



Abbott



**GLOBAL
SUSTAINABILITY
REPORT 2021**

SUMMARY REPORT

ON THE COVER

(L to R) Meghan Thompson, Senior Scientist, Biowearables; Erika Vargas Monestel, Diabetes Care Professional Development Program, and Former College Intern; and Junli Ou, Senior Manager of Clinical Research, Biowearables are just three of the hundreds of women in STEM helping Abbott create the future of healthcare.

Welcome

For Abbott, sustainability is about operating responsibly to deliver long-term impact for people — shaping the future of healthcare to help more people live better, healthier lives.

Welcome to our 2021 Global Sustainability Report Summary. Here we provide an overview of our first-year progress against our 2030 Sustainability Plan — a 10-year strategy to deliver accessible, affordable healthcare solutions while embedding sustainability in everything we do.

For more complete information on our 2021 performance, as well as disclosures against leading sustainability indices, please see our full [2021 Global Sustainability Report](#).

ABOUT THIS REPORT

This report represents a summary of Abbott’s performance, with a focus on 2021 results unless otherwise stated. Unless noted, it does not contain performance information for joint ventures. All financial information is stated in U.S. dollars.

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A Message From Our Chairman and CEO

Dear Abbott Stakeholder,

As we approach our 135th year in business, it's clear that Abbott is a company that endures. That's because we've long understood that the key to sustaining our enterprise is a willingness to evolve it, to anticipate changes in the environment and to adapt Abbott in ways that make us best able to achieve our fundamental purpose — helping people live healthier, fuller lives.

We've amply demonstrated that ability throughout our history, strategically reshaping Abbott to become one of the world's leading health technology companies, with a broad portfolio and global reach that let us help more people than ever before.

The past few years have been among the most challenging in our lifetimes, but they've also highlighted for us the critical nature of the work we do and the significant positive impact we can have for patients and for the communities in which we operate.

But we know that if we want to sustain that impact in a changing world, we can't rely on the same playbooks we've used before. So, incorporating input from internal and

external stakeholders, we developed a 10-year plan to identify the areas we need to focus on in order to grow sustainably.

Central to this plan is the idea that we can do the most good by pursuing our fundamental mission as a company: bringing life-changing technologies and products to the people and places that need them. That's why we're building affordability into our products to increase access to them, and breaking down barriers that prevent people from getting the care they need. And to support that core purpose, we've set ourselves ambitious goals in key areas that strengthen our foundation for the future, including building the workforce of tomorrow, responsibly applying data to advance care, building a more resilient, diverse and responsible supply chain, and protecting health by safeguarding the environment.

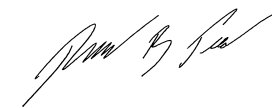
This report is the first to detail the progress we've made on these 2030 goals and, as you'll read, we're making real strides in all of these areas. We're setting the foundation for our long-term success, but we're also remaining responsive to the pressing issues of today.

For example, our contributions to the fight against COVID-19 remained important and impactful (see [page 29](#)). We also stepped up in a variety of ways in response to the crisis in Ukraine, donating \$6 million in funding and much-needed products to rebuild critical healthcare infrastructure and deliver emergency and primary healthcare services and supplies, working with humanitarian organizations including International Medical Corps, Americares, CARE and Project HOPE.

The values that drove those actions were also in evidence in our decision, in 2022, to recall infant formula produced at one of our U.S. plants (see [page 60](#) of our full report). Our people are committed to our Customer Pledge to make our products as if they're for our own families; and we'll be redoubling our efforts — across every business, across every part of the globe — to ensure that our long-established reputation for excellence and the highest product quality will remain our bedrock.

At Abbott, we're in the business of making people's lives better, and we manage all aspects of the company to ensure we'll be doing that for decades to come. Our fundamental goal is simple: we are working for a world with fewer barriers — one that enables people to live their fullest possible lives — creating healthier people, healthier communities and a healthier world.

Sincerely,



Robert B. Ford
Chairman and Chief Executive Officer



About Abbott

Abbott is a global healthcare company, dedicated to improving people’s health at all ages and stages of life. We believe good health is foundational to everything; we are committed to decentralizing and democratizing care so more people can live their fullest possible lives.

For more than 130 years, we’ve been creating products and technologies that address some of the world’s most pressing health problems. Today, our portfolio includes:



DIAGNOSTICS

systems and tests that provide information to support better and more timely decisions for people and their doctors



MEDICAL DEVICES

that use the most advanced technologies to keep hearts and arteries healthy, treat chronic pain and movement disorders, and give people with diabetes more freedom and less pain



MEDICINES

that help people in emerging markets get and stay healthy



NUTRITION PRODUCTS

that build and maintain health from infancy onward

OUR CORE VALUES

Our purpose as a business is clear: we help people live healthier, fuller lives through our life-changing technologies and products.

Four core values guide how we support this purpose every day.

PIONEERING

We see needs first and deliver game-changing solutions. We create new technologies and products to help people live fuller lives through better health, and we bring that same spirit of innovation to everything we do as a company.

ACHIEVING

We focus relentlessly on delivering for our stakeholders. Abbott is all about execution. Millions of people around the world depend on us in vital ways. We’re committed to honoring that trust.

CARING

We treat the people who depend on us as if they were our family. Dr. Abbott began our company to provide better care to his own patients. That spirit still guides everything we do.

ENDURING

We know that everything we do today should contribute to a stronger tomorrow. Because our work is so important to so many, it’s up to us to ensure that this company keeps thriving. That’s why we think and act for the long term. We intend to be here for the next 130 years, bringing all the benefits that Abbott creates to all the people who need them.

2021 ABBOTT IN NUMBERS

\$43.1B

TOTAL 2021 REVENUE

25%

DIVIDEND INCREASE IN 2021

50

YEARS OF INCREASING DIVIDENDS

113,000

EMPLOYEES

PRESENCE IN

160+

COUNTRIES

130+

YEARS OF INNOVATION

>\$2.7B

INVESTMENT IN R&D

90

MANUFACTURING SITES GLOBALLY

Advancing Our Vision

We have a clear vision for 2030: to improve the lives of one in every three people on the planet — 3 billion people a year. To achieve this, we'll continue to build on the progress we made in 2021, propelling science, technology and healthcare into the future.

Throughout the year, we have taken targeted action to evolve how we innovate our products, transform people's lives — at Abbott and further afield — and protect the planet for future generations.

PRODUCTS

\$35.9M
of products donated

~1B
COVID-19 tests distributed

-1.5%
net sales price change

PEOPLE

2.2B
lives improved due to Abbott's products and services

40%
of global management positions filled by women

\$20.4M
donated through the Abbott Fund

\$15M+
pledged for 9,500 organizations through our Employee Giving Campaign

PLANET

190M
kWh of low-carbon energy purchased

16
sites in water-stressed areas launched efforts to implement water stewardship management practices

530,200
pounds of packaging impacted through sustainable design

8
additional Zero Waste-to-Landfill sites, bringing our total to 46

AWARD-WINNING PROGRESS

Our relentless focus on delivering for our stakeholders has resulted in numerous honors and accolades.

Fast Company's 2021 World Changing Ideas

- MUAC z-score tape
- BinaxNOW
- FreeStyle Libre 2 iCGM

Dow Jones Sustainability Index

- One of our industry's leaders for 17 consecutive years

Science magazine Top 20 Employer

DiversityInc's Top 50

- #4 company

Vault's 50 Best Internships

- #1 internship for healthcare, data analytics and engineering

The Edison Awards

- Gold for BinaxNOW and FreeStyle Libre 2 iCGM

CES 2022 Innovation Awards

- Best of Innovation Health & Wellness for FreeStyle Libre 3

2021 Best Companies for Multicultural Women — Seramount Index

Best Adoption-Friendly Workplace

- #1 in Healthcare

JUST Capital's 2022 JUST 100

- #2 in Health Care Equipment & Services

Drucker Institute Management Top 250

- #23 company overall
- #6 of the "Social Top 10"
- Top Ten for Sustainability Stars

Our 2030 Sustainability Plan

We believe a sustainable future starts with health. It's the foundation of everything we do — as individuals, families and communities. It helps societies thrive and fuels successful economies.

At Abbott, we help people get — and stay — healthy at every stage of life. Our 2030 Sustainability Plan outlines seven priority areas we are addressing to deliver effective healthcare solutions that are both accessible and affordable while embedding sustainability into everything we do.

Explore our [2030 Sustainability Plan](#) in more detail.



OUR CLEAR FOCUS

INNOVATE FOR ACCESS AND AFFORDABILITY

We're intentionally designing access and affordability into many of our life-changing technologies and products, and breaking down barriers that prevent people from getting the care they need.

PRIORITY	2030 GOAL	PROGRESS AND NOTES
<p>Make access and affordability core to new product innovation.</p>	<p>Integrate access, affordability and data insights as design principles into our research and development (R&D) work and portfolio.</p>	<ul style="list-style-type: none"> • Defined Innovate for Access and Affordability Design Principles to apply at every stage of design and commercialization cycle. For more information, see page 12. • Reached 2.2 billion* people through our products and services. • Created the first rapid handheld traumatic brain injury blood test, which can reduce the need for expensive CT scans. • Enabled remote care via the <i>NeuroSphere Virtual Clinic</i>, increasing access and reducing costs.
<p>Transform care for chronic disease, malnutrition and infectious diseases.</p>	<p>Support global efforts to address noncommunicable diseases, including diabetes and cardiovascular disease.</p> <ul style="list-style-type: none"> – Innovate to transform the standard of care for diabetes and support efforts to bend the diabetes curve through innovative technology, prevention and education, early diagnosis, treatment and nutrition. – Deliver breakthrough technologies, improve clinical outcomes and impact the lives of people with or at risk of cardiovascular disease. <p>Deliver scalable, integrated solutions to help reduce preventable deaths and infectious diseases (malaria, hepatitis B/C, HIV, COVID-19 and others) with diagnostics, treatment and education programs, especially in high-prevalence areas.</p>	<ul style="list-style-type: none"> • Advanced technologies to improve diabetes and cardiovascular disease care, including: <ul style="list-style-type: none"> – Launched <i>FreeStyle Libre 3</i>, the world's smallest, most accurate continuous glucose monitoring (CGM) sensor – Connected <i>FreeStyle Libre</i> products to partners' delivery systems and coaching platforms to enhance personalized diabetes management – Launched <i>Ultreon 1.0</i> to enhance coronary artery procedures, receiving honoree CES 2022 Innovation Awards recognition • Additionally, continued to progress initiatives, including: <ul style="list-style-type: none"> – Partnered with the American Diabetes Association to sponsor a pilot in Columbus, Ohio, to support equitable diabetes-care access – Partnered with Rush University Medical Center and the Alive Faith Network in the U.S. to provide diabetes, heart disease and mental health support – Ongoing partnership with the Tanzanian government to enhance emergency medicine and the healthcare system, serving more than 1 million patients to date – Abbott Fund and CARE partnered on a \$1 million investment to tackle noncommunicable diseases in the Philippines • Established the Abbott Center for Malnutrition Solutions, pledging a \$45 million annual investment to enhance identification, treatment and prevention. • Expanded Abbott Pandemic Defense Coalition to better anticipate future pandemic threats. • Developed a hepatitis B virus biomarker program to inform enhanced treatments.

