



**GLOBAL
SUSTAINABILITY
HIGHLIGHTS 2016**



ABOUT THE COVER

Xin Yu was born several weeks early. At birth, she weighed less than three pounds, not even half the average birth weight of a Chinese baby. As a preemie, Xin Yu was at high risk of malnutrition. She was immediately admitted to the neonatal intensive care unit at Shanghai Children's Medical Center (SCMC), where she would spend the first month of her life. Fortunately, the SCMC staff had received advanced training in clinical nutrition, thanks to the Abbott Fund. After just 10 days of targeted nutritional therapy, her weight had increased by half to 4 pounds, 4 ounces. Today, Xin Yu is a healthy and very active little girl.

With Abbott's global leadership in scientific nutrition, the Abbott Fund launched the program in China, investing \$5 million in a unique collaboration with SCMC and the international healthcare organization Project HOPE, focused on advancing clinical nutrition. More than 4,000 healthcare professionals have been trained, helping to deliver significant health improvements for patients.

ABBOTT TODAY

Abbott is a globally diversified healthcare company committed to helping people live their best possible lives through the power of health. Our business has brought new products and technologies to market for almost 130 years, creating more possibilities for more people at all stages of life. Today, 94,000 of us are working to help people live not just longer, but better, in the more than 150 countries we serve.

We have four major businesses — diagnostics, established pharmaceuticals, medical devices and nutrition — each focused on advancing innovations that provide better options and outcomes for people in pursuit of healthier lives. The breadth and balance of our product portfolio let Abbott help more people, in more places, and give us increased stability in an ever-changing world.

We deliver results for patients, consumers, healthcare professionals, employees and shareholders, and we work to continually invest, innovate and introduce new products that are changing the practice of healthcare.

ABBOTT BUSINESS PROFILE



**\$20.9 BILLION
IN TOTAL SALES
IN 2016**



**150+ COUNTRIES
SERVED**



**94,000 EMPLOYEES
WORLDWIDE**

DIAGNOSTICS

Our pioneering diagnostic instruments and tests, related automation and informatics solutions provide accurate, timely information for better health.

ESTABLISHED PHARMACEUTICALS

Our high-quality, affordable and trusted medicines help millions of people around the world lead healthier lives.

MEDICAL DEVICES

Our advanced medical technologies are designed to dramatically improve outcomes and help people return to their everyday lives faster and healthier.

NUTRITION

Our science-based nutrition products help babies and children grow, keep bodies strong and active, and support people with illnesses.

GROWTH DRIVERS

- Aging global population
- Increasing emphasis on disease prevention
- Greater access to healthcare
- Greater focus on personalized care
- Long, durable contract cycles
- Increasing investments in healthcare
- Rising middle-class incomes
- Rising chronic disease
- Improving access to care
- Patients seeking trusted, high-quality brands

LEADERSHIP

- No. 1 globally in blood screening
- Leading point-of-care platform in the U.S.
- Best-in-class infectious disease and molecular testing
- Some of the world's most trusted brands
- Market leader in Colombia, Chile and Peru; top-tier positions in India, Russia, Vietnam, Pakistan and Latin America

GROWTH STRATEGY

- Launch next-generation instrument platforms
- Expand use of instruments, tests and accompanying solutions
- Focus on growth in developed and emerging markets
- Continue to improve operating efficiency
- 100 percent focus on emerging markets
- Meet local market needs through broad portfolios of trusted medicines, insight-driven innovation and strong local presence and capabilities

- Aging global population
- Incidence of chronic diseases
- Need for value-creating healthcare solutions
- Opportunities to improve patient outcomes with new product innovations

- Cardiovascular – No. 1 or No. 2 positions across large and high-growth cardiovascular device markets
- Strong positions in neuromodulation and diabetes care

- Industry-leading portfolio with the depth, breadth and innovation to deliver value to customers
- Industry-leading new-product pipeline that will drive new growth

- Aging global population
- High birth rates in emerging markets
- Increasing socioeconomic status in emerging markets
- Growing awareness of the role of nutrition in health and wellness

- Pediatric nutrition – No. 1 in U.S. and in many international markets
- Adult nutrition – No. 1 worldwide

- Strengthen portfolio with new science-based products
- Expand footprint in emerging markets
- Grow adult nutrition market globally
- Focus on operating efficiencies to fund investments in growth

On Jan. 4, 2017, Abbott completed the acquisition of St. Jude Medical, Inc., strengthening our global medical device leadership.



“What does it mean to be a citizen? At Abbott, we believe it means helping to create the kind of community that we ourselves wish to live in: one with a healthy environment, in which fellow citizens help one another live their best lives, and where they can do useful, beneficial and fulfilling work.”

