



Abbott



IRELAND

CITIZENSHIP REPORT 2014



ABOUT ABBOTT

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.

ABOUT THE COVER

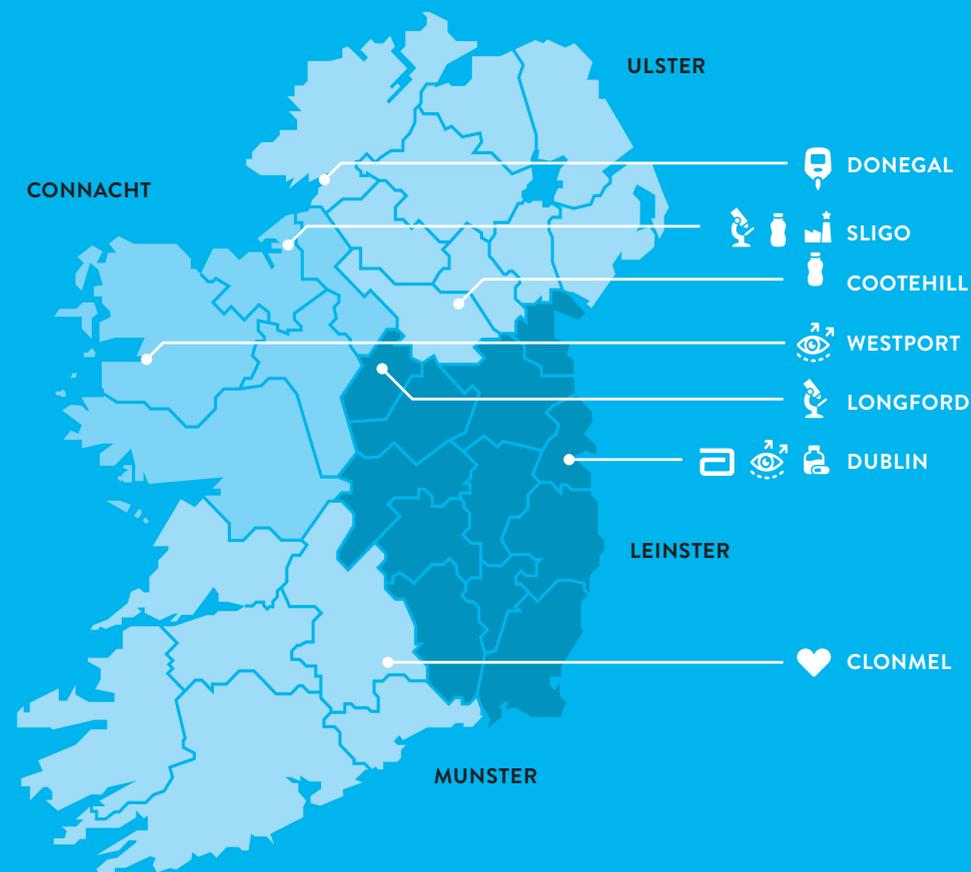
Happy, healthy children are more likely to lead successful, fulfilled lives. It all begins with caring parents – and with good childhood nutrition. Trusted by generations of moms, Abbott Nutrition is a recognized leader in infant formula, nutritional supplements and disease-specific nutritional solutions for children and adults of all ages. We pioneered nutritional products more than a century ago, and we're still known for providing the highest level of quality and consistency in the field.

Abbott in Ireland

In Ireland, Abbott employs almost 3,000 people across 11 sites. We have six manufacturing facilities located in Clonmel, Cootehill, Donegal, Longford and Sligo and a third-party manufacturing management operation in Sligo. We have commercial and support operations in Dublin and shared services in Dublin and Westport. Abbott serves the Irish market with a diverse range of healthcare products including diagnostics, medical devices and nutritionals. Abbott has been operating in Ireland since 1946.

11 SITES

Abbott, first established in Ireland in 1946, now has 11 sites across the country, including six manufacturing plants.



 HEADQUARTERS

 OPERATIONS

 PHARMACEUTICALS

 MEDICAL OPTICS

 DIAGNOSTICS

 VASCULAR

 NUTRITION

 DIABETES CARE

 MANUFACTURING

Key Economic Data on Abbott in Ireland

3,000

PEOPLE

Abbott is one of Ireland's largest healthcare companies, employing almost 3,000 people.



