Working in the community Supporting education and health

ABB has two main focus areas when carrying out community work: supporting education and health. We have about 300 projects worldwide which seek both to help people and to strengthen ABB's place in the community.

Our approach is both global and local. We enter into strategic corporate partnerships with targeted impacts, and also decide at a country level which projects to support based on their likely effectiveness and potential benefits to ABB.

300 community projects are supported worldwide by ABB

The schemes are highly varied, ranging from improving the infrastructure of schools, developing students' technical skills and helping disabled people enjoy sports activities, to partnering with international and non-governmental organizations, and supporting disaster relief efforts.

There is a long tradition of community involvement and volunteering at ABB. In 2013, employees and companies donated approximately \$8.5 million and provided nearly 5,000 man-days in volunteering time.

Contributing to business success

Our community work is part of ABB's business success. We know we can make a difference, and it is good for our business and reputation to be welcome in the areas where we operate. We also know that such initiatives improve our ability to attract and retain talented employees.

The educational schemes and institutions we support serve to improve learning opportunities, raise ABB's profile and help us to recruit qualified engineers and other staff. Strengthening health care can have positive social and economic impacts among key company stakeholders, including our employees, suppliers and customers, as well as the communities around our facilities. ABB developed and introduced its own assessment tool in 2013 to help measure the impacts and overall value of our investments in community schemes. The results will help us to evaluate the return on investment and achievement of project objectives, and to streamline our efforts towards the projects which provide most benefit for the targeted stake-holders.

Education

WEB

ABB works with students, schools and colleges in a variety of ways. One of the most innovative is in Brazil where young children from impoverished neighborhoods come to ABB factories for additional schooling and preparation for a working life. About 400 of them have taken part so far with impressive results: 75 percent go on to get jobs – some of them at ABB – and about one third of the children qualify to study at university.

Here are some of our projects:

- In Finland and the United States, ABB provides both funding and equipment for colleges and universities in areas where we have operations to support those institutions and attract successful graduates.
- A vocational summer school at ABB in Saudi Arabia which introduces students to the world of work and ABB's standards.
- A long-term scheme near five ABB manufacturing sites in India to re-build and furnish government schools, and provide a mid-day meal scheme for children. More than 4,000 children benefit.
- Volunteers from ABB Sweden take part in a program to teach mathematics to young people out of school hours.
- In Colombia, ABB provides equipment and helps to re-build bathrooms at a school in Bogota for children who have been displaced by violence.

ABB also has a focus on helping disadvantaged students. ABB's Group-level foundation to support talented but disadvantaged engineering students extended its partnership into a ninth country, Indonesia, in 2013, and is set to expand further. Several of the student scholars in the scheme are now pursuing careers at ABB.

Health

Many of the projects that ABB supports involve helping the less abled. Our projects include:

- ABB in Germany received an award in 2013 in recognition of our long standing support for summer and winter Special Olympics for people with mental disabilities. Similar games are supported in Italy and the United Kingdom.
- In the Czech Republic, employees are given a day off work every year to work on a range of programs, mainly focused on sports such as skiing, for people with mental and physical disabilities.
- ABB employees in many parts of the world support health causes such as cancer trusts with a variety of activities – from fun runs and sponsored golf tournaments in Canada and the US, to sponsored football matches and mountain hikes in the United Kingdom.
- In Egypt, ABB helped to build a water pipe network to a village, ensuring about 500 under-privileged people receive a regular water supply.

Relief efforts

Partly as a result of our decentralized structure, ABB is able to respond quickly to humanitarian or natural disasters. Most of our efforts in 2013 were concentrated on the Philippines after the devastation caused by Typhoon Haiyan. ABB companies and employees raised about \$500,000 in an operation coordinated by ABB in Southeast Asia.

ABB also responded to a number of other disasters in 2013. ABB joined other organizations in providing support and funds to people whose homes were damaged by floods in Germany and the Czech Republic; contributions were also made to support the victims of natural disasters in Mexico and Vietnam.

At Group level, ABB takes a strategic approach to humanitarian aid through the ongoing partnership with the International Committee of the Red Cross (ICRC). Our annual contribution to the ICRC – ABB Group's largest and longest-running single corporate sponsorship agreement – is used to support access to clean water in areas of humanitarian need in Iraq and the Democratic Republic of Congo.

Access to electricity

We believe we can make a significant and lasting impact on the social and economic development of communities through our rural electrification program, known as <u>Access</u> to <u>Electricity</u>.

There are three main projects under way, highlighting the value of public-private partnerships. Two of these are in India: a distributed solar solution for desert hamlets in Rajasthan and a solar-power battery charging station in a coastal region of West Bengal. The third project is a diesel-powered minigrid set up in a remote area of southern Tanzania.

As part of our efforts in Rajasthan, an impact assessment was carried out in 2012 which resulted in replacement batteries being provided where appropriate, and a clearer understanding of which sections of the community were benefiting most from the electricity. This will help to inform the next steps in the project.

All these projects are delivering social progress, with students benefiting from schools staying open after dark, health clinics being able to preserve medication in fridges and remaining open longer, and the positive health impacts of using electricity instead of biomass or kerosene for light in the home. The provision of electricity has also provided a fillip to local employment with some new businesses being started, and shops remaining open for longer periods.