



Abbott



FINDING THE UPSIDE

ABBOTT GLOBAL
CITIZENSHIP REPORT
2014

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**FROM OUR CHAIRMAN
AND CEO**

“Abbott fulfills its potential as a company by helping others to fulfill theirs. It all comes down to keeping our promise, by striving to advance human health and happiness in all we do and by approaching every challenge with utmost respect and sensitivity to our world and its people.”



MILES D. WHITE
CHAIRMAN AND CHIEF
EXECUTIVE OFFICER

Dear Fellow Stakeholder,

We launched a new brand identity in 2014 that captures Abbott’s mission, its philosophy, its spirit, and the way it does business – “Life. To the Fullest.” This expresses our company’s deep respect for people and our world, and our commitment to helping them both thrive through better health.

Our purpose at Abbott is to help people live the best and fullest lives they can. We take that charge very seriously – in all its dimensions. We apply that thinking to everything we do as a company and to all of the many stakeholders whom we serve. To do so, we focus on three strategic priorities:

PRODUCT EXCELLENCE

First and foremost, we create products for people of all ages – in nutrition, diagnostics, pharmaceuticals and medical devices – to help them live healthier, fuller lives. We’re committed to advancing health and healthcare through continual innovation of new and better technologies. Last year this included the introduction of breakthrough products in glucose monitoring and infectious disease testing and advances in cataract treatment, vascular stents and nutrition targeted to meet specific needs and preferences.

IMPROVING ACCESS

We’re growing our company – and the benefits it delivers – around the world. Today approximately 50 percent of our sales come from faster-growing economies – countries where billions of people are gaining unprecedented access to care. In 2014 we built new manufacturing facilities in China, India, Malaysia, the Netherlands and the U.S. to serve growing demand in these regions and to help build local economies. We also struck an innovative agreement to co-develop a dairy farm hub in China to deepen our roots in the country and strengthen our supply chain.

SAFEGUARDING THE ENVIRONMENT

Recognizing that human health is inextricably linked to the health of our planet, Abbott has long been dedicated to operating in ways that are mindful and respectful of the world around us. We continue to set and meet ambitious goals to continually reduce the environmental impact of our operations.

By 2020 we intend to reduce carbon-dioxide emissions by 40 percent from 2010 levels, total water intake by 30 percent, and total waste generated by 50 percent. As a result of our excellent progress against these goals, and our broad-based efforts to operate as a responsible business, we were named to the Dow Jones Sustainability Index for the tenth year in a row – once again leading our industry sector in this important benchmark.

Today’s Abbott is one of the most globalized companies in health care. Our 73,000 Abbott colleagues focus on making our business local to every community in which it works. We develop local answers to local needs – from our products, to the way we operate, to our community involvement. Our goal is to make every place that Abbott works better as a result of our being there.

Thank you for your interest in our company and in our efforts to continually make it better. That’s how we help all our stakeholders to enjoy “Life. To the Fullest.”

Sincerely,



OUR BUSINESS

IN THIS SECTION:

5 NUTRITION ▶

From infants to the elderly, we offer science-based nutrition products to make every stage of life a healthy one.

5 MEDICAL DEVICES ▶

Our advanced medical devices enable people to live their everyday lives better and healthier.

5 DIAGNOSTICS ▶

Our innovative technologies provide healthcare professionals the information they need to make the best treatment decisions, faster.

5 ESTABLISHED PHARMACEUTICALS ▶

We offer high-quality, affordable and trusted branded-generic medicines that treat some of the world's most pervasive health conditions.

Abbott is a globally diversified healthcare company, whose central purpose is to help people, at all stages of life, live their best possible lives through better health. Approximately 73,000 Abbott people carry out our mission, reaching more than 150 countries.

Abbott has four core businesses of roughly equal size – each focused on advancing innovations that provide better options and outcomes for people in pursuit of healthier lives.

\$8.8 BILLION

Spent with suppliers.

\$1.34 BILLION

Returned in dividends to shareholders.

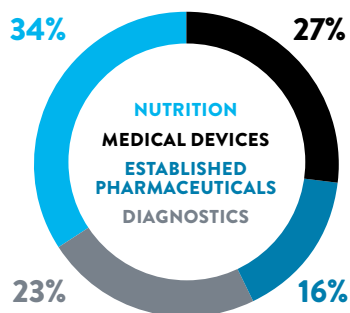
\$1.35 BILLION

Invested in R&D.

\$20.2 BILLION

Net sales worldwide.

A GLOBAL AND BALANCED PORTFOLIO



2014 REVENUE

Our balanced portfolio, with four leading businesses of roughly equal size, helps offset volatility in any single business or market.

Abbott is a globally diversified healthcare company, headquartered in north suburban Chicago in the United States and serving customers in more than 150 countries with approximately 73,000 employees.

Abbott has four major businesses – each focused on advancing innovations that provide better options and outcomes for people in pursuit of healthier lives.

We deliver results for patients and consumers, healthcare professionals, employees and shareholders. Moreover, our company’s financial success enables us to continually invest, innovate and introduce new products that are changing the practice of healthcare. Our success also benefits stakeholders around the world. In 2014, for example, Abbott spent approximately \$8.8 billion with suppliers and invested \$1.35 billion in research and development. Additionally, Abbott and our philanthropic foundation, the Abbott Fund, contributed more than \$49.5 million in philanthropic grants, product donations and patient assistance.

NUTRITION

We offer science-based nutrition products for every stage of life – from infant and pediatric to adult healthy living and therapeutic nutrition. Our products include leading brands, as well as specialty products, that help meet the nutritional needs of people with a variety of health conditions, including cancer, diabetes, kidney disease and osteoporosis.

MEDICAL DEVICES

We offer minimally invasive solutions for vascular procedures. From fast, accurate glucose meters to innovative lenses to help restore vision to people with cataracts, our advanced medical device technologies are designed to help people return to their everyday lives faster and healthier.

DIAGNOSTICS

Our innovative instrument systems and tests help monitor a range of health conditions with speed, accuracy and efficiency. From automated immunodiagnosics systems and blood analyzers to sophisticated molecular diagnostics and point-of-care devices, our technologies provide healthcare professionals with information they need to make the best treatment decisions.

ESTABLISHED PHARMACEUTICALS

We offer high-quality, affordable and trusted branded generic medicines that help treat some of the world’s most pervasive health conditions. Through such product enhancements as new formulations, new indications and new packaging, we tailor our offerings to address regional health needs and provide access to trusted, proven medicines for those who need them most.

In 2014, our Established Pharmaceuticals Division expanded Abbott’s presence in growing markets, in line with our long-term commitment to growing global healthcare markets and capabilities. The acquisition of CFR Pharmaceuticals expands Abbott’s presence in Latin America, making our company one of the region’s top 10 pharmaceutical companies. In addition to local pharmaceutical development capabilities, Abbott now has manufacturing facilities in Chile, Colombia, Peru, Argentina, Mexico and Brazil. Our acquisition of Veropharm, a leading Russian pharmaceutical manufacturer, also gives Abbott’s Established Pharmaceuticals business local manufacturing and development capabilities, building on our 40-year presence in Russia.

APPROACH

IN THIS SECTION:

7 FINDING THE UPSIDE ▶

It's a way of realizing our potential by helping others realize theirs. We work to find the Upside in everything we do.

7 OUR GLOBAL CITIZENSHIP ▶

We focus our efforts on those areas that present key opportunities for long-term business growth, and where we can have the greatest positive impact.

8 OUR PRIORITY AREAS ▶

We work to deliver positive results in our three priority areas, identifying opportunities to create shared value and invest in communities while operating as a responsible and sustainable business.

9 CITIZENSHIP MANAGEMENT AND GOVERNANCE ▶

At Abbott, we constantly work to integrate our citizenship strategy with our core business strategy.

10 ENGAGING OUR STAKEHOLDERS ▶

Listening to our stakeholders is vital to our success as a business enterprise and to our progress as a global citizen.

At Abbott, we believe that innovative, responsible and sustainable business plays an important role in building a healthy, thriving society. We strive to foster economic, environmental and social well-being through our operations and in partnership with others.

It starts with responsible and sustainable business. Every day, people around the world depend on our products to live healthier lives. That's why we run our business the right way, for the long term – for the benefit of the many people we serve.

GLOBAL CITIZENSHIP APPROACH

TO BE A RESPONSIBLE,
SUSTAINABLE
AND INCLUSIVE BUSINESS.

STRATEGIC PRIORITIES



WE WILL ACHIEVE POSITIVE RESULTS IN THESE THREE PRIORITY AREAS BY DELIVERING



FINDING THE UPSIDE

At Abbott, we believe that innovative, responsible and sustainable business plays an important role in building a healthy, thriving society. We strive to foster economic, environmental and social well-being through our operations and in our work with others.

It starts with responsible and sustainable business.

Every day, people around the world depend on our products to live healthier lives. That's why we run our business the right way, for the long term – for the benefit of the many people we serve.

But that's just the beginning. We see potential everywhere.

By building a more inclusive business, we aim to reach more people, in more places, than ever before. From strengthening the capacity of suppliers to creating products that address local health needs, we are always finding new opportunities to expand the positive impact of our people, products and business in communities around the world.

We can't tackle every challenge. But what we can do is address the critical issues that best match our scientific expertise, business acumen and unique resources, applying innovation and ingenuity to find the answers. Knowledge and optimism are resources that grow in value the more they are shared. Healthy economies contribute to healthy communities. Opportunity is contagious.

IT'S A WAY OF DOING BUSINESS.	IT'S A WAY OF REALIZING OUR POTENTIAL BY HELPING OTHERS REALIZE THEIRS.	THAT'S THE UPSIDE.
IT'S A WAY OF SOLVING PROBLEMS.		

OUR GLOBAL CITIZENSHIP

Our Global Citizenship strategy addresses three priority areas that are most important for our stakeholders and our growth – Delivering Product Excellence, Improving Access and Safeguarding the Environment. These are the material areas where our core business can have the most significant impact on society and the environment.

MATERIALITY ANALYSIS

Abbott operates in a fast-moving, global business environment that continually presents new opportunities and demands. The issues our company needs to respond to are constantly evolving. A key role of our Global Citizenship team is to understand and anticipate future trends that will present both opportunities and challenges for our business.

An important part of the process to identify emerging trends is our materiality assessment. At its core, materiality is a principle used in the decision-making process to identify issues that have the potential to significantly impact the long-term viability of the business. We continually strive to balance internal and external perspectives – rigorously assessing what is important to our stakeholders and what is relevant for commercial success in the markets in which we compete.

In 2014, Abbott commissioned an external agency, Corporate Citizenship, to undertake a materiality assessment to explore and prioritize the key issues. The insights we derive from this process will help to inform our Global Citizenship priorities over the coming months and years.

THE PROCESS

There were three core steps in our materiality assessment:

1. Conducted extensive research to identify a comprehensive list of economic, governance, environmental and societal issues relevant to Abbott and the broader healthcare industry, and our stakeholders.
2. Explored and tested these issues with our Global Citizenship Advisory Council, who were invited to prioritize based on significance and potential impact.
3. Hosted a series of interviews with senior leaders across Abbott to identify factors that may have the greatest potential impact on the long-term viability of the business and broader industry.

Based on the insight gained, 20 preliminary economic, governance, environmental and societal factors were identified:

- Aging population
- Climate change
- Corruption and bribery
- Disruptive technologies
- Diversity
- Healthcare infrastructure
- Malnutrition
- Occupational health and safety
- Patient empowerment
- Political instability
- Product quality and safety
- R&D and product pipeline
- Regulatory pressures
- Resource scarcity
- Responsible marketing
- Rising middle class
- Supply chain resilience

- Talent management
- Transparency
- Water scarcity

As a next step, we are testing this initial list with both internal and external stakeholders, including non-profit organizations, government, and investors. Based on the collective feedback, we will develop a materiality matrix, providing a clear picture of the potential sustainability risks and opportunities for the business, as well as those issues of greatest importance to our stakeholders.

OUR PRIORITY AREAS

Our approach to Global Citizenship enables us to deliver positive results in each of these priority areas by identifying opportunities to create shared value and invest in communities, all while ensuring we operate as a responsible and sustainable business.

Delivering Product Excellence – Everywhere we operate and in everything we do, we are committed to innovation consistent with the highest standards of quality and safety and to ensuring we deliver leading products that help people get healthy and stay healthy, at all stages of life.

Improving Access – Our products and services play a vital role in improving healthcare around the world. We work with a range of partners, including healthcare professionals, patients, consumers and governments, to leverage our expertise and increase access to healthcare through a combination of educational and infrastructure development programs. Our continuing success depends on the empowerment of consumers and patients to make well-informed choices about their health.

Safeguarding the Environment – We work to reduce our global environmental impacts through initiatives that help protect the planet while improving manufacturing efficiency, reducing costs and preserving our ability to do business in the future.

To achieve positive results against our strategic priorities, we will take action on three fronts:

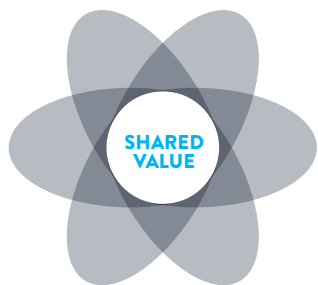
RESPONSIBLE BUSINESS PRACTICES

The foundation of Abbott's approach to citizenship rests on being a responsible business. Our business decisions are guided by a set of principles that preserve our ability to successfully meet society's needs in a sustainable, successful manner while conserving resources and advancing social, environmental and economic best practices.

Supply Chain Excellence – Supplier relationships are integral to our success, and we work closely with our suppliers to help ensure the highest levels of performance in all aspects of quality, environmental excellence, compliance and social responsibility.

Valuing Our People – We are committed to helping our employees fulfill their potential and build rewarding careers, as demonstrated by our award-winning workplace and employee programs.

Ethics and Integrity – Abbott maintains the highest standards of ethics and integrity in everything we do, to ensure that we are consistently able to operate in a responsible manner.



CREATE POSITIVE SOCIAL IMPACT AT SCALE



DELIVER TANGIBLE BUSINESS VALUE



LEVERAGE ABBOTT'S KNOWLEDGE AND EXPERTISE



ADDRESS ISSUES THAT ARE OF SIGNIFICANT RELEVANCE TO OUR KEY STAKEHOLDERS

CREATING SHARED VALUE

As part of our evolution in global citizenship, we see great opportunity to rethink our company's social investment, particularly in reaching the growing consumer base in the markets of the future. We believe in the concept of shared value, which creates business value while solving social problems. This approach is one way our company will sustainably address some of the most challenging social issues that are barriers to business success.

As we explore shared value at Abbott, we seek to establish proactive partnerships that enable us to:

- Deliver tangible business value
- Create positive social impact at scale

- Leverage Abbott's knowledge and expertise
- Address issues that are of significant relevance to our key stakeholders

In the process, we apply our scientific expertise, commercial acumen, resources and employee talents to have a positive impact on the world around us as we advance our business.

STRATEGIC PHILANTHROPY

Abbott seeks to engage with the communities in which Abbott employees live and work, delivering programs that provide social and environmental benefits around the world and shaping our activities to reflect local concerns and priorities. In doing so, we seek out opportunities for catalytic community investment, which means building partnerships with stakeholders and investing in strategic activities that align with our business.

CITIZENSHIP MANAGEMENT AND GOVERNANCE

Our commitment to good citizenship begins at the top. Global citizenship is valued and championed by our Board of Directors and led by our company's senior management.

At Abbott, we constantly work to embed and integrate our citizenship strategy with our core business strategy. For several years, our cross-functional Global Citizenship Working Group has led integration efforts throughout the company, while driving transparency in the reporting of our financial, social and environmental performance. The team includes representatives from Corporate Purchasing; Global Environment, Health and Safety; the Office of Ethics and Compliance, Quality and Regulatory Affairs; Human Resources; Supply Chain; Research and Development; Investor Relations;

Global Marketing Organization; Government Affairs; and Commercial Operations. The team also includes representatives from key functions and country affiliates

Several of our country operations, including China, Ireland and Russia, have formed their own local, cross-functional Citizenship Working Groups. Typically, these teams are comprised of senior leaders from each of the business units represented in that country, along with representatives of core functions, including Citizenship, Legal, Marketing, Public Affairs and Government Affairs. The country Citizenship Working Group directs the integration of responsible business practices throughout the organization and drives specific stakeholder engagement initiatives appropriate to local needs.

The following committees and working groups play an important role in our citizenship governance process.

Global Operations Council – Comprised of our company's heads of Operations, Quality, Engineering, Purchasing and Information Technology, this group sets priorities for all Abbott manufacturing operations around the world and drives key initiatives and actions to meet such corporate objectives as environmental, health and safety performance goals. The council reports to the Chairman and CEO and is chaired by the Senior Vice President for Quality Assurance, Regulatory and Engineering Services, who is both a senior corporate officer and the senior executive charged with Global Environment Health and Safety responsibility.

- **Public Policy Committee of the Board of Directors** – Comprised solely of independent directors, this committee's charter includes the review and evaluation of Abbott's policies and practices with respect to social responsibility.

- **Business Conduct Committee of the Board of Directors** – Comprised of business heads, this committee oversees implementation of our ethics and compliance programs.
- **Executive Inclusion Council** – Led by our Chairman and CEO, this council oversees our diversity and inclusion initiatives.

Responsibility for implementing our global citizenship strategy is led by the Global Citizenship and Policy (GCP) team. This department works with our four major businesses, key functional areas and affiliates around the world to ensure that we consistently deliver on our citizenship ambitions. The GCP team reports to our Senior Vice President, Chief Marketing and External Affairs Officer, a corporate officer who reports directly to the Chairman and CEO.

In addition to these internal governance structures, we work externally with the Global Citizenship Advisory Council (GCAC) to identify opportunities and manage risks that impact our company across the value chain. In 2014, we restructured the GCAC to achieve a more efficient and focused process of strategic counsel. The new structure brings together a core group of independent, expert advisors with a broad knowledge of corporate responsibility. GCAC members include:

- Margaret Flaherty, Senior Advisor, FSG and Professor at the Business School Lausanne
- David Logan, Co-Founding Director, Corporate Citizenship
- Jane Nelson, Senior Fellow and Director of CSR Initiatives, Harvard Kennedy School
- David Vidal, Emeritus Fellow, The Conference Board

This past year, we convened the first meeting under this new structure. Members provided feedback on our global citizenship strategy, gave input for the materiality assessment process and discussed emerging business issues with some of our senior leaders. Going forward, Abbott will bring this advisory panel together on an annual basis.

ENGAGING OUR STAKEHOLDERS

Abbott is an active participant in the global dialogue on health. We recognize that listening to our stakeholders, and responding thoughtfully to their concerns and ideas, is vital to our success as a business enterprise and to our progress as a global citizen. In addition, stakeholder insights, gathered through one-on-one engagement or through wider forums, help us to develop new products that address unmet health needs; educate patients, healthcare professionals and others about emerging diseases and treatment options; and understand how and where our company can make a difference.

To promote and ensure local implementation of our group-wide approach to stakeholder engagement, we have a defined method of stakeholder engagement, designed to be used on a cross-functional basis within each of our businesses and affiliates.

At the local level, we have developed a stakeholder engagement plan that guides Abbott leaders in setting local engagement strategies. Responsibility for implementation is often led by our Global Citizenship and Policy or Public Affairs teams locally.

INTEGRATING CUSTOMER FEEDBACK

We are committed to ensuring that customer feedback is integrated into our activities. Toward that end, we employ a range of approaches, including the provision of round-the-clock feedback opportunities via the Internet, phone or mail. For example, in our nutrition business, we accept emails and responses to our social media Web sites 24/7 and also provide a toll-free hotline five days a week for questions relating to our *Similac* and *PediaSure* products.

The Abbott Nutrition Consumer Relations team, which includes highly trained, licensed dietitians and nurses, provides product and program information, gathers feedback and suggestions and registers complaints. The quality of this service and its accuracy rates are reviewed daily to help our team improve its performance.

In addition, our Diagnostics team measures loyalty across all customers with a Net Promoter Score (NPS), an externally recognized metric of customer satisfaction. Our NPS has increased from 29.9 in 2009 to 47.2 in 2014.

PRIORITIES

IN THIS SECTION:

12 DELIVERING PRODUCT EXCELLENCE ▶

We help people lead healthier lives and reach their potential with innovative products that meet the highest standards of quality.

29 SAFEGUARDING THE ENVIRONMENT ▶

We work to help protect the planet while improving efficiency, reducing costs and preserving our ability to do business in the future.

23 IMPROVING ACCESS ▶

To expand access to our products to people who need them, we partner with others to address key barriers, including building healthcare capacity.

We pursue the Upside by focusing our efforts on three strategic priorities: **Delivering Product Excellence, Improving Access and Safeguarding the Environment.** These areas reflect both our key opportunities for long-term business growth, and where we can have the greatest positive impact on people and communities. By applying our science, products and expertise in these three areas, we're working to maximize the promise of human potential, around the world.

DELIVERING PRODUCT EXCELLENCE

IN THIS SECTION:

14 DEVELOPING NEW AND PROMISING PRODUCTS ▶

16 PRODUCT QUALITY AND SAFETY ▶

20 GLOBAL PRODUCT PROTECTION ▶

20 ADDRESSING LOCAL NEEDS ▶

22 RISK AND CRISIS MANAGEMENT ▶

✓ 2014 Highlights

- Our powerful new molecular diagnostic platform, *IRIDICA*, currently available outside the U.S., can identify more than 1,000 infection-causing pathogens in less than six hours.
- In medical devices, we are taking a new approach to product development that leverages innovative technologies to make decisions earlier in the development process.
- The acquisition of CFR Pharmaceuticals in Latin America is part of our effort to expand access to our branded generic medicines in high-growth emerging markets.
- For people who need a nutritional supplement but have difficulty drinking larger volumes of liquid or have poor appetite, we launched *Ensure Compact*, with vitamins, minerals and protein in only 125 ml.

Abbott has a long-standing commitment to focused research and development, innovative products and solutions to health challenges around the world. Our continued success depends on our ability to deliver exceptional performance and operational excellence without compromising our manufacturing and distribution standards.

Abbott has comprehensive processes in place to ensure we meet the highest safety and quality standards in the design, development, manufacturing, delivery and labeling of our products. These robust systems cover all facets of our business, from securing our supply chains and ensuring the development of high-quality products, to protecting stakeholders and our businesses with comprehensive risk-management systems.

BUSINESS DIVISION

R&D APPROACH AND ACTIVITIES

NEW DEVELOPMENTS

DIAGNOSTICS

Next-generation solutions – Diagnostics play a critical role in evaluating and treating patients today and in the future. Abbott is developing the next generation of solutions to equip labs with the ability to further standardize processes, reduce costs, manage labor constraints and deliver accurate and timely information to aid in patient diagnosis.

IRIDICA – This powerful molecular diagnostic platform, currently available outside the U.S., can identify more than 1,000 infection-causing pathogens directly from sample in less than six hours, rather than days.

ARCHITECT STAT High Sensitive Troponin-I (hsTnl) test – Currently available outside the U.S., this test can detect low levels of the protein within two to four hours of the onset of symptoms, and may help diagnose up to 50 percent of heart attacks in women that could be potentially missed.

MEDICAL DEVICES

Rapid product development – New approach to product development that leverages innovative technologies, such as simulation modeling, to make decisions earlier in the development process with a reasonable risk level.

The TECNIS Symphony intraocular lens has a unique design. Developed by Abbott researchers, it provides people with cataracts a full range of vision so they can see better, often without glasses.

Vascular steering committee – The committee solicits R&D ideas and input, holds quarterly meetings and hosts technical exchanges for scientists, technologists and marketers to highlight ongoing innovation.

ESTABLISHED PHARMACEUTICALS

Science and engineering collaboration – Our mechanism to drive collaboration through business encourages innovation and development of new ideas among employees through cross-functional collaboration.

CFR acquisition – With the acquisition of CFR Pharmaceuticals, Abbott broadens its access to Latin American consumers. It augments our product offerings with more than 1,000 branded generic pharmaceuticals sold in 15 countries. Moreover, CFR's comprehensive product portfolio aligns well with Abbott's current therapeutic focus areas in women's health, central nervous system, cardiovascular and respiratory diseases.

NUTRITION

Consumer insights – New department established to assess consumer needs and preferences for nutrition products, supported by a rapid prototyping plant in Singapore.

Ensure Compact – For people who need an oral supplement to overcome disease-related malnutrition but have difficulty drinking larger volumes or have poor appetite. *Ensure Compact* provides vitamins, minerals and protein in only 125 ml.

Abbott Nutrition Health Institute – Global knowledge center that shares information about the value of science-based nutrition with healthcare professionals through a combination of education, advocacy and collaboration.



\$1.35
BILLION INVESTED
IN R&D IN 2014

DEVELOPING NEW AND PROMISING PRODUCTS

Innovation and discovery are at the heart of what we do at Abbott. We take a balanced approach to R&D, focusing our resources to achieve the greatest benefit for our patients and consumers.

INNOVATING TO RAISE STANDARDS OF CARE

The human drive to discover new technologies and solutions to old and new challenges has raised living standards dramatically across the globe. As the earth's population grows, and as people enjoy the benefits of expanding economies, it is even more important that we find new ways to help provide full, healthy lives for all.

Good health is a positive not just for individuals, but also for the global economy and the environment as well. That's why Abbott continually seeks innovative ways to deliver the enabling power of health – to fulfill the promise of human potential, in all places, in all aspects and stages of life.

We do this by raising the quality of healthcare solutions at every step:

Groundbreaking research helps us better understand the body's requirements for health and how best to maintain and enhance it.

The highest standards in healthcare solutions and practices deliver the best health outcomes.

Innovative products help people live not just longer, but better, at every stage of life.

HIGHLIGHTS OF ABBOTT INNOVATIONS

In the past year, Abbott has introduced several breakthrough products and programs designed to improve human health across the globe. We've also developed new testing techniques that bring our products to consumers faster. These examples are just a few of the many innovative solutions that our company works to create every day.

- The *iDesign Advanced WaveScan Studio System*, developed by Abbott, creates a personalized LASIK treatment plan unique to each person's eye and vision needs. The system is based on the same technology, developed by Abbott scientists, used in NASA's \$8 billion James Webb Space Telescope, which will provide astronomers with high-resolution images of the universe. The *iDesign Advanced WaveScan Studio System* is CE Marked. This device is pending FDA approval, and not currently available for sale within the United States.
- Our scientists and experts in Abbott's vision business streamlined the clinical trial and regulatory processes for our *TECNIS® Symphony* Extended Range of Vision intraocular lenses (IOL) – trimming a year off the projected time it had previously taken to bring a new lens to the people who need it. The *TECNIS Symphony* IOL received CE Marking and became available in Europe in 2014 to treat people with cataracts. The *TECNIS Symphony* IOL is an Investigational device

limited by U.S. law to investigational use, and is not currently approved or available for sale within the United States.

- At Abbott's vascular business, scientists and engineers apply benchtop testing for *Absorb*, the world's first commercially available bioresorbable vascular scaffold for the heart, to test for everyday stresses on the device. While it's standard practice to accelerate the testing of permanent metallic stents, *Absorb* is traditionally tested in real-time. We have discovered a way to double heart rate pulses and increase temperature to decrease testing time by 50 percent.
- Nutritional, safety and quality standards for the nutrients in formula are not universal. As a leading manufacturer of infant formula, Abbott is collaborating with other manufacturers to support the development of worldwide standard method performance requirements (SMPR) for such nutrients as vitamins A/E, vitamin D, vitamin B12, folate and inositol.
- Most people with diabetes dread the routine finger pricks needed to monitor blood glucose levels. Now, consumers across Europe, and soon many more markets globally, can avoid the pain and discomfort of routine finger pricks¹ with Abbott's innovative *FreeStyle® Libre* Flash Glucose Monitoring System, which monitors glucose levels continually for up to 14 days. The system is truly a life-changing development for the growing number of people with diabetes around the world.
- Abbott's Ibis Biosciences has developed a powerful new molecular diagnostic platform, *IRIDICA*, which can identify more than 1,000 infection-causing pathogens directly from sample and provide results in less than six hours versus the current standard of care (culture-based testing), which can take days.

1. A finger prick test using a blood glucose meter is required during times of rapidly changing glucose levels or if hypoglycemia or impending hypoglycemia is reported by the System or when symptoms do not match the System readings.

INFOGRAPHIC

FINDING THE UPSIDE IN SEEKING NEW INNOVATIONS

Abbott works relentlessly to find the next breakthrough in healthcare – whether that innovation is new technology that speeds testing to enable faster treatment, or creating new standards for product quality and safety. Our dedication to research and development helps make the world a healthier place for all of us.

That's the Upside.



1,000 INFECTION-CAUSING PATHOGENS

IRIDICA, ABBOTT'S NEW DIAGNOSTIC PLATFORM, CAN IDENTIFY MORE THAN 1,000 INFECTION-CAUSING PATHOGENS DIRECTLY FROM SAMPLE IN LESS THAN SIX HOURS.



50%

Abbott's vascular business has discovered a way to double heart rate pulses and increase the temperature for benchtop testing of its bioresorbable vascular scaffold, *Absorb* – cutting testing time by 50%.



5X

Abbott's revolutionary *iDesign* system measures the surface of the human eye with five times more detail than earlier instruments.



14 DAYS

THE *FREESTYLE® LIBRE FLASH* GLUCOSE MONITORING SYSTEM MONITORS GLUCOSE LEVELS EVERY MINUTE FOR UP TO 14 DAYS – WITHOUT THE NEED FOR ROUTINE FINGER PRICKS.

30%

More than 30% of diabetes patients do not check their blood sugar as often as their health practitioner advises, due in part to the pain and discomfort of finger pricks.*

*A survey of diabetes patients from across Europe was undertaken to seek their feelings about blood glucose monitoring. The survey was posted on the Internet from November 2013 to January 2014 and patients from France Germany, Italy, The Netherlands, Spain, Sweden and the U.K. participated. Based on 9,055 respondents: Q5: When you think about how many times per day your doctor/nurse recommends that you check your blood sugar, how often do you test as much as you should?