* Total number of lives improved was adjusted for indirect overlap between businesses using a binomial probability model, and only adjusted for direct overlap within a business where data is currently available to support the adjustment.

OUR CLEAR FOCUS

SUSTAINABILITY IN EVERYTHING WE DO

While our focus on innovation, access and affordability is central to our plan, we will also take targeted action in key areas, including building the workforce of tomorrow, responsibly applying data to advance care, building a more resilient, diverse and responsible supply chain, and protecting health by safeguarding the environment.

Beyond these target areas, we will continue to build a more sustainable business through all the actions we take, every day — from ensuring product quality and safety, to acting ethically and supporting human rights, to advancing transparency and engaging our many stakeholders around the world.

PRIORITY	2030 GOAL	PROGRESS AND NOTES
<p>Advance health equity through partnership.</p>	<p>Expand affordable access to healthcare for underserved, diverse and at-risk communities, including women and children, by delivering innovative, decentralized models of care that advance prevention and early diagnosis, improve nutrition, provide quality treatment and care, and lower total costs.</p> <p>Partner with stakeholders to improve health outcomes by advancing standards and building access to affordable, integrated solutions.</p>	<ul style="list-style-type: none"> • Provided decentralized healthcare services to over 705,000 people globally through social investing, shared value and Abbott Fund programs. • Partnered with the Rwandan Ministry of Health and the Society for Family Health Rwanda to bring healthcare to approximately 260,000 people through December 2021. Additionally, launched an antenatal care panel and started development of panels for fever and malnutrition. • Partnership with the Real Madrid Football Club and the Real Madrid Foundation that encompasses education, sports and social welfare activities for under-resourced children. • Dedicated \$5 million to scholarships for Historically Black Colleges and Universities (HBCUs) and minority nursing associations, with the goal of producing more racially and ethnically diverse clinical trials.
<p>Responsibly connect data, technology and care.</p>	<p>Be a trusted healthcare leader in secure and responsible data collection, use, management and privacy, in order to protect our patients and customers, empower them to make better, more complete decisions about their health and drive innovation through insights and analytics.</p>	<ul style="list-style-type: none"> • Published an enhanced formal commitment to privacy and protecting sensitive data. • Established a coordinated vulnerability disclosure program to enhance reporting of product and system vulnerabilities. • Two maturity assessments conducted on privacy and product security. • Cybersecurity control framework developed. • Founding member of the University of Minnesota Center for Medical Device Cybersecurity.
<p>Create a resilient, diverse and responsible supply chain.</p>	<p>Certify that 80% of newly contracted direct material spends are linked to contracts that incorporate social responsibility requirements.</p> <p>Ensure ethical sourcing from all suppliers with high-risk sustainability factors through 100% auditing.</p> <p>Ensure an inclusive environment by increasing spending with diverse and small businesses 50% by 2030, and Black- and women-owned businesses by 150% by 2025, from a 2020 baseline.</p>	<ul style="list-style-type: none"> • Established language for our social responsibility requirements that’s being incorporated into direct material spend contracts. • Identified a representative sample of suppliers with potential high-risk sustainability factors to pilot audit programming. • 100% of suppliers assessed for sustainability risk. • 48.6% spend increase with small businesses.* • Spend with Black- and women-owned businesses** grew by 31% and 15% respectively (vs. 2020). • Launched initiative with the Local Initiatives Support Corporation (LISC) to deliver \$37.5 million in financial assistance to diverse small businesses.

* Includes data from U.S. only.

** Includes data from U.S., Canada, and Puerto Rico suppliers.

OUR CLEAR FOCUS

SUSTAINABILITY IN EVERYTHING WE DO

continued

PRIORITY	2030 GOAL	PROGRESS AND NOTES
<p>Build the diverse, innovative workforce of tomorrow.</p>	<p>Provide 1 million development and job opportunities for current and future employees.</p>	<ul style="list-style-type: none"> Achieved 163,315 development and job opportunities for current and future employees.
	<p>Create opportunities in Abbott’s science, technology, engineering and math (STEM) programs and internships for more than 100,000 young people, including 50% from underrepresented groups.</p>	<ul style="list-style-type: none"> Created 23,950 STEM opportunities for young people.
	<p>Continue to drive diversity and inclusion strategies that create a meaningful employee experience and advance Abbott’s culture to:</p> <ul style="list-style-type: none"> Achieve gender balance across our global management team with at least 45% female representation Achieve gender balance in STEM roles with at least 45% female representation Ensure one-third of our leadership roles are held by people from underrepresented groups by 2025 Continue to drive 100% leadership accountability by tying executive compensation to diversity outcomes 	<ul style="list-style-type: none"> We continued to work toward building a more inclusive culture: <ul style="list-style-type: none"> 40% of global management positions filled by women 44.6% female representation in STEM roles 33% of leadership roles held by people from underrepresented groups 97% of people managers completed Leading With Impact, a training program to help managers cultivate stronger people skills and build more inclusive teams. In 2021, all of our U.S. employees received unconscious bias training. We also published our first ever Diversity, Equity and Inclusion report which provides goals, our progress against them and disclosure of EEO-1 data. We enhanced our proxy disclosure, highlighting a strong link between executive compensation and sustainability.
	<p>Anticipate Abbott’s future workforce needs and achieve talent readiness.</p>	<ul style="list-style-type: none"> We have identified more than 50 future skills necessary for the jobs of tomorrow; we’re now prioritizing developing them in existing and future employees.
	<p>Maintain or improve rates of internal succession for leadership roles.</p>	<ul style="list-style-type: none"> 86% of openings for leadership roles filled by internal candidates.
	<p>Fill 50% of targeted new jobs with internal talent by upskilling, cross-skilling and creating learning opportunities.</p>	<ul style="list-style-type: none"> 45% of targeted new jobs filled internally.
	<p>Continue to provide industry-leading programs that help people achieve their personal health and well-being.</p>	<ul style="list-style-type: none"> Expanded Employee Assistance Program to four new countries, increasing our total to 50. Offered expanded mental health support to employees, including global webinars on managing stress and anxiety and meditation sessions, resources to help with child care and family support, and counseling services.
	<p>Support financial security of employees by helping those with college debt save for retirement, expanding Abbott’s Freedom 2 Save program by providing \$10 million in savings contributions to participants’ retirement accounts.</p>	<ul style="list-style-type: none"> \$3.5 million in Freedom 2 Save employer contributions to participant retirement accounts since the inception of the program.

OUR CLEAR FOCUS

SUSTAINABILITY IN EVERYTHING WE DO

continued

PRIORITY	2030 GOAL	PROGRESS AND NOTES
<p>Protect a healthy environment.</p>	<p>Reduce absolute Scope 1 and 2 carbon emissions by 30% from 2018 baseline by the end of 2030, consistent with the objectives of the Science Based Targets initiative (SBTi).</p>	<ul style="list-style-type: none"> • 5% reduction in Scope 1 and 2 emissions (vs. 2018). • Committed to a science-based target for Scope 1, 2 and 3 carbon emission reductions with the SBTi.
	<p>Work with our key carbon-intensive suppliers to implement sustainable programs to reduce our Scope 3 carbon emissions.¹</p>	
	<p>Achieve water stewardship certification at all high water-impact manufacturing sites in water-stressed areas.</p>	<ul style="list-style-type: none"> • Laid groundwork for future water stewardship certification and management practice accreditation, including establishing Alliance for Water Stewardship membership and identifying 25 Abbott sites as operating in water-stressed areas. • Developed criteria and process to identify suppliers with potential to expose Abbott to water risks: <ul style="list-style-type: none"> – 26 key suppliers in high water-stressed areas engaged through our Supplier Sustainability Survey – Identified five key suppliers to pilot future water risk program
	<p>Implement accredited water stewardship management practices in more than 75% of all manufacturing sites operating in water-stressed areas.</p>	
	<p>Work with 50 key suppliers in high water-stressed areas to reduce water quality and quantity risks to Abbott and the community.</p>	<ul style="list-style-type: none"> • Created Sustainable Packaging Guiding Principles. • Three initiatives funded that will impact 8 million pounds of packaging materials, including implementing new manufacturing technologies, adopting new packaging for a key product and redesigning bottle caps that use less material and increase recyclability.
	<p>Address 50 million pounds of packaging through high-impact sustainable design programs that:</p> <ul style="list-style-type: none"> – Employ circularity principles through smart design and material selection – Eliminate and reduce materials – Improve the energy efficiency of Abbott’s products – Optimize packaging, pallet and truckload efficiency 	
	<p>Reduce waste impacts using a circular-economy approach, to achieve and maintain at least a 90% diversion rate.</p>	
<p>Engage with key suppliers to reduce the environmental impact of materials sent to Abbott that become waste in our operations and develop and track supplier waste diversion initiatives.</p>	<ul style="list-style-type: none"> • 88.5% waste diversion rate. • First group of key suppliers engaged to determine waste management maturity and opportunities to partner on waste diversion. 	

¹ Quantitative Scope 3 target is forthcoming.

Innovate for Access and Affordability

The world needs new approaches to health — “business as usual” won’t get it done, and cutting-edge innovations alone won’t be enough. We believe the best healthcare solutions are the ones that help the most people. That’s why we’re designing new products and re-imagining existing ones to maximize access to life-changing technologies and services, increase our positive impact on the world and sustain Abbott for years to come.

We are also partnering strategically to break down barriers to care and innovating to help people live fuller lives.