Abbott in Ireland employs the largest population of Abbott manufacturing employees outside of the United States.

150

COUNTRIES

Abbott healthcare products manufactured in Ireland are exported to more than 150 countries around the world.

€500M

INVESTMENT

Since 2005, Abbott has invested almost €500 million (USD 529 million) in our operations in Ireland.

€1.02B

R&D INVESTMENT

Abbott invests in R&D to develop new solutions for emerging healthcare challenges. Globally, Abbott spent €1.02 billion (\$1.35 billion) on R&D, including investments at four Ireland sites in 2014.

6

BUSINESS UNITS

Six business units are represented across 11 sites, with manufacturing sites covering Diagnostics, Nutrition, Vascular and Diabetes.

To Our Stakeholders

We are pleased to present Abbott's Ireland Citizenship Report for 2014. It outlines our citizenship priorities, activities and progress in Abbott's 11 locations.

This report details our company's long-term commitment to responsible economic, social and environmental practices and to working in close collaboration with all of our stakeholders in Ireland and throughout the world. Abbott, one of Ireland's largest healthcare companies, has a long, distinguished history here that dates back to 1946, and 40 years ago we established our first manufacturing facility in Ballytivnan, County Sligo. Since then, we have spread to all four provinces, with nearly 3,000 employees working at 11 different sites.

As our business operations progress, so do our efforts to be an exemplary corporate citizen and our work applying our business and scientific expertise to make positive contributions to people's health and well-being. We think of these efforts in terms of our three citizenship priorities: Delivering Product Excellence, Improving Access and Safeguarding the Environment.

By integrating these priorities with Abbott's core business strategies, we ensure that our company will thrive locally while meeting the needs and expectations of our important

stakeholders. This report outlines our company's commitment to meeting these priorities, as well as our focus on valuing our people, supply chain excellence, ethics and integrity and community engagement in Ireland.

Abbott continues to actively contribute to the communities where our people live and work in Ireland. In 2014, our employees volunteered more than 8,000 hours in their local communities and organised numerous events to support a wide range of community and charitable groups through volunteering, fundraising and product donations. In 2014, Abbott Ireland was recognised for Excellence in Environment and Excellent in Marketplace at the Chambers Ireland CSR Awards.

We appreciate your interest in our citizenship programmes, and we thank you for reading this report. We invite you to send us feedback at globalcitizenship@abbott.com and to visit www.abbott.ie for further updates.

Abbott Business Advisory Council In Ireland



VASCULAR

Abbott's vascular business in Clonmel is a centre of excellence in the manufacturing of medical devices used to treat heart and vascular diseases. Our products include the market-leading XIENCE range of drug-eluting stents.

XIENCE and related brand marks are trademarks of Abbott Cardiovascular Systems Inc. in various jurisdictions.



PHARMACEUTICAL

Abbott's pharmaceutical business markets a range of products relating to gastroenterological diseases, cardiovascular disease, depression, vertigo, women's health, antibiotics, influenza vaccines and pain relief in emerging markets.



PRODUCTS AND SERVICES



NUTRITION

Abbott is a recognised leader in nutrition, providing highly innovative products and services that range from oral nutritional supplements and enteral feed for all ages to disease-specific nutritional solutions. We are committed to the highest standards of excellence in providing innovative and superior products that advance the lives of our customers today. Abbott is the name behind some of the world's most trusted adult and paediatric products, including *Ensure*, *Ensure Plus*, *Jevity*, *Similac* and *PaediaSure*.

ENSURE, JEVITY, SIMILAC, PAEDIASURE and related brand marks are trademarks of Abbott Laboratories in various jurisdictions.



DIABETES CARE

Abbott diabetes care business is a leader in developing, manufacturing and marketing *FreeStyle* glucose monitoring systems. These systems are designed to help people better manage their diabetes, through products that are easier to use, require less blood and provide faster results. Abbott Diabetes Care designs, develops and manufactures several leading-edge glucose monitoring systems and test strips for use in both home and hospital settings. Among our leading brands are *FreeStyle Optium*, *FreeStyle Freedom Lite*, *FreeStyle Optium Neo* and Abbott's latest sensing technology, the *FreeStyle Libre* system, launched in seven European countries in 2014.