By identifying the cause of infections – such as bacteria, viruses or fungi – sooner, doctors can optimize therapy and improve care for the critically ill. *IRIDICA* is CE Marked and not currently available in the United States.

PRODUCT QUALITY AND SAFETY

Abbott strives to help people, at all stages of life, live their best possible lives through better health. Everywhere we operate and in everything we do, we are committed to innovation consistent with the highest standards of quality and safety.

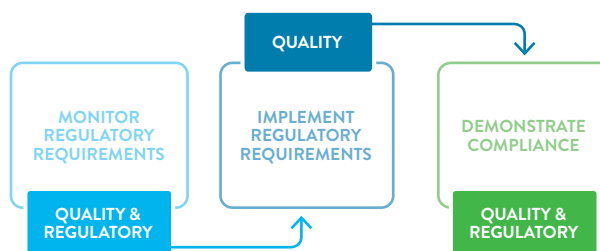
The Abbott Global Quality System is our foundation for delivering high-quality products. Our businesses incorporate quality and safety into their daily management of processes, procedures, responsibilities and resources for implementing effective quality management, and ensuring compliance with applicable regulations and standards. Through our system, we foster and maintain a culture of continuous improvement and customer focus with product safety, efficacy and availability as the expected outcome.

PRODUCT QUALITY AND SAFETY MANAGEMENT OVERSIGHT

Our Senior Vice President (SVP) of Abbott Quality, Regulatory and Engineering Services directly reports to our Chairman and CEO. The divisional quality and regulatory heads report to their respective division presidents, with a dotted reporting line to the SVP of Abbott Quality, Regulatory and Engineering Services. The affiliate quality organizations have reporting relationships to the division quality/regulatory head or, in some countries, to the general manager of the affiliate.

MANAGING PRODUCT QUALITY AND SAFETY AT ABBOTT

Quality management responsibilities include establishing the global quality system, which encompasses the development of policy, product and process, specifications, procedures, quality planning, quality audits, management review, customer feedback and continuous improvement of the system. Some key aspects of the quality system include corrective action and preventive action, complaints and product action, product design and development, and production and process controls. Alignment is achieved between our Quality/Compliance and Regulatory organizations, which work on common and shared initiatives, as well as through communities of practice.



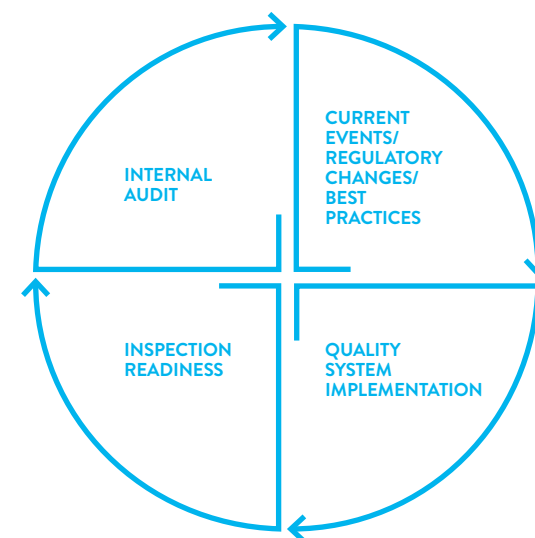
The Abbott Quality Function drives continuous improvement activities collaboratively across our businesses as well as recognizes significant achievement. For example,

- The Quality System IT Roadmap established a strategy to deliver high quality and standardized systems enabling efficiency in reporting, tracking and trending and responsiveness supporting inspections.
- Annual Quality and Regulatory awards are received by individuals, teams, plants, and affiliates based on their contributions and performance in quality/compliance and regulatory throughout the year. A Re-claimed Treasure award was established to recognize

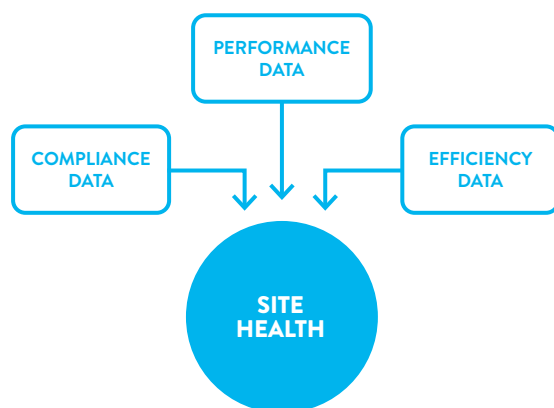
contributions by a business based on successfully implementing a best practice learned via internal or external benchmarking.

The Abbott Quality and Regulatory function actively pursues initiatives beyond quality and safety requirements.

- We host an annual Call to Action meeting with our manufacturing, quality, regulatory and R&D professionals. During this meeting, leaders have an opportunity to learn about business strategy from multiple divisions, as well as attend educational breakout sessions. Examples of breakout sessions include talent development, navigating through regulatory landscapes, cybersecurity, and design quality case studies.
- On a monthly basis, we host cross-divisional meetings with employees in quality, operations and with regulatory professionals to evaluate the impact of current events, regulatory changes, and best practices on the quality system.



- Proprietary metrics have been established at the division and site level as another means of continuous improvement. To continue to drive product quality, a multi-component model is used to monitor the overall health of a site utilizing industry data. Movement of a site on this model is discussed to understand drivers, address any potential concerns and capture best practices.



- Abbott’s Vascular manufacturing plant in Clonmel, Ireland was the first Abbott site in Europe to receive the prestigious Shingo Prize, which is awarded to organizations that exhibit operational excellence. The prize, based on rigorous criteria and sustainable results, is awarded by the Shingo Institute at Utah State University’s Jon M. Huntsman School of Business. Adopting the Shingo model enabled our Clonmel plant to achieve a triple-digit increase in productivity without compromising our high quality standards in bringing innovative medical technologies to market. The culture at this site embodies quality from every angle of the operation.

EMPLOYEE TRAINING

Abbott employees are required to be trained with sufficient frequency on good manufacturing practices, good laboratory practices, good clinical practices, good distribution practices as well as health, hygiene, safety, and direct product contact requirements. Depending on the type of operation, additional training requirements may be necessary including certification/qualification. For our manufacturing sites with direct impact to product quality, employees are required to be trained annually. Informal training and educational sessions take place more frequently for our employees to stay abreast of quality and safety news as well as current events.

PRODUCT ACTIONS

Written procedures have been established related to product actions/recall management, which requires completion of a health hazard assessment, action plan development and notification to regulatory agencies as applicable. The action plan includes customer notification, product replacement strategy, notification effectiveness checks and quantity reconciliation.

CERTIFICATIONS

To remain current in healthcare and customer needs, Abbott’s manufacturing facilities meet the quality and regulatory requirements by being certified to industry standards. Additionally, some Abbott employees have received individual certifications as part of their job functions. For example:

- International Standards Organization (ISO) 13485, Medical devices Quality management systems - Requirements for regulatory purposes - 100% of Device facilities are certified
- ISO 14001:2004, Environmental Management Systems
- ISO 17025, General requirements for the competence of testing and calibration laboratories

- ISO 22000, Food Safety Management - Requirements for any organization in the food chain
- ISO 9001 Quality management systems - Requirements
- National Sanitation Foundation (NSF) – 83% of US Nutritional facilities are certified
- Gluten Free Certification Organization (GFCO)
- GMP + FSA, Good Manufacturing Practices + Feed Certification Scheme
- HACCP, Hazard Analysis and Critical Control Point
- Class A certification is a standard practice across many Abbott facilities in Nutrition, Devices, Diagnostics, and Pharma

INDUSTRY PARTNERSHIPS

Abbott monitors evolving regulatory requirements and industry practices through our involvement in trade associations, patient groups and other organizations around the world that work to find policy solutions to the complex issues that challenge healthcare systems. We are committed to working with governments and regulatory bodies to understand the needs of the communities we serve, so that we can work together to improve people’s lives through better health. Abbott assists governments and regulatory bodies in the understanding of healthcare issues around the world.

Our involvement with standard-setting organizations, our focused efforts to achieve rigorous quality certifications and our deep commitment to improving the health of the people we serve collectively ensure that Abbott products are of the highest quality and reliability for those who use them.

Examples of the organizations where Abbott holds leadership roles include:

- AdvaMed, Advanced Medical Technology Association
- RAPS, Regulatory Affairs Professionals Society

- EUCOMED, European Medical Technology Industry Association
- EDMA, European Diagnostic Manufacturers Association
- CDSCO, Central Drugs Standard Control Organization, India Medical Device Clinical Evaluation & Investigation Task Force for draft rules and regulations
- AHWP, Asian Harmonization Working Party
- ISO 14155, Medical Device Clinical Investigation standard
- USAID ASEAN, United States Agency for International Development - Regulators Training Planning Committee
- Quality Council of India (QCI) Core Committee member for the voluntary standards for Quality Management and Certification process for Medical Devices
- Conference of Indian Industries (CII)

Additionally, Abbott Quality and Regulatory professionals routinely engage in various academic institutes and centers of excellence, industry groups as presenters/lecturers. Examples include:

- AAMI, Association for the Advancement of Medical Instrumentation
- EFGCP, European Federation of Good Clinical Practices
- Guest lecturers in academic programs (Purdue, Northwestern)
- Indian and South East Asian universities & Pharmacy Colleges
- IVT, Institute for Validation Technology
- NIPERs, National Institute of Pharmaceutical Education & Research at Ahmedabad and Mohali India
- RAPS, Regulatory Affairs Professionals Society

ABBOTT INDUSTRY PARTNERSHIPS WITH GOVERNMENT AND REGULATORY BODIES

Examples of additional organizations where Abbott actively participates include:

- AABB, American Association of Blood Banks
- AAMI, Association for the Advancement of Medical Instrumentation
- ABPI, Association of the British Pharmaceutical Industry
- AFDO, Association of Food and Drug Officials
- AIPM (Russia), Association of International Pharmaceutical Manufacturers
- AmCham, American Chamber of Commerce in India, Association of Southeast Asian Nations
- AMDI Singapore, Association of Medical Device Industry Singapore
- AMDM, Association of Medical Diagnostics Manufacturers
- ANSI, American National Standards Institute
- APG, American Pharmaceutical Group
- APIC, Active Pharmaceutical Ingredients Committee
- ASQ, American Society for Quality
- CANIFARMA (Mexico), Camara Nacional de la Industria Farmaceutica
- China Dairy Industry Association
- CII, Confederation of Indian Industries
- CPC Combination Products Coalition
- EDMA, European Diagnostic Manufacturers Association
- EFPIA, European Federation of Pharmaceutical Industries and Associations
- European Union Chamber of Commerce in China
- FDLI, Food and Drug Law Institute
- FICCI, Federation of Indian Chambers of Commerce & Industry
- GMA, Grocery Manufacturers Association
- IDFA, International Dairy Foods Association
- IFPMA, The International Federation of Pharmaceutical Manufacturers
- IMEDA, International Medical Device

- Manufacturers Association
- INTERFARMA, Brazilian Research-based Pharmaceutical Manufacturers Association.
- ISPE, International Society for Pharmaceutical Engineers
- MDIC, Medical Device Innovation Consortium
- MDMA (Malaysia), Medical Device Manufacturers Association
- National Dairy Research Institute
- PDA, Parental Drug Association
- QCI, Quality Council of India
- RAPS, Regulatory Affairs Professionals Society
- RAWG (Gulf), Gulf Regulatory Working Group
- Singapore Quality Centre
- TAMTA, Taiwan Advanced Medical Technology Association
- THAIMED, The Thai Medical Device Technology Industry Association

EXTERNAL CONFERENCES THAT ABBOTT PARTICIPATES IN

Abbott personnel attend a variety of external conferences to remain up to date with product quality, safety and regulatory developments. Examples include:

Global

- AAMI, Association for the Advancement of Medical Instrumentation Standards Conference
- AdvaMed, Advanced Medical Technology Association
- AFDO, Association of Food and Drug Officials
- AHWP, Asian Harmonization Working Party
- American Dairy Products Institute
- American Electric Power Safety Training
- ASQ, American Society for Quality
- CAPPS, Center for Advanced Processing and Packaging
- FDLI, Food and Drug Law Institute
- Food Safety Summit
- GMA, Grocery Manufacturers Association

- IHS, Information Handling Global Plastics Summit
- International Dairy Foods Association
- MedCon – Xavier University Health
- NIZO Dairy Institute
- Oilseed and Grain Trade Summit
- RAPS, Regulatory Affairs Professionals Society
- U.S. Dairy Export Council

Asia

- CIFSQ, China International Food Safety and Quality
- Indian Institute of Management
- Luboxun Food Safety Research Centre
- National Dairy Research Institute
- Singapore Quality Centre
- USAID ASEAN, United States Agency for International Development, Association of Southeast Asian Nations

Europe

- APICS, American Production and Inventory Control Society
- DINALOG, Dutch Institute for Advanced Logistics
- Engineers Ireland
- EUCOMED, European Medical Technology Industry Association
- IMI, Irish Management Institute
- TOPRA, The Organization for Professionals in Regulatory Affairs

REGULATORY ORGANIZATIONS AND PROFESSIONAL ASSOCIATIONS WHERE ABBOTT HOLDS LEADERSHIP ROLES

- AdvaMed, Advanced Medical Technology Association
 - Executive Vice President Diagnostics Products, Board of Directors
 - Divisional Vice President, Regulatory and Clinical Affairs, Chairman of the Diagnostics Pre-IDE Working Group
 - Director Regulatory Affairs, Chair of the 510(k) Working Group
 - Director HEOR and Data Analytics, Chair of the Statistics Working Group
 - Director Government Affairs, Special Representative to Payment Committee
 - Senior Director Federal Government Affairs, Washington Representative

- RAPS, Regulatory Affairs Professionals Society
 - Divisional Vice President Development and Regulatory Affairs, President Board of Directors
 - Senior Director Regulatory Strategy and Advocacy, Co-chair of the European Advisory Committee
- EUCOMED, European Medical Technology Industry Association
 - Senior Director Regulatory Strategy and Advocacy, Chair of the Post Market Task Force, Notified Body Task Force, Co-chair of the clinical Task Force, IMDRF Task Force, International Regulatory Task Force, member of the Regulatory Affairs Committee
 - Director Market Access and HE EMEA, Chair of the Reimbursement Task Force

- EDMA, European Diagnostic Manufacturers Association
 - VP Diagnostics Commercial Operations EMEA, Board Member
- CDSCO, Central Drug Standard Control Organization, India Medical Device Clinical Evaluation & Investigation Task Force for draft rules and regulations
 - Director Global Regulatory Strategy Advocacy, Industry Chair
- AHWP, Asian Harmonization Working Party
 - Director Global Regulatory Strategy Advocacy, Co-Chair of Technical Committee WG5 Clinical Evidence for Performance & Safety
- ISO 14155, Medical Device Clinical Investigation standard
 - Director Global Regulatory Strategy Advocacy, Chair, Technical Committee Registries and Audits & Inspections Subgroups

- USAID ASEAN, United States Agency for International Development - Regulators Training Planning Committee
 - Director Global Regulatory Strategy Advocacy, Core Committee member and Faculty
- Quality Council of India (QCI)
 - Director Global Regulatory Strategy Advocacy, Core Committee member for the voluntary standards for Quality Management and Certification process for Medical Devices
- Conference of Indian Industries (CII)
 - Chair Subgroup on Price Regulations of Medical Technology Division

GLOBAL PRODUCT PROTECTION

The Global Product Protection team is part of Abbott's Global Security organization and focuses on incidents of counterfeit, diversion and theft.

Counterfeiting, illegal diversion and theft of Abbott products are a threat to patients, consumers and the general public globally. Because ensuring the safety and integrity of Abbott products is our highest priority, we regularly take action to keep counterfeit, illegally diverted and stolen Abbott products out of the marketplace.

Our Global Product Protection program includes four key objectives:

Secure the supply chain – By analyzing the global supply chain for weak points, evaluating track and trace technologies and expanding the use of Distributor Agreements with contracted wholesalers and distributors, Abbott reduces the risk of counterfeit, diverted and stolen product in the marketplace. It is often through the secondary market that counterfeit, adulterated or improperly stored and handled products make their way into the supply chain. When a product comes from the secondary market, it is difficult to assure patients and healthcare professionals of the security or integrity of the supply chain. Among other protections, where allowed, Abbott works to include exclusive sourcing and audit clauses as well as territory restrictions in distributor agreements.

Ensure ability to authenticate – By implementing overt and covert security features on our packaging, Abbott hinders counterfeiters and makes authentication of its products easier, enhancing customer confidence. Specifically, the Global Product Protection team recently worked to develop and deliver new security features for

Duphaston and *Lipanthyl* blister packages and *Heptral* vials in specific regions. While these overt security features are easily recognizable, they are very difficult to duplicate – improving the security of the product.

Disrupt criminal organizations – By building relationships with local law enforcement and regulatory organizations, Abbott works to identify and dismantle criminal enterprises involved in counterfeiting, diversion and theft.

Build global momentum – By working with government, industry and not-for-profit organizations, Abbott pursues stricter penalties for individuals and organizations involved in counterfeiting, diversion or theft.

ADDRESSING LOCAL NEEDS

Around the world, Abbott is using innovative approaches to solve a range of healthcare challenges for patients, consumers and caregivers in the communities we serve.

TAILORING PRODUCTS TO LOCAL TASTES

Many companies assume that ingredients consumers enjoy in the U.S. and Europe are equally accepted worldwide. Abbott takes a different approach – one that is based on intensive hands-on research to ensure a more tailored approach to meeting local tastes and preferences.

Abbott food scientists travel the world, conducting in-person experiments that help determine how taste preferences differ based on geographic location. Local participants in the tests rate product samples on factors such as sweetness, flavor intensity and aftertaste, generating up to 250,000 data points. This data is then used to build a custom sensory profile for each region, which acts as a model for new product formulations.

Abbott's commitment to providing products that address local needs has led us to create many market-specific products. For example, in India, Abbott Nutrition has introduced *PediaSure Kesar Badam*, a version of the children's nutritional product with the flavor of saffron and almonds. Also in India, our Established Pharmaceuticals business developed the world's first liquid formulation of divalproex sodium at its development center in Mumbai. Sold under the brand name *Valance*, this product greatly helps pediatric and geriatric patients suffering from epilepsy.

EXPANDING ACCESS TO OUR PRODUCTS IN EMERGING MARKETS

Expanding on our 40-year presence in Russia, we acquired Russian pharmaceutical manufacturer Veropharm, giving our Established Pharmaceuticals business a local manufacturing footprint as well as local development capabilities. The acquisition also complements our focus on serving markets with our products for women's health, central nervous system, cardiovascular and gastroenterology.

Part of our effort to expand access to our branded generic drugs for high-growth emerging markets, the purchase follows the acquisition of Chile-based CFR Pharmaceuticals to expand our presence in Latin America.


INFOGRAPHIC

FINDING THE UPSIDE IN A GLASS OF MILK

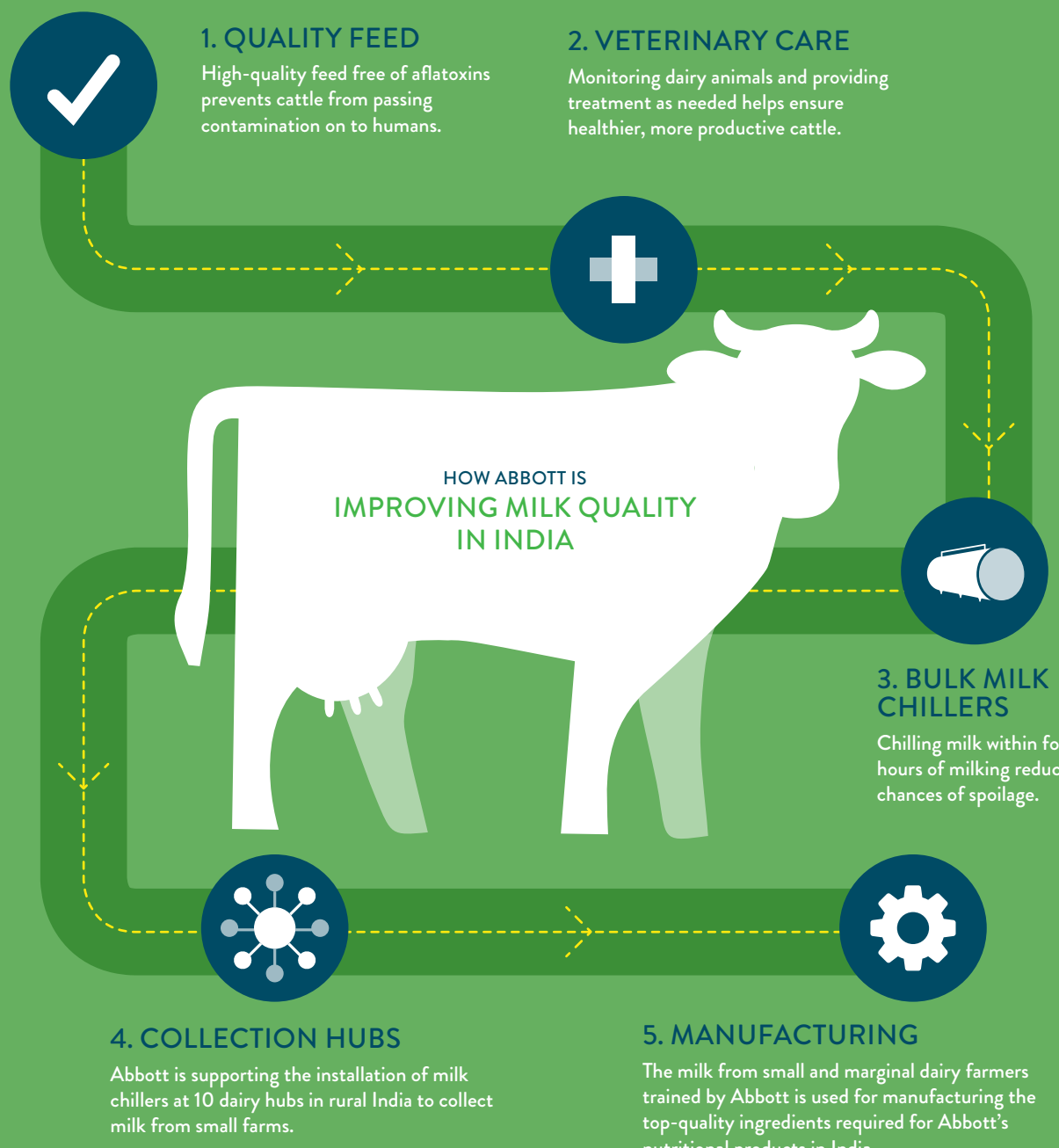
By bringing modern dairy farming techniques to rural farmers, Abbott is helping to build local economies and a sustainable supply chain. In India, for example, the world's No. 1 producer of milk, Abbott and our nonprofit partners are helping to build the quality and quantity of milk produced by small and marginal farmers. Developing a reliable supply of high-quality milk for Abbott products will also strengthen rural economies and families.

That's the Upside.

 **70 MILLION**
 Nearly half of India's rural households – 70 million families – depend on dairy farming for at least part of their income.*

 **1,500**
 Some 1,500 small dairy farmers are getting training, support and infrastructure to help increase milk production and incomes, while expanding the supply of high-quality milk needed for Abbott's growing nutrition business.

* <http://www.worldbank.org/en/news/press-release/2012/03/15/us-352-million-for-national-dairy-support-project-india--17-million-rural-milk-producing-households-to-benefit-directly>.



HELPING INDIA'S DAIRY FARMERS IMPROVE QUALITY, BOOST YIELDS AND INCOMES

By bringing modern dairy farming techniques to rural farmers, Abbott is helping to build local economies and a sustainable, high-quality supply chain.

Like rural populations in much of the developing world, nearly half of India's rural households depend on dairy farming for income. But many small dairy farmers lack training, modern tools and business skills. To meet the growing demand for milk in India – which is estimated to grow from 176 grams per person per day in 1990 to 350 grams by 2020² – as well as build the supply of high-quality milk needed for Abbott's growing nutrition business, our new production facility in Jhagadia will source up to 80 percent of our ingredients locally in India.

“Our approach as a sustainable business is to meet the Indian consumer's need for high-quality nutrition products with high-quality ingredients sourced from local dairy farmers,” explains Maharaj K. Pandita, Director, Dairy Technical Operations.

Working with local suppliers, Abbott is providing tools, training and modern milk cooling facilities to increase the production of high-quality milk, which will in turn raise rural farmers' incomes. Because women play a key role in dairy farming – yet often have little decision-making power – we are also training women dairy farmers, improving their technical and business skills. Studies have shown that empowered women overwhelmingly make decisions that benefit their entire families.

Abbott is pursuing a similar strategy around the world, as demand for dairy products, and better nutrition generally, rises with incomes and with growing urbanization. For example, milk consumption has historically been low in China, about 4.5 kg per capita

per year in 1987, but consumption more than quadrupled to 28.6 kg in 2007.³ And as incomes across the country rise, higher levels of milk consumption may become the norm in China. If that were to happen, China would require 72 million tons of milk annually – almost equal to the production volume of the U.S.⁴

To help meet the rising demand for safe, high-quality milk, Abbott is partnering with Fonterra to develop a dairy farm hub in China, expected to bring more than 16,000 dairy cows into production and produce up to 160 million liters of milk annually.

RISK AND CRISIS MANAGEMENT

According to the Centre for Research on the Epidemiology of Disasters, the incidence of natural disasters around the world continues to grow – from 50 in 1950 to some 400 in 2011. Aon Benfield reported that, in 2013, natural disasters resulted in economic losses of \$196 billion globally. Such events create increased demand for critical food and medicines, while also complicating the delivery of these life-saving products. To ensure our continued ability to fulfill vital healthcare needs in communities around the globe, and to support our stakeholders and mitigate risks to our supply chain, Abbott created the Executive Crisis Management Team (ECMT). The ECMT is tasked with:

- Managing the safety and security of Abbott employees
- Managing the risks to business continuity
- Being prepared to serve others during catastrophic events

Led by our Senior Vice President of Quality Assurance, Regulatory and Engineering Services, who is a corporate officer and reports to the Chairman and CEO, the ECMT is comprised of two senior leadership teams with cross-divisional, multifunctional representation. The skills captured within the teams enable us to

address the wide range of potential crises that Abbott might face across the globe. Having two teams also ensures full-shift coverage of a crisis with around the clock management, when necessary. Once the team has gathered sufficient information about a crisis and devises an action plan, the ECMT transitions into business continuity/recovery mode.

Abbott has a network of trained Crisis Action Teams (CATs) that also help manage our crisis response. There are 26 country-specific CATs that support the ECMT as necessary. In 2015, we plan to launch four additional country CATs. Our Crisis Management and Business Continuity Planning Specialists around the world spend a significant amount of time practicing crisis scenarios with both the ECMT and CATs. These specialists work to develop and test crisis management and business continuity plans.

While Abbott has been recognized for our strong risk management capabilities, the most important measure of our success is our ability to keep our supply lines intact and to give consumers, our customers and our employees the support they need to overcome unexpected challenges.

2. Suruchi Consultants, Dairy Industry Vision 2030, 2014.

3. Food and Agriculture Organization of the United Nations, Milk Availability: Trends in production and demand and medium-term outlook, 2012.

4. Food and Agriculture Organization of the United Nations, Status and Prospects for Smallholder Milk Production A Global Perspective, 2010.

IMPROVING ACCESS

IN THIS SECTION:

24 INCREASING ACCESS TO HEALTHCARE ▶

27 EDUCATING AND SUPPORTING HEALTHCARE PRACTITIONERS ▶

27 INFRASTRUCTURE AND TECHNOLOGY ▶

28 EMPOWERING OUR CONSUMERS AND COMMUNITIES ▶

✔ 2014 Highlights

- A study supported by Abbott showed that oral nutritional supplements decrease the probability of hospital readmission, length of stay and costs among Medicare patients 65 and over in the United States.
- In partnership with the Saudi Ministry of Health's diabetes awareness program, we have distributed 600,000 *FreeStyle Optium* blood glucose monitoring devices since June 2013.
- Residents graduating from the Abbott Fund-supported Emergency Medicine Residency Program in Tanzania provided critically needed care to more than 47,000 people in 2014.
- Abbott's ARCHITECT STAT High Sensitive Troponin-I (hsTnI) test allows doctors to evaluate whether or not patients are having a heart attack within two to four hours.

Developments in healthcare science and the creation of innovative, effective new products enable us to address many present and emerging healthcare issues, including the most pressing challenges put forth in the United Nations' Millennium Development Goals and the new Sustainable Development Goals that will go into effect after 2015. However, healthcare practitioners and consumers must be informed of and have access to these advances in order for global healthcare needs to be met.

Abbott was founded with the purpose of improving health worldwide. This commitment remains a critical component of our citizenship approach and is integral to our core business strategy. To achieve this goal, we must continue to engage our stakeholders, providing them with the knowledge and support they need to address pressing healthcare challenges.



Abbott collaborates with healthcare professionals around the globe to develop customized patient education materials.

Through a combination of targeted programs, shared value initiatives and responsible business practices, we work to expand access and use our products and services, improving health outcomes. We do so by addressing disparities in healthcare infrastructure, by providing support to healthcare providers and by working to help even those in the most hard-to-reach communities access our products and services.

Our work includes:

- Increasing access to healthcare by providing practitioners with the latest information about effective patient care, and also by supporting the

establishment of healthcare infrastructure and the dissemination of new tools and technologies.