OUR DESIGN PRINCIPLES

We have outlined three Design Principles to embed innovating access and affordability in how we develop and bring technologies and products to the people who need them:



DESIGN FOR BROADER REACH AND EQUITY

Build an innovation portfolio that reaches more people, including new geographies and communities with limited access to care



DESIGN FOR ACCESS

Identify and overcome barriers to access and adoption, prioritizing inclusive design as well as manufacturing, distribution and technology strategies to reduce costs across the value chain



DESIGN TO OPTIMIZE REACH AND VALUE

Make intentional decisions throughout the design process to optimize four factors: people reached, consumer benefit, business and societal value



OUR 2030 GOALS PROGRESS

Became anchor sponsor of the **Health Equity Now** platform to support Americans with diabetes

Launched **Ultreon 1.0** to help improve outcomes for coronary artery procedures

Provided decentralized healthcare services to over

705,000 PEOPLE GLOBALLY

Developed a hepatitis B **virus biomarker program** to inform enhanced treatments

2.2B LIVES IMPROVED

from Abbott’s products and services

Launched **NeuroSphere Virtual Clinic**, increasing access to care by letting doctors remotely assess symptoms and adjust therapies for patients with chronic pain or movement disorders

For specific information on our 2030 goals around Access and Affordability, see page 8.



Elango Nathan, Manager, Marketing, Digital Health.

INNOVATING FOR IMPACT

By 2030, we plan to improve the lives of one in every three people a year, providing increasingly accessible solutions and delivering more to under-resourced areas.

Inclusive Clinical Trial Representation

We believe data collected in clinical trials should be representative of the people our products are intended to serve. But today, while people of diverse ethnic and cultural backgrounds make up nearly 40% of the U.S. population, and are disproportionately impacted by chronic conditions such as diabetes and cardiovascular disease, they are still heavily underrepresented in the clinical trials process.

In 2021, we launched a platform to promote more inclusive clinical trials — and dedicated \$5 million to scholarships for Historically Black Colleges and Universities (HBCUs) and minority nursing associations. The goal is to produce more racially and ethnically diverse nurses and trialists who, if given the opportunity, will dramatically impact trials in the future.

By expanding the reach of studies to include diverse groups, we can achieve a clearer image of our products' impacts in real-world situations. Armed with this information, we can continue to develop solutions that help even more people.

² PCI is a minimally invasive procedure used to open coronary arteries and restore blood flow.

INNOVATING TO IMPROVE HEALTH OUTCOMES

We are continually exploring how we can help people live longer and better, finding measurable ways to address social challenges and improve health outcomes with scientific and technical expertise.

Technology and Partnerships for Better Health

Using our *Ultrreon* software to optimize percutaneous coronary intervention (PCI),² we aim to improve outcomes for 1 million patients annually by 2030. In 2021, we launched *Ultrreon* 1.0, which merges imaging technology with artificial intelligence to automate blockage identification and enhance procedures — game-changing capabilities that received honoree recognition at the Consumer Electronics Show (CES) 2022 Innovation Awards.

In addition to innovating technological solutions, we are committed to enhancing outcomes by encouraging healthy habits from a young age. That's why, in 2021, we entered into a three-year agreement to be the Health Sciences and Nutrition Partner of Real Madrid Football Club and Global Partner of the Real Madrid Foundation — an organization founded to promote the value of sports to children globally. This partnership will bring education, sports and social welfare activities to children in under-resourced communities in 80 countries.

PRICING DISCIPLINE TO IMPROVE ACCESS

Healthcare products are a valuable societal investment — they enable people and societies to flourish. We are committed to finding innovative ways to improve efficiency and consumer access to our life-changing products.

Throughout 2021, We Took Steps to Deliver Cost Savings:

- In Africa, we launched malaria diagnostic tests with smaller packaging dimensions, reducing required distribution trips and lowering logistics costs by around 28% for customers.
- We completed a regulatory submission for small-pack HIV diagnostic tests. The suggested size reduction would deliver approximately 50% logistics cost savings for customers.
- Through improved materials and labor efficiency, we decreased *Panbio* COVID-19 Ag rapid antigen test manufacturing costs by 32%.
- The launch of our new diagnostic product for traumatic brain injury (TBI) — the *i-STAT Alinity* TBI Plasma — will enable concussion diagnoses through blood tests. This will reduce the need for expensive CT scans, bringing down overall healthcare costs following head injuries.

INFRASTRUCTURE AND TRANSFORMING STANDARDS OF CARE

We are building infrastructure, offering training and providing resources to help decentralize care and transform healthcare standards in communities around the world.

Addressing Gaps in Care

In 2019, together with the Rwandan Ministry of Health and the Society for Family Health Rwanda, we launched second-generation health posts to address gaps in primary care and infectious disease testing. Through December 2021, these posts have treated approximately 260,000 people. In particularly remote areas, they have cut travel times to around 17 minutes. Since inception, malaria screenings have risen by 68%, with 21,000 residents treated for positive cases. A recent study determined that most of the care provided during visits to these posts would not have occurred without them.

Read more about how we [Innovate for Access and Affordability](#) in the full report.



Responsibly Connect Data, Technology and Care

Timely, accurate and secure data can empower people to take control of their own health, and it can help connect them to care, wherever they are. Protecting that data is key to achieving our vision of digitized, democratized and decentralized healthcare.

OUR 2030 GOALS PROGRESS

Published a [formal commitment](#) to customer and patient privacy and information protection.

Maintained a [cybersecurity certification program](#) that includes external SOC 2 and International Organization for Standardization (ISO) 27001 assessments.

Established a [coordinated vulnerability disclosure program](#) with a mechanism for reporting product and system vulnerabilities.

Partnered to develop [future cybersecurity talent](#) as a founding member of the [University of Minnesota Center for Medical Device Cybersecurity](#).

For specific information on our 2030 goals around Responsible Data, see [page 9](#).

DATA AND CYBERSECURITY OVERSIGHT

We develop our products, processes and internal systems securely, embedding data safety considerations in everything we do. In 2018, we transitioned our global privacy program to a centralized system, to drive a consistent approach across Abbott. Our Global Privacy Office — part of our Office of Ethics and Compliance (OEC) — is overseen by the Chief Ethics and Compliance Officer and the Divisional Vice President for Global Privacy.

We have also evolved our governance approach to have laser focus on two prominent cyber categories: enterprise and product cybersecurity. Our Enterprise cybersecurity organization is led by Abbott's Chief Information Security Officer while our Product cybersecurity organization is led by Abbott's Divisional Vice President of Product Security. Both cybersecurity leaders report to Abbott's Chief Information Officer (CIO), who has overall responsibility. Our CIO reports directly to our Chief Financial Officer (CFO), who in turn reports to our Chief Executive Officer (CEO).

Read more about [Responsibly Connect Data, Technology and Care](#) in the full report.

PRODUCT CYBERSECURITY

The growth of connected medical devices, products, diagnostics platforms and systems means healthcare professionals can provide their patients with smarter, faster and more effective treatments. At Abbott, we are unlocking potential solutions to some of our most difficult healthcare challenges. But we are also aware of evolving security threats, and we adapt our security measures to meet this changing world. Our approach to product cybersecurity is guided by four pillars:

- 1 **Cybersecurity-embedded design** to ensure we embed cybersecurity considerations throughout the total product life cycle.
- 2 **Threat and risk analysis** to identify new threats and deploy controls, informed by external experts and information-sharing agreements with healthcare and cybersecurity specialists.
- 3 **Testing by internal and external experts** A regular testing program ensures our devices, products and systems meet or exceed cybersecurity standards.
- 4 **Partnering with industry** (more information on [page 27](#) of our full report) to support trend assessments, information sharing and creation of standards that protect patients and maintain trust.

Keeping Patients and Doctors Connected During COVID-19

During the COVID-19 pandemic — when restrictions reduced in-person medical care — “connected care” devices took on increasing importance. Our *NeuroSphere Virtual Clinic* offered encrypted, authenticated in-app video chats and remote programming, allowing doctors to monitor and adjust patient neuromodulation devices, all with the click of a button. With the power to transform patient care, the Virtual Clinic was recognized by *TIME* magazine in its list of 100 best inventions of 2021.

And, so people feel protected while using the service, we have ensured it complies with privacy standards, like the EU General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA).





The Principles of Data Use

Technology has always fueled advances in healthcare, and we plan to remain at the forefront of this progress. As we expand our data capabilities, we are also implementing increasingly robust measures for managing and protecting large volumes of private information.

We have established three guiding principles to direct our efforts and ensure we are:



TRANSPARENT

in communicating to people and letting them know how their data will be used



RESPONSIBLE

in our role in enabling the power of data and also in its appropriate use and protection



INTENTIONAL

in how we connect our technology, what data we collect and how we use it and protect it

Build the Diverse, Innovative Workforce of Tomorrow

Our employees' innovative ideas, hard work and dedication are helping build a sustainable and healthy future. What do they get from Abbott in return? One, they have the opportunity to grow, learn and have a rewarding career. Two, they can use the health, wellness and financial benefits we provide to build a secure life for themselves and their families. And three, they can be their true selves while working with other amazing people, doing work that truly matters.

OUR 2030 GOALS PROGRESS

ACHIEVED
163,315
development and job opportunities for current and future employees

1,375
young people participated in 2021 internship programs

40%
of global management positions are filled by women

33%
of leadership roles held by people from underrepresented groups

\$3.5M
in savings contributions through our Freedom 2 Save program

45%
of targeted new jobs filled internally

44.6%
female representation in STEM roles

For specific information on our 2030 goals around Building Tomorrow's Workforce, see [page 10](#).

TALENT MANAGEMENT

To attract the best talent, we seek to maintain long-term relationships with candidates, showing them that their unique skills are valued by Abbott. We engage with candidates to provide all the information they need to succeed during interviews — including offering them access to our Abbott Talent Community — and maintain ongoing connections with them through our social channels. This way, we can build a pipeline of qualified, interested candidates that we can consider for future opportunities.

In addition to attracting new employees, we are committed to developing and retaining our current employees. Through our many programs and resources, we provide opportunities for individual growth and development, helping employees build great long-term careers at Abbott. In 2021, Abbott filled 26,184 positions, and 15% of all open positions were filled by internal candidates.

Leading With Impact

In 2021, Abbott launched a comprehensive leadership training program called Leading With Impact (LWI) for over 18,000 people managers worldwide. LWI provides 12 weeks of self-paced, virtually delivered, immediately applicable coaching and training.

By the end of 2021, 17,375 people managers had participated. Through the program, they gained new skills, tools and perspectives to help them create a more supportive, inclusive and rewarding environment for their teams.

DIVERSITY AND INCLUSION

We want to create an environment that nurtures everyone, regardless of race, gender, age, sexual orientation, disability or nationality. We maintain policies, including our Code of Business Conduct and policy on workplace harassment, that reinforce our zero tolerance for any discrimination.

