

GRI standard disclosures

This section provides a selection of base information, defined by the Global Reporting Initiative Guidelines, comprising an organizational profile, report parameters, governance, commitments to external initiatives, stakeholder engagement, and remaining sustainability performance indicators. Reference numbers are those used in the GRI Guidelines.

Organizational profile

2.1 Name of the organization

ABB Ltd is the parent company of the worldwide ABB Group.

2.2 Primary brands, products and services

ABB is a leader in power and automation technologies that enable utility and industry customers to improve their performance while lowering environmental impact. ABB's products, systems, solutions and services are designed to improve the reliability of electricity supply grids, raise industrial productivity and save energy.

The Power Products division manufactures the key components to transmit and distribute electricity, such as transformers, switchgear, circuit breakers and cables. The Power Systems division offers turnkey systems for power transmission and distribution grids, and for power plants. These include complete substations, as well as high-voltage alternating and direct current transmission systems, together with their automation and network management systems.

The Process Automation division offers products and solutions for instrumentation, automation and optimization of industrial processes. The industries served include oil and gas, power, chemicals and pharmaceuticals, pulp and paper, metals and minerals, marine and turbocharging. Key customer benefits include improved asset productivity and energy savings.

The Discrete Automation and Motion division includes products and systems targeted at discrete manufacturing applications, such as robotics and programmable logic controllers (PLCs), and providing motion in plants, such as motors and drives. These businesses help customers to increase the productivity and energy efficiency of their assets.

The Low Voltage Products division manufactures low-voltage circuit breakers, switches, control products, wiring accessories, enclosures and cable systems to protect people, installations and electronic equipment from electrical overload. The division further makes KNX systems that integrate and automate a building's electrical installations, ventilation systems, and security and data communication networks.

ABB is a manufacturing and services group which outsources only some of its work (for example, information technology support infrastructure).

2.3 Operational structure of the organization

At the end of 2011, the ABB Group comprised five power and automation divisions named in 2.2 above, supported by staff functions (such as Sustainability Affairs, Corporate Communications, Controlling, Legal and Integrity, Human Resources, etc.), all reporting to an 11-member Executive Committee. The president of the Executive Committee is the Chief Executive Officer of the company. Also represented on the Committee are the heads of the five divisions, the Chief Financial Officer, the head of Global Markets, the head of Marketing and Customer Solutions, the General Counsel and the head of Human Resources, who is also the Executive Committee member responsible for Sustainability Affairs.

The ABB Group comprises primarily operating companies, subsidiaries and majority-owned joint ventures, located worldwide and employed about 135,000 people as of December 31, 2011.

2.4 Location of headquarters

The headquarters of the ABB Group is located in Zurich, Switzerland.

2.5 Countries where the organization operates

The ABB Group of companies operates in around 100 countries. ABB's largest operations are in Australia, Brazil, Canada, China, Finland, France, Germany, India, Italy, Norway, Saudi Arabia, Spain, Sweden, Switzerland, United Kingdom and United States.

2.6 Nature of ownership and legal form

ABB is listed on the SIX Swiss Exchange and the exchanges in Stockholm and New York.

As of December 31, 2011, Investor AB, Sweden, held 179,030,142 ABB Ltd shares corresponding to 7.7 percent of total ABB Ltd share capital and voting rights as registered in the commercial register on that date.

Pursuant to its disclosure notice, BlackRock Inc., US, announced that, as per July 25, 2011, it held together with its direct and indirect subsidiaries 69,702,100 ABB Ltd shares corresponding to 3.0 percent of total ABB Ltd share capital and voting rights as registered in the commercial register on that date.

To the best of ABB's knowledge, as of February 28, 2012, no other shareholder holds 3 percent or more of ABB's shares.

ABB Ltd is the holding company for the entire ABB Group and is registered as a corporation (Aktiengesellschaft) in the commercial register of the canton of Zurich, Switzerland.

2.7 Markets served

ABB's products, systems and services are supplied directly to many industries worldwide. These include electric, gas and water utilities, as well as a range of process, manufacturing and consumer industries, and the commercial and residential building sector.

ABB also serves the market through channels such as original equipment manufacturers, system integrators, distributors, and engineering, procurement and construction companies.