- Empowering communities and consumers with education programs on prevention, diagnosis and treatment of many diseases and health conditions.
- Building and strengthening partnerships to gain deeper insight into the needs and challenges of patients; to improve the standard of care they receive; and to raise public awareness and educate governments and policymakers about healthcare challenges and the need for expanded access to treatment.

INCREASING ACCESS TO HEALTHCARE

Much of the world lacks basic healthcare infrastructure, with critical shortages of professionals trained in modern diagnosis and treatment protocols, as well as insufficient numbers of facilities and healthcare services. In addition, healthcare practitioners in developing nations often lack access to the latest information about such chronic diseases as diabetes, cancer and heart disease, all of which are increasingly prevalent in many countries. In China, for example, more than 40 million people have diabetes, and an additional 20 million suffer impaired glucose tolerance. The incidence of such diseases will intensify as more people adopt Western-style diets and sedentary habits. To compound these issues, the social stigmas that may accompany certain diseases often interfere with proper diagnosis and treatment.

Despite such challenges, Abbott is successfully boosting access to a wide range of healthcare services and products, working in partnership with numerous government agencies, healthcare professional societies, non-governmental organizations and other key stakeholders.

In India, our business units host a variety of health camps, screening events and patient awareness programs, often targeting remote and underserved populations. Continuing medical education programs also provide healthcare providers with updates on the latest diagnostic techniques and treatment practices for such conditions as cardiovascular disease, diabetes, acute care and other aspects of prevention, treatment and care. In 2013, more than 2 million patients were screened at more than 73,600 camps and events, and nearly 35,700 medical professionals participated in educational programs.



DIABETES CARE IN SAUDI ARABIA

Abbott is committed to addressing the rising prevalence of diabetes around the world and is working with governments to develop effective programs for disease identification, treatment and education. One example: our partnership with the Saudi Ministry of Health's innovative Sahsehlo ("Watch Out") Saudi National Diabetes Awareness Program (SNDAP).

Saudi Arabia has one of the highest prevalence rates of diabetes in the world, coupled with a low incidence of glucose testing. According to the Ministry of Health, 14 percent of Saudi citizens across all ages, and 28 percent of those over age 30, are living with diabetes. SNDAP, in collaboration with Abbott's diabetes care business, is increasing awareness of the disease in local communities, helping diabetic patients manage and control their condition and helping others to adopt preventive measures. Through this partnership, we continue to work towards our goal to reach 800,000 Saudi citizens over a three-year period.

One of the most effective efforts has been awareness activities at shopping malls across the country. Ministry of Health team members answer questions, carry out free blood screenings and distribute Sahsehlo's awareness materials to consumers. People with diabetes are advised to visit and register at one of 21 diabetic centers or with one of the 1,500 primary healthcare centers located in cities and towns around the country.

Under the current Ministry of Health program, 600,000 *FreeStyle Optium* blood glucose monitoring devices have been distributed since June 2013.

BETTER NUTRITION FOR BETTER HEALTH

Improving health requires strong, cost-effective healthcare systems, quality standards and continuous discovery – in addition to great products and great ideas. Some of the most important work we do to enhance

access to healthcare around the world is supporting groundbreaking research in nutrition and training healthcare providers to assess nutritional status and treat malnutrition.

Here are just a few of the stories that showcase our dedication to better nutrition for all.

Supporting Recovery with Better Nutrition

To help healthcare providers understand the critical role of nutrition, Abbott supported a groundbreaking study in the United States that found that oral nutritional supplements decreased the probability of 30-day hospital readmission, length of stay and costs among hospitalized Medicare patients aged 65 and over. Results showed that all Medicare patients 65 and older, regardless of diagnosis, benefited from nutritional supplements: patients experienced a 16 percent reduction in length of stay and a 15.8 percent reduction in hospital cost – an average of \$3,079 per episode. Nutrition can speed recovery, *and* save U.S. taxpayers more than \$17 billion in additional hospital bills, according to the Centers for Medicare and Medicaid Services.⁵

Our research clearly shows that “Something as simple as empowering hospitals and all healthcare practitioners to screen and identify the nutritional status of their patients can go a long way in reducing costly healthcare problems,” explains Robert H. Miller, Ph.D., Head of Global Research and Development, Scientific and Medical Affairs for Abbott Nutrition.⁵

Modernizing Nutritional Standards

Nutritional, safety and quality standards for the nutrients in formula are not universal. As a leading manufacturer of infant formula, Abbott is collaborating with other manufacturers on the Stakeholder Panel on Infant Formula and Adult Nutritionals to support the development of worldwide standard method

performance requirements (SMPR) for such nutrients as vitamins A/E, vitamin D, vitamin B12, folate and inositol. With help from Abbott, the panel has already developed worldwide SMPR for 15 key nutrients, including vitamin A, vitamin E, vitamin D and vitamin B12.

Championing Nutritional Therapy Among Professionals

Abbott is a co-founder of the Alliance to Advance Patient Nutrition, which was launched in 2013 to champion effective patient nutrition practices among more than 100,000 dietitians, nurses and physicians.

Developing and Supporting Healthy Brains

To understand and apply the benefits of nutrition on the development and maintenance of healthy brains and learning, Abbott is supporting the Center for Nutrition, Learning and Memory (CNLM). A partnership between the University of Illinois and Abbott's nutrition business, CNLM hosts an annual research competition to answer the “big questions” about nutrition's role in learning and memory.

5. <http://health.usnews.com/health-news/hospital-of-tomorrow/articles/2014/03/18/op-ed-is-nutrition-the-first-step-in-addressing-hospital-readmissions>

INFOGRAPHIC

FINDING THE UPSIDE IN A SQUARE MEAL

Good nutrition means better health. Abbott is working to make sure that people everywhere have access to safe, reliable nutritional products, and that healthcare professionals know how to assess nutritional status and treat deficiencies. Our efforts are making it easier for people around the world to stay healthy.

That's the Upside.



\$17BN

Nutrition can speed recovery and lower hospital readmission rates. Those reduced readmission rates have the potential to save U.S. taxpayers more than \$17 billion in additional hospital bills, according to the Centers for Medicare and Medicaid Services.

-16%

Medicare patients ages 65 and older provided with nutritional supplements experienced a 16% reduction in length of stay and a 15.8% reduction in hospital cost – an average of \$3,079 per episode.[†]

15

Working with other leading manufacturers of infant formula, Abbott has helped to develop worldwide performance requirements for 15 key nutrients, including vitamins A/E, vitamin D and vitamin B12.

+31%

Food-insecure kids in the U.S. are 31% more likely to have been hospitalized since birth than children growing up in food-secure households.[‡]

100,000

Through the Alliance to Advance Patient Nutrition, more than 100,000 dietitians, nurses and physicians benefit from Abbott-supported nutrition resources.[§]

* <http://malnutrition.com/getinformed>. † Lakdawalla D, Snider JT, Perloth DJ, LaVallee C, Linthicum MT, Philipson TJ (2013, October). "Oral Nutrition Supplements' Impact on Hospital Outcomes in the Context of the Affordable Care Act and New Medicare Reimbursement Policies." Poster session presented at the meeting of the Society for Medical Decision Making, Baltimore, MD. ‡ Feeding America, Child Food Insecurity: The Economic Impact on Our Nation. § <http://www.abbott.com/newsroom/news/benefits-nutrition-intervention.html>.

EDUCATING AND SUPPORTING HEALTHCARE PRACTITIONERS

Some of the most important work we do to enhance access in countries around the world involves training and educating local healthcare providers to address gaps in healthcare services. Our interventions vary, including working with governments to improve healthcare access and services, making health outcome data readily available and running nutrition education programs for healthcare professionals.

To advance understanding of emerging products and treatments, we follow local regulations to sponsor and collect patient outcome data related to the usage of our products, and we make this data easily accessible to healthcare professionals, payers, regulators and the public. Around the world, we offer a wide range of training, meetings, conferences and educational activities targeting multiple stakeholders.

TOTAL NUTRITION THERAPY

As the world population ages, Abbott is helping medical professionals improve nutrition for the elderly. In Brazil, working with the European Union of Geriatric Medical Societies (EUGMS), Abbott has introduced the EUGMS's Total Nutrition Therapy (TNT) Geriatric program to medical professionals. Doctors who participate in these educational seminars explore the latest updates on malnutrition in the elderly, along with screening and assessment tools and best practices in nutritional intervention.

Evidence shows that malnutrition in older adults affects every system of the body and takes a major toll on health, function and well-being. TNT Geriatric programs update physicians on advances in science-led nutrition for older adults, providing them with a practical understanding of key geriatric nutrition issues. More than 20,000 doctors have already been

trained through TNT programs around the world, with impressive results. Plans call for more than 300 doctors to be trained in geriatric nutrition in full-day programs held across Brazil in 2015.

ABBOTT NUTRITION HEALTH INSTITUTE

The Abbott Nutrition Health Institute, a global nutrition knowledge center, strives to illuminate the power of science-based nutrition for healthcare professionals through education, advocacy and collaboration. Its Web site, anih.org, provides free, 24/7 access to nutrition resources, along with dozens of conference videos.

In addition to the institute's educational programs, Abbott's nutrition business partners with the University of Illinois at Urbana-Champaign to fund nutrition and cognition studies through the Center for Nutrition, Learning and Memory. The center, governed by representatives from both the university and Abbott, aims to advance the field of nutrition science research through cutting-edge brain imaging and supercomputing technologies.

INFRASTRUCTURE AND TECHNOLOGY

As in developed nations, modern information technology and digital recordkeeping can revolutionize the delivery of healthcare services in developing regions. Abbott is partnering with a wide range of nonprofit organizations, government agencies, healthcare professionals and other stakeholders to help improve healthcare system capacity and infrastructure through digital innovation.

SUPPORTING INFRASTRUCTURE AND TECHNOLOGY IN TANZANIA

Abbott and the Abbott Fund have long supported healthcare infrastructure and technology development in Tanzania, partnering with the Government of



1,000

At the new outpatient center, some 1,000 people are cared for each day.



47,000

Residents graduating from the Abbott Fund-supported Emergency Medicine Residency Program in Tanzania provided critically needed care to more than 47,000 people in 2014.



23

Twenty-three regional labs have been modernized and connected via Tanzania's first national IT network.



116,000

Abbott employee volunteers and our partners have contributed 116,000 hours to our efforts in Tanzania.

Tanzania to strengthen the country's healthcare system for more than 13 years. To date, Abbott and the Abbott Fund have invested more than \$114 million in this comprehensive program.

Together, we have worked to modernize Muhimbili National Hospital with a new emergency department and outpatient treatment center, a state-of-the-art laboratory building and a hospital-wide information

technology system that tracks inventory, prescriptions and patient health history. We are also working to modernize the nation's laboratories to improve diagnostic and monitoring capabilities at 23 regional hospitals. Additionally, we have conducted more than 116,000 hours of training in patient testing, emergency medicine, laboratory equipment operation, hospital management and information technology.

In 2014, Abbott and the Abbott Fund celebrated several important program milestones. Tanzania's second class of residents graduated from the Abbott Fund-supported Emergency Medicine Residency Program, the first in East Africa. These experts provided critically needed care to more than 47,000 people in 2014, while also serving as mentors for the next generation of healthcare providers.

We also made significant progress in 2014 in expanding use of Tanzania's first nationwide lab IT network. The network links all 23 regional labs and is creating capacity for sharing test results, disease surveillance and management practices across the country. More than 450,000 new patients were registered in the system in 2014, and Abbott lab technicians spent 6,200 hours providing on-the-ground training and mentoring for local teams.

Finally, with Abbott's support, Tanzania's public healthcare system took a significant step toward achieving sustainability. Now, Tanzania's national hospital is capturing more revenue from patients who can afford to pay for quality services. That revenue, in turn, helps fund the same services for those who cannot afford hospital care.

EMPOWERING OUR CONSUMERS AND COMMUNITIES

Abbott works with a wide range of partners to educate families on the importance of maternal and child health, including the role of proper nutrition in childhood development. Cambodia, for example, has high rates of childhood malnutrition and maternal mortality, the result of years of war and civil unrest. Abbott and the Abbott Fund are working with Direct Relief and Angkor Hospital for Children to teach thousands of families how to grow and prepare nutritious foods, while also training nurses and other healthcare workers in nutrition and healthcare issues.

PREEMIE CARE CALL CENTER

Many parents of premature infants – babies born before 37 weeks' gestation – lack an understanding of a preemie's special needs. These infants usually face such challenges as insufficient nutrient reserves; hypoplasia of musculature and the gastrointestinal tract; and easy infection due to the prematurity of the digestive and immune systems.

To help parents of preemies in China, Abbott's nutrition business has introduced a new helpline, the Call Center Professional Support to Premie Care Program. Parents who call the center receive immediate answers to their questions, along with guidance from medical professionals. The call center fielded questions from more than 6,700 calls in 2014. The center received the JinYin Award for China's Best Customer Experience of the Year in September 2014.

FASTER HEART ATTACK DETECTION

Globally, cardiovascular disease is a leading killer of both men and women each year. But current tests can take up to nine to 12 hours to detect heart attacks.

Abbott's ARCHITECT *STAT* High Sensitive Troponin-I (hsTnI) test, currently available outside the U.S., can measure low levels of troponin, a protein that can indicate injury to the heart muscle, which allows doctors to evaluate whether or not patients are having a heart attack within two to four hours.⁶ This faster evaluation could allow doctors to reduce the time to diagnosis and treatment by several hours when compared to standard troponin tests.

Women have lower levels of troponin than men. Recent research suggests that Abbott's hsTnI test, which can measure these low levels of troponin, represents a step forward in helping doctors more accurately diagnose heart attacks among women, who are often underdiagnosed.

6. Abbott ARCHITECT *STAT* High Sensitive Troponin-I Product Insert (PI), January 2013.

SAFEGUARDING THE ENVIRONMENT

IN THIS SECTION:

30 ENVIRONMENTAL, HEALTH
AND SAFETY MANAGEMENT
OVERSIGHT ▶

31 ADDRESSING GLOBAL
CLIMATE CHANGE ▶

34 A COMPREHENSIVE
WATER STRATEGY ▶

37 WASTE MANAGEMENT ▶

38 PRODUCT STEWARDSHIP ▶

✓ 2014 Highlights

- In Ireland, Abbott's Cootehill plant received Origin Green certification in September 2014, for its commitment to sustainability all along the supply chain.
- In Costa Rica, conservation and engineering efforts at Abbott's vascular business produced a 96 percent reduction in waste sent to landfill since Q1 2012.
- Since 2012, our manufacturing facility in Singapore has delivered more than \$8.5 million in utility savings and reduced carbon emissions by 6.7 percent.
- At our Tlalpan, Mexico, site, we reduced the weight of our *Pedalyte* packaging by more than 10 percent, eliminating about 350,000 pounds of packaging annually.
- At our Altavista nutrition facility, water reduction projects contributed to an 8.5 percent drop in water intake.



OUR 2020 ENVIRONMENTAL GOALS

40%

REDUCTION IN CARBON DIOXIDE EMISSIONS

30%

REDUCTION IN TOTAL WATER INTAKE

50%

REDUCTION IN TOTAL WASTE GENERATED

At Abbott, we are committed to reducing our global environmental impacts across our business – from the sourcing of raw materials and the manufacturing and distribution of our products, to the use and disposal of our products by patients, consumers and healthcare providers. Our environmental stewardship initiatives help protect the planet while improving efficiency, reducing costs and preserving our ability to do business in the future. We are guided by our own tradition of environmental stewardship, as well as national and international legislation and feedback from our stakeholders.

We have three environmental priorities:

- Climate change
- Water usage
- Waste management

Environmental issues are inextricably interconnected and, as a result, so are the solutions. Recognizing this, we have developed comprehensive management and governance systems that reflect our three priorities and enable us to ensure that they are fully integrated into our day-to-day planning and business processes.

2020 GOALS AND PERFORMANCE DATA

To ensure that we achieve our overall aim of reducing our global environmental impact, we have set ambitious goals for 2020, compared with 2010 levels and adjusted for sales:

- A 40 percent reduction in carbon dioxide equivalent (CO₂e) emissions (i.e., greenhouse gas [GHG] emissions) from direct emissions and from the electricity we purchase
- A 30 percent reduction in total water intake
- A 50 percent reduction in total waste

The following are a few examples of our accomplishments in 2014.

ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT OVERSIGHT

Improving our performance requires clear lines of accountability and senior-level leadership and support. We have multiple levels of environmental management oversight – within businesses and across the company. The Senior Vice President for Quality Assurance, Regulatory and Engineering Services, a senior corporate officer who reports to the Chairman and CEO, reviews metrics, key programs and progress on a regular basis,

including quarterly highlights with the CEO and staff. The following groups implement our Environment, Health and Safety (EHS) programs and initiatives:

Global Operations Council – This body oversees the strategy for all Abbott Operations (Manufacturing, Supply Chain, Engineering and Environment, Health and Safety) and makes resources available to meet local needs based on internal assessment of performance, benchmarking of best practices internally and within the industry and risk profiles. The council is chaired by the Senior Vice President, Quality Assurance, Regulatory and Engineering Services and is comprised of the heads of Operations, Quality, Global Purchasing and Global Information Systems. For more information, please see the Citizenship Management and Governance Section.

Environment, Health and Safety Executive Council – This group drives programs and targets with actions that are consistent with the priorities set by the Global Operations Council and the Commercial EHS Executive Council. This team meets regularly to share best practices and discuss EHS issues with company-wide implications. This group also builds awareness of EHS performance, promotes our EHS Excellence Awards (Individual/Team EHS Awards, Plant of the Year for manufacturing operations and Affiliate of the Year for commercial organizations), supports EHS training and conferences and communicates our performance improvement initiatives. The group consists of EHS heads from each of our operating businesses.

Commercial Environment, Health and Safety Executive Council – This council sets priorities and implements EHS goals and objectives for our sales operations around the world. This includes driver safety and reducing vehicular accidents among the sales force and reducing greenhouse gas emissions from

fleet vehicles, as well as global community outreach initiatives related to vehicle and pedestrian safety in commercial emerging markets. The Executive Vice President of Established Pharmaceuticals chairs this group. The EVP sponsoring this council reports to the CEO.

MANAGEMENT, POLICIES AND STANDARDS

Clear policies, standards and management systems ensure we operate in a manner that protects both human health and the environment. Our environmental management metrics, auditing and reporting mechanisms are evaluated regularly, and we hold our managers responsible for improving their performance against established goals as part of our annual performance appraisal process.

Our environmental programs aim to improve the efficiency and sustainability of our business activities and products, reduce greenhouse gas emissions, water use and waste. We integrate sound EHS practices consistent with our management system into all aspects of the business. These practices include:

- **Environmental, Energy, and Water Policies** – In Abbott’s environment, energy and water policies, we commit to focus on and address Abbott’s environmental footprint, including our commitments to dramatically reduce CO₂e emissions. Our policies also detail our commitment to improving access to clean water in communities around the world, and to reducing and efficiently managing our company’s own use of water. We are currently in the process of updating our water policy to better reflect our current actions and position on water management.
- **Global EHS Audits** – Abbott’s Global EHS audit function systematically evaluates our EHS-related performance and compliance status. These periodic assessments serve several purposes, including identifying potential risks to employees, the

environment and the company; fostering continuous improvement; developing staff expertise; and promoting knowledge transfer. The EHS audit team is comprised of internal subject matter experts knowledgeable about internal requirements, and external experts to help provide an independent assessment and ensure knowledge of local standards in the various locations around the world in which we operate. Abbott facilities are typically audited once every 36 months to help ensure compliance with regulatory and internal requirements. Abbott EHS professionals also partner with commercial management to complete formal on-site EHS gap assessments. During these assessments, our affiliates are provided with compliance tools and implementation resources designed to ensure sustainable compliance and program improvement.

- **EHS Reporting and Assurance** – Abbott had key 2014 environmental and safety data externally verified by the independent company Bureau Veritas. A copy of the verification statement is provided on our Web site.

ADDRESSING GLOBAL CLIMATE CHANGE

Climate change continues to be a global concern, with governments gathering to participate in United Nations climate change conferences and industries addressing their potential supply chain and operation risks and business impacts.

While Abbott’s direct GHG emissions are small in relative terms, we continue to take action to reduce them. The bigger issue is addressing the predicted consequences of climate change such as severe weather, flood and drought and our ability to address global healthcare needs. Clearly, climate change poses serious challenges for humanity and our planet, and has the potential to affect our company, our employees and our customers in a multitude of ways.

For example, extreme weather patterns and water scarcity pose challenges for sourcing, operations and distribution. Additionally, climate change could lead to significant changes in the global disease burden, and has the potential to contribute to disruptions in manufacturing operations and the supply chain.

It is clear that action is required, not only to mitigate these risks, but also to help society adapt to the climate changes already under way. As a global healthcare company, we are committed to doing our part to address this issue – by reducing our direct and indirect impacts across our value chain.

ABBOTT’S CARBON FOOTPRINT

The nature of our business encompasses a wide range of potential sources of carbon emissions. These include our manufacturing, warehousing and office activities, as well as our vehicle fleets. Through our global value chain, we also indirectly contribute to carbon emissions. These arise from our sourcing and distribution of products, as well as the ways that consumers and health professionals use and dispose of our products. Our 2020 carbon emission reduction target – to reduce our emissions by 40 percent against 2010 levels, adjusted for sales – is evidence of our commitment to address this and reduce emissions in every aspect of our business.

We have been measuring and managing our direct emissions since 2000. One important way in which we do this is through participation in the Carbon Disclosure Project (CDP) emissions reporting programs. This international initiative provides an important framework for us to measure and manage our key environmental impacts. Through this program, we share critical data on energy consumption and emissions. In 2014, our climate change disclosure score increased from 84 to 93.

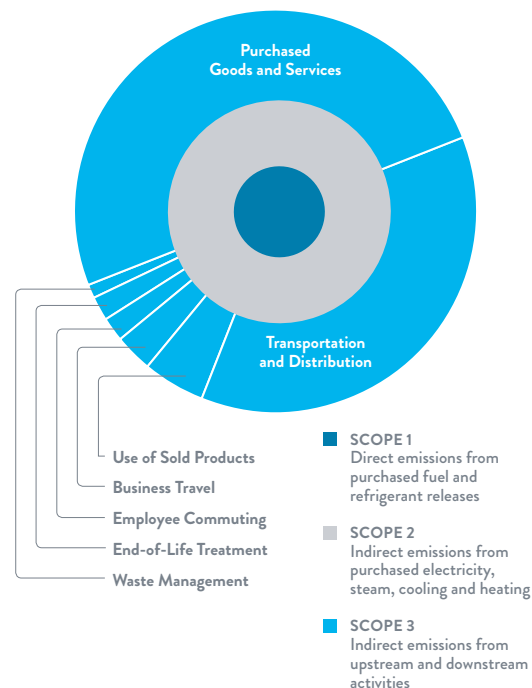
In addition to fostering greater transparency, this work has enabled us to identify our three greatest sources of impact – our manufacturing fuel combustion, our electricity use and our global fleet, representing in total more than 90 percent of our Scope 1 and 2 greenhouse gas inventory – and develop a comprehensive management program to address them. This program includes such features as increasing energy efficiency across our operations and integrating green engineering technologies and concepts into our projects.

It has resulted in a 7 percent reduction in our absolute energy consumed since 2010, along with an 11 percent reduction in absolute greenhouse gas emissions. In 2014, we began operating in three newly constructed manufacturing facilities, which increased our absolute GHG emissions by 54,000 metric tons of CO₂e compared to 2013. This increase was partially offset by 2014 reduction projects and initiatives of 24,000 metric tons. For example, our new plant in Jhagadia minimizes air emissions by using petroleum natural gas (PNG) as a fuel for boilers. Efforts to make energy consumption more efficient have resulted in the Jhagadia plant being 15 percent more efficient than other Abbott sites across the world.

In addition to internal actions to reduce CO₂e, some sites work with the community to make improvements. An example is our nutrition plant in Granada, Spain, which held a reforestation event in November 2014. Abbott employees, employees of contractor companies and their families and friends planted around 120 pines and 70 holm oaks in a nearby forest that was damaged due to fire several years ago.

REDUCING OUR CARBON FOOTPRINT

We are committed to reducing our carbon emissions, and we encourage our suppliers, distributors and other stakeholders to reduce their own impacts.



Outside our areas of direct responsibility, we work across our global value chain to reduce our emissions and encourage our suppliers, distributors and other stakeholders to manage and reduce their impacts, as we estimate that our Scope 3 emissions account for more than 90 percent of our total emission footprint. To facilitate this process, Abbott joined the Carbon Disclosure Project (CDP) Supply Chain Program in 2013 and participated again in 2014.

In 2014, we increased the number of suppliers we invited to participate by 15 percent. More importantly, our supplier response rate increased by 27 percent from 2013. We also saw increases in the number of responding suppliers reporting Scope 1 and 2 emissions, along with climate change-related risks and opportunities, all at levels above the CDP global average. Our supplier's average disclosure score increased from 52 to 60 in 2014, which is now greater than the CDP global average.



22%
REDUCTION IN
CO₂e EMISSIONS
SINCE 2010
Normalized by sales

One area of focus this year was to invite our major transportation providers to participate in CDP. By collecting this information through the CDP Supply Chain Program, we can calculate emissions using primary data instead of estimates. Our analysis indicates that upstream and downstream transportation and distribution accounts for about three million metric tons of emissions each year. These emissions equate to about three times our total Scope 1 (direct) and Scope 2 (indirect) emissions. For more information on our green purchasing and supplier selection program, as well as the results of our CDP Supply Chain participation, refer to the Supply Chain section of our report.

REDUCING OUR FOOTPRINT: ENERGY CONSUMPTION

Our Climate Responsible Energy Policy provides guidance and goals to help our employees around the world manage energy use and related emissions. Our policy focuses on increasing energy efficiency in our

manufacturing operations; investing in low-carbon energy; improving efficiency within our transportation fleet; encouraging a lower carbon footprint within our supply chain; and publicly reporting our performance.

Our Global Energy Council includes representatives from our most energy-intensive businesses. The council works to monitor, evaluate and reduce total energy consumption globally, while negotiating best-in-class price and delivery contracts and promoting the installation of financially beneficial energy conservation and alternative energy projects.

Through our numerous energy management initiatives, we:

- Perform energy audits to identify energy conservation opportunities
- Share best-in-class energy practices
- Evaluate and test new energy conservation technologies
- Prioritize and allocate funding for projects that reduce carbon and energy
- Source low-carbon fuels
- Negotiate competitive energy contracts and implement financial hedges to reduce price volatility

50%

REDUCTION IN UTILITY USE

With its Utility Excellence (UEX) program, Abbott Nutrition is working to reduce utility use by 50% by 2017.

Our ambitious carbon emissions reduction target of 40 percent by 2020, compared with 2010 levels, adjusted for sales, has catalyzed our efforts to improve energy efficiency across the organization. This has included

switching to “clean” energy in many of our operations – including the use of low-carbon fuels, cogeneration and renewable energy, which will help us to reduce our overall carbon footprint.

CARBON REDUCTIONS IN MANUFACTURING

Abbott Nutrition’s manufacturing work is particularly energy- and water-intensive, accounting for around 45 percent of Abbott’s greenhouse gas emissions. With the likelihood of future volatility in fuel and water availability, this was clearly an area that needed to be addressed.

For this reason, Abbott Nutrition launched the Utility Excellence (UEX) program in February 2013. The objective of UEX is to cultivate a culture of sustainable utility management through employee awareness and accountability. The goal is to achieve reductions in utility usage of 50 percent by 2017. To date, the UEX program has resulted in efficiency savings exceeding \$11.3 million, as well as significant reductions in greenhouse gas emissions.

Since the program launch, Abbott Nutrition has established UEX teams at 16 sites, embarking on a journey to transform site culture through employee awareness and engagement initiatives. For example, our manufacturing facility in Singapore set the target to reduce annual utilities spending by 45 percent by 2017. By 2014, the plant has delivered more than \$8.5 million in utility savings, reducing carbon emissions by 6.7 percent since 2012. This is equivalent to saving the amount of energy required to power more than 7,000 Singapore households for a year.

A key success factor in the initiative has been internal engagement – helping employees understand how they can contribute to energy saving and water reduction programs. In one instance, a risk analysis identified the opportunity to switch from operating the boiler

in hot standby mode to operating the boiler in a low-pressure operation, a change that saves 20 million kWh of natural gas energy and lowers operating costs by \$115,000 annually.

As a result of collective efforts, the plant has been accredited to the Energy Management Certification, ISO 50001 standard in 2014 and has won a number of awards, including an Energy Efficiency National Partnership (EENP) award from the National Environmental Agency of Singapore (NEA), recognizing the site’s high level of commitment to energy management.

Other examples of energy efficiency programs that help reduce carbon emissions at our plants include:

- LED lighting in Jiaying, China, resulted in annual energy savings of 1.17 million kWh and annual cost savings of almost \$172,000.
- In our Zwolle, Netherlands, plant, liquid baby formula is converted into powder using a drying process. The dryer operation is thermally driven, using natural gas as a heating medium. When the liquid has a higher solids content, less energy is needed overall to convert the liquid to powder. Based on engineering and R&D investigations, Abbott Nutrition has begun to deliver a higher solids product formulation to the drying process. This resulted in annualized thermal energy savings of 1.4 million kWh, with more than \$60,000 in cost savings.
- Numerous other reduction projects, including HVAC optimization, lighting upgrades and building recommissioning across the company, save more than 7 million kWh of energy, enough to power more than 650 homes in a year.

MINIMIZING THE IMPACT OF OUR FLEET

In the United States, our 2,800-vehicle fleet continues to improve its carbon profile as a result of vehicle leasing program improvements. With these ongoing enhancements, the fleet is now composed of nearly 14 percent hybrid vehicles. In addition, a small percentage of the service vehicles located at our headquarters campus in Illinois have been converted to plug-in electric models. Abbott will continue to evaluate the use of charging stations and the feasibility of installing these at other domestic company locations.

