







Sustainability objectives 2010/11	Overview of progress at end of 2011	Status of completion
1. All sites to reduce use of energy by 2.5 per cent annually	<ul style="list-style-type: none"> – Energy use reduced by total of 5.5 percent in 2010 and 2011 – Energy audits carried out or planned in 23 of most energy-intensive production sites 	
2. Develop guidelines to monitor the environmental impact of transport of goods	<ul style="list-style-type: none"> – Pilot projects in Italy, Saudi Arabia and United States completed – Key Performance Indicators developed – Data on cross-border transportation (2010) evaluated; data collection and calculation methods updated; air and sea transportation data (2011) collected and under evaluation – Draft guidelines remain in test phase, proposed release during 2012 – Transportation Council of regional and Group logistics managers constituted to guide and coordinate Group transport and logistics strategy and programs 	
3. Monitor and reduce environmental impact from business air travel	<ul style="list-style-type: none"> – Data collection and methodology for emissions calculation established and tested; first data collection accomplished – Review of reduction possibilities commenced 	
4. Phase out the use of hazardous substances in ABB's products and processes	<ul style="list-style-type: none"> – Status investigated of use/phasing out of hazardous materials in countries/local business units. Some materials such as organic lead in polymers almost completely eliminated – Volatile Organic Compounds (VOC) reduction program established in Power Products division, which is responsible for more than 70 percent of Group VOC emissions – Group-wide list of restricted substances updated; program to enhance implementation under way 	
5. Ensure that environmental and health and safety aspects are considered in product development	<ul style="list-style-type: none"> – Survey among product and project managers to assure that sustainability aspects are embedded in product development – Developed and launched supporting tools and training material 	
6. Early assessment of social, security, OHS and environmental risk in ABB's project risk management process, to better manage sensitive projects	<ul style="list-style-type: none"> – Regular meetings with two divisions (Process Automation and Power Systems) to identify potential risks at project pursuit stage rather than at later stage of tendering, with ongoing involvement of sustainability and security experts in project risk reviews and evaluation – Ongoing training for business managers and key functions to raise awareness of potential health and safety, security and human rights risks 	

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7. Due diligence on all security companies according to ABB standards	<ul style="list-style-type: none"> – Global roll-out started in 2011 and will continue in 2012 – Due diligence on security companies conducted on continuous basis for new contracts and on needs basis for existing contracts 	
8. Ensure rapid response capability and enable ABB in risk-rated countries to prepare and respond to potential threats	<ul style="list-style-type: none"> – Threat map and new security website introduced to help company to prepare for, or mitigate, potential threats – By end of 2011, about 850 managers in all eight regions were trained in crisis management with workshops and exercises – Almost all ABB country organizations were trained on crisis management in 2011; remaining training scheduled for 2012 – Country crisis and security plans maintained, updated and implemented 	
9. Develop ABB travel security system into a more supportive system for ABB	<ul style="list-style-type: none"> – Improvements to travel security system completed. System now includes all main threat areas, including maritime threats, plus supporting documentation for travelers – Several upgrades to travel security system and further global training conducted in 2011 	
10. Occupational Health and Safety Plan 2008–2011 continues, as approved by Executive Committee	<ul style="list-style-type: none"> – Continued with delivery of second generation leadership training to all local division and local business unit managers, and first line reports – Strategic risk management programs delivered in all countries covering range of issues, including occupational hygiene, point of work risk assessment, management review, human error and desired behaviors – Further OHS improvement programs for business units in Process Automation and Power Systems divisions and Power Products Service that addressed business unit-specific risks. This included local training and audit programs 	
11. Increase monitoring of key potential and existing suppliers so that ABB is not complicit in any social, environmental, human rights or health and safety abuses	<ul style="list-style-type: none"> – 125 supplier sustainability audits conducted by third party, two-thirds in high risk countries (China, India and Mexico) – Supplier sustainability audit protocols revised and updated, based on practical experience, for use from 2012 in continuing supplier audit program – Supplier sustainability awareness training developed and delivered to over 200 suppliers in India and China 	
12. Extend social, environmental, human rights, and health, safety and security risk assessment in mergers and acquisitions (M&A) processes.	<ul style="list-style-type: none"> – Sustainability work stream embedded in M&A process – Specialists on environment, human rights, OHS and security regularly consulted as part of due diligence on target companies – Extensive coaching provided for local sustainability specialists involved in M&A projects – External specialists used to support the sustainability work stream on a case-by-case basis 	