2.8 Scale of the reporting organization

See [Our people chapter](#) for data on employee numbers

Sales (revenues) for 2011: \$37,990 million
(\$31,589 million for 2010)

Sales by region	2011	2010	2009
Europe	38%	39%	41%
The Americas	24%	20%	19%
Asia	27%	28%	27%
Middle East and Africa	11%	13%	13%

See the ABB Group Annual Report for further details on financial results.

2.9 Significant changes in size, structure and ownership

ABB made a number of acquisitions in 2011, the largest of which was US-based industrial motor manufacturer Baldor Electric Company, completed in January and valued at \$4.2 billion, including debt repayment. Since being consolidated into ABB's financial results as of the end of January 2011, Baldor has contributed approximately \$2 billion in revenues and approximately \$390 million of operational EBITDA.

During the fourth quarter, ABB completed the acquisition of Trasfor, a Switzerland-based specialty transformer manufacturer. In December, the company also announced an offer to acquire Switzerland-based Newave Energy International, a manufacturer of uninterrupted power supplies, for a total consideration of approximately \$170 million. The deal was completed in the first quarter of 2012.

Other acquisitions during the year 2011 included Envitech, a Canadian supplier of electrical products for urban transit systems; Powercorp, an Australian renewable power automation company; Lorentzen & Wettre, a Swedish manufacturer of control solutions for the pulp and paper industry; Epyon, a Netherlands-based supplier of electrical vehicle charging solutions; and Mincom, a supplier of enterprise asset management software to the mining and other industries, based in Australia.

ABB announced in January 2012 an agreed offer to acquire US low-voltage equipment manufacturer Thomas & Betts for a total cash consideration of \$3.9 billion. The transaction, to be fully funded by cash and debt, is expected to be closed in the second quarter of 2012, pending approval of the deal by Thomas & Betts shareholders and customary regulatory approvals.

As at December 31, 2011, ABB's Board of Directors comprised eight non-executive members, one woman and seven men, of seven nationalities.

As at December 31, 2011, the Group Executive Committee comprised the CEO, the chief financial officer and nine other members, including one woman, of eight nationalities.

2.10 Awards received

See [Stakeholder relations chapter](#).

Report parameters

3.1 Reporting period

Calendar year 2011.

3.2 Date of previous report

March 2011, covering calendar year 2010.

3.3 Reporting cycle

Annual. Next report to be released in March 2013, covering calendar year 2012.

3.4 Contact point for the report

E-mail: sustainability.abbzh@ch.abb.com

Web address: www.abb.com/sustainability

3.5 Process for defining report content

Considerable work was undertaken in 2010 and 2011 to understand what internal and external stakeholders expect of the company's sustainability performance and what our strategy should focus on. The results were evaluated in 2011, resulting in a materiality matrix highlighting the issues of relevance to ABB and our stakeholders.

Most of these issues are already priorities namely: energy efficiency and climate change, managing environmental impacts, product innovation, health and safety, human rights, sustainability in our supply chain, and working in the community. Following the feedback from our stakeholders, we have now defined five areas of focus. They are:

- Developing world-class products, systems and services to lower our customers' energy use, reduce their emissions and improve resource efficiency on a long-term basis.
- Ensuring our own operations are energy and resource efficient.
- Proactively ensuring our suppliers, employees and business partners work in a safe, healthy and secure environment, and to the highest standards of integrity.
- Creating value and promoting social development in communities where we operate.
- Strengthening employees' involvement in and commitment to improve the company's sustainability performance.

For the 2011 reporting cycle, we have maintained the same reporting structure as for 2010 to allow consistency in reporting on our Sustainability Objectives 2010–2011. However, the report content also covers the five focus areas defined in 2011.

3.6 Boundary of the report

See [Governance and integrity chapter](#).

3.7 Limitations on the scope of the report

The report does not cover work carried out by ABB on our customers' sites. However, health and safety data cover all ABB employees wherever they work and all contractors for whom ABB is contractually responsible. The report does not cover Baldor operations, except for some selected environmental parameters, where indicated.

3.8 Comparability

The Sustainability Performance report covers all employees working in premises owned or leased by ABB. During 2011, ABB acquired Baldor Electric Company, a North American manufacturer of industrial motors, with approximately 6,800 employees. The report does not cover Baldor operations, except for some selected environmental parameters, where indicated.

