

# 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](mailto:sustainability.abbzh@ch.abb.com)

Web address: [www.abb.com/sustainability](http://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 CO<sub>2</sub> emissions from air travel were incorrectly reported as 645 kilotons CO<sub>2</sub> equivalents. The correct figure for 2010 is 160 kilotons CO<sub>2</sub> 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.