In addition to our sales fleet, we are focused on reducing the environmental footprint of our distribution network. For example, over the last three years, Abbott Diabetes Care has made a concerted effort to shift international shipping volumes from air to ocean freight, which produces fewer GHG emissions than road or air transportation. The program initially focused on the finished goods lane between our manufacturing plants in Witney, United Kingdom, and Donegal, Ireland, and the United States – reducing transportation carbon emissions at these locations by approximately 90 percent.

COSTA RICA

Abbott’s vascular business in Costa Rica is the first medical company in that country to receive SIREA (Environmental Reward System) recognition from the Costa Rica Environmental Ministry. SIREA distinguishes those organizations, companies or communities that support sustainable development in Costa Rica through environmentally friendly projects or practices.

Abbott also developed an integral program called Somos Verdes (We Are Green) for water, energy and waste management, attaining the following accomplishments:

- A 96 percent reduction in waste sent to landfill since Q1 2012
- A 40 percent reduction in clean water consumption in 2014 from 2013, by using captured rainwater in the cooling tower system, irrigating green areas and for bathrooms
- A 29 percent reduction in energy use for the three months ending February 2015 compared to Q4 of 2012, through improved lighting control and optimizing the air conditioning system
- Partnerships developed to process biodegradable waste from the cafeteria, transforming it into compost used in the maintenance of green areas

IRELAND

Ireland enjoys a strong and enduring international reputation as a source of natural, high-quality food, drink and ingredients. Recent research shows the Ireland dairy industry to have the lowest carbon footprint in Europe. Abbott’s Cootehill plant received Origin Green certification in September 2014. Origin Green is the only sustainability program in the world that operates on a national scale, uniting government, the private sector and food producers through Bord Bia, the Irish Food Board. It provides verified commitment to sustainability all along the supply chain. Certification allows Abbott Cootehill to use the Origin Green logo in marketing and communication campaigns.

The Cootehill plant’s sustainability plan includes these actions:

- Sourcing raw materials from suppliers with recognized certifications
- Reducing CO₂e, water use and waste
- Increasing the number of community and employee well-being project hours

In addition, six Abbott Ireland sites received the Chambers Ireland Corporate Social Responsibility Excellence in Environment Award in 2014.

A COMPREHENSIVE WATER STRATEGY

Clean water is a critical resource, essential to sustaining human health, economic growth and the environment. Access to water is essential for our manufacturing operations and for all those who use our products. Abbott is committed to managing our water use in an efficient, sustainable manner and to improving people’s access to clean water in the communities where we work and live.

REDUCING OUR WATER FOOTPRINT

Since 2010, we have lowered our total worldwide water intake by three percent on an absolute basis and 14 percent when adjusted for sales. By 2020, we seek to reduce our company’s total water intake by 30 percent, adjusted for sales. Our water intake increased in 2014 by 234 million gallons as a result of bringing three newly constructed manufacturing plants online. These increases were offset through the incorporation of green design principles, process optimizations and other water-related initiatives at other operating locations.



TOTAL WATER
INTAKE REDUCED BY
14%
SINCE 2010
Normalized by sales

Abbott uses the World Resource Institute (WRI) Aqueduct global water risk mapping tool in combination with the World Business Council for Sustainable Development (WBCSD) Global Water Tool to help identify Abbott manufacturing plants that are operating in water-stressed regions. Results of our global water assessment have identified 16 manufacturing sites that are currently operating in regions with significant baseline water stress.

Having our sites mapped relative to varying degrees of water stress by the global water tools helps facilitate communication with internal and external stakeholders on water challenges and serves as a mechanism to facilitate change. It also allows our company to focus on manufacturing sites that are at greatest risk for water supply interruptions now and in the future.

Abbott's internal requirements require manufacturing sites identified as significant water users or operating in water-stressed regions to perform more detailed local water analyses. In these local analyses, sites identify external water-related impacts and business water risks; outline opportunities to reduce or eliminate these impacts or risks; and develop water strategies complete with performance targets that drive reduction in risk based on the opportunities identified. This information is collected and maintained in each site's Water Management Plan.

To facilitate performance improvement, Abbott collects key water performance data across all operations. Progress toward achieving the 30 percent reduction of water intake is evaluated and reported back to our sites on a quarterly basis, along with other key water data. This process allows us to monitor progress and make any adjustments needed to stay on track with the goal.

Abbott also participates in the CDP water reporting program. Through this program, we share critical

data on our company's water performance and also gain valuable insight on the performance of other companies in the healthcare and other sectors. In 2014, Abbott participated in CDP's new water pilot scoring project. Companies were scored on their progress in the following four key areas of water stewardship:

- Disclosure – Transparency about water issues
- Awareness – Knowledge of impacts on, and of, water
- Management – Taking coordinated action on water issues
- Leadership – Implementing current best practice

Our manufacturing plants continue to implement water reduction projects. As previously noted, the UEx program implemented in our nutrition business, which accounts for over 60 percent of Abbott's total water usage, is working to achieve significant reductions in water usage, realizing environmental and economic benefits for the business.

For example, our Columbus, Ohio, UEx team investigated the carbon filtration system on the plant's incoming water system. To more effectively eliminate the potential for any build-up of microorganisms, carbon filters are periodically sanitized with chemicals and water. The Columbus UEx team optimized the frequency and duration of the sanitization cycle, saving more than 15,000 cubic meters of fresh water annually, resulting in cost savings of more than \$30,000 a year.

The Columbus plant also optimized its soft water boiler feed system to save more than 32,000 cubic meters of fresh water and \$72,000 annually.

In another water conservation effort, at our manufacturing plant in Rio de Janeiro, we implemented a tertiary wastewater treatment system that uses existing systems to recycle wastewater for use in the HVAC cooling tower, fire water tanks and gardening. This resulted in a water use reduction of around 2.4 million liters per year. In addition, by reusing rather than immediately discharging the water, we have also achieved a 23 percent reduction in the amount of treated wastewater being released into a local river.

Brazil – Abbott's Established Pharmaceuticals plant in Brazil is saving water in many ways: harvesting rainwater, installing water and sewage treatment facilities on-site and using recycled wastewater for cooling and air conditioning. The team is working toward raising its reuse of wastewater from current levels, 6 to 8 percent, to around 50 percent.

Singapore – At our plant in Singapore – a water-stressed area – workers in the plant kitchen noted that recirculation pumps ran constantly. Their suggestion to run the pumps only when needed, and many other similar ideas from Abbott employees, helped the Singapore plant reduce water use by 13.6 percent from 2012 to 2014. This has been recognized by the local authorities Public Utilities Board (PUB), which awarded the site the Water Efficient Building Certificate.

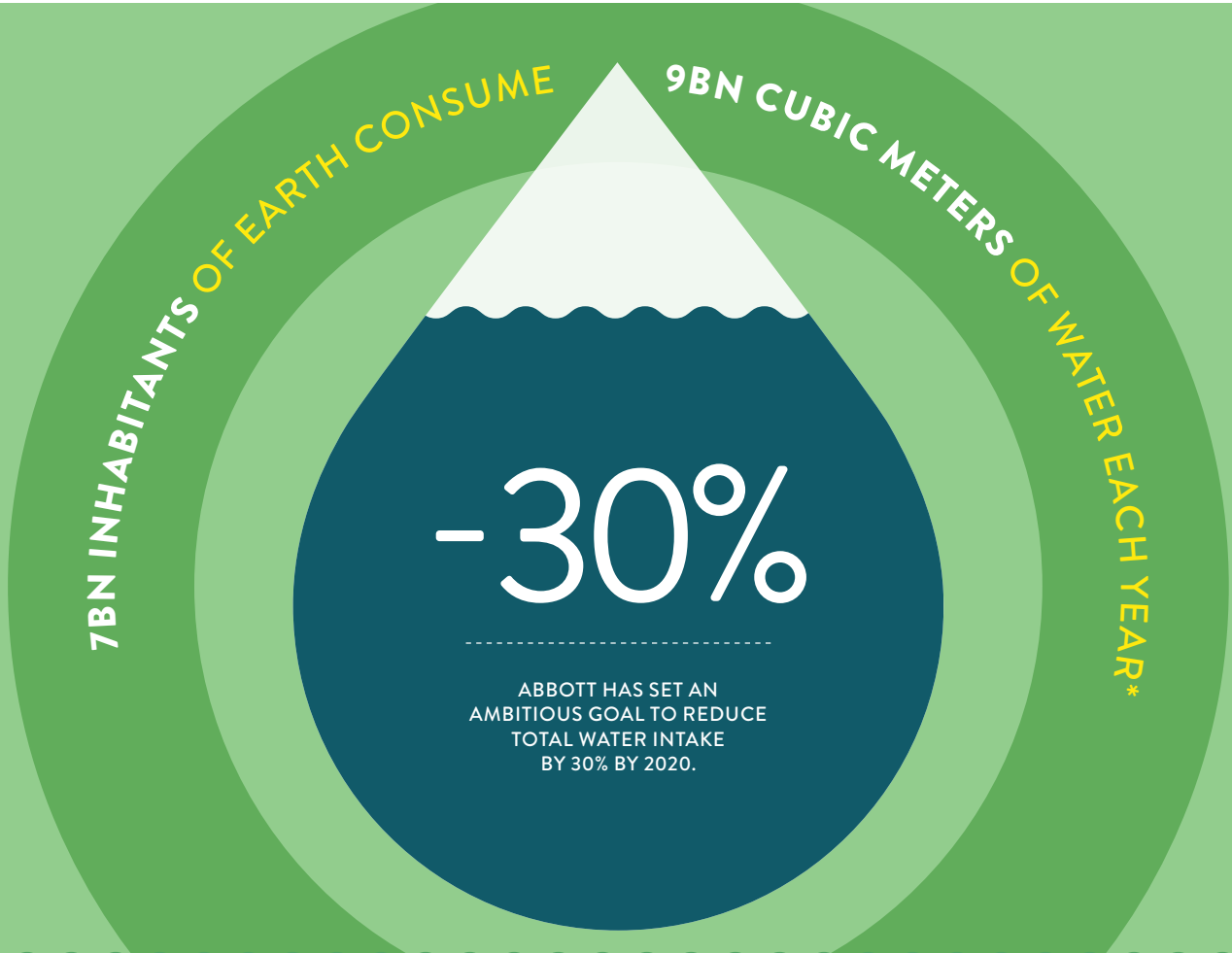
India – Our newly constructed Jhagadia plant is the first nutrition facility in Gujarat to harness new environmentally friendly Karnal technology to reuse water from the plant to nourish a new 10-acre forest of 6,800 eucalyptus and casuarina trees planted on-site. This innovative approach minimizes water waste, while creating a green area that adds to the local ecosystem.

INFOGRAPHIC

FINDING THE UPSIDE IN A DROP OF WATER

At Abbott, we're constantly working to conserve water – both for the good of our bottom line, and for the good of the earth. At our plants around the globe, we're using new technology and innovative ideas to meet our goal of a 30% decrease in water use by 2020.

That's the Upside.



1 IN 10

MORE THAN 780 MILLION PEOPLE – NEARLY 11% OF THE WORLD'S POPULATION – DO NOT HAVE ACCESS TO CLEAN DRINKING WATER.†

WHAT ABBOTT IS DOING IN...

BRAZIL

2.4 MM LITERS

Our plant in Rio de Janeiro recycles wastewater in order to reduce water use by about 2.4 million liters per year.

SINGAPORE

-13.6%



Suggestions from plant employees in Singapore, along with other changes, reduced water use there by 13.6% from 2012 to 2014.

CHINA

5,500



The amount of water saved at our Shanghai plant would provide 5,500 people with the water they need every day for a year.

IRELAND

5 LITERS



At one Abbott plant in Ireland, we return five liters of water to the local river for every four we take in.

* <http://www.scientificamerican.com/article/graphic-science-how-much-water-nations-consume>. † 2030 Water Resources Group. "Charting Our Water Future: Economic Frameworks to Inform Decision Making, 2009".

China – In China, which has 20 percent of the world’s population but only 7 percent of its fresh water, water management is an important issue. Abbott’s new Shanghai plant saved 5,500 cubic meters of water in just one year – enough to provide 5,500 people with their daily minimum of drinking water for a year.⁷

Ireland – At our nutrition plant in Cootehill, Ireland, by conserving water and evaporating the milk we use, we return five liters of water for every four we use – and the returned water is cleaner than we found it.

EDUCATING COMMUNITIES ON WATER CONSERVATION

Along with reducing our own water footprint, we are committed to helping the communities where we work and live with water conservation. Abbott engages with community partners and nonprofit organizations, when opportunities arise, conducting water audits and helping to develop timelines for water use reduction goals. We are committed to collaborating with key stakeholders to identify water conservation opportunities, especially in water-stressed regions where Abbott has manufacturing operations.

Abbott and the Abbott Fund partnered with Project WET in Brazil, where we are working with local communities and nonprofit partners to educate children and their families about the importance of clean water, water conservation, sanitation and hand washing in preventing the spread of infectious diseases. Together, we are creating change and improving health outcomes in the favelas in Rio de Janeiro. Abbott employees in Brazil have volunteered their time and expertise, assisting the organization in the development of local water conservation educational materials.

7. World Health Organization, “Right to Water.” 2003.

WASTE MANAGEMENT

Our goal is to reduce the total waste we generate by 50 percent from 2010 levels by 2020, adjusted for sales. By the end of 2014, we achieved a 22 percent reduction in generated waste volume on an absolute basis, and a 31 percent reduction adjusted for sales. Despite adding three new manufacturing facilities in 2014, we were able to maintain an absolute reduction of almost 500 tons of waste through source reduction and finding reuse opportunities.



23
ZERO-WASTE-TO-
LANDFILL SITES



98%
REUSED OR
RECYCLED

At Abbott’s Cootehill, Ireland, facility, 98% of waste is reused or recycled.

All vendors responsible for the management of Abbott-generated waste are expected to meet minimum requirements in areas such as compliance, financial assurance, inventory control, record keeping, facility design, operating conditions and approvals, among others. Vendors who do not meet these standards are not permitted to do business with our company. These firms are identified through the implementation of Abbott’s waste-vendor assessment program, which includes periodic on-site evaluations and

documentation reviews to help ensure that only appropriately qualified and responsible vendors are permitted to manage Abbott waste.

Our approach helps us to quickly identify emerging issues and resolve problems in a timely fashion.

Abbott is also committed to reducing the amount of waste that we send to landfill. However, permitted landfill space has become increasingly scarce over the past several years. For many years, the Global Environmental, Health, Safety and Energy (GEHS&E) organization has partnered with our operating businesses to investigate more environmentally friendly ways to manage our waste. This effort has grown into a comprehensive program to certify Abbott sites as zero waste to landfill. This program has resulted in a decrease of 43 percent in landfilled waste since 2010, as well as increases in efficiency, costs savings and reductions in our carbon footprint.

ZERO WASTE TO LANDFILL

Zero waste to landfill is defined as the process whereby a site finds ethical, economical, efficient means to manage processes to avoid and eliminate the volume and toxicity of waste and materials, and to conserve and recover all resources. Implementing zero waste to landfill eliminates all waste sent to a landfill and diverts it to become a resource for other beneficial use.

By the end of 2014, 30 percent of our manufacturing sites and four non-manufacturing sites had achieved zero-waste-to-landfill status. The reductions achieved by these sites are truly impressive.

At Abbott Established Pharmaceuticals in Weesp, Netherlands, we have developed an innovative reuse program. The facility produces life-saving flu vaccines, which are produced by injecting the influenza virus into eggs. After the flu vaccine is harvested, the eggs are no

longer needed. Previously, the egg waste stream was being incinerated with energy recovery. Starting in 2014, the egg waste was approved to be used as a feed stock to generate biofuel. In 2014, 1,437 tons of egg waste was converted into biofuel, and going forward, the facility expects to recycle some 3,000 tons annually – enough to supply the energy needs of 300 homes for a year.

PRODUCT STEWARDSHIP

Abbott is committed to improving lives through the products we make. This includes ensuring that our products keep adverse environmental impacts to a minimum. We address this through improved packaging and product design to reduce waste and energy demands from using our products.

GREEN PRODUCT INNOVATION

At Abbott, our Product Stewardship team works closely with our research scientists to incorporate environmental considerations into the research and development process. For example, our Product Stewardship team collaborated with a team of scientists to develop a guide to identifying safer alternatives for chemical reagents and calibrants. Additionally, Abbott's EHS function provides updates to the R&D team about emerging environmental issues related to product design.

We are now in the process of standardizing these efforts across our business divisions to identify further opportunities to integrate life-cycle considerations in our research and development process.

CONFLICT MINERALS

Abbott has a defined structure and process to conduct due diligence to understand the use and sources of tantalum, tin, tungsten and gold (3TGs) in our products across our complex global supply chain. Our Product Stewardship team works closely with the business

divisions to query suppliers using the Electronic Industry Citizenship Coalition (EICC) and the Global e-Sustainability Initiative (GeSI) conflict minerals reporting template. In 2014, Abbott filed a Form SD and Conflict Minerals Report with the U.S. Securities and Exchange Commission in compliance with the Dodd-Frank Act.

EU ROHS COMPLIANCE

Abbott electronic medical devices in the EU are now compliant with the EU Directive on the Restriction of Hazardous Substances (RoHS) in electronic equipment. This required significant effort to obtain compliance documentation for each component, assess suppliers' RoHS knowledge and summarize each product's compliance in a Technical File.

SUSTAINABLE PACKAGING

With all of our healthcare products, Abbott's primary concern is to ensure quality, safety, integrity and ease of use. Product packaging plays an essential role in fulfilling those responsibilities. At the same time, we are well aware of the ways in which our product packaging affects the environment – from the materials and energy required for its manufacture through its ultimate end of life.

In balancing the need to reduce the environmental impacts of our packaging with the necessity of ensuring the protection of our products, we are guided by what we call the four R's of sustainable packaging:

- Reduce – optimize packaging design to reduce the amount of materials used
- Renew – source packaging with renewable materials when feasible
- Recycle – improve the use of recycled content in our packaging, and expand the use of packaging that is recyclable
- Reuse – design packaging to allow reuse opportunities

Sustainable packaging is a necessary design feature of packaging materials and systems. For example, many of our milk-based nutritional products come in packages that can be shipped and stored without refrigeration for up to 36 months. Development and design of this packaging reduces energy used by distributors and throughout the supply chain; it is an especially important benefit for people in countries where refrigeration facilities can be less readily available or reliable.



WE FOLLOW THE
4 R'S OF SUSTAINABLE
PACKAGING

REDUCE
RENEW
RECYCLE
REUSE

Looking at packaging through a sustainability lens enables us to consider the complete life cycle of energy use impacts, emissions and solid waste. Abbott is committed to leadership in developing and implementing sustainable packaging innovations. We will continue to work collaboratively to improve the social, environmental and economic benefits of our brands by employing sustainable packaging principles.

PACKAGING PERFORMANCE TARGETS AND PROGRESS

To proactively address the sustainability of our packaging, Abbott is aggressively working to reduce the amount of packaging we use and distribute to our customers. Our target goal is to reduce 10 percent of packaging weight by 2020 from a 2010 baseline. Achieving this goal will represent the elimination of approximately 30 million pounds of packaging from our supply chain.

We continue to make progress toward our 2020 goal. By the end of 2014, the cumulative reduction on an annualized basis was approximately 4.1 percent, the equivalent of 12.3 million pounds of packaging.

Achievements in 2014 include:

- Development and commercial launch of an eight-ounce aseptic bottle for Abbott Nutrition liquid products. The bottle is made from HDPE, a widely recycled material, and bottle weight was reduced by 13 percent.
- At our Tlalpan, Mexico, manufacturing site, we successfully reduced the bottle weight of our *Pedialyte* packaging by more than 10 percent. This optimized packaging initiative eliminates approximately 350,000 pounds annually from our supply and distribution chains.
- We redesigned multipack carriers used to bundle our eight-ounce nutritional bottles. This change provides improved convenience to our consumers and reduces the weight of plastic carriers by greater than 50 percent – eliminating more than 700,000 pounds of packaging on an annual basis.
- In India, our Established Pharmaceuticals team converted packaging of liquid products from glass bottles to amber-colored bottles made from PET – reducing the bottle weight by more than 80 percent.

SUSTAINABLE PACKAGING PARTNERSHIPS

Abbott works with a number of industry and independent groups to advance sustainable packaging systems and was a member of the Sustainable Packaging Coalition in 2014. We work with suppliers who have achieved or are pursuing certification with respected sustainability organizations, such as the Forest Stewardship Council.

We also pursue green purchasing goals with suppliers around the world, working with them in many cases to help raise their own sustainability performance. We carefully screen suppliers, holding them to stringent packaging requirements. Additionally, we work with major retail customers to share information on the packaging reductions we have made.

RESPONSIBLE BUSINESS

IN THIS SECTION:

41 SUPPLY CHAIN EXCELLENCE ▶

Our suppliers play a critical role in fulfilling our commitment to global citizenship. We work closely with them to ensure quality, compliance and socially and environmentally responsible practices.

54 STRATEGIC PHILANTHROPY ▶

Abbott and its foundation, the Abbott Fund, support social programs that address critical unmet needs that align with our business.

45 VALUING OUR PEOPLE ▶

The key to Abbott's success is our people. Their skill and their dedication to advancing human health and well-being are the heart and soul of our company.

60 PROMOTING ETHICS AND INTEGRITY ▶

Our people understand the global impact of our work and our products, and we strive to do the right thing, in the right way, in every aspect of our daily activities.

Every day, through actions big and small, we ensure that our business works for the benefit of the many people we serve. This includes managing the direct impacts of our business operations and building strong relations with key stakeholders, including employees, suppliers, healthcare professionals, customers and consumers.

SUPPLY CHAIN EXCELLENCE

IN THIS SECTION:

42 SUPPLIER GUIDELINES

42 MANAGING SUPPLIER SOCIAL RESPONSIBILITY

43 CARBON DISCLOSURE PROJECT (CDP) SUPPLY CHAIN PROGRAM

44 SUPPLIER DIVERSITY

✔ 2014 Highlights

- In Ireland, Abbott relies on about 1,000 Irish dairy farms to supply the 500,000 liters of milk processed each day for the nutritional products manufactured at its Cootehill plant.
- Working with the CDP Supply Chain initiative, we map the carbon footprint of our supply base by gathering information from our suppliers on their climate strategies and activities.
- Diverse suppliers are essential to compete globally. In 2014, our spend with small businesses increased by 10 percent, and with small women-owned businesses by 13 percent.

As a global healthcare company, Abbott recognizes that managing our relationships with suppliers is an integral part of our success. We work closely with our suppliers to maintain high levels of performance in all aspects of our business – ensuring quality, compliance and socially and environmentally responsible practices. This includes monitoring and helping our suppliers to enhance their performance according to robust, clear metrics. Our suppliers play a critical role in fulfilling our commitment to global citizenship and ensuring we can continue to deliver quality products to people around the world.

Our Green Procurement Policy is the cornerstone of our supply chain practices, encouraging the procurement of environmentally preferable products and services.

Suppliers are selected based on a documented evaluation of their ability to meet predefined requirements, the adequacy of their quality systems and facilities, their business and process capabilities and their overall conformance to applicable regulatory and Abbott specific requirements.

We apply additional focus to the subset of suppliers responsible for the materials and services that have the potential to most directly impact the quality of our products. This group accounts for approximately 40 percent of our total suppliers. Suppliers within this group are audited on a routine basis to ensure that adequate processes and controls are in place to deliver quality materials or services. In 2014, Abbott completed more than 360 on-site supplier quality audits of suppliers within this group.

Suppliers are re-evaluated at regular intervals to ensure that they are able to consistently provide materials and services meeting our specified quality requirements. In addition, ongoing monitoring measures the performance of suppliers against our minimum performance criteria.

This allows us to determine the need for adjustments to the supplier evaluation criteria, frequency or other mitigating actions.

SUPPLIER GUIDELINES

All Abbott suppliers have access to and are expected to follow our Supplier Guidelines, which document our principles, guidelines and expectations in areas including ethical behavior, business integrity and fair competition, human rights, privacy, labor rights and worker protection, animal welfare, environmental stewardship and health and safety practices. Our guidelines are published in multiple languages.

We host an external Web site, Resources for Suppliers, which includes answers to frequently asked questions (FAQs) related to social responsibility and also provides insights into Abbott's expectations for suppliers. In 2014, we added a supplier training on Conflict Minerals to the Web site, which has already been accessed by 90 suppliers. In addition, all Abbott procurement staff is expected to be compliant with our policy on supplier social responsibility. Our Supplier Performance Program, established in 1991, is designed to both measure the performance of suppliers and to encourage improvement and innovation.

MANAGING SUPPLIER SOCIAL RESPONSIBILITY

Our supply chain encompasses more than 150 countries, includes more than 22,000 suppliers and, in 2014, represented an estimated spend of \$10 billion. Using a risk-based approach, we are able to manage this complex system by applying appropriate levels of focus and rigor throughout the process and carrying out routine audits, both remotely and on-site.

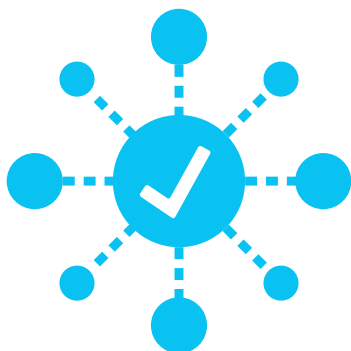
Our Master Service Agreement with suppliers contains a clause that requires them to adhere to social responsibility standards that align with both our supply chain management strategy and our global citizenship strategy. These standards are set out in our Supplier Social Responsibility guidelines and managed through our Supplier Social Responsibility program, established in 2011. This program includes a supplier classification model, a quarterly results tracking scorecard and a semi-automated audit report.

Abbott is a member of the Pharmaceutical Supply Chain Initiative (PSCI), a consortium of major pharmaceutical companies that share a vision of better social, economic and environmental outcomes for all those involved in the pharmaceutical supply chain. We survey our suppliers using the principles established by the group.

Our global purchasing compliance team, responsible for conducting these assessments, proactively identifies suppliers for screening, with a focus on those in business-critical industries, geographies and spend categories, as well as those in emerging markets. Based on the outcomes of these surveys, we may subject suppliers to an additional layer of scrutiny by conducting on-site audits. These enable us to check that suppliers are providing:

- Safe working conditions
- Dignified and respectful treatment of employees
- Responsible manufacturing processes
- Adequate management systems
- Ethical practices

In addition to the audits carried out by our global purchasing team, more than 100 suppliers completed self-audits in 2014. The self-audits were then reviewed by third parties. These checks formed the basis for 29 on-site audits, adding another layer of robustness to our monitoring and management practices.



SUPPLY CHAIN EXCELLENCE

Our global purchasing compliance team audits our suppliers to check that they provide:

SAFE WORKING CONDITIONS

RESPECTFUL TREATMENT OF EMPLOYEES

RESPONSIBLE MANUFACTURING PROCESSES

ADEQUATE MANAGEMENT SYSTEMS

ETHICAL PRACTICES

REDUCING OUR INDIRECT IMPACTS THROUGH GREEN PURCHASING AND SUPPLIER SELECTION

The sourcing, distribution and use of our products is linked to the production of carbon emissions. We are committed to addressing this area, referred to as Scope 3, by encouraging our suppliers and distributors to reduce the carbon emissions for which they are directly responsible, and also by educating end users about the carbon emissions related to the use of our products.

In evaluating our Scope 3 carbon footprint, we are first focusing on indirect emissions in the supply chain and distribution. We believe that by understanding the carbon impact of our supply chain, we can encourage optimization where we have some level of influence, and this will ultimately lead to carbon-footprint reductions across the supply chain.

Abbott continues to work on assessing its Scope 3 emissions using the methodology outlined in the World Business Council for Sustainable Development/World Resources Institute Scope 3 Accounting and Reporting Standard. We have identified areas where we may have the ability to quantify and potentially influence emissions, as well as several key emission sources outside our direct control. These sources include emissions from transportation suppliers, commercial business travel, waste management and product distribution. We continue to evaluate and report our Scope 3 emissions as we are able to collect and improve these estimates.

Abbott also continues to partner with our global transportation suppliers to estimate the greenhouse-gas emissions associated with Abbott's activities. Our analysis indicates that upstream and downstream transportation and distribution accounts for about 4 million metric tons of emissions each year. These emissions equate to about four times our total Scope 1 (direct) and Scope 2 (indirect) emissions. In 2014, we

included our major transportation suppliers in our CDP Supply Chain initiative to refine our analysis.

CARBON DISCLOSURE PROJECT (CDP) SUPPLY CHAIN PROGRAM

Abbott joined the CDP Supply Chain program in 2013. This annual process allows us to map out the carbon footprint of our supply base by gathering information from our suppliers on their climate strategies and activities. In 2014, we increased the number of suppliers we invited to participate by 15 percent, but more importantly, our supplier response rate increased by 27 percent from 2013. We also saw increases in the number of responding suppliers reporting Scope 1 and 2 emissions along with climate change-related risks and opportunities. Our suppliers' average disclosure score increased from 52 to 60 in 2014, which is now greater than the CDP global average.

One area of focus this year was to invite our major transportation providers to participate, as our initial Scope 3 screening calculations indicated that our upstream and downstream transportation and distribution represented over one-third of our entire Scope 3 footprint. By collecting this information through the CDP supply chain program, we can calculate emissions using primary data instead of estimates. As a result of our CDP Supply Chain response review, we are identifying areas where we can improve Abbott's supplier sustainability and gain further operating efficiencies through collaboration.

Additionally, we are working to assess other sources of indirect emissions that lie outside our boundaries and on which we have less influence, such as employee commuting, third-party manufacturing and consumer use and disposal of our products. We will continue to better quantify and report on these Scope 3 emissions and the actions we are taking to minimize them.