We are increasing representation of underrepresented groups throughout Abbott. Our Executive Diversity Council consists of diverse leaders who demonstrate their commitment to diversity and inclusion. Members are selected based on characteristics and qualities that highlight their desire to champion and drive diversity and inclusion and span across the enterprise. The council meets several times a year to discuss key successes related to diversity and inclusion in the current year, and establish clear priorities for the future. The council can serve as an ad hoc advisor on new programs proposed to maximize inclusion at Abbott, and holds a formal responsibility for supporting the diversity and inclusion strategy development, ensuring diversity and inclusion practices are integrated into business practices/strategy, and program implementation at Abbott.

Nurturing Diversity in STEM

Our [High School STEM internship program](#) supports female and minority students making their first steps into STEM fields. In 2021, we expanded the program to Singapore, Vietnam and Puerto Rico, offering placements to 50 students. And, for the first time, U.S. participants could apply for college credit, creating an incentive to stay in STEM and increasing degree completion.

EMPLOYEE COMMUNITY ENGAGEMENT

Caring has always been one of our core values. Our Employee Giving Program and volunteering options create spaces for employees to uphold this legacy of care in their communities. Through the Employee Giving Program, which integrates our existing Employee Giving Campaign and Abbott Fund Matching Grant Program, employees in the U.S. and Puerto Rico can donate year-round to organizations they care about. During the 2021 Employee Giving campaign, 95% of employees in the U.S. and Puerto Rico pledged over \$15 million³ to more than 9,500 charitable organizations in a single month. We provide employees with a range of opportunities for local volunteering, offering U.S. employees eight hours of paid time to volunteer — at any time during the year — in their communities.

³ This figure includes employee donations and Abbott Fund donation matches. It also reflects payroll deduction pledges that are deducted during the 2022 calendar year and may be subject to change based on individual employee decisions.

COMPENSATION AND BENEFITS

Our compensation and benefits programs are designed to enable our employees to build financial security and to provide for the health and well-being of themselves and their families. We develop consistent, fair compensation based on local markets and offer additional incentives linked to business and individual performance.

We have created several opportunities for employees to build an ownership stake in Abbott, including restricted stock units (RSUs), our 401(k) program and an Employees Stock Purchase Plan.

Our Freedom 2 Save program helps U.S. employees save for retirement while repaying student loans. To date, more than 1,400 employees have enrolled, with Abbott contributing over \$3.5 million to their accounts.

Enabling Further Education with FreeU

In 2021, we launched FreeU that, when combined with our tuition reimbursement program, enables employees to pursue a bachelor's degree at no personal cost. Abbott pays the full cost of required starting coursework. Credits are then automatically transferred to a participating online university where employees can complete their studies. 137 people enrolled in the FreeU program in the six months that followed its launch.

EMPLOYEE WELL-BEING

Employee well-being matters, and we are fully committed to protecting it. We offer programs that support work-life harmony and promote good health. Our company-funded Employee Assistance Program (EAP) provides free expert mental health support and, as of 2021, is available in more than 50 countries.

A Globally Recognized Commitment

We prioritize well-being because we care about our employees. We are proud to have been featured in several global indices for our efforts throughout 2021.

- Great Place to Work certified (U.S., U.K., Brazil, Costa Rica)
- *Fortune* Best Workplaces in Health Care and Best Big Companies to Work For
- Seramount 100 Best Company
- Dave Thomas Foundation for Adoption Best Adoption-Friendly Workplace
- *Science* magazine Top Employer
- Certified Top Employer by Top Employers Institute in six EU and three Middle East countries

Read more about [Build the Diverse, Innovative Workforce of Tomorrow](#) in the full report.

EMPLOYEE HEALTH AND SAFETY

The health and safety of our employees and contract workers is paramount for Abbott, and we maintain global policies and standards for ensuring the highest possible care on our sites. Similar standards extend to contractors working at Abbott locations.

Senior leadership uses EHS scorecards to monitor performance. We communicate results across our organization, identifying necessary corrective actions and ensuring actions are completed on time. A separate Global Health Scorecard is used by site and divisional leaders to track implementation of occupational health and well-being initiatives. Each site is required to improve its score annually.

Continuing to Keep People Healthy During COVID-19

Throughout 2021, we have maintained robust on-site cleaning procedures and continued to provide personal protective equipment (PPE) to those who require it. To keep employees healthy we offered on-site testing and vaccine clinics in certain locations. In the U.S., we regularly test employees and contractors involved in COVID-19 test manufacturing.

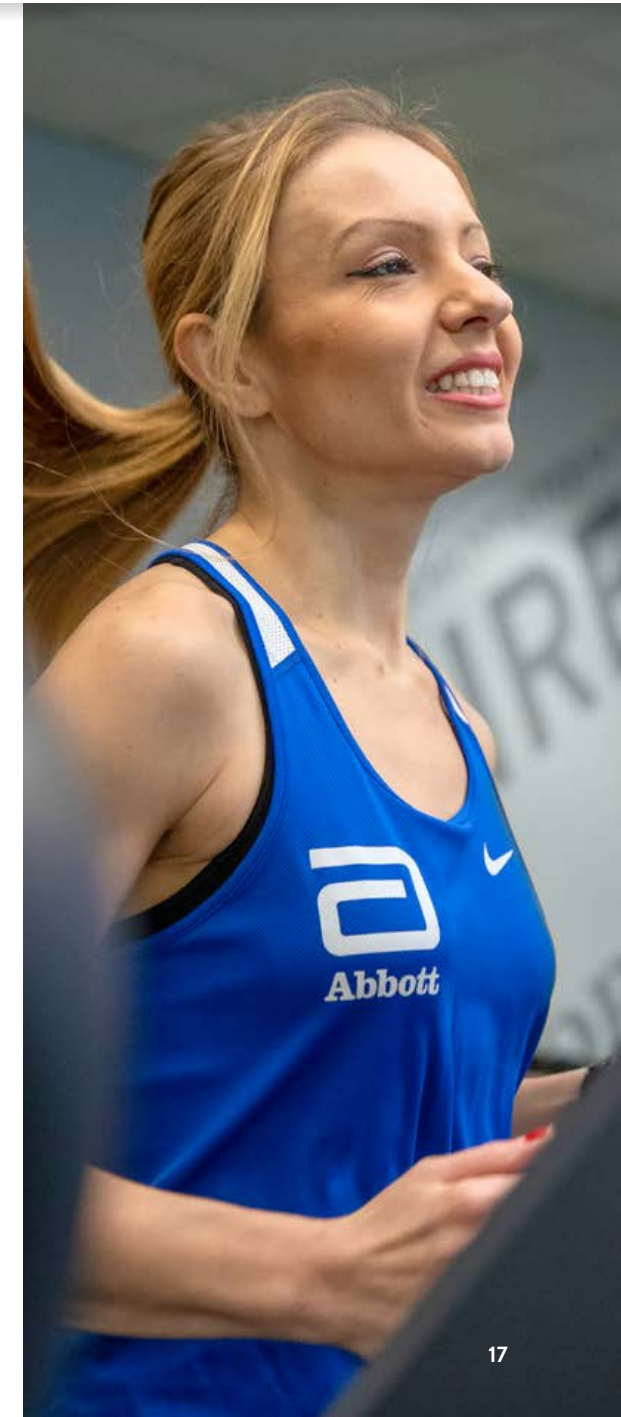
We have expanded this to facilities in other countries, resulting in more than 3 million tests performed globally since the start of the employee and contractor testing. And we developed guidelines on traveling, returning to work and case management to reduce transmission risks.

PROTECTING HUMAN RIGHTS

We play an active role in protecting human rights, complying with laws and regulations wherever we operate and creating our own standards. We maintain policies, including our Code of Business Conduct and policy on workplace harassment, that reinforce our zero tolerance for any discrimination.

Our processes for managing human rights risks are embedded across our business, encompassing our workforce policies, ethics and compliance program, supply chain management approach, and more.

Read more on [page 34](#) of our full 2021 Global Sustainability Report.



Protect a Healthy Environment

We are champions for health. This means developing products and technologies that change people’s lives. It also means protecting the planet that supports every living thing.

OUR 2030 GOALS PROGRESS

88.5% WASTE
diversion rate

Committed to a **science-based target** for Scope 1, 2 and 3 carbon emissions

556 SUPPLIERS

engaged to evaluate climate, water and waste risk management

5% REDUCTION
in Scope 1 and 2 emissions (vs. 2018)

Laid groundwork for future **water stewardship** certification and management practice accreditation

530,200 POUNDS

of packaging impacted through sustainable design since 2020

ENVIRONMENTAL IMPACT PROJECTS

Every year, our sites establish and advance projects, tailored to address the unique requirements of each region to reduce environmental impacts. By developing our facilities for environmental efficiency, we can also achieve significant financial savings.



71 projects completed



38 sites across 15 countries



6.6 million kWh annual energy savings and 1,700 metric tons CO₂e emissions reduced annually



18.7 million gallons of water saved annually



~\$990,000 annual savings



457 U.S. tons of waste eliminated annually

ENVIRONMENTAL GOVERNANCE

Environmental governance and management fall under our Environment, Health and Safety (EHS) approach, led by our Board of Directors and senior management. Our EHS organization reports to the Senior Vice President, Quality Assurance, Regulatory and Engineering Services who, in turn, reports to our Chief Executive Officer (CEO).

Four leadership councils support implementation of our EHS programs:

Global Operations Council (GOC)

- Oversees operations strategy across manufacturing, supply chain, engineering and EHS

Commercial EHS Executive Council

- Sets EHS priorities, goals and objectives for commercial operations

EHS Leadership Council

- Sets EHS strategy and ensures execution of programs
- Builds company awareness and sharing of EHS best practices

Supply Chain Council (SCC)

- Identifies suppliers to engage with on shared sustainability responsibilities and initiatives

All EHS employees receive training on our standards and changing regulatory requirements.

For specific information on our 2030 goals around Environmental Protection, see [page 11](#).

ENERGY AND EMISSIONS

We maintain a robust program for recording and reducing energy and air emissions, outlined in both our [Climate Responsible Energy Policy](#) and [Internal Energy Guidelines](#). Along with these documents, our Global EHS Governance team provides guidance on:

- Energy efficiency in manufacturing operations
- Low-carbon energy investments
- Transportation fleet efficiency
- Supply chain carbon footprint
- Public reporting of our performance

By 2030, we plan to reduce Scope 1 and 2 emissions by 30%⁴ (vs. 2018), in line with the Science Based Targets initiative (SBTi) objective.

