi-party collaborative efforts** – As some of the examples in this report illustrate, Abbott is engaging in increasingly sophisticated collaborative efforts with industry peers and competitors, companies from other industry sectors, non-governmental organizations, donor agencies and governments to implement more systemic approaches to tackling health care challenges. There is an opportunity to provide better reporting and impact evaluation of these evolving alliances.
- **Managing carbon and water footprint** – In addition to ongoing measurement and management of its direct carbon emissions and water usage, Abbott is starting to estimate its wider carbon and water footprint along its value chain. This is a challenging undertaking both technically and strategically and calls for stakeholder support.

Abbott's mission is to provide solutions to some of the world's greatest disease burdens. As such, together with its industry peers, it faces a particular "burden" of responsibility as well as a special opportunity to directly improve the quality of life for millions of people. This makes alignment between the company's commercial and citizenship activities especially important. The *2009 Global Citizenship Report*, and accompanying Web site, illustrate the progress that is being made and provide a valuable platform for further stakeholder engagement.

## Key Metrics Summary

The table below summarizes key metrics demonstrating Abbott's economic, social and environmental performance. This year, our summary report is designed to provide a more comprehensive view of our impacts across multiple dimensions. Additional data detailing our performance on specific measures within each dimension is available at [abbott.com/citizenship](http://abbott.com/citizenship).

	Unit	2005	2006	2007	2008	2009	% change (09 vs. 08)
<b>Financial and economic performance</b>							
Net sales worldwide	Millions	22,338	22,476	25,914	29,528	30,765	+4.2
Sales outside the U.S.	Billions	9.6	10.5	12.7	15.0	16.3	+8.7
Total dividends paid	Billions	1.7	1.8	2.0	2.2	2.4	+11.0
Income taxes paid	Millions	747	1,282	952	772	635	-17.7
Total R&D investment	Billions	1.8	2.3	2.5	2.7	2.7	NC
Total spend on direct suppliers	Billions	ND	12	13	13.5	14	+0.5
<b>Social performance</b>							
Total employees	Employees	59,735	66,663	68,697	68,838	72,868	+5.9
% of women in management (U.S.)	%	41	41	43	42	42	NC
% of minorities in management (U.S.)	%	18	19	20	20	21	+5
Lost workday case rate	Cases per 100 employees	0.40	0.35	0.33	0.28	0.23	-17.9
Global vehicle accident rate	Accidents per million miles driven	11.7	11.0	10.4	9.6	8.4	-12.5
Total community contributions <i>cash and in-kind product donations</i>	Millions	340	300	385	460	580	+26.1
<b>Environmental performance</b>							
Total Scope 1 and 2 CO <sub>2</sub> e emissions	1,000 metric tons	1,780	1,770	1,700	1,630	1,590	-2.4
CO <sub>2</sub> e emissions – <i>direct emissions</i> <sup>1</sup>	1,000 metric tons	913	892	862	830	827	-0.3
CO <sub>2</sub> e emissions – <i>purchased energy</i> <sup>2</sup>	1,000 metric tons	868	880	836	797	764	-4.1
Total energy consumption	Gigajoules per \$1 million sales	901	854	722	616	601	-2.4
% of electricity generated onsite from co-generation	%	NA	11.3	12.7	12.9	14.7	+1.8
Total water use	Gallons per \$1,000 sales	680	676	533	450	403	-10.4
Total waste	Tons per \$1 million sales	5.6	5.9	4.8	4.4	3.6	-18.1

ND = No data

NC = No change

NA = Not applicable

All reported data was adjusted to include quantity/volumes from acquisitions and divestitures – actual and estimated. Normalization dollars are as reported in Abbott annual report and were not adjusted for acquisitions and divestitures.

Number of employees reflects year-end data. The year-end 2009 figure does not include employees gained through the Solvay acquisition.

<sup>1</sup> Reported Scope 1 sources consist of fuel consumed by manufacturing facilities, sales fleet, Abbott-owned aviation and plant fleet.

<sup>2</sup> Reported Scope 2 sources consist of energy directly purchased by Abbott, such as electricity and steam.

Please contact us with your questions and comments:  
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