MILES D. WHITE
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

HELPING PEOPLE LIVE THEIR BEST LIVES

Abbott is in the business of life. We believe that good health is not just about treating an illness or managing a medical condition. It's about supporting people's health as if it were our own, so they can live their best lives. This belief in the power of health informs our approach to sustainability.

life. to the fullest.

[ABBOTT.COM/SUSTAINABILITY](https://www.abbott.com/sustainability)

OUR APPROACH

BUILDING A RESPONSIBLE, SUSTAINABLE AND INCLUSIVE BUSINESS

Being a responsible, sustainable and inclusive business is an essential foundation for helping people live fuller, healthier lives. We focus on operating responsibly, preserving healthy living environments and earning trust by doing the right things, for the long term, for the benefit of everyone who relies on our products and services. At the same time, we work hard to maximize the impact of our business in creating stronger communities around the world.

Our sustainability work focuses on the areas where opportunities for our business intersect with positive social impact. We aim to achieve sustainable growth, deliver innovative solutions and build stronger communities to help more people live their best lives.



WATER: ESSENTIAL TO HUMAN HEALTH

Water is a critical resource for human health. It also plays a vital role in the use of Abbott's products and is an essential part of our manufacturing processes. We're using new technology and innovative ideas to meet our goal of a 30 percent decrease in water intake by 2020, adjusted for sales.

30% ↓

ABBOTT HAS SET AN AMBITIOUS GOAL TO REDUCE TOTAL WATER INTAKE BY 30 PERCENT BY 2020.

GLOBAL
18% ↓

Since 2010, we've reduced our total water intake by 18 percent (normalized by sales).

GLOBAL
37 PROJECTS

We implemented 37 water efficiency and reduction projects in 2016 alone.

UNITED STATES
10M GALLONS

We reduced freshwater consumption by 60 percent at our facility in Santa Clara, California, by recycling 10 million gallons of water.

CANADA
4% ↓

Our established pharmaceuticals facility in Canada reduced water use by 4 percent, even as production rose by 26 percent.

IMPROVING LIVES THROUGH BETTER NUTRITION

Micronutrient malnutrition affects more than 2 billion people worldwide; half of those affected reside in countries where rice is a staple food.* Fortifying rice to improve its nutritional value has the potential to make a significant impact on the health outcomes of these populations.

Abbott scientists worked with the international nonprofit organization PATH to improve its Ultra Rice® fortification technology, developing enhanced formulations to improve nutrient content, reducing costs by approximately 10 percent and optimizing flavor, aroma and appearance to make Ultra Rice mimic traditional rice as closely as possible. In addition, support from the Abbott Fund has helped build local capacity and strengthen distribution in India.

The new formulations are already having an impact: In India, Ultra Rice is now distributed as part of a school lunch program, targeting 450,000 children.

2 BILLION

More than 2 billion people around the world suffer from micronutrient malnutrition.

2 OF 3 

Approximately 65 percent of the population in India relies on rice as a staple food.

*United Nations. "United Nations Decade of Action on Nutrition (2016–2025)." (2016).

NEXT-GEN DIAGNOSTICS

Diagnostic testing influences between 60 and 70 percent of healthcare decisions. Fast, accurate tests can mean the difference between life and death – and they hold the key to better care and fuller lives. As the world faces new healthcare challenges from aging populations, the rise of noncommunicable diseases (NCDs) and chronic conditions, the pressure on testing resources intensifies.

Alinity™ is a new concept in diagnostic testing that reduces that pressure. It's a family of testing systems with common features that increases flexibility and efficiency across laboratory disciplines. Skills learned on one *Alinity* instrument can easily be applied to another. This makes equipment easier to use and less time-intensive. *Alinity* is about simplifying diagnostics to provide clinicians with the information they need to improve decision making and patient care.

LISTENING TO CUSTOMERS

Abbott scientists, like Daman Kowalski, designed the *Alinity* family by talking to doctors about the practical challenges they face with laboratory testing. Feedback on common lab issues, such as higher testing volumes and a lack of staff and space, factored into the design. By addressing these challenges, these next-generation testing solutions offer healthcare providers the tools they need to give patients the best possible care.





EXPANDING ACCESS IN EMERGING MARKETS

Abbott's established pharmaceuticals business has a presence in more than 100 countries, and an approach that is tailored to the specific health challenges of diverse communities in rapid-growth markets.

We adapt R&D, products, supply chains and distribution to fit the requirements of each market, led by local teams that understand different community needs and cultural preferences. We are building local R&D and manufacturing capabilities in many countries, including through the recent acquisition of Veropharm in Russia – which makes us one of the top five branded generics companies in the country.

WOMEN FIRST

Of the estimated 3.5 billion women in the world, 2 billion are at an age where gynecological healthcare can make a significant difference for living a full and healthy life. Yet many of these women do not know about the treatment and care available to them.