ABB also acquired Mincom, an industrial software provider employing nearly 1,000 people. Mincom was included in the scope of 2011 sustainability performance reporting only as estimations for energy and water consumption, and waste generation per employee.

The format adopted in the 2006 report to address the concepts contained in Version 3 of the GRI Guidelines, particularly the focus on those issues considered material to the sustainability impacts of the organization, has been maintained in this report to ensure consistency and comparability.

3.9 Data measurement

See the [Governance and integrity chapter](#).

3.10 Effect of restatement of information

In 2010, the CO₂ emissions from air travel were incorrectly reported as 645 kilotons CO₂ equivalents. The correct figure for 2010 is 160 kilotons CO₂ equivalents. Assurance of the 2010 and 2011 air travel data uncovered a calculation error, which has now been corrected.

Not including Baldor, the number of ABB employees was around 127,000 in 2011, significantly higher than the 117,000 in 2010. The number of manufacturing sites, workshops and offices covered by the sustainability management program, not including Baldor, has approximately 360 in 2011.

3.11 Significant changes

There were no significant changes during 2011 in the scope, boundary, or measurement methods applied in the report.

3.12 GRI content index

A table appears on page 44 of this report which identifies the page numbers of all the standard disclosure indicators required by the GRI Guidelines.

3.13 Independent assurance

ABB believes in the importance of independent external assurance to enhance the credibility of its sustainability report. ABB's main environmental and social performance indicators have been verified by the independent verification body Det Norske Veritas (DNV) through a review of information in the ABB sustainability performance database and interviews at various levels of the company prior to publication. Their statement appears on page 43 of this report.

Governance

Corporate governance is covered in detail in the ABB Group Annual Report. The GRI content index table on page 44 of this report gives cross-references to the appropriate parts of the corporate governance section, wherever relevant.

Summary of main performance indicators¹

GRI ref.	Indicator description	2011	2010	2009
Environmental				
EN1	Materials			
	Phthalates (tons)	47	31	16
	Brominated flame retardants (tons)	~0	~0	3.1
	Lead in submarine cables (tons)	5,725	3,632	3,600
	Organic lead in polymers (tons)	1.3	52	24
	Lead in other products (tons), e.g. backup batteries and counterweights in robots	227	265	313
	Cadmium in industrial batteries (tons)	1.6	1.7	2.2
	Cadmium in rechargeable batteries (tons)	10	5.9	4.7
	Cadmium in lead alloy (tons)	4.3	2.7	2.5
	Cadmium in other uses (tons)	0.02	0.18	0.05
	Mercury in products (tons)	0.030	0.038	0.011
	SF ₆ insulation gas (inflow to ABB facilities) (tons)	1,052	968	962
	SF ₆ insulation gas (outflow to customers) (tons)	1,040	959	951
	No. of transformers with PCB oil in ABB facilities	2	3	6
	No. of capacitors with PCB oil in ABB facilities	0	0	0
	Mercury in instruments in ABB facilities (tons)	0.263	0.422	0.803
EN3	Direct energy consumption (Gigawatt-hours – GWh)			
	Oil (11.63 MWh/ton)	92	114	87
	Coal (7.56 MWh/ton)	0	0	0
	Gas	417	427	415
	Total direct energy used	509	542	502
EN4	Indirect energy consumption (Gigawatt-hours – GWh)			
	District heat consumption	195	223	259
	District heat: Losses at utilities	29	33	39
	Electricity consumption	1,447	1,335	1,321
	Electricity: Losses at utilities	1,999	1,844	1,824
	Total indirect energy used	3,670	3,436	3,442
	Megawatt-hours (MWh) per employee	16.9	18.0	17.9
EN8	Water withdrawal (kilotons)			
	Purchased from water companies	3,400	3,300	3,300
	Groundwater extracted by ABB	3,200	2,700	2,900
	Surface water extracted by ABB	2,600	2,900	2,700
	Total water withdrawal	9,200	8,900	8,900
EN16	Greenhouse gas emissions (kilotons CO₂ equivalent)			
	Scope 1			
	Energy	109	117	107
	SF ₆ (in CO ₂ equivalents)	263	247	263
	CO ₂ from transport by own fleet	350	350	350
	Scope 2			
	District heat consumption	43	49	57
	District heat: Losses at utilities	7	8	9
	Electricity consumption	309	293	290
	Electricity: Losses at utilities	427	405	400
	Scope 3			
	Air travel	185	160	N/A

¹Note that all data in this table, except LA1 for 2011, cover ABB facilities only.

