



PROGRESS TOWARDS TARGETS

Delivering on our promises

ABB delivered a good performance against 2020 targets and exceeded the majority of them



2020 marked the concluding year of the sustainability strategy adopted by ABB for the previous decade. We used 11 measures and targets to quantify ABB's progress toward the nine sustainability objectives we set for ourselves in 2014. As an organization, we are pleased to report that by year-end 2020, we met or exceeded nearly all of our quantitative targets.

Notably, we exceeded our targets for greenhouse gas (GHG) and volatile organic compounds (VOC) emissions, water consumption in water stressed areas, employee safety, and the closure of identified supplier risks. While these targets seemed ambitious at the time they were set, we have demonstrated that we have the capacity to outperform in these areas. We also exceeded our targets for integrity and human rights trainings and recognize that it is now time to adopt new ways of measuring our performance in these areas. Similarly, while we performed well against our gender diversity target, not only can we do more to drive progress in this area, we must also expand our work to encompass diversity in all its forms. This knowledge has been utilized in the design of targets for our next reporting cycle.

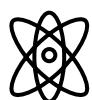


Our 2020 sustainability objectives covered three areas: leading technology, responsible operations and responsible relationships. Each area has a direct or indirect impact on ABB’s business success. For the final year of our sustainability strategy, the measures and targets associated with these objectives were once again deemed material to ABB’s business by our Executive Committee and reaffirmed by our external stakeholder panel.


In 2020, we reviewed our 2013 baseline data in order to track internally the environmental performance of each of ABB’s present divisions over the current reporting cycle, in a manner that reflects the organizational changes at our company, while maintaining the consistency of the reported information. The 2013 baselines for the environmental indicators have been updated in the target table to exclude the Power Grids business to provide a comparable basis with 2020 performance. Power Grids is not included in our sustainability reporting for 2020, except where specified. Given the impact of the COVID-19 pandemic on some of our 2020 data, our 2019 data will form the baseline for the next reporting cycle.

Over the past year, we continued the extensive stakeholder engagement process that was launched in 2019 in anticipation of the closing of our measures and targets at the end of 2020. This engagement process guided the creation of our sustainability strategy and its associated targets for 2021–2030. For more information about ABB’s 2030 sustainability strategy, please go [here](#).

 Achieved  Not achieved



Leading technology

Objective	Measure	2020 Target	2013 Baseline	2020 Performance		Page
Products, services and solutions	Increase share of ABB eco-efficiency portfolio ¹	60% of \$ revenue	53%	58%		Leading technology

1 Includes Power Grids in 2013 baseline and 2020 performance



Responsible operations

Objective	Measure	2020 Target	2013 Baseline	2020 Performance		Page
Safe operations	Reduction in employee injuries ¹	<0.7	1.09	0.31	✓	Safe operations
Climate action	Reduce greenhouse gas (GHG) emissions ²	by 40% absolute vs 2013	1,167 kt	58%	✓	Climate action
Resource efficiency	Reduce water consumption in water stressed areas ²	by 25%	1,930 kt	39%	✓	Resource efficiency
	Reduce % waste sent for disposal ²	by 20%	14.5%	3%	✗	Resource efficiency
Right materials	Reduce emissions of VOCs ²	by 25%	736 t	29%	✓	Right materials
Responsible sourcing	Closure of identified risks from supplier assessments ²	>65% cumulative since 2013	n/a	79%	✓	Responsible sourcing

1 Includes Power Grids in 2013 baseline and 2020 performance

2 Does not include Power Grids



Responsible relationships

Objective	Measure	2020 Target	2013 Baseline	2020 Performance		Page
Integrity	Employees trained on integrity	>96%	n/a	98%	✓	Integrity
Human rights	Training for specific job roles exposed to Human Rights risks	2 targeted campaigns/year	n/a	3	✓	Human rights
Our people	Increase in % of females in senior management (includes PG) ¹	by 30% (vs 2017) = Target 13%	10% (2017)	13.5%	✓	Our people – culture, diversity & inclusion
	Increase in % of females in senior management (does not include PG) ¹	by 30% (vs 2017) = Target 14%	10.8% (2017)	13.5%	✗	Our people – culture, diversity & inclusion
	Employees covered by the ABB well-being program	>70%	n/a	86%	✓	Our people – health & well-being

1 Hay grades 1-7