FreeStyle and related brand marks are trademarks of Abbott Diabetes Care Inc. in various jurisdictions.



MEDICAL OPTICS

Abbott has a long history of innovation and market leadership in vision correction technologies, with products and services addressing a wide range of vision conditions. We are a leading innovator in products that meet the needs of people who seek greater freedom from the limitations of eyeglasses in LASIK, as well as cataract treatment technologies through our TECNIS platform. These implantable lenses can provide people with cataracts and presbyopia improved vision at all distances and under all lighting conditions.

Tecnis and related brand marks are trademark owned by or licensed to Abbott Laboratories, its subsidiaries or affiliates.



DIAGNOSTICS

Abbott's diagnostics business has an impressive record for both growth and innovation in the Irish market. Our products have helped to transform the practise of medical diagnosis, improving patient care and support throughout Ireland. The product portfolio includes blood-screening products and bulk reagents, diagnostic kits for thyroid function, fertility and pregnancy, cardiology, renal and metabolic markers, as well as therapeutic drug monitoring.



A Global Strategy for Citizenship

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.



Our Strategic Priorities

Our goal is to be globally recognised as a leading responsible, inclusive and sustainable business. In Ireland and everywhere we operate, we continually seek to find innovative solutions that help build a healthy and thriving society. Our approach to global citizenship is aligned with our strategy for business growth and grounded in three key priorities that are most important to our stakeholders and to our growth strategy.

Our Approach

For Abbott, engaging with the community is not an afterthought, but central to how we do business. Our business investments and citizenship activities have a positive impact on the community and contribute to the economies, environments and societies in which we operate. To achieve positive results against our strategic priorities, we take action on three fronts:



DELIVERING PRODUCT EXCELLENCE

Our company is committed to delivering innovative, high-quality products that meet the highest standards of manufacturing, to help people lead healthier lives and reach their potential.



IMPROVING ACCESS

We work with stakeholders around the world to expand the availability of our products and address key barriers, including building healthcare capacity.



SAFEGUARDING THE ENVIRONMENT

We are reducing our environmental impact – from the sourcing of raw materials, to the manufacture and distribution of our products, to their use and disposal.



RESPONSIBLE BUSINESS PRACTICES

Innovative, responsible, and sustainable business practices play an essential role in building a healthier, thriving society. It is how we can have the broadest possible long-term impact on improving people's lives. By applying our science, products and expertise in our three Strategic Priorities, we are working to reach more people in more places than ever before.



SHARED VALUE INITIATIVES

We achieve our potential as a company by helping others fulfill theirs. That's why we're working to expand the positive impact of our people, products and business through shared value. By building capacity in our supply chain, creating products to meet local needs and expanding the reach of our products to address barriers to care, we meet unmet social needs while building our business.



STRATEGIC PHILANTHROPY

We invest in strategic philanthropy at global as well as local levels. Abbott and our foundation, the Abbott Fund, support social programmes that address critical unmet needs that align with our business and harness the specialised expertise and knowledge of our Abbott employees.

Governance of Citizenship

Abbott's commitment to good citizenship starts at the top. Our board of directors and senior management actively engage in valuing and championing Abbott's citizenship initiatives around the world and at every level of our company.

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The Global Citizenship and Policy team based at Abbott's global headquarters in suburban Chicago, Illinois, oversees our citizenship programmes. Each Abbott business unit also plays an active role in our citizenship initiatives, as do company leaders in every country where we operate. Since 2008, a full-time Corporate Social Responsibility (CSR) Manager has led our citizenship work in Ireland, and is responsible for setting local citizenship strategy and supporting local programmes, working in close partnership with the Global Citizenship and Policy team, as well as with Abbott Ireland's Business Advisory Council (BAC) and the local Citizenship Steering Group. The Citizenship Steering Group is comprised of senior executives who represent Abbott's key businesses and divisions in Ireland. The steering group supports and guides the development of Abbott's

citizenship programme and has actively participated in stakeholder mapping to prioritise key internal and external stakeholders.