GRI ref.	Indicator description	2011	2010	2009
EN19	Emissions of volatile organic compounds (tons)			
	Volatile organic compounds (VOC)	810	786	782
	Chlorinated volatile organic compounds (VOC-Cl)	13	11	5
EN20	Emissions of NO_x and SO_x (tons SO₂ and NO₂)			
	SO _x from burning coal	0	0	0
	SO _x from burning oil	68	84	64
	NO _x from burning coal	0	0	0
	NO _x from burning oil	51	63	48
	NO _x from burning gas	90	92	90
EN21	Discharge of process water (percentage of ABB plants)			
	Discharge to public sewer	N/A ²	84	72
	Discharge to recipient without treatment	N/A ²	3	9
	Discharge to own treatment plant	N/A ²	13	20
EN22	Waste (kilotons)			
	Scrap metal recycled	97	135	71
	Other waste recycled	39	44	46
	General waste sent for disposal	45	38	29
	Hazardous waste	9	9	6
EN23	Significant spills			
	Total number of spills	9	7	12
EN27	Products and services			
	Percentage of reclaimable material in products	90	90	90
Social		2011	2010	2009
LA1	Employment			
	Total workforce by region (ABB employees); 2011 data including Baldor			
	Europe	60,300	58,800	60,600
	The Americas	25,900	17,700	17,100
	Asia	37,400	30,900	29,900
	Middle East and Africa	10,000	9,100	8,500
	Total	133,600	116,500	116,100
	Total numbers of part-time employees included above			
	Europe	2,924 5%	3,133 5%	2,984
	The Americas	108 1%	143 1%	92
	Asia	106 <1%	183 1%	268
	Middle East and Africa	1 <1%	4 <1%	112
	Total	3,139 3%	3,463 3%	3,456
LA2	Employee turnover			
	Turnover of all employees, including part-time			
	Europe	5,712 10%	6,351 11%	10%
	The Americas	2,823 15%	2,567 16%	23%
	Asia	4,615 13%	4,346 14%	11%
	Middle East and Africa	854 14%	463 8%	5%
	Total turnover for whole Group	14,004 12%	13,727 12%	12%

GRI ref.	Indicator description	2011		2010		2009
	Turnover of all female employees, including part-time					
	Europe	1,364	2%	1,407	2%	1,439
	The Americas	531	3%	631	4%	635
	Asia	1,086	3%	1,060	4%	520
	Middle East and Africa	184	3%	51	<1%	19
	Total turnover for whole Group	3,165	3%	3,149	3%	2,613
LA7	Occupational health and safety					
	Fatalities, injuries, lost days, diseases					
	Employee work-related fatalities	0		1		1
	Incident rate	0		0.01		0.01
	Employee work-related serious injuries	22		15		27
	Incident rate	0.18		0.13		0.23
	Employee commuting/business travel fatalities	0		2		1
	Incident rate	0		0.02		0.01
	Employee commuting/business travel serious injuries	3		5		0
	Incident rate	0.02		0.04		0
	Contractor work-related fatalities	0		2		3
	Contractor work-related serious injuries	16		16		11
	Contractor business travel fatalities	0		0		0
	Members of the public fatalities	0		0		0
	Employee working days lost due to industrial incidents	9,478		8,362		7,633
	Employee occupational health diseases (number of cases)	7		13		47
	Employee total recordable incident rate	13.17		13.48		14.32
HR4	Non-discrimination					
	Total number of incidents of discrimination	5		6		0
	Total number of incidents of harassment	32		18		0
SO6	Public policy					
	Financial and in-kind political contributions	\$500		\$9,000		0
LA10	Training and education					
	Training per year per employee (average hours)					
	Brazil	25		26		28
	China	34		40		24
	Czech Republic	11		10		13
	Finland	13		13		24
	Germany	16		16		15
	India	5		4		3
	Italy	17		17		10
	Sweden	12		10		10
	Switzerland	17		20		20
	USA	25		25		25

²In order to improve the quality and depth of reporting, we have changed the water reporting this year. This means that the discharge of process water data cannot be included in the table above, as the 2011 data are not comparable with 2010 and 2009. See page 20 for reporting on water discharge.