We have established a comprehensive program for reducing these emissions, including measures to advance:

- Operational energy efficiency, driving reductions in energy demands
- Purchase of renewable energy
- Electrification of industrial processes, spaces and fleets
- Conversion to cleaner fuel options
- Integration of sustainable engineering technologies and concepts into projects

Each Abbott business sets individual annual energy efficiency targets.

Manufacturing sites that produce over 25,000 metric tons of CO₂e annually are required to set additional carbon reduction goals.

Our Scope 3 emissions constitute around 93% of total emissions.

We're currently developing a quantitative target for Scope 3 emissions. This will include working with key carbon-intensive suppliers on emission-reduction solutions.

Powering Our Facilities Renewably

We are committed to purchasing a greater proportion of electricity from renewable sources and are developing a Renewable Energy Procurement initiative to drive continuous improvement in this area. In 2021, we purchased 190 million kWh of low-carbon and renewable energy, resulting in savings of 80,000 metric tons of CO₂e. In addition, we also generated 1.8 million kWh from solar installations at eight of our sites.

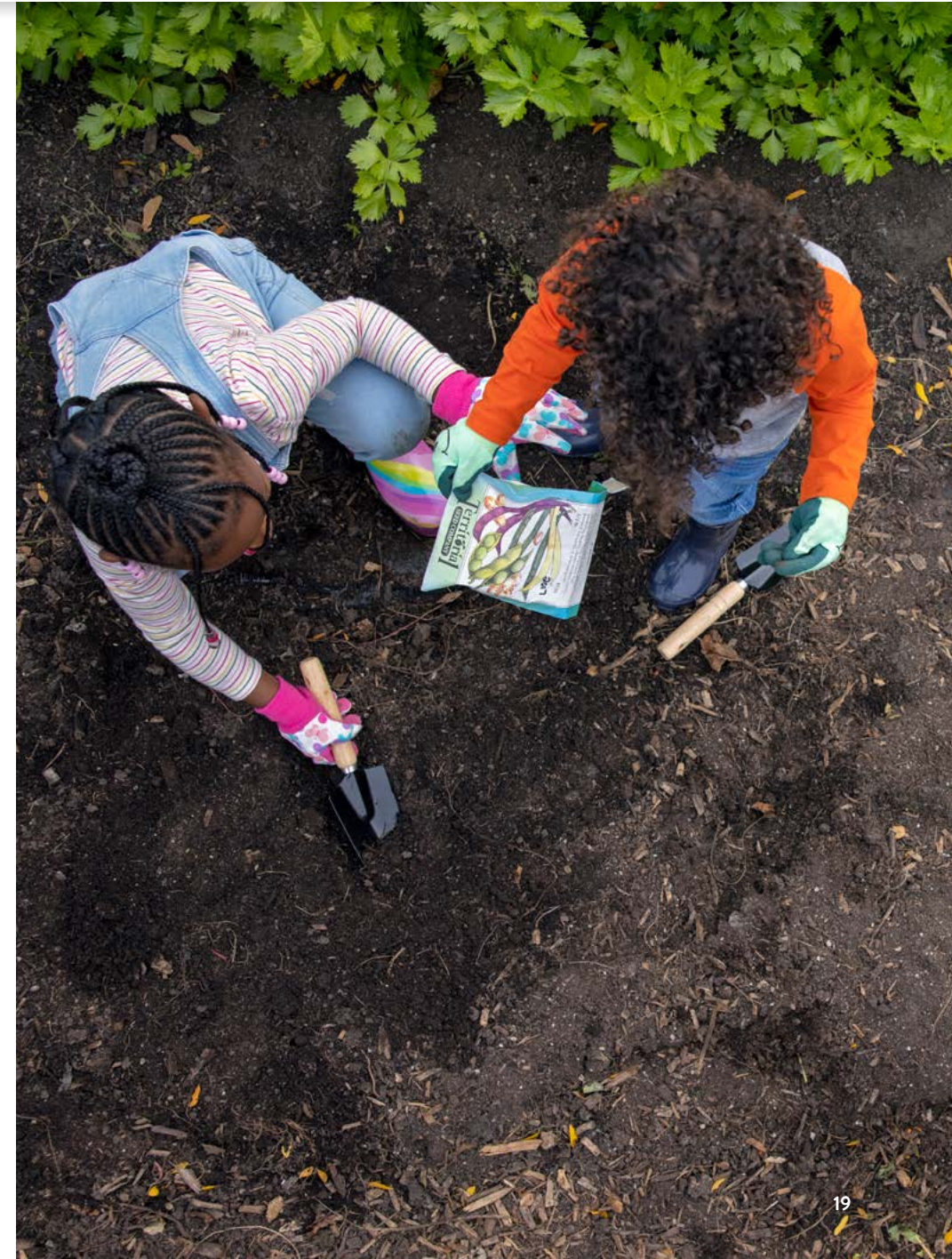
5%
ABSOLUTE REDUCTION
in Scope 1 and 2 emissions (vs. 2018)



17%
REDUCTION
in Scope 1 and 2 emissions
(vs. 2020, normalized to sales)



See our [TCFD index](#) for details of climate-related risks and disclosures.



⁴ Target expected to be validated by SBTi in 2022. 2030 targets will be measured in terms of CO₂e emissions. They will include all GHG emissions covered by the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP) methodology for GHG reporting.

PROTECTING WATER RESOURCES

Wherever we use and discharge water we work to minimize the impact we have on the quality and quantity of local sources. We perform an annual mapping process to understand where the water we use comes from, how it is treated and discharged, and the impacts our operations have on local basins.

As a member of the Alliance for Water Stewardship (AWS) and with the support of World Resources Institute (WRI) resources, we have developed a comprehensive approach to water management, centered around four principles:

- **Reduce:** continuously work to improve water use efficiency in our operations
- **Prevent:** manage water discharges that could adversely impact human health or the environment
- **Engage:** develop and apply key water management principles and best practices across our company
- **Educate:** emphasize the importance of protecting vulnerable water resources and the role our employees and suppliers play in doing so

Annual mapping helps us understand where the water we use comes from, how it's treated and discharged, and our impact on local basins. Abbott sites are also evaluated annually for resilience, local water stress and water-use intensity. The assessment highlights companywide risk and, today, shows overall exposure to chronic physical risks is limited.

WATER STEWARDSHIP CERTIFICATION

We aim to achieve water stewardship certification at all high water impact manufacturing sites in water-stressed regions.

In 2021, 25 of our manufacturing sites were identified as operating in areas of water stress. Of those, 48% used less than 15 million gallons of water while nine sites were deemed high impact considering basin water stress, basin water depletion level and water usage. Aligned with our context-based approach and based on the potential for these sites to significantly impact local communities, we have targeted them for AWS water stewardship certification.

Alignment with the standard is intended to achieve five main outcomes:

- Good water governance
- Sustainable water balance
- Good water quality status
- Important water-related areas
- Safe water, sanitation and hygiene (WASH)

We have established a Community of Practice for our nine High Water Impact Sites to support progress toward AWS water stewardship certification.

We will implement accredited water stewardship management practices in more than 75% of all manufacturing sites operating in water-stressed regions by 2030. In 2021, we set this in motion for 16 sites identified as being in water-stressed areas not classified as being high water impact.

Innovating to Save Water

In the U.S., one of our operators noticed cooling system condensate probes required constant water supplies to bring temperatures down to a registerable range. We are now installing alternatives that can withstand higher temperatures, eliminating the need for cooling water. Once completed, these improvements will save approximately 3.5 million gallons annually — a 2% reduction in intake — and roughly \$27,000 per year.

In Spain, we have installed a second Reverse Osmosis system to minimize water use, safeguarding potable sources. This update will save 8 million gallons of water annually and reduce energy requirements to run water wells by 12,800 kWh.

Total water intake in 2021 rose by approximately 4% versus the previous year — a result of increased production in 2021. When adjusted for sales, water intake decreased 16% compared to 2020.

WASTE MANAGEMENT

We're designing for sustainability, eliminating material use and minimizing what we send to landfill. At the same time, we are innovating our processes to maximize resource recovery. In 2021, we reached 88.5% diversion from incineration without energy recovery and landfill. We aim to achieve and maintain at least a 90% waste diversion rate⁵ by 2030. When adjusted for sales, waste production decreased 8.6% versus 2020. In 2021, seven manufacturing facilities and one non-manufacturing facility received Zero Waste-to-Landfill certification.

Reduce

In Illinois, we started an initiative to reduce waste by sending bailed corrugated cardboard to a third party for beneficial use, resulting in a waste reduction of nearly 200 U.S. tons in 2021.

Reuse

In Costa Rica, while shipping containers have historically been used once, our team is finding ways to sterilize them for additional use before disposal.

Recycle

In Michigan, we have invested in equipment that breaks fiber drums into their cardboard and metal components so each can be recycled rather than incinerated.

PACKAGING

We are rethinking how we design packaging to optimize material use and keep resources in circulation for as long as possible. We are also employing circularity principles to incorporate increased quantities of recycled content and designing for recyclability, reusability and increasingly positive impact.

NEARLY

300,000

pounds of packaging reduced in 2021 through optimizing material efficiency

NEARLY

15,000

pounds impacted in 2021 through employing circularity principles

Our recently created Sustainable Packaging Guiding Principles inform changes to existing packaging and target new designs that integrate sustainability from the very beginning.

These principles are:

Optimize Material Efficiency

- Eliminate unnecessary components
- Reduce packaging materials

Employ Circularity Principles

- Replace problematic materials
- Design for disassembly
- Design for recyclability
- Design for reuse
- Utilize renewable materials
- Integrate recycled content

Balance All Aspects of Packaging Systems Holistically

- Optimize cube efficiency
- Provide consumer direction
- Improve carbon footprint

RESPONSIBLE SOURCING AND PRODUCT STEWARDSHIP

To identify and mitigate the environmental impacts of our packaging and products throughout their life cycles — and at every stage of the value chain — relevant teams must work together. Our our Product Stewardship, Supply Chain, R&D, Engineering and EHS groups partner closely to analyze how and what we source.

Some of our products and packaging may contain hazardous chemicals and/or conflict minerals.⁶ Each Abbott business conducts product assessments for substances of concern, or restricted and critical materials, performing further risk assessments where substances are identified. We then evaluate:

- Whether continued use can be justified
- The value of use versus reformulation
- Any potential compliance issues

We continually monitor regulatory changes. Our product stewardship program tracks and addresses hazardous chemical⁷ legislation and supports the implementation of due diligence on conflict minerals. We offer product stewardship training on hazardous chemical legislation and conflict minerals to all relevant teams.

