PROGRESS TOWARDS TARGETS

## Approaching the finish line

ABB on track to meet 2020 targets

We use 11 measures and targets to quantify ABB's progress toward nine sustainability objectives, which were established in 2014. We made progress on our measures in 2019 and remain on track to meet or exceed our targets in 2020.

The objectives cover three areas: leading technology, responsible operations and responsible relationships. Each area has a direct or indirect impact on ABB's business success. Our Executive Committee and external stakeholder panel reaffirmed that our measures and targets remain material to ABB's business.

In 2019, ABB underwent an extensive organizational transformation, initiating the carve-out of Power Grids and the simplification of our structure and business model. The ABB that will emerge will continue to not only be a technology leader, but also an exemplary corporate citizen contributing to a more sustainable world.

In 2019, we reviewed our 2013 baseline data to be able to track the environmental performance internally of each of our businesses individually, to reflect the changes at the company and maintain the consistency of the reported information. 2013 baselines in this report are unchanged.

As we prepare to close out our current measures and targets at the end of 2020, we have begun the work of developing new measures and targets for the years ahead. Our external stakeholder engagement process and the results of the 2019 Global Employee Engagement Survey will inform this process.



## **Leading technology**

Objective	Measure	2020 Target	2013 Baseline	2019 Performance		Page
Products, solutions and services	Increase share of ABB eco-efficiency portfolio	60% of \$ revenue	53%	57%	$\overline{\rightarrow}$	<u>16</u>



## **Responsible operations**

Objective Safe operations	Measure  Reduction in employee injuries	2020 Target	2013 Baseline 1.09	2019 Performance		Page
				0.47	$\checkmark$	24
Climate action	Reduce greenhouse gas (GHG) emissions	by 40%	1,552 kt	41%	$\checkmark$	26
Resource efficiency	Reduce water consumption in water stressed areas	by 25%	3,157 kt	18.5%	$\rightarrow$	28
	Reduce share of waste sent for disposal	by 20%	19.6%	13.5%	$\rightarrow$	28
Right materials	Reduce emissions of VOCs	by 25%	1,210 t	24%	$\rightarrow$	30
Responsible sourcing	Closure of identified risks from supplier assessments	>65%	n/a	78%	$\checkmark$	32



## Responsible relationships

Objective Integrity	Measure  Employees trained in integrity	2020 Target >96%	<b>2013 Baseline</b> n/a	2019 Performance		Page
				98%	$\checkmark$	35
Human rights	Training for specific job roles exposed to human rights risks	<b>2 campaigns</b> p.a.	n/a	2	$\checkmark$	37
Ourpeople	Increase in % of females in senior management <sup>1</sup>	<b>by 30%</b> (vs 2017)	10% (2017)	11.7%	×	39
	Employees covered by the ABB well-being program	>70%	n/a	77%		39

<sup>1</sup> Hay grades 1-7

Achieved

Definitions and methodology of targets