GRI ref.	Indicator description	2011	2010	2009
LA13	Diversity and equal opportunity			
	Women in senior management (percentage)			
	Brazil	7%	7%	–
	China	25%	25%	–
	Czech Republic	18%	19%	–
	Finland	15%	17%	–
	Germany	7%	4%	–
	India	2%	2%	–
	Italy	7%	7%	–
	Sweden	22%	22%	–
	Switzerland	7%	7%	–
	US	16%	15%	–

Independent verification of main performance indicators

INDEPENDENT VERIFICATION OF MAIN PERFORMANCE INDICATORS 2011 - DRAFT

Scope and method of work

Det Norske Veritas AS has been engaged to verify the numerical values of the environmental and social performance indicators presented in the "Summary of main performance indicators" table (the "Table"). The verification is limited to the numerical values presented on pages 39 – 42 in the pdf version and in the interactive version on internet presented at [this link](#). The verification was conducted in January and February 2012.



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The verification was based on a review of the sustainability performance data, supplemented by spot checks of the collection and aggregation process which has been carried out by the sustainability organisation of ABB.

DNV has reviewed the databases containing the environmental and social performance data. To assess the validity of the numerical values of the environmental indicators DNV carried out telephone interviews with ten selected local sustainability officers. Additionally, to verify the process for collecting information for the social indicators DNV carried out telephone interviews with five country sustainability controllers. DNV also interviewed five people in the ABB Group Functions Sustainability Affairs, Legal and Integrity, and Supply Chain Management with responsibility for collecting, aggregating and/or presenting the data in the Table. Furthermore, DNV carried out interview with representatives from AMEX, responsible for the aggregation and reporting of the emission data from air travels.

The verification was limited to assessing the numerical values of the indicators for 2011 reported in the Table in the "ABB Group Sustainability Performance 2011 – GRI Indicators".

Conclusions

It is the opinion of DNV that ABB has a well-established web-based internal reporting system, which has seen continuous improvement in recent years. Also focus has been given to internal training to increase the quality of the reported data.

During the interviews, and the review of the databases, it was observed that some of the parameters related to hazardous substances have a degree of uncertainty to them due to several sites not having complete knowledge of hazardous materials on site. ABB are however aware of the situation and are taking proactive steps to resolve it.

A few minor reporting errors were discovered. However, none of these were considered to be systematic. These errors were immediately corrected, and the Table that is presented in this review includes the updated numbers.

Based on the findings, DNV considers the numbers published in the Table to give a reasonable representation of ABB's sustainability performance.

Høvik, Norway, 29th February 2012


Jon Jerre
Project manager
DNV

GRI content index table

GRI ref.	Description	
1	Strategy and analysis	
1.1	Chairman and CEO's letter	ABB Group Annual Report
1.2	ABB's key sustainability issues	pages 2–5, 38
2.1–2.10	Organizational profile	pages 10, 36–37
3.1–3.13	Report parameters	pages 7, 37–38
4.1–4.10	Governance	pages 6, 7
4.11–4.13	Commitments to external initiatives	pages 7, 8, 11, 12 and ABB Group Annual Report
4.14–4.17	Stakeholder engagement	pages 10, 11
5	Performance indicators	
	Economic performance indicators	
	EC1 (ABB key figures)	ABB Group Annual Report
	EC2	page, 16, 17
	EC3–5, EC7	page 27
	EC6	page 33
	EC8–9	pages 34, 35
	Environmental performance indicators	
	EN3–4, EN16–17, EN29	page 18
	EN5–7, EN18	pages 16–18
	EN26	page 19
	EN9–10, EN21, EN25	page 20
	EN2, EN11–15, EN24, EN27	page 21
	EN1, EN8, EN10, EN19–20, EN22	page 22
	EN23, EN28, EN30	page 23
	Social performance indicators	
	SO2–5	page 8
	SO6–8, PR4, PR8, PR9	page 9
	PR5	page 11
	PR1–3, PR6–7	page 15
	LA11	page 25
	LA1–5	page 26
	LA10, LA12–15	page 27
	LA6–7	page 29
	LA8–9	page 30
	HR2–3	page 31
	HR1, HR4–11	page 32
	HR2	page 33
	SO1	page 34