SUPPLIER DIVERSITY

At Abbott we believe that our potential is fulfilled when we help others to fulfill their potential. This fundamental value is illustrated in how we live our mission daily to build a diverse supply base. As with our own workforce, Abbott believes that diversity in our suppliers is essential to our ability to compete globally. We are committed to procuring products and services from a supply base that reflects our global community, including but not limited to small businesses and those owned by minorities, women and veterans. For example, in 2014 our spend with small businesses increased by 10 percent and our spend with small women-owned businesses increased by 13 percent. In 2014, Abbott purchased \$844 million spend on small and diverse suppliers across the world.

Abbott is equally focused on driving program best practices as we seek to work with diverse suppliers. In 2014, we launched the Supplier Diversity Governance Council, a group of executive senior leaders from across the organization, focused on continued acceleration of diverse spend best practices.

With the leadership of this council, Abbott has been able to increase the level of external engagement with advocacy organizations such as the National Minority Supplier Development Council, where Abbott now holds a board of directors position. The council also championed the inauguration of Supplier Diversity Category Ambassadors, a diverse group of individuals within Global Sourcing who expand the internal impact of the supplier diversity program by leading the strategic inclusion of diverse suppliers up, down and across their own category. With these program refinements, we are now focused more than ever on bringing together a variety of perspectives to drive innovation and flexibility within our supply base.

+10%

In 2014 our spend with small businesses increased by 10% and our spend with small women-owned businesses increased by 13%.

VALUING OUR PEOPLE

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46 A DIVERSE, INCLUSIVE
WORKPLACE ▶

47 EMPLOYEE DEVELOPMENT
AND TALENT MANAGEMENT ▶

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BENEFITS ▶

49 WORK-LIFE HARMONY ▶

50 HEALTHY LIVING
INITIATIVES ▶

51 EMPLOYEE HEALTH
AND SAFETY ▶

53 LISTENING TO OUR
EMPLOYEES ▶

53 HUMAN RIGHTS ▶

✔ 2014 Highlights

- The percentage of minorities in management positions at Abbott has increased from 22 percent in 2010 to 27 percent in 2014.
- Our Professional Development Program gives new talent the opportunity to rotate through different positions in different Abbott businesses and locations across the globe.
- In 2014, Abbott launched a Web-based support tool to help parents better understand, advocate and care for children with exceptional needs.
- In 2014, our lost time rate of 0.17 cases per 100 employees was an improvement of 29.2 percent over 2013.

Abbott's ability to adapt to changing health care needs – quickly and continually – is vital to our ongoing success. The key to Abbott's agility is, of course, our people. Their skill and their dedication to advancing human health and well-being are the heart and soul of our company.

That is why we choose our people carefully, selecting those with energy, enthusiasm, expertise and commitment to create a positive impact on the health of the world. It is also why we provide our employees with opportunities to pursue fulfilling careers at Abbott. Our company's human resources strategies, across the breadth and diversity of our global businesses, reflect the depth of our commitment to employees.

As a global health care company, we need a wide array of skills to help us effectively deliver on our mission. We recognize that current and prospective employees' skills, interests, values and priorities may differ from one country or region to another. Therefore, we make a concerted effort to attract a diverse group of employees wherever we operate. We use internal and external research to develop a competitive, locally relevant employee value proposition and a total rewards package. This approach enables us to address local talent challenges more effectively in areas such as diversity and inclusion and work-life harmony.

The core components of Abbott's award-winning workplace environment include:

- Commitment to promoting diversity and inclusion
- Extensive professional development, mentoring and training programs
- Efforts to encourage and support work-life harmony
- Competitive compensation and benefits, tailored to each market
- Protection of human rights

- Wellness campaigns
- Commitment to employee health and safety

We have been recognized with a number of workplace excellence awards globally. For a list of these, please see Awards and Recognition in the Reporting section of the report.

A DIVERSE, INCLUSIVE WORKPLACE

Diversity of perspectives, experiences and skills is critical to our global competitiveness. Abbott is committed to fostering diversity within our company. Therefore, our diversity and inclusion programs ensure that our workforce reflects the customers and patients we serve.

Our approach also helps us attract and retain talent, while simultaneously driving innovation throughout our business. We work to leverage our diversity and learn from our differences to optimize results across all levels of our company. As testament to our efforts in this area, Abbott has appeared on DiversityInc's list of top companies for diversity for the past 11 years.

We promote diversity and inclusion across our businesses in a variety of ways. Abbott's Executive Inclusion Council, led by our Chairman and CEO, monitors the hiring and advancement of women and minorities in U.S. management positions and supports programs that promote an inclusive work environment. In the U.S., the representation of women and minorities in management has been an area of particular focus for Abbott for more than a decade. As a result, the percentage of women in management positions has increased from 44 percent in 2010 to 46 percent in 2014. The percentage of minorities in management positions has also increased, from 22 percent in 2010 to 27 percent in 2014.

We strive to promote diversity and inclusion in locally and culturally appropriate ways around the world. For example, our European mentoring program is designed to encourage employees to form mentoring partnerships with employees from backgrounds other than their own. In addition, many Abbott businesses have developed their own function-specific diversity and inclusion initiatives. For example, our established pharmaceutical business introduced several training programs that encourage inclusion, with special focus on the advancement of women.

We also encourage inclusion of individuals with disabilities across all of our businesses and locations. In Ireland, Abbott is a founding member of the Kanchi network, a leadership group of companies working to revolutionize the relationship between business and disability so that people with disabilities will be recognized and valued as consumers, talent, suppliers and members of the community. Abbott Ireland is helping to develop a benchmark that will recognize excellence in disability equality in all businesses.

RECRUITING FOR DIVERSITY

In 2014, Abbott used an integrated approach to attracting, building a pipeline of and delivering diverse talent to meet the needs of our businesses. We used targeted engagement through employer branding and outreach efforts, while leveraging partnerships with key schools and associations. We continued to strengthen our early intake programs in key markets to create a sustainable pipeline for Abbott. We partnered with local diversity partners to support Science, Technology, Engineering and Math programs for students of varying ages.

We partner with multiple organizations focused on advancing women and minorities in specific areas of study. Our U.S. recruiting partners include the National Society of Black Engineers; the Society of Hispanic

Engineers; the Society of Women Engineers; the Association of Latino Professionals in Finance and Accounting; and the National Association of Black Accountants, among others. Outside the U.S., we continue to implement new recruiting partnerships with local schools and student organizations while expanding internship and entry-level rotational opportunities.

To help recruit diverse candidates at more experienced stages of their careers, we partner with a wide range of organizations, including the National Black MBA Association, the National Society of Hispanic MBAs, the National Sales Network and the Consortium.

EMPLOYEE NETWORKS

Complementing our inclusion programs and initiatives, Abbott's employee networks play a vital role in building an inclusive culture and supporting business operations. The networks are sponsored by corporate officers, who help align group objectives with business strategies. By focusing on career development, mentoring, community involvement, informal networking and leadership skills development, our networks are expanding visibility and opportunity for their nearly 3,000 participants. Our six networks include:

- Asian Leadership and Cultural Network (ALCN)
- Black Business Network
- La Voice Network (Hispanic/Latino)
- Flex Network (part-time and flexible schedules)
- PRIDE (LGBT)
- Women Leaders in Action (WLA)

MENTORING

Mentoring is an integral part of the Abbott culture of continuous learning and knowledge sharing. It takes a variety of forms, going beyond the traditional one-to-one relationship.

In 2014, our employee networks also launched a series of global mentoring circles. For example, these circles allow one or more subject matter experts to mentor a group of protégés sharing similar interests – combining education with networking opportunities. A finance circle might invite Abbott guest speakers to give presentations on topics such as long-range planning, health economics research, cost accounting, commercial sales and forecasting. In some cases, senior executives, such as the corporate controller, might join the circle to participate in an informal question-and-answer session on leadership topics and career paths.

EMPLOYEE DEVELOPMENT AND TALENT MANAGEMENT

Global competition for talent is intense. By taking a proactive approach to recruitment and offering advancement and leadership development programs at all levels, we help our employees realize their potential, which also helps us attract and retain the best talent.

All employees worldwide have access to job-specific training and development to ensure successful performance in their current roles across the full range of Abbott jobs – from commercial and operations to research and development, as well as human resources, finance and information technology. We also conduct ongoing learning, training and career development programs to help employees at all levels realize their potential. We develop current and future leaders through a robust combination of training, on-the-job experiences and formal and informal mentoring. Nearly 7,200 managers attended learning and development classes in 2014.



ALL EMPLOYEES WORLDWIDE

Around the world, our 73,000 employees have access to job-specific training and development.

LEADERSHIP DEVELOPMENT PROGRAMS

To complement our skills training initiatives, we also offer focused training programs for employees transitioning into management roles. We are committed to helping our new leaders around the world succeed more quickly in their expanded positions, in part by better understanding and leveraging the Abbott resources available to them. Our programs not only help train employees – they also help strengthen our networks. Alumni of these programs routinely reach out and connect with former classmates to share ideas, gain insights and explore new ideas. These programs include:

Global Leadership Program

The Global Leadership Program (GLP) helps new general managers in our international affiliates become more effective by preparing them to successfully lead our business in a changing environment. The program is designed to enable global leaders to benefit from the teachings and advice of Abbott's successful, experienced senior leaders from across our different regions and divisions.

The program consists of two one-week sessions that take place approximately six months apart. The first week includes an in-depth simulation that allows participants to experience and learn from the kinds of challenges general managers face in the marketplace. The second week focuses on scenario planning, enabling new general managers to explore the potential challenges they may face and prepare to lead successfully during a variety of potential situations.

The GLP has not only helped us to bring new general managers on board faster and more effectively, it has also produced strong global networks of GLP alumni. GLP graduates routinely reach out and connect with their former classmates to share ideas, gain insights and explore new ideas. Additionally, the strong alumni connections enable deep trust and shared organizational understanding at some of the highest levels of management in our company. The 2014 GLP class included roughly 40 participants from 22 countries across all regions of the globe.

Emerging Leader Program

We recognize the importance of developing leaders early in their careers, and our Emerging Leader Program is a valuable tool for doing working toward this goal. This program accelerates development of high-potential managers at the regional level in Latin America, Europe and Asia Pacific.

Integrated into each manager's personal assessments and growth plans, the Emerging Leader Program includes discussions of strategy, leadership and people management. In 2014, nearly 160 leaders in six cohorts completed the Emerging Leader Program. Europe hosted two cohorts, Asia supported one cohort and the Americas ran three cohorts.

Executive Compass Program

Abbott's Executive Compass Program provides ongoing training for the most senior-level employees. In the past eight years, more than 350 divisional vice presidents and general managers of our large business units have graduated from the Executive Compass Program (and its precursor, Leadership Forum), which we view as the capstone of our leadership development series.

The program consists of a week-long extensive training delivered by some of the top leaders in our company as well as external experts and leaders in their fields.

The program provides new senior leaders with a deep dive into Abbott strategy and challenges them to think through a broad range of scenarios affecting stakeholders and customers. The Executive Compass Program was revised to ensure the program builds the critical leadership skills needed for continued success today and in the future. In 2014, more than 30 participants from six different countries completed the program.

Professional Development Program

Our Professional Development Program (PDP) is open to entry-level employees and gives new talent the opportunity to rotate through key positions in different Abbott businesses and locations across the globe.

PDP participants work side by side with Abbott professionals, learning and growing from their mentors and benefiting from hands-on experience in a range of areas over the course of the two-year program. Depending on career track, participants might work in engineering, environmental health and safety, finance, IT, manufacturing, regulatory affairs or quality assurance.

Since its launch in 1974, more than 2,000 employees have participated in the program. Because 70 percent of Abbott's sales come from overseas markets, we have expanded the PDP to include 15 different countries and territories including China, Costa Rica, Germany, India, Ireland, Japan, Malaysia, Mexico, the Netherlands, Puerto Rico, Singapore, Spain, Switzerland, the U.K., the U.S. and Vietnam. Today, approximately 40 percent of program participants are outside the U.S., and more than 50 percent are based in key emerging markets that are core to Abbott's growth.

CROSS-CULTURAL TRAINING

Because the scope of our business is global, many of our employees work or travel outside of their home

countries – and cross-cultural competency is a key business need. Accordingly, Abbott provides all employees with free access to Cultural Navigator™, an Internet-based toolkit containing more than 100 country-specific modules with extensive information on local business practices, management tools, social etiquette and customs.

ALL
EMPLOYEES

All employees have access to Cultural Navigator™, an online toolkit with more than 100 country-specific modules.

The Cultural Navigator tool also encourages employees to fill out a self-assessment that yields a personal cultural profile. This profile enables users to gauge their own business practices, management approach and behavioral styles so that they can compare their personal habits to standard practices in other cultures. Additionally, users can run business simulation exercises to identify potential cross-cultural stumbling blocks and prepare themselves for potential challenges in their future business activities. Nearly 430 employees actively used this tool in 2014, accessing it nearly 1,000 times.

TALENT MANAGEMENT

Abbott takes a robust approach to talent management, incorporating skills assessments, performance appraisals, succession and development planning and career pathing. A key element is our talent mapping – employee-developed and manager-approved talent profiles that capture key information that allows managers and employees to work together to create accelerated or multiyear development plans to support career objectives. In addition, all Abbott employees participate in our annual performance management process, known as Performance Excellence.

COMPENSATION AND BENEFITS

Abbott's compensation philosophy is to pay for performance, and it is designed to attract and retain employees whose talents contribute to improving the health of people around the world, while also sustaining the profitable growth of the company.

Our compensation is intended to compare favorably with the pay programs of other global, consumer-facing and manufacturing-driven organizations with financial, operational and employment characteristics similar to Abbott.

Our total rewards program combines elements of base and variable pay, with a broad array of benefits and opportunities for growth and development. Our compensation and benefits programs have contributed to a corporate culture that encourages employees to regard Abbott as a place to build their careers.

While our total compensation targets reference the median of other leading companies, average individual pay varies, based on employee competencies, experience and performance. Our pay for performance philosophy, combined with internal and external analysis and reviews, helps drive our total compensation strategy.

Our compensation program is designed to provide an appropriate mix of elements that motivate our executives to achieve our business strategies and goals, in line with shareholder interests. Our executive compensation program is competitive, performance-based and balanced between short-term and long-term objectives.

For all staff, Abbott has set the following guiding principles for our compensation programs:

- Base salaries are competitive in the markets where we compete for employees.
- Incentive plans are designed to balance short- and long-term financial and strategic objectives that build shareholder value and reward overall company and individual performance.
- Incentive compensation (both annual and long-term) is a key component of Abbott's pay-for-performance philosophy. Our structure ties individual awards to both business and individual results, to motivate our employees to achieve superior performance.
- Compensation elements are designed to encourage behavior that is consistent with the ethical values established in Abbott's Code of Business Conduct.
- Benefits packages are competitive in and appropriate for the markets where we compete for talent.

WORK-LIFE HARMONY

We recognize the importance of creating and maintaining supportive and healthy work environments that enable our employees to achieve balance in their work and personal responsibilities and activities. Abbott offices in more than 60 countries offer flexible work schedules, including flex time, summer hours, part-time, job sharing, compressed work weeks, phased retirement and telecommuting. We view these initiatives not only as important tools for talent attraction and retention, but also as key components in our approach to diversity and inclusion.

As an example of Abbott's award-winning work-life initiatives, U.S. employees caring for elderly family members or friends have access to personalized assistance through Abbott's Employee Assistance Programs (EAPs), including help in finding housing options and community resources and paying for care. In 2014, we offered a four-part elder care education and discussion series to help support caregivers in the workplace.

CHILD CARE

Abbott's commitment to helping employees better manage their personal and professional lives is exemplified by our comprehensive child care programs, including on-site child care centers, emergency child care assistance, on-site parenting and counseling services, full-day kindergarten programs and school holiday child care programs.

Our Early Discoveries on-site child care center – based in our headquarters location – is one of the five largest centers in the Bright Horizons network and was ranked in the top 8 percent of U.S. child care centers for quality in 2014. Abbott also continues to fund, through the Lake County YWCA, a child care provider training program.

Additionally, in 2014, Abbott launched myEdGPS, a Web-based information and one-on-one support tool that simplifies education planning by helping parents better understand, advocate and care for children with exceptional needs, including learning disabilities, ADHD and autism. Last year we also offered all employees six weeks fully paid maternity leave and added discounts for infant child care as part of our child care provider discount program – saving U.S. employees nearly \$170,000.

NEARLY
\$170,000
 IN CHILD CARE SAVINGS

Our child care provider discount program saved U.S. employees nearly \$170,000 in 2014.

In 2014, Abbott was named among the Top 10 companies on *Working Mother* magazine's 100 Best Companies list. This marked the 14th consecutive year that Abbott has been included on this prestigious list of family-friendly companies. In 2014, Abbott was also named one of the National Association for Female Executives' Top 50 Companies for Executive Women.



Abbott was included on *Working Mother* magazine's 100 Best Companies list for the 14th consecutive year.

EDUCATING MANAGERS TO HELP EMPLOYEES ACHIEVE WORK-LIFE HARMONY

Abbott launched a new manager training seminar – called Helping Your Employees Thrive – and more than 670 managers registered in 2014. The purpose of this training was to demonstrate to leaders how Abbott's Employee Assistance Programs (EAPs) and work-life programs can help employees become more resilient and thrive, leading to enhanced engagement, retention and well-being. Specific topics included how to:

- Communicate effectively to lead teams through tough or stressful times
- Support employees with the tools and resources they need to do their jobs
- Access additional tools, tips and resources to help managers and their teams thrive
- Help team members resolve issues that are affecting job performance

Surveyed after the training, 98 percent of managers agreed that they had gained a better understanding of how EAPs could assist them as leaders. Nearly all managers indicated they would encourage employees to use the resources.

PRODUCTIVE TRANSITION TO RETIREMENT

We are especially mindful of the complex and changing definition of retirement today, especially for the first wave of baby boomers, who are retiring in record numbers. Abbott's Freedom to Work program, available to eligible U.S. employees, offers employees considering retirement the option to scale back their hours and/or change their responsibilities without affecting their benefits, thus allowing for knowledge transfer. Since Freedom to Work was launched in 2008, 640 U.S. employees have enrolled in the program.

Freedom to Work offers employees two different options as they approach retirement:

- Our Custom Schedule Program allows employees to reduce hours and compensation without losing benefits. This option allows employees to work four days a week all year or take up to an additional five weeks of vacation.
- Our Emeritus Program allows employees to change their responsibility (for example, from managing staff to becoming an individual contributor) without sacrificing pay or grade.

HEALTHY LIVING INITIATIVES

At Abbott we inspire and motivate our employees with all types of health and wellness programs designed to help them live healthy lives.

Our education and wellness programs vary from country to country, reflecting local needs and customs. Most Abbott locations offer on-site influenza immunizations and health screenings, and several sites facilitate employee exercise by offering on-site fitness centers, health club membership subsidies or discounts and sports and recreation clubs.

Exercise Across Abbott is one of our most popular – and global – wellness programs and has been in place for more than 15 years. Nearly 20 percent of Abbott employees across 60 countries participate in Exercise Across Abbott annually. People team up by department and/or with colleagues. Teams of employees track their minutes of daily exercise, up to a maximum of two hours per day, six days per week. Each team is responsible for reporting their minutes online to compete for prizes in a variety of categories. Teams who increase their minutes each week consistently for four weeks are awarded T-shirts at the end of the challenge – and approximately 60 percent of participants win a T-shirt.



60 COUNTRIES

Employees in 60 countries participated in our global fitness program, Exercise Across Abbott.

LIVELIFEWELL

In the United States, we offer LiveLifeWell, an integrated wellness program; 75 percent of employees and their spouses participate. LiveLifeWell includes:

- Online health assessment and tools
- Personal health coaching and nutrition counseling
- Awareness-raising campaigns and events
- On-site immunizations and health screenings

LiveLifeWell helps our employees learn about their health risks and encourages them to make healthy choices. Examples of these activities include healthy-heart events with free blood pressure screenings, and posting nutritional information in Abbott cafeterias to promote healthy meal choices.

In 2014, the program increased its focus on a leading risk factor in today's workplace – stress – through our Healthier You Series: Be Strong, Stress Less. We also introduced the Step It Up! exercise program, focused on moving and staying active during employees' daily tasks. More than 10,000 people enrolled in the program, resulting in an estimated 13 percent reduction in health risks over the year.

EMPLOYEE ASSISTANCE PROGRAMS

Abbott's commitment to employee well-being is further demonstrated by our programs addressing emotional health needs. In 24 countries worldwide, Abbott employees and their families have access to company-funded Employee Assistance Programs (EAPs). These programs help employees address personal problems and concerns to improve their overall health and help them to be more successful at work and home. EAPs provide individual support in identifying and resolving personal concerns regarding health, family, stress, finances, alcohol, legal concerns, grief and other issues.

Abbott's EAPs help promote a productive and healthy workplace by applying specialized knowledge and expertise about human behavior and mental health, thus extending the program's beneficial effects further into the community. Beyond individualized assistance, our EAPs provide ongoing support for employees and their families through seminars and online education on such topics as stress management, child/elder care resources, grief, depression and personal health. Abbott EAPs also include crisis intervention services and workplace emergency response.

EMPLOYEE HEALTH AND SAFETY

Abbott has clear, consistent global policies and standards regarding how we manage employee health, safety and productivity, while also protecting the environment.

All Abbott manufacturing plants, R&D centers and commercial operations sites adhere to technical requirements, including metrics, auditing and reporting, which serve as a baseline for health and safety performance worldwide. Each facility is regularly evaluated against the following categories:

- Health and safety policy and program
- Strategic planning
- Self-assessment/risk assessment
- Business integration
- Training and awareness
- Communication and information
- Performance measures
- Assurance reviews
- Health and safety global standards

In 2014, Abbott updated its Environment Health and Safety (EHS) strategic plan, aimed at fostering continued EHS improvement and standardized program development. The strategic plan aims to effectively drive Abbott's EHS activities to ensure a safe and efficient working environment and minimize any adverse environmental impacts. The company strives to create and maintain the highest standards of EHS practice, in both emerging markets and mature markets, by identifying and implementing best practices. The strategic plan focuses on four key areas:

- **Performance improvement** – Driving continued reductions in injury and illness rates and environmental metrics
- **Compliance assurance and risk reduction** – Implementation of standardized risk assessment processes and enhanced EHS audits
- **Sustainability and social responsibility** – Integration of product stewardship initiatives into product development

- **People and culture** – Recognizing EHS excellence through the EHS Awards, and Plant of the Year and Commercial Affiliate of the Year processes.

HEALTH AND SAFETY MANAGEMENT

Improving our performance requires clear lines of accountability and senior-level leadership and support. For example, our Senior Vice President of Quality, Regulatory and Global Engineering Services, a senior corporate officer, reviews metrics, key programs and progress with the Chairman and CEO and his staff on a regular basis. The following groups are charged with implementing our health and safety programs and initiatives:

- **Global Operations Council** – This body oversees the strategy for all Abbott operations (Manufacturing, Supply Chain, Engineering and Environment, Health and Safety) and makes resources available to meet local needs based on internal assessment of performance, benchmarking of best practices internally and within the industry and risk profiles. The council is chaired by the Senior Vice President, Quality Assurance, Regulatory and Engineering Services and is comprised of the heads of Operations, Quality, Global Purchasing and Global Information Systems. For more information, please see the Citizenship Management and Governance section.
- **Environment, Health and Safety Executive Council** – This group drives programs and targets with actions that are consistent with the priorities set by the Global Operations Council and the Commercial EHS Executive Council. This team meets regularly to share best practices and discuss EHS issues with company-wide implications. This group also builds awareness of EHS performance, promotes our EHS Excellence Awards (Individual/Team EHS Awards, Plant of the Year for manufacturing operations and Affiliate of the Year for commercial organizations), supports EHS training and conferences and

communicates our performance improvement initiatives. The group consists of EHS heads from each of our operating businesses.

- **Commercial Environment, Health and Safety Executive Council** – This council sets priorities and implements EHS goals and objectives for our sales operations around the world. This includes driver safety and reducing vehicular accidents among the sales force and reducing greenhouse gas emissions from fleet vehicles, as well as global community outreach initiatives related to vehicle and pedestrian safety in commercial emerging markets. The Executive Vice President of Established Pharmaceuticals chairs this group and is joined by senior commercial leaders across all Abbott divisions. The EVP sponsoring this council reports to the CEO.

REDUCING INCIDENTS

We believe that employee health and safety incidents are preventable and that safety is the responsibility of every employee. We use an annual review process and routine performance reporting to help us set and monitor appropriate health and safety targets and to drive continuous improvement of our performance. In addition, our EHS leaders share best-in-class programs across the business and those external to our industry with the aim of implementing these approaches to further reduce risk and employee injuries.

Two of our key health and safety goals are: 1) reducing the number of incidents that result in time off work; and 2) reducing the incidence of vehicle accidents among our employees.

Our 2020 lost-workday case rate target is 0.15 cases per 100 employees. In 2014, our lost time case rate was 0.17 per 100 employees, a reduction of 29.2 percent from 2013 figures. To successfully deliver on these goals, we focus on two key areas.

- Specific manufacturing sites and commercial affiliates with the greatest opportunities for health and safety performance improvement each year. Each business unit is responsible for addressing concerns within its identified facilities, by reviewing specific risks and implementing measures to improve performance.
- Behavior-based safety programs. Senior leaders in each Abbott business have embraced our safety culture strategy, Moving to Zero, which means moving to zero workplace accidents. Sites around the world also share best-in-class programs designed to reduce employee injuries. This global initiative encourages all employees to think and act safely and helps lead Abbott toward an injury-free culture.



NEARLY 30% REDUCTION IN LOST TIME CASE RATE

In 2014, we reduced our lost time case rate by 29.2% to 0.17 cases per 100 employees.

VEHICLE SAFETY

In 2014, our global vehicle accident rate dropped 12.5 percent from the 2013 rate, to 4.2 accidents per million miles driven.

We finalized the rollout of a comprehensive global education campaign to help our employees at our international affiliates. It is designed to help our employees better understand the risks associated with distracted driving. Formally known as Helping Employees Reduce Risk Across the Organization (HERO), the campaign focuses on our commercial sales force around the world. The program encourages field-based employees to use safe driving habits, and it raises awareness about the risks posed by in-vehicle distractions such as mobile telephone use. Since the

campaign's launch, 100 percent of our commercial business sector has taken formal steps to prohibit calling and texting while driving.



12.5% REDUCTION IN ACCIDENTS

In 2014, vehicle accidents were reduced by 12.5% to 4.2 accidents per million miles driven.

In addition to our efforts to reduce vehicle accidents among our own employees, we have partnered with the United Nations Decade of Action for Road Safety Initiative designed to reduce global traffic fatalities and injuries by 50 percent between 2011 and 2020.

We launched two new programs across Vietnam and India, designed to provide children with high-quality helmets and raise awareness about the importance of road safety near local schools. To date Abbott has provided more than 8,000 high-quality helmets to students and parents across four elementary schools within Vietnam. Across India, the road safety awareness campaign was launched in a school of over 2,000 students located in one of Mumbai's most deprived neighborhoods.

GLOBAL HEALTH SCORECARD

In early 2011, we launched a new Global Health Scorecard to monitor each site's performance on key occupational health measures and to identify areas for improvement.

The Abbott Global Health Scorecard ranks sites according to how many targets they have reached, based on a menu of 15 global health criteria. In 2014, 59 of our manufacturing and R&D sites and 30 commercial affiliates met the year's target. Seventy-eight percent of the manufacturing sites achieved 2015 targets ahead of schedule.

We amended our initial targets for 2015 and created new targets for 2020 to further increase our focus on employee health that will include annual road safety awareness for employees and their families and colorectal cancer screening for employees at higher risk.

LISTENING TO OUR EMPLOYEES

Employee feedback provides us with valuable insight as we continue to shape our culture to achieve our business strategy. We seek employee feedback through a variety of channels, including formal surveys and informal channels. Our divisions, geographic areas and country affiliates integrate this feedback and create actions plans in response to concerns. These efforts result in more robust company strategies and strengthen the Abbott culture by reflecting the priorities and concerns of our businesses and our employees alike. For example, most recently, with the launch of the new Abbott identity globally, employees were randomly surveyed to assess Abbott's reputation as an employer. These responses factored into the development of key strategies and prioritized efforts to drive employees' perceptions of Abbott as an employer.

HUMAN RIGHTS

Abbott believes in the dignity of every human being and respects individual rights as set forth in the Universal Declaration of Human Rights. These principles are reflected in our company's mission and core values. While governments have the primary responsibility for respecting, protecting, promoting and fulfilling the human rights of their citizens, Abbott recognizes that companies play a supporting role in promoting human rights within their spheres of influence.

We contribute to the fulfillment of human rights through compliance with laws and regulations wherever we operate, as well as through our policies and programs. Our guidelines include:

- Providing a healthy and safe working environment
- Complying with child labor laws and laws prohibiting any form of forced, bonded or indentured labor or involuntary prison labor
- Promoting workforce diversity and not discriminating against any employee for reasons such as race, religion, color, age, gender, ethnicity, disability, marital status, sexual orientation or any other status protected by law
- Not tolerating harassment or harsh or inhumane treatment in the workplace
- Protecting individual privacy
- Providing compensation and benefits that are competitive and comply with applicable laws for minimum wages, overtime hours and mandated benefits
- Encouraging open communication between management and employees

Abbott's position on human rights is reinforced in our employment, ethics and procurement policies, which are designed to ensure that neither we, nor our suppliers, engage in human rights abuses.

