

Independent Assurance Statement

ABB Asea Brown Boveri Ltd ("ABB") commissioned DNV Business Assurance Services UK Limited ("DNV", "we", or "us") to undertake independent assurance of the ABB Sustainability Report 2021 for the year ended 31st December 2021 (the "Report").



Our Opinion:

- On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe ABB's adherence to the Principles of stakeholder inclusiveness, materiality, sustainability context and completeness.
- In terms of quality of the Performance data, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate.

Our observations and areas for improvement will be raised in a separate report to ABB's Management. Selected observations are provided below. These observations do not affect our conclusion set out above.

Stakeholder inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

The Report clearly identifies ABB's stakeholders and how it has engaged with them in 2021. As progress is made towards the 2030 targets, we recommend ABB clarifies its intentions for the panel.

We also repeat our recommendation that it would be helpful to report more explicitly on stakeholder feedback received and how ABB responded to this.

Materiality

The process for determining the issues that are most relevant to an organisation and its stakeholders.

ABB went through a comprehensive process to update its materiality matrix in 2020 and used this to define its 2030 strategy and targets. The Report covered progress on the material topics identified. We recommend ABB reviews its materiality matrix routinely to ensure any emerging issues are considered.

Within the scope of our work, we found that management embedded priority issues at a Group level, but only some within the Business Areas. We recommend that Business Areas develop delivery plans for all targets in 2022.

Sustainability context

The presentation of the organisation's performance in the wider context of sustainability.

The validation of the GHG emissions reduction target as a Science-Based Target was an important step in aligning ABB's commitments within a broader context.

The reporting of selected sustainability data as part of the quarterly financial reporting and the inclusion of sustainability targets within the Senior Management Incentive this year, helped to integrate the sustainability programme into the overall business strategy.

Completeness

How much of all the information that has been identified as material to the organisation and its stakeholders is reported.

The Report this year was focused on performance and progress against the 2030 targets, and this clarified the priorities for the Sustainability programme.

ABB implemented a new central fleet management system in 2021 which has improved the completeness and timeliness of this data. Furthermore, ABB reported against SASB and the EU Taxonomy for the first time in 2021, with all Business Areas reporting on product eligibility, providing the basis to assess alignment in 2022.

Quality

The accuracy and comparability of information presented in the Report, as well as the quality of underlying data management systems.

Overall, for the performance data in scope, we had confidence in the processes and systems to ensure the information presented in the Report was accurate.

This year, ABB released a new environmental data e-learning module to guide sites on reporting requirements. Additional controls and checks were incorporated into the environmental data reporting system. The implementation of secondary checks improved data quality this year.

We noted that the system for both collecting and reporting data was well embedded in Business Areas for safety. The next step is to focus on improving the consistency of leading safety measures.

During our site visits, we observed some inconsistencies in the audit trail for the data reported for consolidation. We repeat our recommendation that Business Areas provide all sites with more specific guidance on maintaining evidence for their reported performance. We encourage all sites to document their data collection and reporting procedure to help ensure consistency and continuity.

Scope and approach

We performed our work using DNV's assurance methodology VeriSustain™, which is based on our professional experience, international assurance best practice including the International Standard on Assurance Engagements 3000 ("ISAE 3000"), and the Global Reporting Initiative ("GRI") Sustainability Reporting Guidelines. We evaluated the Report for adherence to the GRI Principles for defining report content of stakeholder inclusiveness, materiality, sustainability context and completeness (the "Principles").

We understand that the reported financial data and information are based on data from ABB's Annual Report and Accounts, which are subject to a separate independent audit process. The review of financial data taken from the Annual Report and Accounts is not within the scope of our work. Performance claims within case studies are also outside scope.

Performance data

The scope of our work covers the following 2021 disclosures ("Performance data") from the Report:

- 2021 Performance data for indicators marked as assured in the ABB Group Sustainability Indicators 2021 table, starting on page 84 of the pdf version of the Report: Hazardous Materials; 302-1 Energy consumption within the organization; 302-3 Energy intensity; 303-3 Water withdrawal; 305-1 Scope 1 GHG emissions; 305-2 Scope 2 GHG emissions; 305-3 Scope 3 GHG emissions (air travel only); 305-4 GHG emissions intensity; 305-7 Significant air emissions (Volatile organic compounds only); 306-4 Waste; 403-9 Occupational health and safety (lost days excluded).
- The status / progress for the 2030 targets on pages 19-21 of the pdf version of the Report.

We evaluated the Performance data using the GRI Reporting Principles for defining report quality (accuracy, balance, clarity, comparability, reliability and timeliness) together with ABB's Target definitions and methodology for how the data are measured, recorded and reported. The review of any data from prior years is not within the scope of our work (this includes any data in scope in previous years that has been re-stated).

Basis of our opinion

A multi-disciplinary team of sustainability and assurance specialists performed work at Group and site level. We undertook the following activities:

- Review of the current sustainability issues that could affect ABB and are of interest to stakeholders;
- Review of ABB's approach to stakeholder engagement and recent outputs;
- Review of information provided to us by ABB on its reporting and management processes relating to the Principles;
- Interviews with 11 selected directors and senior managers responsible for the management of sustainability issues. The interviewees and functions covered were chosen at our discretion;
- Site reviews to assess the processes and systems for preparing site-level environment and safety data in scope. Sites were chosen on the basis of their materiality or environmental importance. All sites selected had not been reviewed during the assurance process within the last five years. One site was chosen from each of ABB's four Business Areas. The sites were located in Austria, Czech Republic, UK and USA;
- Review of supporting evidence for key claims in the Report. Our checking process prioritised the most material claims at a group level; and
- Review of the processes for gathering and consolidating the selected Performance data and, for a sample, checking the data consolidation.

DNV Business Assurance Services UK Limited

London, UK
14th March 2022

Responsibilities of the Directors of ABB and of the assurance providers

The Directors of ABB have sole responsibility for the preparation of the Report. In performing our assurance work, our responsibility is to the management of ABB; however, our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

DNV's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Level of assurance

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our Assurance Opinion. We are providing a 'limited level' of assurance. A 'reasonable level' of assurance would have required additional work at Group and site level to gain further evidence to support the basis of our Assurance Opinion.

Independence

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with ABB which would constitute a conflict of interest with this work.

DNV Business Assurance

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