STAKEHOLDER ENGAGEMENT AND LOCAL MATERIAL ISSUES

Abbott is an active participant in the global dialogue on healthcare.

Listening to our stakeholders and responding thoughtfully to their concerns and ideas is vital to our success as a business – and to our progress in citizenship. Moreover, everything we do at Abbott – from our business initiatives to our community partnerships – is locally driven. We start by listening to our local stakeholders, and then we collaborate with them to confront key challenges and find new answers.

As with Abbott operations globally, Abbott has a well-defined stakeholder engagement plan in Ireland that guides us in setting local engagement strategies. Shortly after the separation, we began an extensive internal exercise to develop a better understanding of our key stakeholders and

prioritise those stakeholders who are particularly concerned with our activities in the communities where we operate. We also gathered insights from members of senior management and representatives from Croí an Óir, Abbott's employee volunteering network in Ireland.

Analysing these consultations, we produced a stakeholder map that identifies the degree to which different groups can influence Abbott's strategic development,

as well as the impact that our company can have on each of the stakeholder groups.

Abbott's Citizenship Steering Group also used the results of these exercises to inform in-depth discussions with key stakeholder groups. These discussions explored the potential for developing more strategic long-term partnerships to help deliver citizenship activities that will benefit both the community and drive long-term business success.



Strategic Priorities

Delivering Product Excellence

Abbott has a long-standing commitment to focused R&D and innovative products, to solve healthcare challenges around the world. Our continued success depends on delivering exceptional performance and operational excellence, and maintaining our manufacturing and distribution standards. We have comprehensive processes in place to ensure that we meet the highest safety and quality standards in the design, development, manufacturing, delivery and labelling of our products across all facets of our business.

R&D AND INNOVATION

Dairy production is among Ireland's largest indigenous industries, and Ireland is Europe's largest manufacturer of powdered infant formula.

Through collaboration with Teagasc Moorepark and grant support from Enterprise Ireland, Abbott established its first Nutrition R&D base in Ireland in 2013. A global scientific team from Abbott is working with Moorepark scientists, focused on innovative research around alternative milk-based ingredients, including protein functionality. The research is targeted towards incorporating these alternative-based ingredients into formulae without adversely affecting either the nutritional or physical properties (smell, taste, mouth feel) of the finished product range.

The Abbott-Moorepark partnership is one result of a general strategy to collaborate and partner globally, sharing Abbott's R&D in key countries. A more localised approach to R&D will help support our growth in important global markets. This partnership has already created several new high-level jobs for scientists at Moorepark and within Abbott. This is a first for Abbott nutrition R&D in Ireland, and it is an exciting period of development.

While our Moorepark collaboration is based in Ireland, its reach is global, enhancing our nutrition business throughout Europe, Asia and the Americas and calling upon the expertise of Abbott nutrition experts worldwide. The partnership extends to Irish universities, enabling Irish Ph.D. candidates to participate in nutrition research.



We see it as a model for future collaborative R&D partnerships, in Ireland and worldwide. The team has weekly conference meetings and a number of face-to-face meetings have taken place since the outset of this project. This close collaboration has proven very successful and beneficial, with a very clear and defined scope document in place with project deliverables and timelines.

FASTER HEART ATTACK DETECTION

Loss of blood flow can cause irreversible heart muscle damage, making early detection the most important key to successful heart attack treatment. Abbott's ARCHITECT STAT High Sensitive Troponin-I (hsTnl) test can measure very low levels of the protein, which allows doctors to evaluate whether patients are having a heart attack within two to four hours. This faster evaluation could allow doctors to reduce the time to diagnosis and treatment by several hours when compared to standard troponin tests.

HsTnl is especially valuable for women, because their symptoms usually differ from those of men – contributing to underdiagnosis and undertreatment. Abbott's Ireland team played an integral role in developing the ARCHITECT STAT assay, which is manufactured for global use at our Longford plant.

CENTRE OF EXCELLENCE AT CLONMEL

Abbott's vascular manufacturing plant in Clonmel is Europe's first recipient of the prestigious Shingo Prize, awarded to organisations 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, a process that took us nearly a decade, enabled our Clonmel plant to achieve a triple-digit increase in productivity without compromising its high quality standards in bringing innovative medical technologies to market.