ABBOTT RECOGNIZED FOR CHILD-FRIENDLY PRACTICES

Abbott is among a select group of Brazilian and multinational companies permitted to use the Fundação Abrinq's seal on its products – in acknowledgment of our commitment to the welfare of children and adolescents in Brazil. The Abrinq seal, widely recognized and valued by Brazilian consumers, recognizes Abbott as an Empresa Amiga da Criança (Child-Friendly Company). Abbott was recognized in January 2012 by Fundação Abrinq/Save the Children for its public commitment to refrain from the direct or indirect use of child labor and to work only with suppliers who also commit not to use child labor. Going further, the organization acknowledged Abbott's commitments to creating health and education programs for its employees' children and to promoting public health and education programs for Brazilian children and adolescents.

STRATEGIC PHILANTHROPY

IN THIS SECTION:

55 ENGAGING AND INSPIRING
YOUTH IN SCIENTIFIC
EXPLORATION ▶

56 IMPROVING LIVES THROUGH
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59 EMPLOYEE GIVING AND
INVOLVEMENT ▶

59 MEASURING RESULTS ▶

✔ 2014 Highlights

- Abbott Family Science, a major initiative to interest children in science and scientific careers, has engaged more than 100,000 participants in eight countries.
- Abbott is partnering with international nonprofit organization PATH to fortify rice and help more than 1 billion people around the world who suffer from micronutrient malnutrition.
- In 2014, more than 86 percent of U.S. employees contributed through the company's annual employee giving campaign and matching-grant program.
- Social investing by Abbott and the Abbott Fund totaled nearly \$50 million in 2014.

Strategic philanthropy is an integral part of our approach to Global Citizenship at Abbott.

We define philanthropy as local social investments that focus on strategic activities aligned with Abbott's business. To execute initiatives in this area, we leverage employee time and skills through volunteering, as well as cash and product donations. We focus efforts in four core areas:

- Enabling people to lead healthier lifestyles at all ages
- Improving and maintaining good nutrition habits
- Promoting STEM education and careers in health science
- Safeguarding the environment
- In 2014, Abbott and the Abbott Fund contributed nearly \$50 million in grants, product donations, community partnerships and efforts to strengthen healthcare systems around the world.

NEARLY
\$50 MILLION

Total social investing by Abbott and the Abbott Fund was \$49.5 million in 2014.

To ensure that Abbott's philanthropic activities are both strategic and effective, we begin by exploring the needs of those we seek to assist by listening and asking questions to better understand the challenges and propose workable solutions. We then partner with organizations whose skills and resources complement ours. Finally, we carefully measure the impact of our programs so that we can continue to improve and to share what we have learned with others.

ENGAGING AND INSPIRING YOUTH IN SCIENTIFIC EXPLORATION

Abbott's science and engineering education platform focuses on K-12 out-of-school programs providing an understanding of the science and innovation behind healthcare, medical devices and nutrition. These programs encourage young people to be more proficient in science, technology, engineering and math, thus giving them pathways to a promising future. Abbott believes that inspiring the young people of today can produce the scientific leaders of tomorrow, as science and technology will play an increasingly important role in the future of the planet.



100,000+
CHILDREN AND PARENTS

More than 100,000 children and parents have enjoyed Family Science events in eight countries around the world.

ABBOTT FAMILY SCIENCE

Abbott Fund Family Science is one of our major initiatives to interest children in science and inspire them to pursue scientific careers. The program brings children ages seven to 10 together, along with their parents and teachers, to learn about science and innovation through exciting experiments and activities led by Abbott scientists and engineers. To date, the program has engaged more than 100,000 participants and nearly 4,700 Abbott volunteers in eight countries: China, Germany, Ireland, Puerto Rico, Singapore, South Korea, the United Kingdom and the U.S.

In China alone, we have conducted Family Science programs in more than 30 cities, teaching children such fundamental skills as problem-solving and teamwork, while demonstrating the basics of the scientific method. Ninety-five percent of families who have participated in the program say they would recommend it – a strong indicator of the program's value. In addition, Abbott Family Science has won numerous awards, including the Asia Corporate Social Responsibility Award for programs in China, Singapore and South Korea in 2011 and Highly Commended at the inaugural CSR Europe awards in 2013.

OPERATION DISCOVERY

Another Abbott science program, Operation Discovery, brings students to an Abbott facility, where our scientists and engineers serve as mentors and role models, guiding the students through hands-on lab experiments using the same tools and procedures that Abbott scientists deploy in their daily work.

In the past 12 years, more than 1,000 Abbott scientists have conducted on-site science exploration programs in Abbott communities across the U.S., China, Germany, Ireland and Singapore.

“The practical experiments allowed us to be independent and individualistic while still allowing us to ask questions and enlightening us on science.”

2014 Operation Discovery participant, Singapore

IMPROVING LIVES THROUGH BETTER NUTRITION

WONDER GRAIN

More than 1 billion people around the world suffer from micronutrient malnutrition, in countries where rice is a staple food.⁸ Abbott is partnering with international nonprofit organization PATH to address this health issue in a sustainable way – by packing vitamins and minerals into rice.

More than a dozen Abbott scientists collaborated with PATH to improve its Ultra Rice fortification technology, trying more than 100 different variables to develop enhanced formulations. These experts worked to:

- Improve the nutrient content with different combinations of iron, vitamin A, zinc and B vitamins, which can be customized to meet the needs and standards of each country
- Ensure the grains are nearly identical in taste, aroma and appearance to traditional rice
- Reduce costs to make Ultra Rice closer to the cost of traditional rice

Fortified grains are blended with milled rice to create a highly nutritious food that is nearly identical to traditional rice. The new formulations are already having an impact: in the United States, the Department of Agriculture recently approved fortified rice for distribution through U.S. food aid programs around the world.

Moving forward, we aim to introduce new Ultra Rice formulations in India, Brazil and Myanmar by late 2015 – working with local producers and rice millers so that the fortified grains are widely available on a sustainable basis.

Hunger and malnutrition are truly global problems. “Over a billion people worldwide could benefit from Ultra Rice. Knowing that is what really drives our work,” says Peiman Milani, Director, Maternal and Child Health and Nutrition at PATH.

NOURIMANBA IN HAITI

Childhood malnutrition and lack of economic opportunity have long plagued Haiti, the Western Hemisphere’s poorest nation. Now, real progress is being made with the opening of a new, state-of-the-art nutrition production facility – the centerpiece of a broader partnership in Haiti between Partners In Health (PIH), Abbott and the Abbott Fund.

Thanks to a new nutrition production facility in the country’s Central Plateau, PIH’s sister organization, Zanmi Lasante, is scaling up and distributing Nourimanba, their free-of-charge, ready-to-use therapeutic food product for the treatment of severe childhood malnutrition. The facility, built by Haitians with the support of Abbott’s engineers, scientists and other specialists, is operated and managed by more than 30 Haitians, who have produced more than 220,000 pounds (100,000 kilograms) of Nourimanba since the plant’s opening in July 2013. Looking forward, the

facility’s strategy is to sell high-quality food products, creating income to drive long-term sustainability.

The partnership is also working to support local farmers by expanding the supply of high-quality, cost-competitive peanuts. Training, as well as follow-up support provided by nonprofit organization TechnoServe, is improving beneficiaries’ understanding of farming as a business – developing better practices and increasing yields while linking to markets and boosting income.

300% GOAL

Our agricultural program is working to raise incomes for Haitian farmers by 300%.

10,000+

HOURS VOLUNTEERED

Abbott experts have volunteered more than 10,000 hours to the partnership in Haiti.

8. Food and Agriculture Organization of the United Nations, The State of Food Insecurity in the World 2014.

INFOGRAPHIC

FINDING THE UPSIDE IN A GRAIN OF RICE

Rice, a staple for half the world, could help overcome micronutrient malnutrition, a global problem. Working with the international nonprofit organization PATH, Abbott scientists reformulated PATH's Ultra Rice®, a fortified grain that looks and tastes like rice. Ultra Rice could improve the quality of life for over a billion people worldwide.

That's the Upside.



200MM+

More than 200 million people in India, many of them children, suffer from hunger and malnutrition.

65%

Some 65% of the population of India relies on rice as a staple.



20%

In Brazil, an estimated 20% of children under age 5 suffer from anemia.

6TH

Myanmar is the world's sixth-largest producer of rice.

100+

More than a dozen Abbott scientists collaborated with PATH, trying more than 100 different variables to identify the best new formulations of fortified grains.

Nutrition Facts

More Nutrients Than White Rice* Alone

	WHITE RICE (100G)	WHITE RICE (99G) + ULTRA RICE (1G)
Vitamin A	0 IU	1667 IU
Thiamin	0.070 MG	3.4 MG
Niacin	1.6 MG	8.2 MG
Iron	0.8 MG	8.7 MG
Folic Acid	8 µG	140 µG
Phosphorus	115 MG	120 MG
Vitamin B12	0 µG	2 µG
Vitamin B6	0.16 MG	0.83 MG

*100 grams of unenriched, long-grain white rice, as listed in the USDA Nutrient Database (NDB 20444), compared to 99 grams of the same rice fortified with 1 gram of Ultra Rice.



100%
OF NEW PATIENTS

All new patients at Shanghai Children's Medical Center are screened for malnutrition.

30% DROP
IN MALNUTRITION RISK

Since 2010, Bach Mai Hospital in Vietnam has seen the risk of malnutrition drop approximately 30%.

2.2 MILLION
BACKPACKS

More than 2.2 million Backpacks of food have been delivered to children and their families since 2009.

ABBOTT FUND INSTITUTE OF NUTRITION SCIENCE

Working with leading experts in China and Vietnam, the Abbott Fund Institute of Nutrition Science (AFINS) is designed to advance clinical nutrition within hospitals by supporting training and health education, clinical research and high-quality nutritional patient care. Launched as a partnership between the Abbott Fund, Project HOPE and Shanghai Children's Medical Center (SCMC) in China, and Boston University, Bach Mai Hospital, the National Institute of Nutrition and Hanoi Medical University in Vietnam, AFINS has trained more than 6,000 healthcare professionals since 2007.

In China, AFINS has helped to reduce malnutrition risk among children at SCMC by 81 percent. In both China and Vietnam, AFINS has been embraced by local government and hospital leaders, ensuring the long-term sustainability of efforts to strengthen hospital nutrition and provide better patient care.

BACKPACKS FULL OF GOOD NUTRITION

Each Friday, thousands of otherwise hungry American children leave school toting backpacks filled with nutritious foods and juices for themselves and their families. The backpacks are distributed discreetly before weekends and school vacations. Feeding America, the nation's largest network of food banks, manages the Backpack Program, serving hundreds of thousands of children annually.

The Abbott Fund is a major supporter of this program, helping to feed more than 27,000 families by sponsoring Backpack Programs near Abbott sites in Alameda, Irvine and San Jose, California; Columbus, Ohio; Dallas, Texas; Altavista, Virginia; Kenosha, Wisconsin; North Chicago and Chicago, Illinois; and Puerto Rico. The Abbott Fund is also sponsoring programs outside the U.S. through the Global FoodBanking Network. In 2010, the first international Backpack Program was launched in Mexico City, Mexico.

BUILDING HEALTHY COMMUNITIES

Healthy communities possess vibrant and diverse institutions that serve the public good. At Abbott, we are committed to building healthy communities wherever we operate, and we support innovative programs that address unmet needs of local communities. When natural disasters and emergencies strike communities, we work closely with our trusted humanitarian relief partners.

PROTECTING PRECIOUS WATER RESOURCES

The quality and quantity of local water resources are vital to the health and well-being of everyone on earth, yet one in eight lacks access to clean, abundant water. Project WET, a longtime Abbott partner in community health, is dedicated to educating children, parents, teachers and communities about safeguarding and optimizing this precious natural resource, helping people of all ages to understand the complex environmental issues involved. Abbott, the Abbott Fund and Project WET, for example, worked in the favelas of North Rio de Janeiro to help alleviate water-related diseases that are common there. Together, we have also created a suite of educational activities, reaching some 20,000 residents in 11 favelas and focused on such vital issues as hand-washing, waste management, germ transmission, water conservation and the preservation of water quality.

DISASTER RELIEF

When natural disasters and other emergencies strike, Abbott and the Abbott Fund work closely with our trusted humanitarian relief partners to address both immediate needs and longer-term reconstruction and rehabilitation efforts. We also understand the value of preparation. For the past seven years, for instance, Abbott has worked with Direct Relief and Feeding America to pre-position critical products in targeted high-risk locations in advance of hurricane season. By pre-positioning products that will be urgently needed in

food banks and health facilities along the East and Gulf Coasts, in the Caribbean, Central America and Asia, we ensure that the right products are in the right places before disaster strikes.

Prior to the 2014 hurricane season, Abbott, the Abbott Fund and our partners had pre-positioned \$700,000 worth of donated products at almost 90 sites across 73 cities, helping communities to prepare in advance of hurricanes and other natural disasters.

In 2014, Abbott and the Abbott Fund responded with more than \$500,000 in product and cash donations in response to disasters in the Balkans, Chile, China, the Dominican Republic, India, Pakistan, the Philippines and West Africa.

EMPLOYEE GIVING AND INVOLVEMENT

Abbott employees share our commitment to creating healthier communities worldwide. They give generously – of their time, expertise, money and enthusiasm – contributing to numerous community-based initiatives. To facilitate their work, we updated our online system enabling employees globally to access volunteer activities that match both their needs and interests, and their professional skills and expertise.

Abbott employees also continued to expand their financial giving to nonprofit and community groups in 2014, with more than 86 percent of U.S. employees contributing through the company’s annual employee giving campaign and matching-grant program. Contributions from the Abbott Fund and employees totaled \$12 million. Abbott’s employee participation is more than twice the median percent (30.5 percent) participation in workplace giving campaigns, according to the *2014 Giving in Numbers* report by the Committee Encouraging Corporate Philanthropy (CECP).



\$12 MILLION

Employees and matching grants contributed \$12 million to community programs in 2014.

MEASURING RESULTS

Since 2009, Abbott has been a member of the global LBG group, formerly the London Benchmarking Group. Abbott is among the more than 300 companies worldwide using the LBG model to measure, manage and report the value and achievements of the philanthropic contributions they make.

Using this model, we were able to assign a monetary value to the time and services of our employees involved in community activities, as well as our cash and product donations. Our total community contributions using LBG methodology came to more than \$34.2 million in 2014.

PROMOTING ETHICS AND INTEGRITY

IN THIS SECTION:

61 ETHICS AND COMPLIANCE ▶

61 OUR EFFECTIVE COMPLIANCE PROGRAM ▶

63 RESPONSIBLE SALES AND MARKETING PRACTICES ▶

64 PUBLIC POLICY ENGAGEMENT ▶

✔ 2014 Highlights

- The Abbott Code of Business Conduct, updated in 2015 and available in print and online in 10 languages, sets forth our basic guidelines and requirements for ethical behavior.
- More than 85 percent of Abbott employees around the world participate in our Legal and Ethics Resource Network (LERN) program.

ETHICS AND COMPLIANCE

Abbott has a long history of safeguarding our company’s reputation and enhancing trust. More than 125 years ago, our founder, Dr. Wallace Abbott, was one of the creators of what was known as the ethical pharmaceutical industry, which first established the high standards of safety and efficacy that are the foundation of the modern healthcare business. Abbott employees understand the global impact of our work and our products, and we strive to do the right thing, in the right way, in every aspect of our daily activities. We support employees in this area by ensuring that everyone clearly understands our company values, the Abbott Code of Business Conduct and our policies and procedures and our legal obligations related to ethical conduct.

BUSINESS ETHICS AT ABBOTT

At Abbott, we are committed to meeting high ethical standards and to complying with all applicable laws wherever we do business.

OUR EFFECTIVE COMPLIANCE PROGRAM

Reflecting our commitment to operating honestly, fairly and with integrity, our integrated, company-wide ethics and compliance program goes beyond simple adherence to applicable laws and regulations. We have organized our program according to the seven elements of an effective compliance program, as set forth in the voluntary “Compliance Program Guidance for Pharmaceutical Manufacturers,” published in April 2003 by the Office of Inspector General, U.S. Department of Health and Human Service (“HHS-OIG Guidance”).

The seven elements are:

- Leadership
- Written standards
- Effective lines of communication
- Training
- Accountability
- Assessment
- Remediation

LEADERSHIP

The Chief Ethics and Compliance Officer (CECO) is responsible for the management and operation of the Office of Ethics and Compliance (OEC) as well as the development and enhancement of our global compliance program. The CECO makes regular reports regarding compliance matters to the Chairman of the Board and Chief Executive Officer, to senior level leadership and to Abbott’s Board of Directors and its committees.

10 LANGUAGES

The Abbott Code of Business Conduct is published in print and online in 10 languages to support colleagues around the world.

The Business Conduct Committee (BCC) consists of senior-level leadership and is chaired by the CECO. Established to assist in the implementation of the compliance program, the BCC is accountable directly to the Chairman of the Board and Chief Executive Officer. The BCC meets periodically to discuss matters such as the legal and regulatory environment in which we operate globally, risk areas and best practices, as well as modifications to our compliance initiatives within each business and affiliate. OEC staff members

also provide dedicated support to each of Abbott’s businesses at their headquarters.

Outside the United States, local Affiliate Compliance Committees manage our Affiliate Compliance Program. These committees are composed of the Affiliate Management Representative and other top executives representing all of Abbott’s businesses within a country. The Affiliate Compliance Committees are responsible for the day-to-day functioning of the compliance program, including monitoring of compliance, providing awareness of and training for the program, revising policies and procedures and providing guidance to local employees. The committees also meet on a regular basis to discuss emerging issues and to work with the ethics and compliance organization in rolling out new programs initiated by the OEC. Compliance professionals located throughout the world provide oversight and guidance to the Affiliate Compliance Committees.

WRITTEN STANDARDS

In 2015, we updated the Abbott Code of Business Conduct. Available in print and online in 10 languages, it sets forth our basic guidelines and requirements for ethical behavior. The fundamental message of the Code is straightforward: it is up to each Abbott employee to build our company and our brand by holding our company to the highest ethical standards and by living our values and continually operating with honesty, fairness, and integrity.

We earn our reputation by the decisions we make and the actions we take. Our Code embodies our company values and provides a foundation for the responsibilities and behaviors that will help us make the best choices for Abbott, for ourselves and for the many stakeholders we serve. We all share in the responsibility to live our values every day. That includes keeping a watchful eye on our

business activities and reporting concerns in good faith without fear of retaliation.

Our work at Abbott is of the utmost importance to the people we serve. Our products affect people's health and lives in the most crucial ways.

Abbott employees are required to read and certify adherence to our Code annually. Our Code states clearly that Abbott does not tolerate illegal or unethical behavior in any aspect of our business. It emphasizes the importance of ethical and honest conduct; of adhering to Abbott's policies and procedures; of treating confidential information appropriately; of avoiding conflicts of interest; and of maintaining Abbott's books and records with accuracy and integrity. Further, it requires our employees to ask questions or report any concerns.

We regularly update our policies to incorporate changes to the law and industry codes, including rules regarding gifts, meals and education we provide to healthcare professionals. A number of laws require increased transparency in our interactions with individuals and entities involved in providing healthcare. These requirements consist of various combinations of certifications, tracking and reporting payments and transfers of value (such as meals), and restrictions on conduct. Transparency laws exist at the federal and state level in the United States, and in countries outside the United States such as France. Abbott complies with these requirements as applicable.

EFFECTIVE LINES OF COMMUNICATION

Creating an environment in which employees can raise questions and concerns helps us advance our commitment to ethical behavior. We have established systems and processes for employees to ask questions and report suspected or actual violations of our Code or our policies and procedures. We offer employees

a number of resources, including our Ethics and Compliance Helpline, a Web-based hotline with live telephone support, including translation services for non-English speakers, available 24 hours a day, seven days a week. Employees also may contact the OEC or the CECO directly. We also have established means for responding to questions or reports of suspected or actual ethical violations that come through our social media channels.



ABBOTT'S ETHICS AND COMPLIANCE HELPLINE

Is available 24 hours a day, seven days a week.

In 2014, we received approximately 640 inquiries and allegations. All allegations are analyzed and corrective actions are taken where necessary, including terminating employees or third-party relationships. When appropriate, we report information about breaches of our Code to senior management.

The OEC also creates opportunities to engage in face-to-face interactions with employees by participating in global, national and regional sales meetings and local site meetings. Issues also are highlighted on our OEC intranet site and through targeted communications vehicles.

TRAINING

Ethics and compliance training is a part of Abbott's culture wherever we operate. Training and education programs for employees increase their awareness of our Code's precepts and the legal and ethical implications of their actions and behaviors. Abbott ethics and compliance professionals work with our local commercial and operations teams throughout the world to support them in conducting trainings and education programs. These programs help ensure compliance and strengthen Abbott's reputation as a responsible corporate citizen, while enhancing relationships with customers, suppliers and other stakeholders.

For example, more than 85 percent of Abbott employees around the world participate in our Legal and Ethics Resource Network (LERN) program, a Web-based training system designed to increase awareness of the legal and ethical implications of business decisions. In 2014, we launched the LERN system in 17 additional countries, bringing LERN to 57 countries in total, and introduced new LERN modules addressing Global Promotional Practices, Scientific Research and an Overview of Abbott's Ethics and Compliance Program. We also rolled out a new, live, facilitator-led instruction program focused on anticorruption/antibribery.

85%

More than 85% of Abbott employees participate in our Legal and Ethics Resource Network program.

ACCOUNTABILITY

Abbott employees are expected to adhere to our Code of Business Conduct as a condition of their continued employment. All reports of potential violations of our Code or any policy or procedure are taken seriously and handled appropriately through follow-up steps such as investigation, remediation and, where necessary, corrective actions to address issues, learn from mistakes and avoid recurrence. Any Abbott employee who violates our Code or any policy or procedure is subject to appropriate disciplinary action. Any Abbott employee who refuses to cooperate in the investigation of an alleged violation or reports a concern that is knowingly false or is intended to threaten, intimidate or retaliate against any person may also be subject to disciplinary action.

Abbott does not tolerate retaliation against anyone who makes a good-faith report regarding a violation or potential violation of our Code, policies or procedures. These guidelines are well publicized and enforced throughout the company.

ASSESSMENT

The OEC uses results from internal investigations, internal audits and internal monitoring programs to assess the effectiveness of our compliance program and relevant business practices, and to identify areas for improvement. In addition, we consider the external environment, including industry codes and best practices, government guidance and enforcement actions against other companies in order to identify new opportunities to enhance our compliance program. An example of one of our assessment programs is the Affiliate Compliance Enhancement (ACE) program, in which we conduct an in-depth evaluation of the commercial practices of a particular country.

REMEDIATION

Results of investigations, audits, assessments and monitoring are communicated to the appropriate OEC staff and business leaders. When an area for improvement is identified, OEC partners with business leaders to take corrective action.

RESPONSIBLE SALES AND MARKETING PRACTICES

An important part of our commitment to supporting patients and consumers and healthcare professionals is an obligation to communicate responsibly about our products and services, and the alternatives that exist.

We respect the expertise of healthcare professionals who provide guidance about healthcare treatment options and healthy living. Healthcare professionals, such as physicians, pharmacists, nurses, researchers and laboratory staff, must use their independent judgment to determine the best course of care for their patients based on their training and expertise. We are committed to working with healthcare professionals to provide them with timely and accurate information that will assist them in making decisions and providing advice to their patients. We can achieve our mission of supporting health only through a truly collaborative approach.

In addition to our Code, we adopt policies and procedures that guide employees as they conduct their day-to-day activities. These policies and procedures encompass relevant laws and regulations, including food and drug laws and laws relating to government healthcare programs. They also take into account industry best practices, including provisions of applicable industry codes.

Abbott's activities conform to the regulatory licenses and approvals we obtain from government agencies such as ministries of health and food and drug authorities to promote, sell and import pharmaceuticals, medical devices and other products. We comply with each country's laws and regulations that govern how, where and when we are permitted to promote our products, such as the United States Federal Food, Drug and Cosmetic Act. We maintain and follow internal policies and procedures designed to ensure compliance with such requirements and with respect to government healthcare programs.

We comply with all relevant laws, regulations and promotional standards around the world. This includes adhering to principles of the World Health Organization's (WHO) International Code of Marketing of Breast Milk Substitutes where it has been implemented by governments. Abbott has been a leader in researching and developing nutritional solutions for infants for 50 years and is committed to helping all babies receive the right nutrition to help them get a healthy start on life. Abbott agrees with medical and health organizations throughout the world that breastfeeding is the best form of infant nutrition and should be the first choice for babies. When an alternative to breastfeeding is necessary or chosen, we offer high-quality infant formulas and nutrition products. We also conduct audits of our marketing and sales practices in each market where our infant formula is sold to ensure compliance with the provisions of the WHO International Code mentioned above.

PUBLIC POLICY ENGAGEMENT

Abbott's public policy engagement is guided by the following principles:

- Abbott is committed to transparency and is guided by our Code of Business Conduct in all public policy engagement.
- All activities shape policies to benefit patients, with a focus on improving patient access to new medical advances.
- We are committed to participating in public policy discussions with the potential to impact our patients, consumers and employees and our ability to continue to produce new medical advances.

We engage with governments, think tanks, trade associations, patient groups and other organizations around the world to find policy solutions to the complex issues that challenge healthcare systems. It is our responsibility to help governments and regulatory bodies understand Abbott views on major healthcare issues and to learn from them about the needs of their communities, so that we can work together to better the lives of patients. Fulfilling that responsibility requires that we meet with and brief policymakers, convening forums and discussions and contributing information and expertise.

We strive to align with organizations whose overall advocacy platform demonstrates values that mirror our own. For example, we support trade associations and other membership organizations that understand how government actions can affect patients' access to medical advances and that will work to promote an environment that fosters continued medical progress. When we work with other constituencies, we are better able to advance policies that are consistent with Abbott's values and benefit society. Even though we cannot control the

outcomes of discussions, we work to have a strong voice at the table.

Abbott also participates in the political process by contributing to state and local candidates and political organizations. Our Government Affairs team reviews and approves all corporate political contributions to ensure they are consistent with the company's guidelines and are in compliance with applicable laws. More information can be found on our Web site in our most recent disclosure report.

The Public Policy Committee of Abbott's Board of Directors is responsible for the review and evaluation of Abbott's policies and practices with respect to social responsibility.

TRANSPARENCY

IN THIS SECTION:

66 TRANSPARENCY ON POLICIES ►

We strive for transparency by providing information on policies and standards applicable to each priority area.

Abbott's policies and standards guide our business decisions, ethical conduct and commitment to the environment. We strive for transparency by providing information on policies and standards applicable to each priority area.

TRANSPARENCY ON POLICIES

We strive for transparency by providing information on the policies and standards that guide our business decisions, ethical conduct and commitment to the environment. Our policies always seek to meet or exceed the national and international standards in the countries where we operate.

Following is a listing of some of our most critical policies which can be found on our [Web site](#).

- Code of Business Conduct
- Supplier Guidelines
- Position Statement on Conflict Minerals
- Environmental Policy
- Energy Policy
- Water Policy
- Green Procurement Policy
- Global Environment Health and Safety Policy
- Environmental and Safety Assurance Statement
- Anti-Corruption Training Guide for Companies Doing Business with Abbott
- Clinical Trials Registration and Results Disclosures
- Financial Reports for Healthcare-Related Organizations
- Stakeholder Engagement Policy
- Position Statement on Tax

REPORTING

IN THIS SECTION:

68 SCOPE OF REPORTING ▶

Our reporting focuses on our most material impacts and speaks to a range of stakeholders.

68 FEEDBACK ON OUR REPORTING ▶

We draw upon many external resources in refining our citizenship strategy.

69 EXTERNAL ASSURANCE ▶

Abbott engaged an independent assurance provider to conduct assurance of selected 2014 environmental and safety data.

69 AWARDS AND RECOGNITION ▶

Abbott has been recognized around the world for our comprehensive approach to responsible corporate citizenship.

Our reporting focuses on our most material impacts and speaks to a range of stakeholders, including customers, patients, employees, government and regulatory bodies, investors, special interest groups, non-governmental organizations and opinion leaders.

17 YEARS OF REPORTING

Abbott has reported on our citizenship activities for 17 years.



No. 1 IN HEALTHCARE

Abbott was ranked as the Global Industry Group Leader on the prestigious Dow Jones Sustainability World Index and North America Index for the first time in 2013.

At Abbott, we have reported on our citizenship activities for 17 years, beginning with a focus on Environment, Health and Safety. We moved toward more comprehensive annual reporting, issuing our first citizenship report in 2000. Our reporting focuses on our most material impacts and speaks to a range of stakeholders, including customers, patients, employees, government and regulatory bodies, investors, special interest groups, non-governmental organizations and opinion leaders in the areas of responsible, sustainable and inclusive business.

Most recently, our affiliates in China, Russia and Vietnam also produced citizenship reports. This approach enables us to target our citizenship communications to local markets and provide greater coverage on issues relevant to those areas. Copies of our local reports are available on our Web site for the following countries:



SCOPE OF REPORTING

- All financial information is stated in U.S. dollars.
- All data in this report reflects Abbott's activities, with a focus on activities and results for 2014.
- Neither this report nor our Web site contains performance information about our joint ventures unless otherwise noted.
- Select information and data calculations from prior years have been adjusted to reflect the company's separation from AbbVie in January 2013.
- The Abbott Fund is an Illinois not-for-profit philanthropic corporation established by Abbott in 1951.
- Our Global Citizenship Report for 2015 will be published in the second quarter of 2016.

FEEDBACK ON OUR REPORTING

We draw upon many external resources in developing and executing our citizenship strategy, facilitating our engagements with key stakeholders, developing our Web site and producing our annual report. These resources include Corporate Citizenship, Business for Social Responsibility, the Corporate Social Responsibility Initiative at the Harvard Kennedy School, the Conference Board, Agenda and the Clinton Global Initiative. We gratefully acknowledge their input. Our engagement with these groups better informs our approach to reporting while also keeping us abreast of stakeholder expectations and helping us identify areas of opportunity for strengthened citizenship activities.