For the last two years, Abbott's WomenFirst program in Russia has worked to empower women with knowledge and support to help manage their health at all stages of life. The program provides women with the latest medical information about their health management through a website, TV ad campaign and workshops, raising awareness of the healthcare choices available.

BUILDING A SUSTAINABLE, LOCAL SUPPLY CHAIN

In 2014, Abbott opened a new state-of-the-art manufacturing facility for nutrition products in Jhagadia, Gujarat. However, dairy farmers weren't able to produce the volume of high-quality milk that Abbott needed to meet our strict quality standards. Working with Prabhat, a local dairy supplier, and TechnoServe, a nonprofit organization seeking business solutions to poverty, we developed a quality-focused demonstration model that strengthens Abbott's local dairy supply chain and empowers smallholder farmers to produce increased volumes of higher-quality milk — which can help them build their small dairy-farming businesses and communities.

Since 2016, our program has directly reached nearly 1,500 smallholder dairy farmers, half of whom are women, in Maharashtra, the state neighboring Gujarat.

SUPPORTING DAIRY FARMERS IN INDIA



INNOVATING SOLUTIONS AND SYSTEMS FOR FULLER, HEALTHIER LIVES

Our vision is fixed, clear and ambitious: to make Abbott the world's leading healthcare company in the markets in which we compete by setting the highest standards for innovation. We strive to understand the challenges practitioners, patients and consumers face in every market where we operate and develop solutions that meet these needs. Our approach enables us to bring inventions to market that are changing people's lives for the better.

>60

NEW BRANDED GENERIC PHARMACEUTICALS

in Latin America

3

DIABETES CARE INNOVATIONS

FreeStyle® Libre available in 32+ countries

FreeStyle® Libre Pro available in the U.S.

Libre Link and *Libre Link-up* mobile apps available in Europe

5

NEW NUTRITIONALS

Ensure® Enlive®
EAS® Myoplex®
EAS® Ketogenic
Similac® Pro-Advance™
Similac® Pro-Sensitive™

5+

NEW DIAGNOSTICS SOLUTIONS*

AlinIQ
i-STAT Alinity
Alinity c
Alinity i
Alinity s

* AlinIQ, Alinity and i-STAT are registered trademarks of Abbott.

STRENGTHENING HEALTHCARE SYSTEMS

For 16 years, Abbott and the Abbott Fund have partnered with the government of Tanzania to strengthen the country's healthcare system. We equipped Muhimbili National Hospital with a new outpatient treatment center, a state-of-the-art laboratory building and a hospital-wide information technology system. We also established emergency medicine as a medical specialty in Tanzania by creating the country's first emergency department and emergency medicine residency and nurse training programs. Additionally, we modernized 23 of the nation's regional-level hospital laboratories to improve diagnostic and monitoring capabilities. In all, we have supported more than 130,000 hours of training in patient testing, emergency medicine, laboratory equipment operation, hospital management and information technology.



130,000 🕒

Abbott employee volunteers and our partners have contributed more than 130,000 hours to training Tanzania's health workers.

1,000 👤

The new outpatient center at Muhimbili National Hospital treats approximately 1,000 people each day.

24+ +

The Emergency Medicine residency program has graduated 24 specialists and retained 15 as faculty. Graduates have also gone on to establish and lead other Tanzanian emergency departments.

1.5 MILLION 🧪

The Central Pathology Lab at Muhimbili National Hospital, the nation's top referral hospital, delivered 1.5 million reliable test results in 2016.

AWARDS & RECOGNITION

ABBOTT HAS BEEN RECOGNIZED AROUND THE WORLD FOR OUR COMPREHENSIVE APPROACH TO SUSTAINABILITY.

FORTUNE MOST ADMIRABLE COMPANIES

Abbott was ranked No. 1 for Social Responsibility in our industry sector (Medical Products and Equipment) on *Fortune's* Most Admired Companies list for the fourth consecutive year in 2017.

CDP LEADERSHIP CATEGORY

Abbott achieved an A- on our CDP (formerly the Carbon Disclosure Project) Climate Change score, placing us in the leadership category in 2016.

GREAT PLACE TO WORK

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.

BEST CORPORATE CITIZEN

Abbott has been included in the global 100 Best Corporate Citizens list compiled by *Corporate Responsibility Magazine* for nine consecutive years, 2009 to 2017.



#1

DOW JONES SUSTAINABILITY INDEX

For the fourth consecutive year, Abbott was named the leading company in our industry by the Dow Jones Sustainability Index (DJSI). This was the 12th consecutive year that Abbott was recognized for sustainability leadership through our inclusion on the DJSI, including both the Dow Jones Sustainability World Index and North America Index.



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