Improving Access

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.

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.

FROM HOSPITAL TO HOME

The hospital discharge process can be difficult for patients and their families, as well as complex and labour-intensive for hospital staff. Abbott's pioneering Hospital to Home nutrition service is aimed at easing the burden for both. This free service, introduced in 1998, offers comprehensive, customised education and support for vulnerable tube-fed hospital patients transitioning back to their homes.

Abbott's Hospital to Home service has three principal goals:

- To support patients, often elderly and vulnerable, in re-adapting to life in their communities, whether they are going home or to a residential care facility

- To remove the administrative burden from hospitals' busy frontline staff
- To streamline the hospital discharge process by providing customised information and support for each individual

Hospital to Home personalises each patient's discharge network according to the location, assembling all the critical information needed to ensure that the person being discharged has the correct supplies of equipment and nutritional products. Abbott provides nutrition pumps and starter packs free of charge, so that individuals can be fed for seven days while they await funding approval for ongoing care.

Response to the programme has been overwhelmingly positive on the part of hospitals and patients alike. In 2014 Hospital to Home provided more than 572 hours of pump training and education sessions. The programme also has relieved hospital staff of some 396 hours annually of administrative work.



570+
HOURS

In 2014, Hospital to Home provided more than 570 hours of individualized training in the proper use of nutritionals and nutrition equipment.



ABBOTT IN TANZANIA

€86.5+
MILLION

Abbott and the Abbott Fund have invested more than €86.5 million (\$115 million) since 2001 to modernize Tanzania's healthcare infrastructure.

23

Regional laboratories modernized and connected via Tanzania's first national IT network.

52,000

Hours of support from Abbott volunteers.

Hospital to Home includes 24-hour pump replacement and servicing, both domestically and to international travellers, as well as a free phone helpline and an out-of-hours emergency service.

MODERNISING HEALTHCARE IN AFRICA

Like many African countries, Tanzania faces a host of healthcare challenges, including lack of resources, poor infrastructure and a shortage of doctors – only one for each 100,000 in the country's population. For more than a decade, Abbott and the Abbott Fund have been working with Tanzania's government to develop targeted, long-lasting solutions to the country's critical healthcare challenges, investing more than \$115 million to date, while sending scores of expert volunteers to provide training and mentoring.

One key to quality healthcare in developing nations is the establishment of laboratories for accurate disease diagnosis and treatment monitoring, especially in hard-to-reach rural areas. The Abbott Fund has invested more than \$10 million to support a network of

23 flexibly designed, modern labs across Tanzania. These labs are enhancing healthcare throughout the country, through faster and better testing and diagnosis, and through better professional training and information sharing.

In 2014, a delegation of eight Abbott experts from our diagnostics units in Longford and Sligo spent five weeks in Tanzania, volunteering their time, knowledge and skills to help train and mentor local laboratory teams. Their primary objectives: to implement an integrated IT system for patient registration and lab sample management; to train local staff to use the system; and to tighten the links between the 23 national labs and the government's Ministry of Health. Says volunteer Eimear McGlade, an Abbott project manager in its diagnostics business unit, "Following our mentoring and engagement with the laboratory staff, they have a clearer understanding of the long-term vision. They understand the objectives and the benefits IT can yield and the long-term impact it will have on improving Tanzania's healthcare system."



Safeguarding the Environment

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 their end users.

We have set ambitious worldwide goals for the year 2020 that include:

- A 40 percent reduction in carbon dioxide equivalent (CO₂e) emissions from direct emissions or from sources we own or control.
- A 30 percent reduction in total water intake (adjusted for sales).
- A 50 percent reduction in total waste (adjusted for sales)

Abbott in Ireland has a deep commitment to contribute to the worldwide environmental goals. Ireland is a major manufacturing base for Abbott, with six manufacturing sites across the four provinces. The Environmental, Health & Safety (EHS) teams across Abbott sites lead projects that positively impact our business, communities and employees. The environment is a key strategic resource, and it must be protected so it can continue to be the basis for our health, well-being and a sustainable economy.