We also refer to external standards on reporting such as the Global Reporting Initiative's (GRI) G3.1 Sustainability Reporting Guidelines. We produce an index against the GRI reporting requirements.

EXTERNAL ASSURANCE

Abbott engaged an independent assurance provider, Bureau Veritas, to conduct assurance of selected 2014 environmental and safety data. The Policy section of our web site houses a [pdf of the Bureau Veritas Assurance Statement](#).

AWARDS AND RECOGNITION

Abbott has been recognized around the world for its comprehensive approach to global citizenship.

- Abbott was ranked as the Global Industry Group Leader on the prestigious Dow Jones Sustainability World Index and North America Index for the second consecutive year. This is the tenth consecutive year that Abbott has been included in both the North America Index and the World Index – recognition of our continued global leadership in economic, environmental and social performance.
- Abbott was ranked the No. 1 company overall and No. 1 for Social Responsibility in our industry sector (Medical Products and Equipment) on the *Fortune* Most Admired Companies 2014 list.
- Abbott continues to improve disclosure with the CDP carbon program, as well as encouraging our suppliers to do the same throughout the CDP supply chain. In 2014, we improved our carbon disclosure score by 10 percent, to 93, and our suppliers exceeded the CDP global average.

- Abbott received the 2013 Climate Leadership Award from the U.S. Environmental Protection Agency (EPA) for our programs and results in reducing carbon pollution and addressing climate change.
- In India, Abbott received the 2013 Golden Peacock Global Business Excellence Award in recognition of our company's stakeholder engagement, commitment to transparency, leading workplace programs, high standards of ethics and compliance and the quality of its involvement with communities.
- In China, Abbott was awarded the 2013 China Best Corporate Citizen Award for the third time from the Corporate Citizenship Committee of CASW; Abbott in China also received the Top Employers 2014 award for the fourth time in 2014, from the Top Employers Institute.
- Abbott has been recognized as a Great Place to Work by the Great Place to Work Institute in many different countries, including Brazil, Ireland, Japan, Australia, France and the U.K.
- In 2014, Abbott was recognized as number 11 on the global 100 Best Corporate Citizens list. Abbott has appeared on the list, compiled by *Corporate Responsibility* magazine, for six consecutive years, 2009 to 2014.

BEST CORPORATE CITIZEN

Abbott has been included in the global 100 Best Corporate Citizens list compiled by *Corporate Responsibility* magazine for six consecutive years, 2009 to 2014. This year, Abbott appeared as number 11 on the list.

METRICS



IN THIS SECTION:

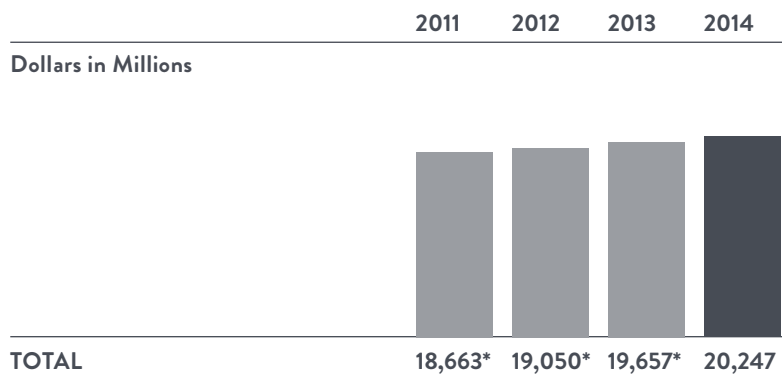
- 71 KEY METRICS ▶

- 76 DETAILED ENVIRONMENTAL PERFORMANCE ▶

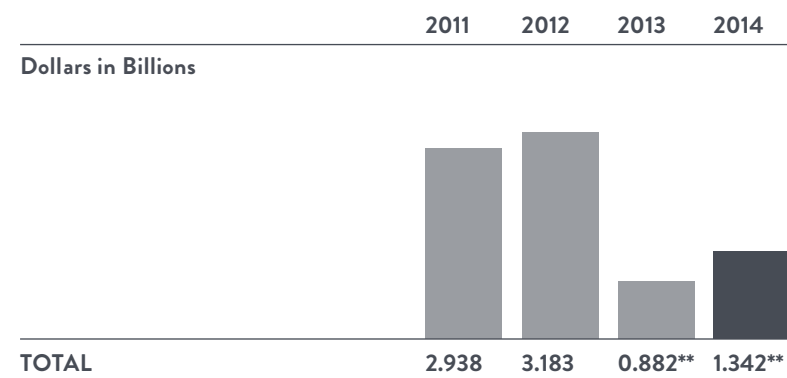
The charts and tables on the following pages spotlight our key metrics in financial, social and environmental areas for 2014.

KEY METRICS – FINANCIAL

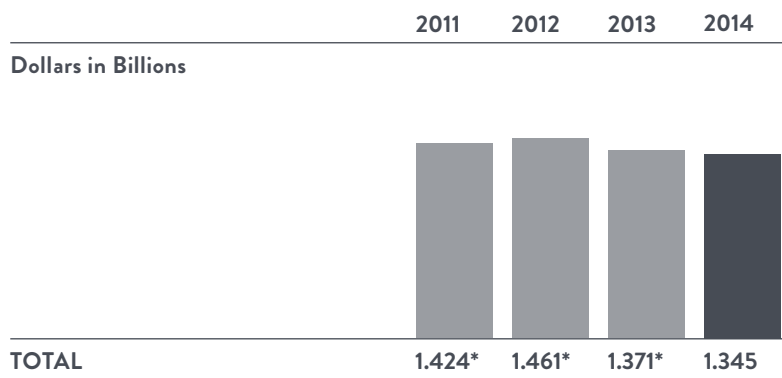
SALES WORLDWIDE



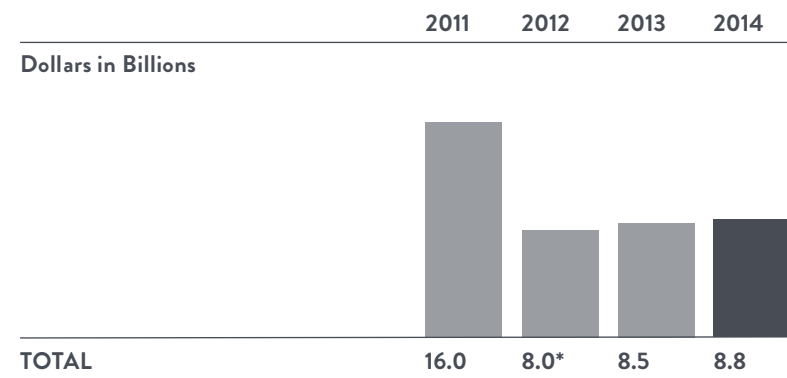
DIVIDENDS PAID



R&D INVESTMENT



SPEND ON DIRECT SUPPLIERS

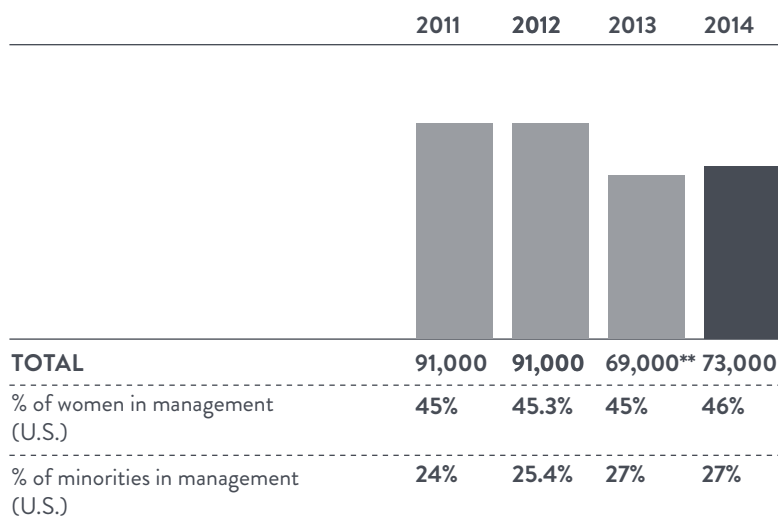


* 2011-2013 financial results have been adjusted to reflect Abbott's developed markets branded generics pharmaceuticals and animal health businesses as discontinued operations; 2011-2012 financial results have also been adjusted to remove data specific to AbbVie, which became a separate company on Jan. 1, 2013.

** 2013-2014 data reflect Abbott's new business profile following our separation from AbbVie, which became an independent company Jan. 1, 2013.

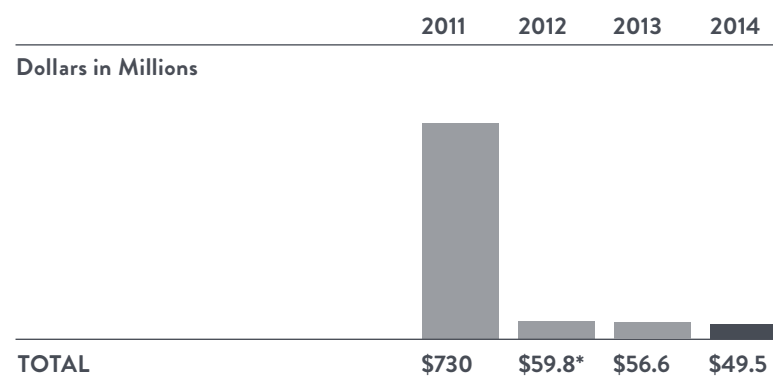
KEY METRICS – SOCIAL

EMPLOYEES

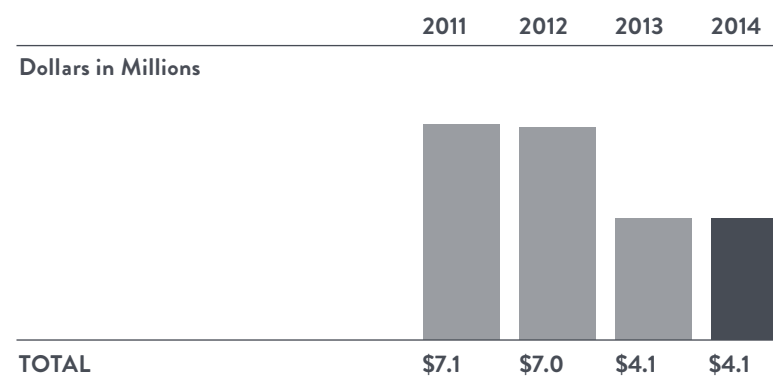


*Adjusted to remove data specific to AbbVie, which became a separate company Jan. 1, 2013.

SOCIAL INVESTING

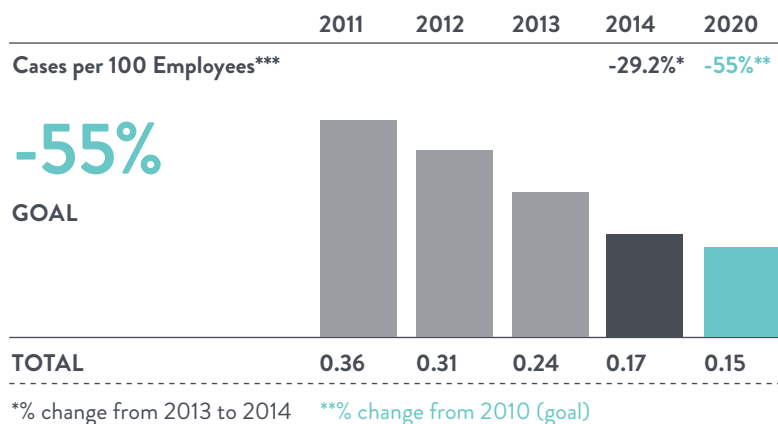


U.S. EMPLOYEE GIVING CAMPAIGN RESULTS

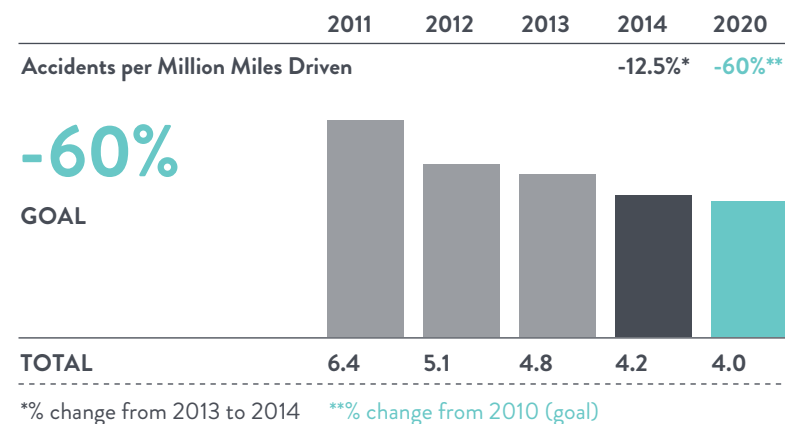


**2013 data reflect Abbott's new business profile following our separation from AbbVie, which became an independent company Jan. 1, 2013.

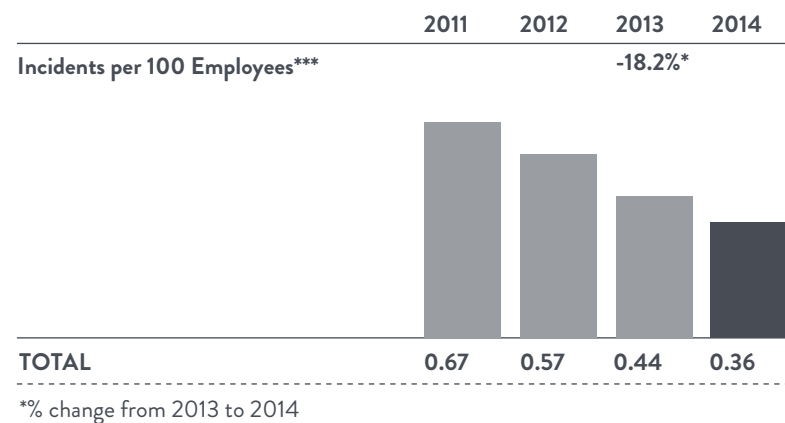
LOST TIME CASE RATE



GLOBAL VEHICLE ACCIDENT RATE



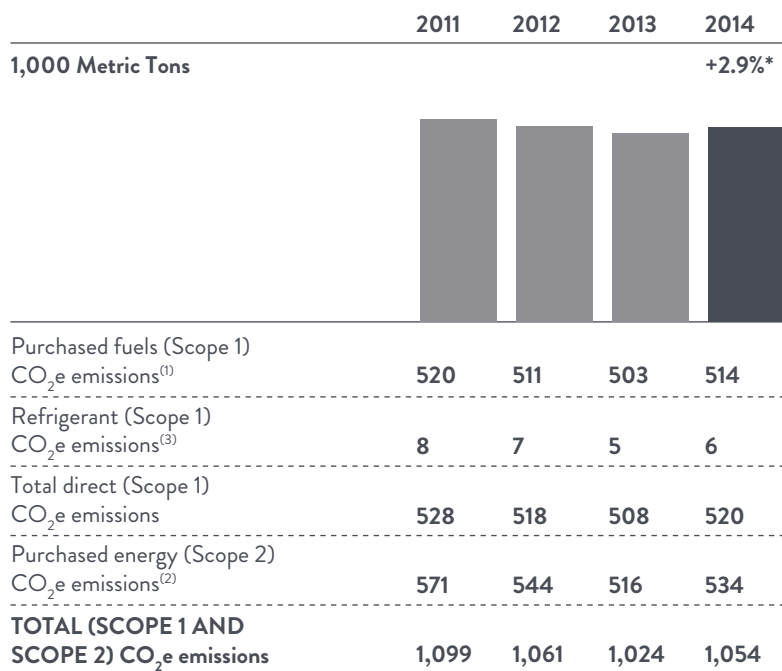
RECORDABLE INJURY OR ILLNESS INCIDENT RATE



*** Annual incident rates are calculated per 100 employees assuming the average employee works 40 hours per week and 50 weeks per year. This is equivalent to 200,000 hours worked.

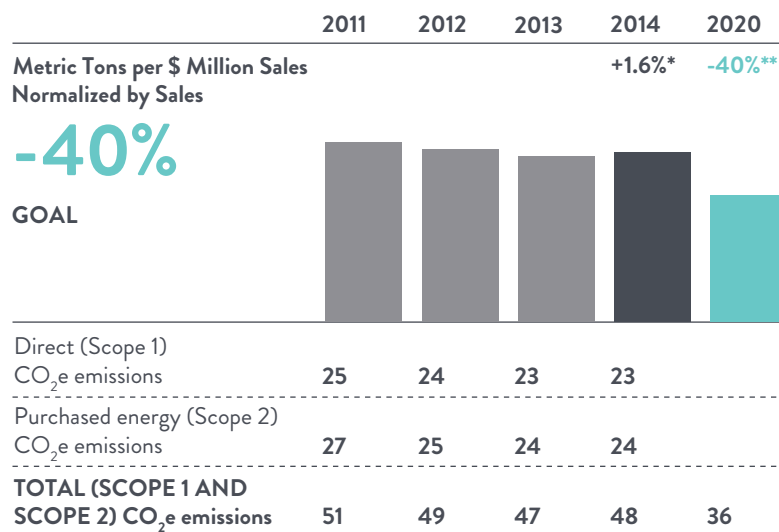
KEY METRICS – ENVIRONMENTAL

CO₂e EMISSIONS



*% change from 2013 to 2014

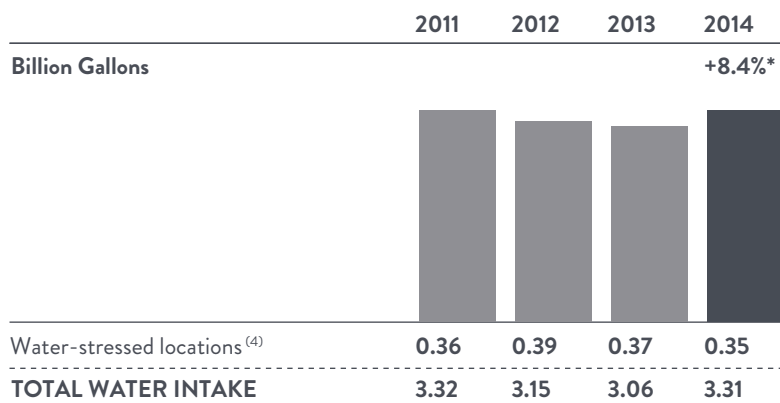
CO₂e EMISSIONS



*% change from 2013 to 2014

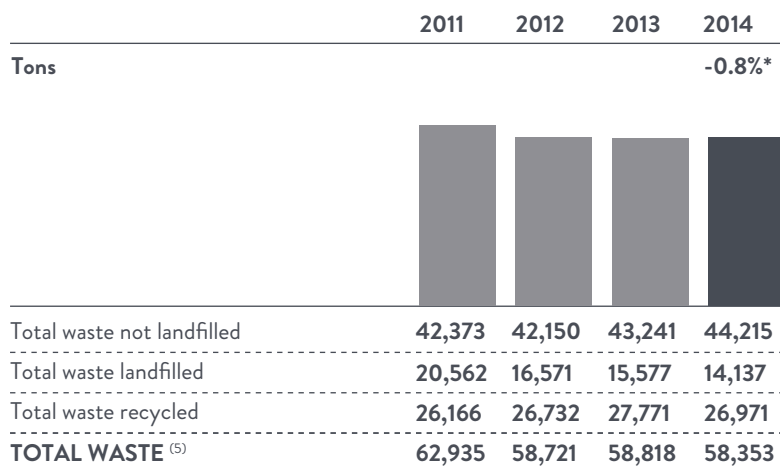
**% change from 2010 (goal)

WATER INTAKE



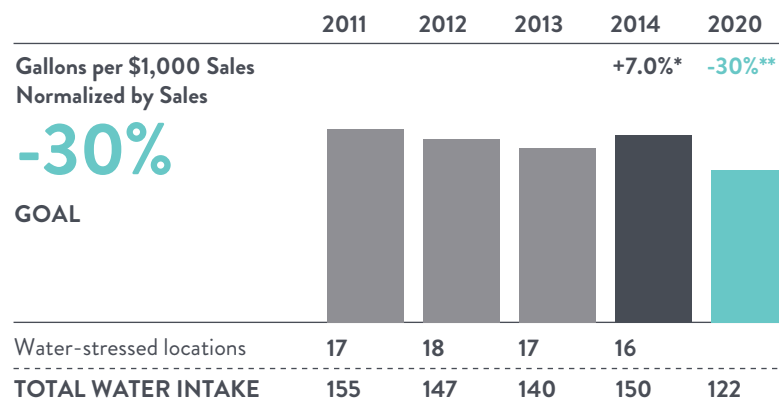
*% change from 2013 to 2014

TOTAL WASTE



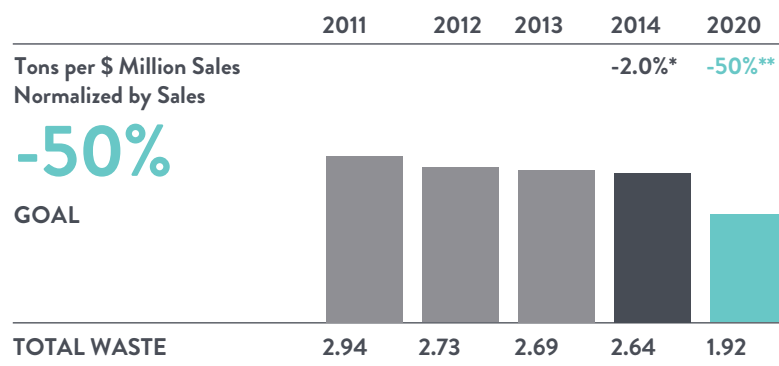
*% change from 2013 to 2014

WATER INTAKE



*% change from 2013 to 2014 **% change from 2010 (goal)

TOTAL WASTE



*% change from 2013 to 2014 **% change from 2010 (goal)

DETAILED ENVIRONMENTAL PERFORMANCE

CO₂e EMISSIONS

TOTAL SCOPE 1 AND 2 CO₂e EMISSIONS BY REGION

1,000 METRIC TONS	2011	2012	2013	2014
NORTH AMERICA				
Canada	23	26	24	20
USA	588	542	543	546
Region Total	611	568	567	566
CARIBBEAN & LATIN AMERICA				
Argentina	4	5	5	5
Brazil	3	4	2	3
Costa Rica	0	1	1	1
Mexico	14	14	14	14
Puerto Rico	46	41	27	27
Commercial Region Total	12	14	13	14
Region Total	79	78	62	63
EUROPE				
France	4	4	3	3
Germany	28	25	25	23
Ireland	60	60	52	50
Netherlands	65	60	61	65
Spain	15	13	13	13
Sweden	2	2	2	2
Switzerland	0	0	0	0
United Kingdom	14	14	14	15
Commercial Region Total	46	47	46	45
Region Total	233	226	217	215

TOTAL SCOPE 1 AND 2 CO₂e EMISSIONS BY REGION (CONTINUED)

ASIA PACIFIC				
China	15	15	17	39
India	19	17	16	32
Indonesia	2	2	2	3
Japan	6	6	6	7
Pakistan	18	17	18	19
Singapore	45	46	42	40
Commercial Region Total	70	87	75	70
Region Total	175	190	178	210
Total	1,099	1,061	1,024	1,054

CO₂e EMISSIONS – DIRECT EMISSIONS (SCOPE 1) BY REGION

1,000 METRIC TONS	2011	2012	2013	2014
NORTH AMERICA				
Canada	14	16	15	12
USA	280	259	273	277
Region Total	294	275	288	289
CARIBBEAN & LATIN AMERICA				
Argentina	2	2	2	2
Brazil	2	2	1	2
Costa Rica	0	0	0	0
Mexico	14	13	13	14
Puerto Rico	2	2	2	1
Commercial Region Total	11	13	12	13
Region Total	31	32	30	32
EUROPE				
France	2	3	3	2
Germany	10	9	10	8
Ireland	32	32	27	24
Netherlands	37	34	34	33
Spain	5	5	4	4
Sweden	0	0	0	0
Switzerland	0	0	0	0
United Kingdom	4	4	4	4
Commercial Region Total	38	39	39	36
Region Total	130	127	121	113

CO₂e EMISSIONS – DIRECT EMISSIONS (SCOPE 1) BY REGION (CONTINUED)

ASIA PACIFIC

China	1	1	1	12
India	2	1	0	4
Indonesia	0	0	0	1
Japan	1	1	1	1
Pakistan	15	14	16	16
Singapore	19	19	16	16
Commercial Region Total	36	47	35	36
Region Total	74	84	69	86
Total	528	518	508	520

CO₂e EMISSIONS – PURCHASED ENERGY (SCOPE 2) BY REGION

1,000 METRIC TONS

2011 2012 2013 2014

NORTH AMERICA

Canada	10	10	9	8
USA	308	283	270	269
Region Total	317	293	280	277

CARIBBEAN & LATIN AMERICA

Argentina	2	3	3	3
Brazil	1	2	1	1
Costa Rica	0	1	1	1
Mexico	0	0	1	0
Puerto Rico	44	39	26	26
Commercial Region Total	1	1	1	1
Region Total	49	46	32	32

CO₂e EMISSIONS – PURCHASED ENERGY (SCOPE 2) BY REGION (CONTINUED)

EUROPE				
France	1	1	1	1
Germany	18	16	16	15
Ireland	28	28	24	26
Netherlands	28	26	27	32
Spain	10	8	8	8
Sweden	2	2	2	2
Switzerland	0	0	0	0
United Kingdom	10	10	10	11
Commercial Region Total	8	8	8	8
Region Total	104	99	95	102
ASIA PACIFIC				
China	14	14	16	27
India	17	16	16	28
Indonesia	2	2	2	2
Japan	5	5	5	6
Pakistan	2	3	3	3
Singapore	26	27	27	24
Commercial Region Total	35	40	41	34
Region Total	101	106	109	124
Total	571	544	516	534

WATER INTAKE

WATER INTAKE BY REGION

BILLION GALLONS	2011	2012	2013	2013
NORTH AMERICA				
Canada	0.18	0.20	0.17	0.16
USA	1.80	1.65	1.64	1.75
Region Total	1.98	1.86	1.81	1.91
CARIBBEAN & LATIN AMERICA				
Argentina	0.02	0.03	0.03	0.03
Brazil	0.02	0.02	0.01	0.01
Costa Rica	0.00	0.01	0.01	0.01
Mexico	0.04	0.03	0.03	0.03
Puerto Rico	0.12	0.12	0.09	0.08
Region Total	0.21	0.21	0.17	0.17
EUROPE				
France	0.02	0.01	0.01	0.01
Germany	0.04	0.04	0.04	0.04
Ireland	0.17	0.17	0.16	0.17
Netherlands	0.37	0.33	0.32	0.34
Spain	0.09	0.09	0.10	0.09
Sweden	0.03	0.03	0.03	0.02
Switzerland	0.00	0.00	0.00	0.00
United Kingdom	0.01	0.01	0.01	0.01
Region Total	0.73	0.68	0.67	0.68

WATER INTAKE BY REGION (CONTINUED)

ASIA PACIFIC

China	0.04	0.04	0.04	0.16
India	0.06	0.05	0.05	0.10
Indonesia	0.01	0.01	0.01	0.01
Japan	0.03	0.03	0.02	0.02
Pakistan	0.09	0.08	0.09	0.09
Singapore	0.17	0.20	0.19	0.18
Region Total	0.40	0.41	0.41	0.56
Total	3.32	3.15	3.06	3.31

WATER CONSUMED (IN PROCESS)

TOTAL

BILLION GALLONS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total Water Consumed	0.67	0.64	0.64	0.66	2.9

NORMALIZED BY SALES

GALLONS PER \$1,000 SALES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total Water Consumed	31	30	29	30	1.6

WATER DISCHARGED (IMPAIRED)

TOTAL

BILLION GALLONS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total Water Discharged (Impaired)	2.02	1.91	1.85	2.00	8.0

NORMALIZED BY SALES

GALLONS PER \$1,000 SALES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total Water Discharged (Impaired)	94	89	85	90	6.6

WATER DISCHARGED (NON-IMPAIRED)

TOTAL

BILLION GALLONS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total Water Discharged (Non-Impaired)	0.62	0.60	0.57	0.66	15.8

NORMALIZED BY SALES

GALLONS PER \$1,000 SALES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total Water Discharged (Non-Impaired)	29	28	26	30	14.4

BOD CONCENTRATION IN WASTEWATER

MILLIGRAMS PER LITER	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Concentration in Wastewater Discharged to Environment ⁽⁶⁾	8	30	7	5	-26.3

TOTAL WASTE

TOTAL WASTE BY REGION

TONS	2011	2012	2013	2014
NORTH AMERICA				
Canada	1,052	1,123	955	633
USA	27,181	22,964	23,022	22,659
Region Total	28,233	24,087	23,977	23,292
CARIBBEAN & LATIN AMERICA				
Argentina	371	402	472	301
Brazil	1,138	1,007	826	566
Costa Rica	261	605	179	146
Mexico	205	373	537	432
Puerto Rico	4,874	4,888	3,484	3,475
Commercial Region Total ⁽⁷⁾	1,159	1,159	1,159	1,159
Region Total	8,007	8,434	6,656	6,079

TOTAL WASTE BY REGION (CONTINUED)

EUROPE				
France	1,217	1,170	2,039	1,705
Germany	2,026	1,957	2,112	2,360
Ireland	4,427	4,751	4,701	4,520
Netherlands	7,544	7,923	8,635	7,734
Spain	969	938	1,009	888
Sweden	456	351	417	406
Switzerland	128	133	149	92
United Kingdom	1,223	1,204	1,133	1,050
Commercial Region Total ⁽⁷⁾	894	894	894	894
Region Total	18,884	19,320	21,089	19,649
ASIA PACIFIC				
China	438	419	380	2,146
India	1,777	1,353	1,435	3,145
Indonesia	172	61	19	29
Japan	583	702	1,223	664
Pakistan	1,017	1,188	1,214	842
Singapore	3,385	2,718	2,386	2,068
Commercial Region Total ⁽⁷⁾	439	439	439	439
Region Total	7,811	6,880	7,097	9,333
Total	62,935	58,721	58,818	58,353