⁵ Abbott diversion rate is calculated as follows: (Total Waste + Beneficial Use - Landfilled and Incineration without Energy Recovery)/Total Waste and Beneficial Use.

⁶ Conflict minerals include tantalum, tin, tungsten and gold — also known as 3TG minerals. We have a robust due diligence process for understanding sourcing and use of them in our products and supply chain.

⁷ Hazardous chemicals are those that pose a risk to human health and the environment. We ensure the marketing and sale of our products comply with current regulations, not just those in place at the time of product development.



Quality Management

People depend on Abbott products to improve their lives; we must build and retain their trust, so delivering high-quality, safe products is always our number one priority. Global oversight sits with our Senior Vice President, Quality Assurance, Regulatory and Engineering Services, who reports directly to our Chief Executive Officer (CEO) and Chairman of the Board. The Board's Public Policy Committee regularly reviews quality metrics, inspection findings, industry progress and emerging issues.

New employees are trained on Quality Management System elements, while existing employees are systemically retrained. In 2021, 42 employees were newly qualified through the American Society for Quality (ASQ) and Regulatory Affairs Professionals Society for various quality-related certifications, bringing Abbott's total to 1,000 certified employees.

QUALITY MANAGEMENT SYSTEM

A Quality System Manual, based on established regulations and industry standards, governs our quality framework. It is implemented globally, incorporated into each division and site and encompasses every product life cycle stage. It aligns with regulations such as:

- EU Medical Devices Regulation (effective May 26, 2021)
- EU In Vitro Diagnostics Regulation (effective May 26, 2022)
- Swiss Medical Devices Ordinance (MedDO) (effective May 26, 2021)
- China Order 739 (effective June 1, 2021)

INDEPENDENT MONITORING AND CERTIFICATION

We respond proactively to potential quality issues relating to Abbott products and, in 2021, had zero open warning letters. Additionally, our sites received over 500 visits from global regulators and health authorities, 80% of which resulted in zero observations. To maintain high standards, our Internal Audit team also conducts audits relating to manufacturing and product quality.

Independent quality certification presents an opportunity to drive continuous improvement. Manufacturing operations

hold Good Manufacturing Practices (GMP) certification such as International Organization for Standardization (ISO) certification for quality management. Nutrition manufacturing maintains food and safety standards certification as well.

Protecting Our Brand Through Third-Party Management

Third-party manufacturers (TPMs) are some of our most critical suppliers. They create our finished products, often under the Abbott brand. Our TPM management process helps ensure effective quality management systems, procedures, certifications and controls. Several tools help safeguard our brand, including:

- Global TPMs list
- Corporate dashboard
- Maturity assessments
- Risk evaluation tools
- Quality expectations
- Quality agreement templates
- Audits and evaluations
- Corrective and preventive action feedback

Read more about [Quality Management](#) in the full report.

Quality Excellence Aligned With Recognized Standards and Organizations⁸

- ISO 9001, ISO 13485, ISO 14001, ISO 17025, ISO 22000 and ISO 90013
- NSF (National Sanitation Foundation) International
- GMP+ FSA (Good Manufacturing Practices Plus and Food Safety Assurance)
- FSMA (Food Safety Modernization Act)
- FSSC 22000
- Safety Assurance Certification
- HACCP (Hazard Analysis and Critical Control Points)
- Halal
- QAI (Quality Assurance International)
- Organic Certification
- Kosher
- Class A Certification
- SQF (Safe Quality Food)
- IEC (International Electrotechnical Commission)
- ASQ
- AAMI (Association for the Advancement of Medical Instrumentation)
- CLSI (Clinical and Laboratory Standards Institute)
- ASTM International
- ISPE (International Society for Pharmaceutical Engineering)
- ASME (American Society of Mechanical Engineers)
- IPC

⁸ This list represents a sample of the certifications our sites maintain and that are frequently used as indicators of product quality.

Create a Resilient, Diverse and Responsible Supply Chain

When we nurture a supplier network that’s strong and ethical, we multiply our ability to touch people’s lives and reduce shared sustainability impacts. And, by focusing on spend with diverse companies, we’re creating a supplier base as varied as those we serve.

OUR 2030 GOALS PROGRESS

Established language to incorporate our social responsibility requirements into direct material spend contracts

31% AND 15% GROWTH in spend with Black- and women-owned businesses* respectively (2021 vs. 2020)

100% OF SUPPLIERS assessed for sustainability risk

Identified a representative sample of suppliers with potential high-risk sustainability factors to pilot 2030 audit programming

48.6% SPEND increase with small businesses**

3 PACKAGING INITIATIVES funded that will impact 8 million pounds of packaging materials

SUPPLY CHAIN GOVERNANCE

A robust, multi-layered governance structure provides oversight of all supply chain-related activities, helping minimize risks and maximize opportunities to address shared impacts. Each business is responsible for

their respective supply chain, with enterprise efforts coordinated through Abbott’s Global Operations Council (GOC). The GOC collaborates across the enterprise to set the framework for our supply chain, encompassing manufacturing, procurement and logistics.

The evolution and execution of our global supply chain strategy is overseen by the Supply Chain Council (SCC). Several additional groups assist the SCC in our efforts to improve supply chain adaptability, resilience and flexibility.



* Includes data from U.S., Canada, and Puerto Rico suppliers.

** Includes data from U.S. only.

For specific information on our 2030 goals around Supply Chain Management, see page 9.

Our Supply Chain Is Multi-Faceted

Our intricate global network enables the company to get its life-changing technologies into the hands of the millions of people around the world.



Approximately
76,000 suppliers



Across
154 countries



In 2021, we spent
approximately
\$20.3 billion with
these suppliers

SUPPLIER RISK ASSESSMENT AND ENGAGEMENT

Risk-Based Monitoring and Evaluation

Our supplier assessment programs take a risk-based approach to determine assessment, monitoring and audit requirements. They consider supplier size, maturity, industry, sourcing regions, ESG performance and Abbott spend.

A third-party risk monitoring tool supports real-time analysis and risk tracking for critical supplier sourcing locations. We also use the tool to monitor supply chain disruptions and to identify suppliers and locations that pose potential business continuity risk. These insights then inform our sourcing strategy and contingency plans. Additional risk-specific analyses are performed for strategic sourcing categories and regions when potential risks are identified.

Supplier Survey and Audit Program

Abbott's Supplier Sustainability Survey and Audit Program is an ongoing effort that enables global supply chain assessment and engagement on a broad range of sustainability topics.

First, our global supply base is assessed, considering overall sustainability impacts, as well as topic-specific impacts such as human

rights and labor, EHS risk, waste diversion opportunities, climate impacts and carbon management. Potentially high sustainability risk suppliers are identified for participation in Abbott's annual Supplier Sustainability Survey.

Next, suppliers selected for audit are notified and audited by an external third party using globally recognized standards. These standards assess a supplier's social and labor conditions, health and safety, environment and business practices at the facility level. Depending on supplier industry and survey/audit results, audit frequency can range from one to three years.

In addition to survey respondents, 51 high sustainability risk suppliers were audited, with overall findings indicating Abbott is limited to minimal sustainability risk based on the suppliers assessed.⁹

Where major issues are noted, suppliers must submit corrective and preventive action (CAPA) plans within 30–60 days of receiving audit results. Abbott's supplier relationship manager and subject matter experts will then monitor the supplier's CAPA implementation and determine if a reaudit or other action, such as contract termination, is required. We also encourage suppliers to report concerns via our Speak Up tool.

In addition to our Supplier Sustainability Survey and Audit program, we maintain

category- and region-specific supplier assessment and audit programs where specific sustainability risks have been identified. They include our Active Pharmaceutical Ingredients (API) Program, Waste Vendor Assessment Program, Animal Welfare Program and Conflict Minerals Program.

Safeguarding Business Continuity and Supply Chain Risk Mitigation

Risk profiling, global event monitoring and a real-time alert system support identification of potential supply disruptions and inform proactive responses. In 2021, our risk-profiling exercise more than doubled the number of supply chain areas monitored.

To further safeguard our business and supply chain against unforeseen events, we created a Supply Chain Resilience program to develop people, processes and tools to evaluate and engage with suppliers on identified topics. 2021 actions included an end-to-end risk assessment for products identified as critical or constituting the top 80% of revenue for each business, and establishment of standard metrics for measuring internal and external risks. In total, over 100 products were profiled; this included more than 2,500 unique supply chain points, such as suppliers, plants and distribution centers.

STRATEGIC SUPPLY CHAIN INITIATIVES

Our supply chain initiatives aim to reduce shared impacts, particularly in priority areas such as labor, human rights, environment and anti-corruption. The SCC has developed two types of initiatives:

- **Issue-specific initiatives:** cover the whole supply chain and address targeted topics, including supplier diversity and management of emissions, water and inbound materials
- **Sourcing category-specific initiatives:** cover multiple sustainability risks and opportunities in high sustainability risk sourcing categories

Supplier Diversity

Supply chain diversity is a cornerstone of our sustainability plan, and we work continually to advance opportunities for diverse and historically underrepresented suppliers.

In 2021, we established a partnership with the Local Initiatives Support Corporation (LISC), a nonprofit committed to connecting private resources with under-invested people and places. Starting in 2022, we will provide financial assistance to select diverse suppliers, with a joint investment of \$37.5 million to support tailored solutions, talent development and growth resources.

⁹ Includes unique count of suppliers audited in 2021 through Abbott's Global Social Responsibility, Waste Vendor Assessment, and Chemicals of Environmental Concern and Active Pharmaceutical Ingredient Supplier Assessment programs.

OUR SUPPLIER GUIDELINE FOCUS

Our Supplier Guidelines establish our expectations of any supplier we enter a business relationship with. It is Abbott’s expectation that our suppliers fully support the Guidelines and drive sustainability principles across their own supply chains, systems and employee benefits.

