

STAKEHOLDER ENGAGEMENT

Building enduring partnerships with stakeholders

A company is a core component of society, and ABB's activities are closely monitored to ensure we abide by relevant laws and regulations, meet the expectations of our stakeholders, and achieve the high standards we set for ourselves

Our approach is to engage in meaningful dialogue and collaboration with stakeholders to clarify ABB's positions and policies and, at times, to understand different viewpoints.

Customers

In recent years, customers have sought increased assurance that ABB offerings have been responsibly produced and will deliver on their promise of greater resource efficiency and reduced energy use. We continue to meet with customers and answer their regular requests for information about the sustainability of our offerings and how we manage all kinds of risk. Our ability to provide detailed information on most issues underscores our reputation as a pioneering technology leader and a trusted supplier with robust risk management policies and processes in place.

Investors

In 2018, ABB engaged in one-on-one meetings with dedicated sustainability fund managers and analysts and participated in a sustainability conference in Paris. An increased number of socially responsible fund managers, as well as mainstream investors, showed interest in our environmental, social and governance (ESG) performance and its impact on our business and our risk management. Areas of focus included revenue growth prospects from our eco-efficient portfolio and how ABB managed integrity issues, particularly in high-risk countries.

Suppliers

As a company with a global supply chain, we are in daily contact with suppliers to discuss business-related issues. Our business aims are clear: We seek high quality, low costs and on-time delivery of products. We work hard to ensure that our suppliers meet not only our business needs, but also our sustainability requirements and standards. These efforts are managed through our [Supplier Sustainability Development Program \(SSDP\)](#), which focuses on assessing conditions at our suppliers' sites and working with them to improve their sustainability performance.

Employees

As our company embarks on a period of transformation, it is critical that employees fully understand our strategy and their role in creating ABB's future. As part of a comprehensive and transparent communications program, which began in 2018 and is ongoing, we held local town hall meetings at various sites and published detailed information on internal news portals. We strive to provide employees with as many opportunities as possible to provide feedback and ask questions.

Public policy

ABB strengthened its global government relations capability in 2018 to engage consistently with policymakers around the world on discussions related to ABB technologies, such as climate,

energy and industrial policy, and the opportunities of digitalization, artificial intelligence and clean transport. Among many interactions with policymakers, ABB had a significant presence at the COP24 climate conference in Katowice, Poland.

Community

ABB contributed to 620 community projects and charities worldwide, with a focus on supporting education and healthcare. Globally, our employees and companies donated approximately US\$12.1 million and provided 4,500 person-days of volunteer time. More information can be found on [page 40](#).

External partnerships

We continued to develop and promote solutions to shared global challenges by working with external partners. In 2018, ABB launched a partnership with the Nobel Foundation to celebrate science and innovation and inspire the next generation of pioneers. ABB has been a strategic partner of the [World Economic Forum](#) for over a decade, remains an active contributor to the [World Business Council for Sustainable Development's Low Carbon Technology Partnerships](#) initiative, is a delivery partner in several of [Sustainable Energy for All's](#) accelerator programs and in [United for Efficiency](#), and has served as a member of the [International Committee of the Red Cross's Corporate Support Group](#) since 2005.