

# Taking a longer-term perspective



Twenty years ago ABB produced a first Sustainability Report which was devoted to environmental issues such as our manufacturing processes and the implementation of management systems at our facilities. It was a pioneering report, one of the first of its kind.

We have come a long way since then, adding different aspects of health and safety, social engagement, environmental responsibility, security and human rights to the palette of activities we manage and review on a regular basis.

Nowadays, sustainability for ABB covers our efforts to build a clean, safe, secure and respectful environment through our products and services and the way we behave in all areas of business. Our company slogan is “Power and productivity for a better world” and we believe that what we manufacture for our customers and how we act can and do make a significant contribution to a better, more sustainable world.

The sustainability strategy we unveiled in 2013 is aligned with corporate strategy, reflecting a clear understanding that good performance in these areas is part of good business practice and success. The sustainability strategy, which covers 2014–2020, comprises a series of focused objectives which impact all areas of our value chain.

It’s important to emphasize that our sustainability goals – in the areas of products and services, responsible operations and relationships, and the right resources – were developed with and are supported by ABB’s executive management. We are committed to this path as the ABB Group.

We have gone beyond thinking of sustainability and the business as separate; they are inextricably inter-linked – sustainability is part of our business.

We will continue to embed sustainability practices and values into different areas of the business – such as product development where we take a life-cycle approach – and will seek to maximize resource efficiency and minimize our own and our customers’ energy use and emissions.

Other sustainability criteria are embedded in many areas such as our requirements of suppliers, and in the due diligence processes we apply to business projects, sourcing and acquisitions. Coherence and consistency of approach are core to success in all parts of the business.

ABB's overall success will not only be determined by improved short-term performance but also by a longer-term perspective on how we can adapt to the trends shaping our future and our business – such as how we can contribute to efforts to mitigate climate change, and offset the impacts of growing urbanization and transportation needs.

We have proven technologies to meet our customers' demands for energy-efficient and low-emission products and services. And our 8,000 technologists around the world are at the forefront of innovative ideas, advancing the sustainable business agenda.

Our web-connected fast-chargers for electric vehicles are just one recent example. In 2013 we received an order to install them throughout the Netherlands, following a similar contract in Estonia. At the start of 2014 we announced a six-year collaboration in China for fast-chargers for electrical vehicles in that huge market.

However far we have come in the past 20 years, we still face considerable challenges on our journey. Nowhere is this more apparent than in our health and safety performance where our record in 2013 undermined previous grounds for optimism in recent years. We strive for a zero incident rate and yet seven contractors died – six of them from one business unit – and 69 people suffered serious injuries during the year.

This is unacceptable. Many processes and best practices to improve occupational health and safety performance have been put in place in recent years. We are re-doubling our efforts in this area with further targeted training in particular business areas and programs to ensure correct behavior, and are also reviewing appropriate levels of responsibility and accountability within the company. We have a duty of care and will not rest in pursuit of our goals.

As a truly multinational company, one of the other challenges we face is attracting and retaining the right people in different parts of the world. Greater efforts are being made to develop a diverse workforce, and we detail some examples later in this report. We know a diverse workforce – and we have some 54 nationalities represented at headquarters alone – provides for huge opportunities and a dynamic working environment.

**“Sustainability is inextricably inter-linked with our business.”**

Our employees expect to work for a company with the highest standards of integrity, which manages its risks and understands its impacts on society. We describe some of our efforts and advances in this area in this report, as well as on our website.

We have come a long way in the past two decades and recognize that our stakeholders' expectations have also developed significantly in that time. Our ability to embed strong values within the company, exercise our duty of care, and fully understand our commitments to social progress are material to our license to operate, and are key to building sustainable success for the company.

We see very good opportunities ahead to benefit and contribute through our core strengths of delivering power and productivity in a rapidly changing world. We have many opportunities and are confident we can fulfil them.



**Ulrich Spiesshofer**  
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