Ethics

- Business integrity and fair competition
- Identification of worker concerns
- Animal welfare
- Conflict minerals
- Privacy and confidentiality

Human Rights and Labor

- Freely chosen employment
- Child labor and young workers
- Nondiscrimination
- Fair treatment
- Wages, benefits and working hours
- Freedom of association

Health and Safety

- Secure, safe and healthy workplace
- Accident, injury and health risk
- Legal and regulatory

Environmental Management and Compliance

- Environmental management systems
- Waste storage and management
- Water and wastewater
- Air emissions
- Environmental permits, licenses and reporting requirements

Management Systems

- Legal and customer requirements
- Risk management
- Documentation
- Training and competency
- Continuous improvement
- Communication

Addressing Supply Chain Water Risks

By 2030, we aim to work with 50 key suppliers in high water-stressed areas to reduce risks to water quality and quantity. In 2021, we conducted a water risk assessment to identify key suppliers. Using the World Resources Institute (WRI) Aqueduct™ Global Water Tool, this assessment considered supplier industries, sourcing locations and level of water stress. Of those identified, 26 suppliers representing 4% of total 2021 spend were engaged through our Supplier Sustainability Survey to better understand existing water risk mitigation efforts and opportunities.

Agriculture and Addressing Deforestation

Abbott is a leader in sustainability, with an internal surveillance program that tests above industry requirements. Our Food and Safety Council (including representatives from Supply Chain, Regulatory, and Research and Development) meets on a quarterly basis to

address concerns related to our agriculture supply chain, including sustainability issues. In part, this involves due diligence of our sourcing practices and those of our agricultural suppliers to better understand environmental, social and deforestation risks, particularly for soy- and palm-derived products.

We do not use palm oil in our products. However, we use sustainably sourced soy- and palm-derived ingredients (such as palm nuts and medium-chain triglycerides (MCT) oil), which can be affiliated with deforestation. In 2021, 0.3% of total spend was with these ingredients, and 0.1% was from deforestation affiliated regions.

To learn about all of Abbott’s strategic supply chain initiatives, see pages 62–73 of our full [Global Sustainability Report](#).



Rasheeda Greene-Woods, Warehousing Clerk, Shipping Operations.

Ethics and Compliance

Acting ethically and with integrity is of the utmost importance to Abbott. It's how we care for people and the planet and how we show the world we are a company that can be trusted.

SEVEN STEPS TO COMPLIANCE

Leadership

Abbott's Chief Ethics and Compliance Officer (CECO) is responsible for our ethics and compliance program and managing our Office of Ethics and Compliance (OEC). The CECO provides regular briefings to our CEO, executive leaders, Board of Directors and the Public Policy Committee.

Written Standards of Conduct

Our Code of Business Conduct is available in 29 languages and lays the groundwork for ethical conduct at Abbott. It outlines our company values and the expectation for our employees to live them every day. Every employee is required to read and certify adherence to the code annually.

Processes for Reporting Concerns

Our code emphasizes employees' responsibility to report concerns of noncompliance. We have defined avenues and processes for asking questions and reporting suspected or actual violations of our code,

policies or procedures. These include our 24/7 Speak Up tool, through which employees and external parties can confidentially and – where permitted – anonymously raise concerns of potential misconduct.

Rigorous Auditing and Monitoring

Our international audit and monitoring process assesses compliance with our code, policies and procedures. We maintain a tracking system for all action items identified to ensure business leaders complete timely process improvements where required.

Processes for Investigations and Corrective Actions

All reports of potential violations are thoroughly investigated. Where necessary, corrective actions are taken, up to and including appropriate disciplinary action and termination. Employees refusing to cooperate in an investigation – or anyone who knowingly reports a false concern, or one intended to threaten, intimidate or retaliate – may also be subject to disciplinary action.

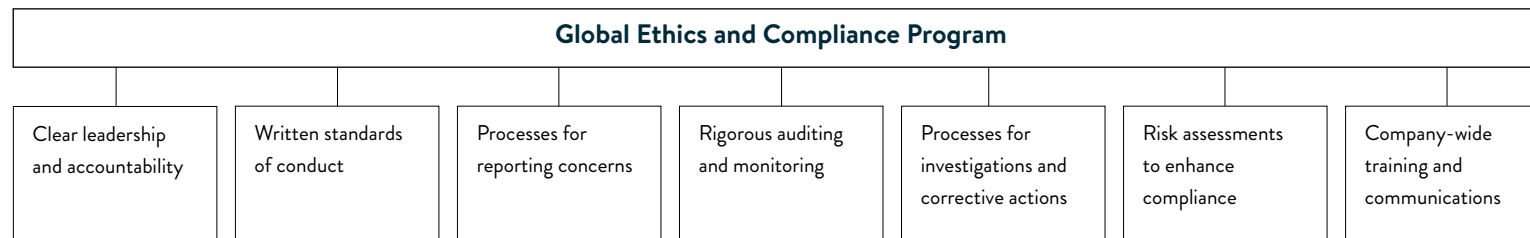
Risk Assessments

Our OEC oversees regular compliance risk assessments. It follows changes in the external risk environment, including evolving industry codes and best practices, government guidance and enforcement actions taken against other companies. Our Anti-Corruption Compliance Enhancement (ACE) program evaluates specific commercial practices to identify potential compliance risks.

Training and Awareness

Our online Legal and Ethical Resource Network (LERN) training program informs employees of all aspects of our code, with practical guidance on recognizing and responding to legal and ethical issues. In 2021, over 104,000 employees completed lessons.

Read more about [Governance and Sustainability Foundations](#) in the full report.



OUR PURPOSE IN ACTION

In 2021, Abbott employed a multifaceted approach to achieving our central purpose — helping people live their best possible lives through better health.

DELIVERING CONNECTED CARE

Our *NeuroSphere Virtual Clinic* keeps patients with chronic pain or movement disorders and their doctors connected with remote monitoring tools and in-app video chats — something *TIME* magazine recognized the value of when it named *NeuroSphere* as one of 2021's best inventions.

[READ MORE ON PAGE 26 OF OUR FULL REPORT](#)

ENHANCING PROCEDURE VISUALIZATION

We rolled out our *Ultreon 1.0* software, bringing enhanced visualization to minimally invasive coronary procedures.

[READ MORE ON PAGE 19 OF OUR FULL REPORT](#)

WEARABLE BIOSENSORS

In January 2022, we announced that we're developing *Lingo* — a new category of consumer biowearables designed to translate your body's unique language. Introduced during the Consumer Electronics Show (CES) keynote speech, *Lingo* biowearables are being designed to track key biomarkers, like glucose, ketones, lactate and alcohol, and deliver actionable data and personalized insights straight to users' phones.

IMPACT THROUGH INNOVATION

RAPID TEST FOR CONCUSSION

Our new *i-STAT Alinity TBI Plasma* test helps to quickly assess traumatic brain injury (TBI) on a portable device and can potentially rule out the need for a head CT scan, saving people time and money.

[READ MORE ON PAGE 20 OF OUR FULL REPORT](#)



IMPACT THROUGH PARTNERSHIPS

A HUB FOR MALNUTRITION RESEARCH

We created the Abbott Center for Malnutrition Solutions — and have invested \$45 million — to activate cross-function innovation and engage external experts in developing solutions.

[READ MORE ON PAGE 21 OF OUR FULL REPORT](#)

CLOSING GAPS IN CARE

We increased malaria screening by 68% by collaborating with the Rwandan Ministry of Health to help ensure second-generation health posts can sustainably address gaps in infectious disease care and testing.

[READ MORE ON PAGE 21 OF OUR FULL REPORT](#)

PROMOTING HEALTHY HABITS

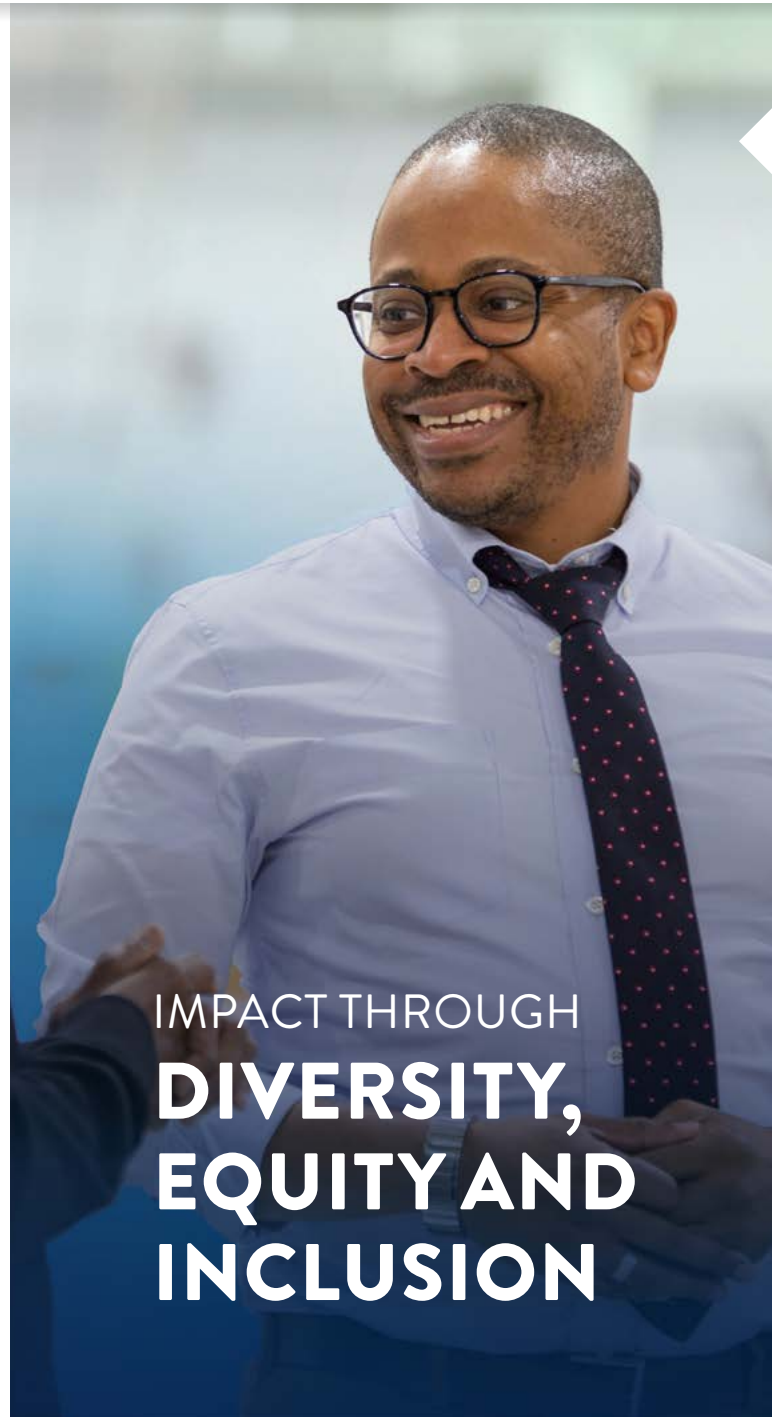
We have launched a three-year partnership with Real Madrid Football Club and its charitable foundation to deliver sports and nutrition education to children around the globe.