HAZARDOUS WASTE

TOTAL

TONS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Hazardous Waste Not Landfilled	8,659	9,293	9,851	8,435	-14.4
Hazardous Waste Landfilled	305	233	339	328	-3.4
Hazardous Waste	8,964	9,526	10,190	8,762	-14.0

NORMALIZED BY SALES

TONS PER \$ MILLION SALES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Normalized by sales	0.42	0.44	0.47	0.40	-15.1

HAZARDOUS WASTE BY REGION

TONS	2011	2012	2013	2014
NORTH AMERICA				
Canada	116	140	200	151
USA	963	967	1,093	825
Region Total	1,080	1,107	1,293	976
CARIBBEAN & LATIN AMERICA				
Argentina	50	67	131	68
Brazil	171	193	172	113
Costa Rica	2	12	24	25
Mexico	56	75	65	67
Puerto Rico	2,295	2,316	1,564	1,435
Region Total	2,573	2,663	1,956	1,708

HAZARDOUS WASTE BY REGION (CONTINUED)

EUROPE

France	49	624	1,557	1,196
Germany	258	267	340	491
Ireland	462	412	354	382
Netherlands	3,508	3,595	3,944	3,092
Spain	24	23	10	9
Sweden	352	271	333	316
Switzerland	2	3	3	3
United Kingdom	276	343	136	208
Region Total	4,930	5,538	6,677	5,696

ASIA PACIFIC

China	16	12	12	26
India	109	106	127	183
Indonesia	6	7	5	7
Japan	37	52	65	91
Pakistan	179	9	22	27
Singapore	34	33	33	47
Region Total	381	218	265	382
Total	8,964	9,526	10,190	8,762

NON-HAZARDOUS WASTE

TOTAL

TONS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Non-Hazardous Waste Not Landfilled	33,714	32,857	33,390	35,781	7.2
Non-Hazardous Waste Landfilled	20,257	16,338	15,238	13,810	-9.4
Non-Hazardous Waste	53,971	49,196	48,628	49,590	2.0

NORMALIZED BY SALES

TONS PER \$ MILLION SALES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Non-Hazardous Waste	2.52	2.29	2.23	2.24	0.7

NON-HAZARDOUS WASTE BY REGION

TONS	2011	2012	2013	2014
NORTH AMERICA				
Canada	936	983	755	482
USA	26,218	21,997	21,929	21,834
Region Total	27,154	22,980	22,684	22,316
CARIBBEAN & LATIN AMERICA				
Argentina	321	335	341	233
Brazil	968	814	654	452
Costa Rica	259	593	155	121
Mexico	149	298	472	365
Puerto Rico	2,578	2,572	1,920	2,040
Commercial Region Total ⁽⁷⁾	1,159	1,159	1,159	1,159
Region Total	5,434	5,771	4,700	4,371

NON-HAZARDOUS WASTE BY REGION (CONTINUED)

EUROPE

France	1,168	545	482	509
Germany	1,768	1,690	1,772	1,869
Ireland	3,965	4,339	4,346	4,138
Netherlands	4,036	4,328	4,692	4,642
Spain	945	915	999	879
Sweden	104	80	85	90
Switzerland	126	130	146	89
United Kingdom	947	861	997	842
Commercial Region Total ⁽⁷⁾	894	894	894	894
Region Total	13,954	13,782	14,412	13,952

ASIA PACIFIC

China	423	407	368	2,120
India	1,668	1,247	1,308	2,962
Indonesia	166	54	14	21
Japan	546	650	1,158	573
Pakistan	837	1,180	1,192	815
Singapore	3,351	2,686	2,353	2,020
Commercial Region Total ⁽⁷⁾	439	439	439	439
Region Total	7,430	6,663	6,832	8,951
Total	53,971	49,196	48,628	49,590

ENERGY CONSUMPTION

1,000 GIGAJOULES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Purchased Fuels (Scope 1) ⁽¹⁾	8,283	8,158	8,010	8,290	3.5
Purchased Energy (Scope 2) ⁽²⁾	4,256	4,155	3,890	3,909	0.5
Total (Scope 1 and Scope 2) Energy Consumption	12,539	12,313	11,900	12,200	2.5

NORMALIZED BY SALES

GIGAJOULES PER \$ MILLION SALES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Purchased Fuels (Scope 1)	387	380	367	375	2.2
Purchased Energy (Scope 2)	199	193	178	177	-0.8
Total (Scope 1 and Scope 2) energy consumption	586	573	545	551	1.2

ELECTRICITY GENERATED ONSITE

MILLION KILOWATT HOURS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
From cogeneration	36.3	33.5	34.7	37.6	8.3
From renewables	0.050	0.108	0.120	0.332	177.3

TOTAL SCOPE 1 AND 2 ENERGY CONSUMPTION BY REGION

1,000 GIGAJOULES	2011	2012	2013	2014
NORTH AMERICA				
Canada	427	461	440	372
USA	6,177	5,787	5,856	5,942
Region Total	6,604	6,247	6,297	6,314
CARIBBEAN & LATIN AMERICA				
Argentina	53	62	62	57
Brazil	91	92	70	64
Costa Rica	4	57	52	49
Mexico	243	238	242	245
Puerto Rico	535	457	318	315
Commercial Region Total	191	212	200	210
Region Total	1,116	1,117	943	940
EUROPE				
France	95	101	94	89
Germany	305	278	273	248
Ireland	668	667	598	624
Netherlands	892	821	843	851
Spain	188	189	177	172
Sweden	35	38	34	35
Switzerland	5	6	6	1
United Kingdom	157	155	156	154
Commercial Region Total	643	664	652	626
Region Total	2,987	2,919	2,834	2,800

TOTAL SCOPE 1 AND 2 ENERGY CONSUMPTION BY REGION (CONTINUED)

ASIA PACIFIC

China	87	91	108	355
India	133	118	120	229
Indonesia	16	15	16	21
Japan	57	57	54	52
Pakistan	275	262	295	282
Singapore	525	534	471	471
Commercial Region Total	739	952	763	736
Region Total	1,831	2,030	1,826	2,146
Total	12,539	12,313	11,900	12,200

ENERGY CONSUMPTION – PURCHASED FUELS (SCOPE 1) BY REGION

1,000 GIGAJOULES

NORTH AMERICA

	2011	2012	2013	2014
Canada	243	270	258	211
USA	4,305	4,011	4,157	4,250
Region Total	4,548	4,280	4,415	4,461

CARIBBEAN & LATIN AMERICA

Argentina	30	37	37	31
Brazil	27	23	19	17
Costa Rica	0	0	1	1
Mexico	241	235	237	243
Puerto Rico	19	20	22	18
Commercial Region Total	173	191	181	194
Region Total	489	506	498	505

ENERGY CONSUMPTION – PURCHASED FUELS (SCOPE 1) BY REGION (CONTINUED)
EUROPE

France	44	49	45	41
Germany	147	138	146	129
Ireland	447	448	395	423
Netherlands	655	593	601	588
Spain	74	84	75	73
Sweden	0	0	0	0
Switzerland	0	0	0	0
United Kingdom	78	77	79	75
Commercial Region Total	558	581	569	537
Region Total	2,002	1,970	1,908	1,867

ASIA PACIFIC

China	7	7	17	209
India	67	56	54	120
Indonesia	6	7	7	10
Japan	17	18	15	15
Pakistan	257	240	272	260
Singapore	333	338	280	285
Commercial Region Total	555	736	545	557
Region Total	1,244	1,401	1,190	1,458
Total	8,283	8,158	8,010	8,290

ENERGY CONSUMPTION – PURCHASED ENERGY (SCOPE 2) BY REGION

1,000 GIGAJOULES	2011	2012	2013	2014
NORTH AMERICA				
Canada	184	191	183	161
USA	1,872	1,776	1,700	1,691
Region Total	2,056	1,967	1,882	1,853
CARIBBEAN & LATIN AMERICA				
Argentina	23	25	26	26
Brazil	64	68	50	47
Costa Rica	4	56	51	48
Mexico	2	3	5	2
Puerto Rico	516	437	296	297
Commercial Region Total	18	21	19	16
Region Total	627	611	446	435
EUROPE				
France	51	52	49	48
Germany	158	140	128	119
Ireland	221	219	203	200
Netherlands	237	228	243	262
Spain	114	106	103	99
Sweden	35	38	34	35
Switzerland	5	6	6	1
United Kingdom	80	78	78	79
Commercial Region Total	85	82	83	89
Region Total	986	949	926	933

ENERGY CONSUMPTION – PURCHASED ENERGY (SCOPE 2) BY REGION (CONTINUED)

ASIA PACIFIC

China	80	84	91	146
India	66	62	65	109
Indonesia	10	9	9	11
Japan	40	39	39	37
Pakistan	18	23	23	22
Singapore	191	196	192	185
Commercial Region Total	183	216	218	179
Region Total	587	628	636	688
Total	4,256	4,155	3,890	3,909

ENERGY AND CO₂-EQUIVALENT BY ENERGY SOURCE

	ENERGY CONSUMED				UNITS
	2011	2012	2013	2014	
(UNITS BELOW)					
STATIONARY SOURCES					
Electricity (Purchased)	952	937	895	904	million kWh
Natural Gas	5,408	5,346	5,486	6,110	million cubic feet
Fuel Oils	4	3	2	0	million gallons
Coal	10	1	5	2	thousand tons
Misc. Fuels (Propane, Kerosene, LPG, LNG)	N/A	N/A	N/A	N/A	n/a
Purchased Steam, Hot Water, and Chilled Water	134	113	82	81	million kWh
Biofuels	N/A	N/A	N/A	N/A	n/a
Generated Electricity (Cogeneration & Renewables)	36	34	35	38	million kWh
Leased Building Electricity	96	105	104	101	million kWh
Leased Building Natural Gas	164	178	178	172	million cubic feet
Stationary Total	N/A	N/A	N/A	N/A	
MOBILE SOURCES					
Sales Fleet Gasoline	9.1	10.5	8.6	8.4	million gallons
Sales Fleet Diesel	2.7	2.9	2.9	2.7	million gallons
Sales Fleet E85	0.0	0.0	0.0	0.0	million gallons
Aviation Fuel	0.7	0.7	0.5	0.6	million gallons
Plant/Shuttle Fleet (Diesel, Gasoline, E85, Propane)	0.2	0.2	0.2	0.2	million gallons
Mobile Total	N/A	N/A	N/A	N/A	

ENERGY AND CO₂-EQUIVALENT BY ENERGY SOURCE (CONTINUED)

	ENERGY CONSUMED			
	(1,000 GIGAJOULES)			
	2011	2012	2013	2014
STATIONARY SOURCES				
Electricity (Purchased)	3,427	3,373	3,220	3,254
Natural Gas	5,568	5,502	5,643	6,266
Fuel Oils	501	419	257	58
Coal	275	30	152	50
Misc. Fuels (Propane, Kerosene, LPG, LNG)	22	63	55	72
Purchased Steam, Hot Water, and Chilled Water	482	406	294	291
Biofuels	52	41	50	52
Generated Electricity (Cogeneration & Renewables)	0	0	0	1
Leased Building Electricity	346	376	376	363
Leased Building Natural Gas	178	194	194	187
Stationary Total	10,853	10,404	10,240	10,594
MOBILE SOURCES				
Sales Fleet Gasoline	1,197	1,382	1,134	1,107
Sales Fleet Diesel	394	426	426	392
Sales Fleet E85	0	0	0	0
Aviation Fuel	66	72	77	83
Plant/Shuttle Fleet (Diesel, Gasoline, E85, Propane)	29	29	24	22
Mobile Total	1,686	1,909	1,661	1,605

ENERGY CONSUMPTION-CO₂ BY FUEL (CONTINUED)

	GREENHOUSE GAS EMISSIONS ⁽⁸⁾			
	(1,000 METRIC TON CO ₂ -EQUIVALENT)			
	2011	2012	2013	2014
STATIONARY SOURCES				
Electricity (Purchased)	494	466	443	464
Natural Gas	292	289	296	330
Fuel Oils	37	31	19	4
Coal	25	3	14	4
Misc. Fuels (Propane, Kerosene, LPG, LNG)	1	4	3	5
Purchased Steam, Hot Water, and Chilled Water	25	22	17	17
Biofuels	0.1	0.1	0.1	0.1
Generated Electricity (Cogeneration & Renewables)	0	0	0	0
Leased Building Electricity	51	55	56	54
Leased Building Natural Gas	9	10	10	9
Stationary Total	935	880	858	887
MOBILE SOURCES				
Sales Fleet Gasoline	80	92	76	74
Sales Fleet Diesel	28	30	30	28
Sales Fleet E85	0	0	0	0
Aviation Fuel	46	50	54	58
Plant/Shuttle Fleet (Diesel, Gasoline, E85, Propane)	2	2	2	2
Mobile Total	156	174	161	161

ENVIRONMENTAL FINES

US DOLLARS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total	4,400	2,055	99,810	33,333	-66.6

NOTICE OF VIOLATION (NOVS)

	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total	8	5	3	3	0.0

INSPECTIONS BY GOVERNMENT AGENCIES

	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total	50	55	42	32	-23.8

VOC EMISSIONS

TOTAL

1,000 METRIC TONS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total	1.04	1.05	1.15	0.90	-21.2

NORMALIZED BY SALES

METRIC TONS PER \$ MILLION SALES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total	0.048	0.049	0.053	0.041	-22.2

SO_x FROM COMBUSTION⁽⁹⁾

1,000 METRIC TONS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total	0.22	0.08	0.11	0.04	-68.1

NORMALIZED BY SALES

METRIC TONS PER \$ MILLION SALES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total	0.010	0.004	0.005	0.002	-68.5

NO_x FROM COMBUSTION⁽⁹⁾

1,000 METRIC TONS	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total	0.316	0.277	0.288	0.292	1.3

NORMALIZED BY SALES

METRIC TONS PER \$ MILLION SALES	2011	2012	2013	2014	% CHANGE FROM 2013 TO 2014
Total	0.015	0.013	0.013	0.013	0.0

All environmental data has been adjusted to account for acquisitions and divestitures, in accordance with the methodology prescribed in the WRI/WBCSD Greenhouse Gas Protocol. We report data from acquisitions as soon as practical, generally after collecting one full year's financial data; therefore acquisitions occurring in 2014 are not yet reflected in these metrics.

(1) Reported Scope 1 sources consist of fuel consumed by manufacturing facilities, sales fleet, Abbott-owned aviation, and non-manufacturing locations.

(2) Reported Scope 2 sources consist of energy directly purchased by Abbott, such as electricity and steam.

(3) Per WRI GHG protocol, Scope 1 refrigerant CO₂e emissions include only those covered in the Kyoto Protocol.

(4) Water stressed locations have been determined using World Resource Institute Aqueduct Global Water Risk Mapping Tool and World Business Council for Sustainable Development Global Water Tool.

(5) Waste generation data does not include materials that are reused beneficially, which was roughly 56 thousand tons in 2014.

(6) BOD data for water directly discharged to the environment only. Water discharged to the environment represents about 15% of total water discharge.

(7) Waste Commercial Region Total data collection and calculation methodology was improved in 2014. As it is the best available information, 2014 data is applied to the baseline.

(8) Abbott's non-energy-consumption greenhouse gas emissions, such as refrigerant releases and process air emissions, are omitted from the tables. The total CO₂-equivalent from non-energy sources are 8, 7, 5 and 6 thousand metric tons in 2011, 2012, 2013 and 2014, respectively.

(9) Reflects emissions from fuel combusted at manufacturing facilities only.

Totals may not add up to 100 percent due to rounding.

Environmental data reflects Abbott-only activities.

GRI INDEX

IN THIS SECTION:

102 GRI G3 INDEX ►

The GRI G3 Index provides an overview of our reporting, compared to the GRI G3 Sustainability Reporting Guidelines.

The GRI G3 Index provides an overview of our reporting, compared to the GRI G3 Sustainability Reporting Guidelines.

THE GLOBAL REPORTING INITIATIVE'S SUSTAINABILITY REPORTING GUIDELINES

The Global Reporting Initiative (GRI) is a large, multi-stakeholder network of experts in dozens of countries. GRI publishes the G3 Sustainability Reporting Guidelines, which are now the global standard for non-financial reporting. Abbott uses the G3 Guidelines to inform its reporting and align itself with best practices. Since GRI does not currently provide guidance on sector-specific reporting in the healthcare field, we have tried to identify and report upon those issues that have the greatest relevance to our business and to our stakeholders.

ABBOTT'S GRI G3 INDEX

The GRI G3 Index provides an overview of our reporting, compared to the GRI G3 Sustainability Reporting Guidelines. It helps users locate relevant information and view our company's performance within the context of the topics and requirements covered by the Global Reporting Initiative's Sustainability Reporting Guidelines.

CITIZENSHIP REPORTING

DISCLOSURES ABOUT THE COMPANY

STRATEGY AND ANALYSIS

- 1.1 Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy
Letter from our Chairman and CEO (pg. 3)

- 1.2 Description of key risks and opportunities
Business (pg. 4), Approach (pg. 6), Priorities (pg. 11)

ORGANIZATIONAL PROFILE

- 2.1 Name of the organization
Business (pg. 4)
- 2.2 Primary brands products and/or services
Business (pg. 4), Priorities (pg. 11), Our Products
- 2.3 Operational structure of the organization
Business (pg. 4), Approach (pg. 6), Transparency (pg. 65)
- 2.4 Location of organization's headquarters
Business (pg. 5)
- 2.5 Number and name of countries where the organization operates
Business (pg. 5), Abbott Global
- 2.6 Nature of ownership and legal form
SEC filing
- 2.7 Markets served
Business (pg. 4), 2014 Annual Report Note 15 in Consolidated Financial Statements
- 2.8 Scale of reporting organization
Business (pg. 4)

- 2.9 Significant changes during the reporting period regarding size, structure or ownership
2014 Annual Report Note 2 – Separation from AbbVie, 2014 Annual Report Note 3 – Discontinued Operations, 2014 Annual Report Note 4 – Supplemental Financial Information, 2014 Annual Report Note 6 – Business Acquisitions

- 2.10 Awards received in the reporting period
Reporting (pg. 67)

REPORT PARAMETERS

- 3.1 Reporting period for information provided
2014
- 3.2 Date of most recent report
Global Citizenship Report 2014
- 3.3 Reporting cycle
Annual
- 3.4 Contact point for questions regarding the report or its contents
globalcitizenship@abbott.com
- 3.5 Process for defining report content
Reporting (pg. 67)
- 3.6 Boundary of the report
Reporting (pg. 67)
- 3.7 State any specific limitations on the scope of the report.
Reporting (pg. 67)
- 3.8 Basis for reporting
Reporting (pg. 67)

- 3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report. Explain any decisions not to apply or substantially diverges from the GRI Indicator Protocols
Reporting (pg. 67), Metrics (pg. 70)
- 3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such restatement
Metrics (pg. 70)
- 3.11 Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report
Reporting (pg. 67), Business (pg. 4), Metrics (pg. 70)
- 3.12 Table identifying the location of the Standard Disclosures in the report
This index provides the location of the standard disclosures of the report
- 3.13 Policy and current practice with regard to seeking external assurance
Safeguarding the Environment (pg. 29), Transparency (pg. 65), Bureau Veritas Assurance Statement
- GOVERNANCE, COMMITMENTS AND ENGAGEMENT**
- 4.1 Governance structure of the organization including committees under the highest governance body responsible for specific tasks such as setting strategy or oversight for the organization.
Citizenship Management & Governance (pg. 9), Transparency (pg. 65)
- 4.2 Indicate if the Chair of the highest governance body is also an executive officer and if so their function within the organization’s management and the reasons for this arrangement
Chair of highest governance body is an executive officer.
- 4.3 For organizations that have a unitary board structure state the number of members of the highest governance body that are independent and/or non-executive directors.
Citizenship Management & Governance (pg. 9)
- 4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.
2015 Proxy Statement
- 4.5 Linkage between compensation for members of the highest governance body, senior managers and executives (including departure arrangements) and the organization’s performance (including social and environmental performance)
2015 Proxy Statement, Valuing Our People (pg. 45)
- 4.6 Processes of the highest governance body to ensure conflicts of interest are avoided
2015 Proxy Statement, Transparency (pg. 65), Citizenship Management & Governance (pg. 9)
- 4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization’s strategy on economic, environmental and social topics
2015 Proxy Statement
- 4.8 Internally developed mission and values statements, codes of conduct, and principles relevant to economic, environmental and social performance and the status of their implementation.
Approach (pg. 6), Transparency (pg. 65), Responsible Business (pg. 40)
- 4.9 Procedures of the highest governance body for overseeing the organization’s identification and management of economic, environmental and social performance, including the identification and management of relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles.
Business (pg. 4), Approach (pg. 6), Responsible Business (pg. 40), Transparency (pg. 65)
- 4.10 Processes for evaluating the performance of the highest governance body, particularly with respect to economic, environmental and social performance processes for evaluating the performance of the highest governance body, particularly with respect to economic, environmental and social performance.
Citizenship Management & Governance (pg. 9), Transparency (pg. 65), Governance
- 4.12 Externally developed, economic, environmental and social charters, sets of principles, or other initiatives to which the organization subscribes or which it endorses.
Approach (pg. 6), Priorities (pg. 11), Responsible Business (pg. 40)

4.13 Membership in associations (such as industry associations) and/or national/international advocacy organizations in which the organization
 * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or Views membership as strategic.
 Approach (pg. 6), Transparency (pg. 65)

4.14 List of stakeholder groups engaged by organizations.
 Citizenship Management & Governance (pg. 9)

4.15 Basis for identification and selection of stakeholders to engage.
 Engaging Our Stakeholders (pg. 10), Citizenship Management & Governance (pg. 9)

4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.
 Engaging Our Stakeholders (pg. 10), Citizenship Management & Governance (pg. 9), Strategic Philanthropy (pg. 54)

4.17 Key topics and concerns that have been raised through stakeholder engagement and how the organization has responded to those key issues and concerns, including through its reporting
 Approach (pg. 6), Priorities (pg. 11), Engaging Our Stakeholders (pg. 10), Strategic Philanthropy (pg. 54)

DISCLOSURES ON ECONOMIC PERFORMANCE

Management approach disclosures
 Business (pg. 4), Approach (pg. 6), Delivering Product Excellence (pg. 12), Transparency (pg. 65)

ECONOMIC PERFORMANCE

- EC1 Direct economic value generated (core)
 Business (pg. 4)
- EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change (core)
 Climate Responsible Energy Policy
- EC3 Coverage of organization's defined benefit plan obligations (core)
 2014 Annual Report Note 13 – Post-Employment Benefits

MARKET PRESENCE

- EC6 Policy, practices and proportion of spending on locally based suppliers at significant locations of operation (core)
 Supply Chain Excellence (pg. 41)

INDIRECT ECONOMIC IMPACTS

- EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro-bono engagement (core)
 Priorities (pg. 11), Strategic Philanthropy (pg. 54)

DISCLOSURES ON ENVIRONMENTAL PERFORMANCE

Management approach disclosures
 Citizenship Management & Governance (pg. 9), Safeguarding the Environment (pg. 29)

MATERIALS

- EN1 Materials used by weight or volume
 Key Metrics – Environmental (pg. 74)
- EN2 Percentage of materials used that are not recycled input materials
 Key Metrics – Environmental (pg. 74)

ENERGY

- EN3 Direct energy consumption by primary energy source (core)
 Safeguarding the Environment (pg. 29), Key Metrics – Environmental (pg. 74)
- EN4 Indirect energy consumption by primary source (core)
 Key Metrics – Environmental (pg. 74)
- EN5 Energy saved due to conservation and efficiency improvements (additional)
 Safeguarding the Environment (pg. 29), Key Metrics – Environmental (pg. 74)
- EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives
 Safeguarding the Environment (pg. 29), Key Metrics – Environmental (pg. 74)
- EN7 Initiatives to reduce indirect energy consumption and reductions achieved (additional)
 Safeguarding the Environment (pg. 29), Key Metrics – Environmental (pg. 74)

WATER

- EN8 EN8 Total water withdrawn by source (core)
 Key Metrics – Environmental (pg. 74)
- EN9 EN9 Water sources significantly affected by withdrawal of water
 Safeguarding the Environment (pg. 29), Key Metrics – Environmental (pg. 74)

EMISSIONS, EFFLUENTS AND WASTE

- EN16 Total direct and indirect greenhouse gas emissions by weight (core)
 Key Metrics – Environmental (pg. 74)

EN17 Other relevant indirect greenhouse gas emissions by weight (core)

[Key Metrics – Environmental \(pg. 74\)](#)

EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved (additional)

[Safeguarding the Environment \(pg. 29\)](#)

EN19 Emissions of ozone-depleting substances by weight

[Key Metrics – Environmental \(pg. 74\)](#)

EN20 NO SO and other significant air emissions by type and weight (core)

[Key Metrics – Environmental \(pg. 74\)](#)

EN21 Total water discharge by quality and destination (core)

[Key Metrics – Environmental \(pg. 74\)](#)

EN22 Total amount of waste by type and disposal method (core)

[Key Metrics – Environmental \(pg. 74\)](#)

EN23 Total number and volume of significant spills (core)

[2014 Annual Report Note 12 – Litigation and Environmental Matters](#)

EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally

[Key Metrics – Environmental \(pg. 74\)](#)

PRODUCTS & SERVICES

EN26 Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation (core)

[Safeguarding the Environment \(pg. 29\)](#)

EN27 Percentage of products sold and their packaging materials that are reclaimed by category

[Safeguarding the Environment \(pg. 29\)](#)

EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations (additional)

[2014 Annual Report Note 12 – Litigation and Environmental Matters](#)

TRANSPORT

EN29 Significant environmental impacts of transporting goods and materials used for organization’s operations, and transporting members of the workforce (additional)

[Key Metrics – Environmental \(pg. 74\)](#)

DISCLOSURES ON LABOR PRACTICES AND DECENT WORK

Management approach disclosures
[Valuing Our People \(pg. 45\)](#)

EMPLOYMENT

LA1 Total workforce by employment type, employment contract and region (core)
[Business \(pg. 4\), Valuing Our People \(pg. 45\)](#)

LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations
[Valuing Our People \(pg. 45\)](#)

OCCUPATIONAL HEALTH AND SAFETY

LA7 Rates of injury, occupational diseases, lost days and absenteeism and number of work related fatalities by region (core)

[Key Metrics - Social \(pg. 72\)](#)

LA8 Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases (core)

[Valuing Our People \(pg. 45\)](#)

TRAINING AND EDUCATION

LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings (additional)

[Valuing Our People \(pg. 45\)](#)

LA12 Percentage of employees receiving regular performance and career development review (additional)

[Valuing Our People \(pg. 45\)](#)

DIVERSITY AND EQUAL OPPORTUNITY

LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity (core)

[Valuing Our People \(pg. 45\), Key Metrics - Social \(pg. 72\)](#)

DISCLOSURES ON HUMAN RIGHTS

Management approach disclosures
[Valuing Our People \(pg. 45\), Transparency \(pg. 65\)](#)

DIVERSITY AND EQUAL OPPORTUNITY

- HR1 Percentage and total number of significant investment agreements that include Human Rights clauses or that have undergone Human Rights screening
Valuing Our People (pg. 45), Promoting Ethics and Integrity (pg. 60)
- HR2 Percentage of significant suppliers and contractors that have undergone screening on Human Rights and action taken (core)
Supply Chain Excellence (pg. 41)
- HR3 Total hours of employee training policies and procedures concerning aspects of Human Rights that are relevant to operations, including the percentage of employees trained (additional)
Promoting Ethics and Integrity (pg. 60)

DISCLOSURES ON SOCIETY IMPACTS

- Management approach disclosures
Transparency (pg. 65), Promoting Ethics and Integrity (pg. 60), Abbott Fund

CORRUPTION

- S02 Percentage and total number of business units analyzed for risks related to corruption (core)
Promoting Ethics and Integrity (pg. 60)
- S03 Percentage of employees trained in organization's anti-corruption policies and procedures (core)
Promoting Ethics and Integrity (pg. 60)
- S04 Actions taken in response to incidents of corruption (core)
Promoting Ethics and Integrity (pg. 60)

PUBLIC POLICY

- S05 Public policy positions and participation in public policy development and lobbying (core)
Public Policy Engagement (pg. 64)
- S06 Total value of financial and in-kind contributions to political parties, politicians and related institutions by country (additional)
Abbott 2014 Political Contributions
- S07 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes (additional)
2014 Annual Report Note 12 – Litigation and Environmental Matters

COMPLIANCE

- S08 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations (core)
2014 Annual Report Note 12 – Litigation and Environmental Matters

DISCLOSURES ON PRODUCT RESPONSIBILITY

- Management approach disclosures
Delivering Product Excellence (pg. 12), Supply Chain Excellence (pg. 41)

CUSTOMER HEALTH AND SAFETY

- PR1 Life cycle stages in which the health and safety impacts of products and services are assessed for improvement (core)
Delivering Product Excellence (pg. 12), Supply Chain Excellence (pg. 41)

PRODUCT AND SERVICE LABELING

- PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements (core)
Promoting Ethics and Integrity (pg. 60), Transparency (pg. 65)

MARKETING AND COMMUNICATIONS

- PR6 Programs for adherence to laws, standards and voluntary codes related to marketing communications including advertising, promotion and sponsorship (core)
Promoting Ethics and Integrity (pg. 60), Transparency (pg. 65)

COMPLIANCE

- PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

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