[READ MORE ON PAGE 19 OF OUR FULL REPORT](#)

FUTURE WELL KIDS

When in-person learning was restricted, we delivered our chronic disease education program, *Future Well Kids*, virtually. Working with Discovery Education, we created a virtual field trip for children on the anatomy of the heart and heart health.

[READ MORE ON PAGE 23 OF OUR FULL REPORT](#)



IMPACT THROUGH DIVERSITY, EQUITY AND INCLUSION

SUPPLIER DIVERSITY

We're collaborating with the Local Initiatives Support Corporation (LISC) to deliver \$37.5 million in financial assistance and support to diverse small businesses.

[READ MORE ON PAGE 71 OF OUR FULL REPORT](#)

EQUITY IN CARE

In partnership with the American Diabetes Association, we are sponsoring a three-year program to reduce health inequities by removing barriers to tools and technology for diabetes management, regardless of income level or insurance status.

[READ MORE ON PAGE 18 OF OUR FULL REPORT](#)

INCLUSIVITY IN TRIALS

In 2021, we launched a platform to promote more inclusive clinical trials — and dedicated \$5 million to scholarships for Historically Black Colleges and Universities (HBCUs) and minority nursing associations. The goal is to produce more racially and ethnically diverse nurses and trialists who, if given the opportunity, will dramatically impact trials in the future.

[READ MORE ON PAGE 18 OF OUR FULL REPORT](#)

IMPACT IN THE FIGHT AGAINST COVID-19

We remain committed to fighting COVID-19, creating products, supporting healthcare infrastructure and conducting research to protect people and society.

IN OUR WORKPLACES

Protecting our people on-site remained a priority throughout 2021. In addition to distributing personal protective equipment (PPE) and maintaining rigorous cleaning processes, we established programs that help keep everyone healthy. These included providing at-home tests in the U.S. and establishing several on-site testing and vaccination facilities. And we conducted more than 2 million diagnostic tests for employees at more than 100 Abbott sites.

FOR OUR CUSTOMERS

The degree to which people rely on rapid diagnostic products has only become more apparent over the past two years. We know testing is the first line of defense against COVID-19 and have produced 12 COVID-19 tests for both high-volume laboratories and doctors' offices to date. We have also innovated quick, efficient distribution methods, including:

- *Panbio* COVID-19 Antigen Self-Test vending machines at the National University of Singapore.
- *ID NOW* rapid molecular testing sites in 13 airports across India.
- Partnering with United Airlines to offer at-home tests for travelers returning to the U.S. that meet Centers for Disease Control and Prevention (CDC) guidelines.

IN OUR COMMUNITIES

We maintained focus on helping develop infrastructure to support vaccine rollouts, equitable testing access and COVID-19 education. To date, we have invested more than \$41 million across 66 countries. In India, where cases spiked in May 2021, Abbott and the Abbott Fund supported the efforts of our local citizenship partner, Self Employed Women's Association (SEWA), to restore livelihoods for low-income communities, creating awareness on COVID-19 prevention, symptoms and treatment, and building temporary quarantine centers. Through our global nongovernmental organization (NGO) partners, CARE and Americares, we supported district and civil hospitals with essential equipment and other supplies, helping expand capacities of healthcare

facilities. We also supported government organizations on frontline duty with our pharmaceuticals and nutrition products.

We continued to partner with Rush University Medical Center and the Alive Faith Network in Chicago, deploying testing and screening for over 2,400 people. In Minneapolis, we worked with the University of Minnesota Community-University Health Care Center to deliver services to 3,600 patients impacted by COVID-19.

In Waukegan and North Chicago, Illinois, we helped prepare 200 children and their families for the fall semester through sponsorship of the Boys & Girls Club of Lake County's in-person summer program. We also provided grants to three schools in Waukegan to

provide families with basic needs, including emergency support.

FOR THE FUTURE

Early virus detection is key to preventing — or quickly responding to — future pandemics. In March 2021, building on our decades-long history of viral surveillance, we launched the Abbott Pandemic Defense Coalition to identify and help contain emerging health threats.

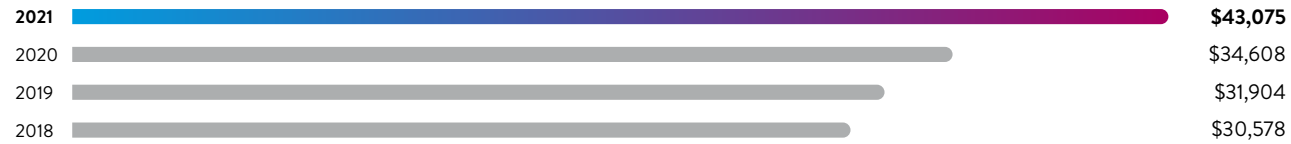
[READ MORE ON PAGE 19 OF OUR FULL REPORT](#)

Sustainability Reporting

FINANCIAL AND SOCIAL

Sales Worldwide

Dollars in Millions

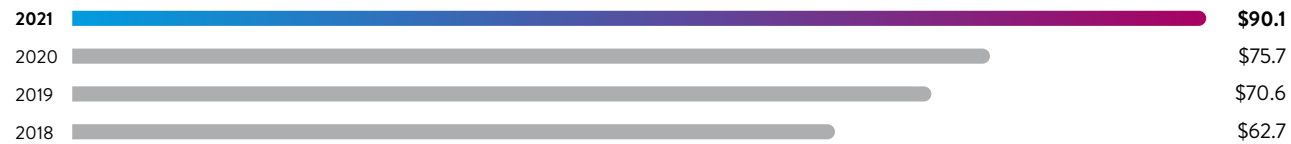


Employees

Year	Total	% of Management	
		who are Women (U.S.) ^(a)	who are Minorities (U.S.) ^(a)
2021	113,000 ^(b)	43%	33%
2020	109,000 ^(b)	42%	32%
2019	107,000 ^(b)	41%	36%
2018	103,000	40%	34%

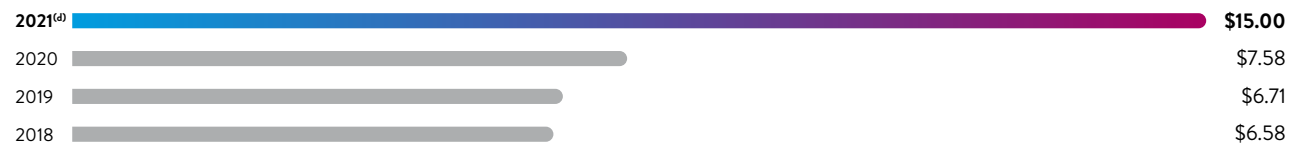
Social Investing^(c)

Dollars in Millions



U.S. Employee Giving Campaign Results

Dollars in Millions



Totals and percentage changes may differ from listed metrics due to rounding. To ensure data accuracy, the most accurate number has been used.

Refer to [page 31](#) for endnotes.

ENVIRONMENTAL

Scope 1 and 2 Carbon Emissions Intensity – Normalized to Sales

Metric Tons CO₂e per \$ Million Sales

	Total (Scope 1 and Scope 2) Market-Based CO ₂ e Emissions ^(g)	Total (Scope 1 and Scope 2) Location-Based CO ₂ e Emissions	Total Direct (Scope 1) CO ₂ e Emissions ^(h)	Purchased Energy (Scope 2) Market-Based CO ₂ e Emissions ^{(g),(i)}	Purchased Energy (Scope 2) Location-Based CO ₂ e Emissions ^(h)
2021	22	23	12	9	11
2020	26	28	14	12	14
2019	30	33	17	13	16
2018 ^(f)	32	35	18	15	17

-17.0%^(e)

Water Intake Intensity – Normalized to Sales

Gallons per \$1,000 Sales

2021	0.85	-16% ^(g)
2020	1.01	
2019	1.11	
2018 ^(f)	1.16	

Total Waste Intensity – Normalized to Sales^(k)

U.S. Tons per \$ Million Sales

2021	1.8	-8.6% ^(e)
2020	1.9	
2019	2.2	
2018 ^(f)	2.2	

Beneficial Use^{(l),(m)}

U.S. Tons

2021	118,970
2020	106,887
2019	126,512
2018	97,807

Totals and percentage changes may differ from listed metrics due to rounding. To ensure data accuracy, the most accurate number has been used.

METRICS ENDNOTES

All environmental data has been adjusted to account for acquisitions and divestitures, in accordance with the methodology prescribed in the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHGP). We report data from acquisitions as soon as is practical. To that end, this data includes the acquisitions of St. Jude Medical, Glomed and Alere Inc. Furthermore, this data reflects the divestiture of Abbott Medical Optics.

- (a) These percentages are as of December 31, 2020. Percentages represent a count of U.S. employees, excluding the Rapid Diagnostics business.
- (b) This includes Alere employees.
- (c) Abbott Fund.
- (d) 2021 marked the first year of our enhanced Employee Giving Program. See page 35 of our full report.
- (e) This is the percentage change from 2020 to 2021.
- (f) This is the baseline year.
- (g) Scope 2 emissions are calculated using the GHGP market-based methodology. Per the GHGP, where market-based information is not available, location-based results have been used as proxy.
- (h) Reported Purchased Fuels Scope 1 sources consist of fuel consumed by manufacturing, R&D and warehouse facilities under Abbott’s control; sales fleet; and Abbott-owned aviation.
- (i) Progress toward 2030 carbon goal is reported using the GHGP Scope 2 market-based methodology.
- (j) This change represents 2021 progress toward our 2030 Goal of 30% reduction from 2018.
- (k) Waste-generation data does not include materials that are reused beneficially.
- (l) Abbott defines beneficial-use activities as sending material that otherwise would have been waste off site to be used as an effective substitute for a commercial product or commodity. Beneficial-use material is used as is or in substantially the same form as it was generated.
- (m) In 2018, data represents manufacturing, R&D and warehouse facilities under Abbott’s control. Nonmanufacturing data was not collected prior to 2019.

ABBOTT SUSTAINABILITY REPORTING HUB

- [Global Sustainability Report](#)
- [Diversity, Equity & Inclusion Report](#)

SUSTAINABILITY REPORTING FRAMEWORKS AND INDICES

- [GRI Index](#)
- [SASB Index](#)
- [TCFD Index](#)
- [UN SDG Index](#)



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