Abbott continues to contribute to the global 2020 environmental goals in Ireland:

- Reduced Scope 1 and 2 CO₂e emissions by 24 percent between 2010 and 2014, equal to 16,000 metric tonnes.

- Reduced total water intake by 0.62 percent between 2010 and 2014, equal to one million gallons of water.
- Reduced total waste by 13 percent between 2010 and 2014, equal to 632 metric tonnes of waste, and has achieved Zero Waste to Landfill at our manufacturing facilities.

ZERO WASTE TO LANDFILL AT ALL OUR SITES IN IRELAND

The principle of zero waste to landfill – eliminating the waste we send to landfill from our manufacturing activities through finding a more sustainable approach – has been a long-term goal at Abbott in Ireland. In 2014, it became reality. Through improved waste reduction and recycling techniques, we've eliminated landfill waste at all six Abbott manufacturing sites in Ireland.

Examples of our successful environmental management practices include:

- Innovative technology for granulating, washing and drying plastic at Abbott's diagnostics facility in Sligo
- Major reductions in waste production at Abbott's nutrition facility in Ballytivnan



OUR 2020 ENVIRONMENTAL GOALS

40%

reduction in carbon dioxide emissions

30%

reduction in total water intake

50%

reduction in total waste

REDUCING OUR CARBON FOOTPRINT

TOTAL SCOPE 1 AND 2 CO₂E EMISSIONS (1,000 METRIC TONS)



REDUCING OUR WATER FOOTPRINT

TOTAL WATER INTAKE (BILLION GALLONS)



REDUCING WASTE

TOTAL WASTE (TONS)



IRELAND/GLOBAL

2010 is baseline year.

Since 2013, water use increased in Ballytivnan due to construction at the site, as well as due to increased water usage by AbbVie. Though the two companies have been separate since January 2013, AbbVie shares the site with us and water is allocated to each company by percentage. AbbVie's increases in production and number of employees has raised overall water usage.



22%
REDUCTION IN CARBON EMISSIONS

Equivalent to 10 million lbs of carbon.

- New operational efficiencies and innovative sludge treatment technology at Abbott's nutrition facility in Cootehill
- A range of measures that reduce waste production and water usage at Abbott diagnostics facility in Longford
- In 2014, we diverted 4,100 metric tonnes of waste from landfill – 3,400 metric tonnes, or 83 percent, through recycling or reuse and the remainder, 700 metric tonnes, through conversion to energy by incineration.

MOVING TO CLEANER FUELS

Abbott is switching to cleaner fuel stocks whenever we can. At our Cootehill manufacturing plant, for example, we recently converted our boilers to burn natural gas rather than diesel fuel. The change reduces our boiler carbon emissions

by 22 percent – equal to 10 million pounds (4.5 million kilos) of carbon annually. It also reduces the plant's total energy bill by €2 million (\$2.7 million) a year. Besides being cleaner and more economical, Cootehill's gas arrives via pipeline, thus eliminating the need for advance ordering and storage.

By gaining access to Ireland's natural gas network, Gaslink, we've not only tapped into a more environmentally friendly source of energy, we have helped other businesses in Cootehill gain access as well. We have made a similar energy conversion at our Longford diagnostics plant, converting the boilers there to run on liquefied propane gas instead of diesel fuel. The Longford conversion saves us more than €70,000 (\$93,000) a year. It also reduces the site's carbon emissions by 14 percent, or 118,000 kilos (118 metric tonnes) of carbon annually.

Responsible Business Practices

The foundation of Abbott's approach to citizenship rests on being a responsible business. There are a number of principles that guide our business decisions and ensure we remain able to successfully meet the needs of society in a sustainable, successful manner while conserving resources and advancing social, environmental and economic best practices.

Valuing Our People

In Ireland, as in every other country where Abbott operates, we want to be known as a great place to work. We offer progressive work practices and innovative employee programmes that help our people reach their full potential and live healthy, well-balanced lives.

We offer and encourage professional development at all levels of our company. As an example, Abbott was the 2013 winner of the Engineers Ireland Career Professional Development Employer of the Year Award. And for recent university graduates, our award-



winning professional development programme, aimed at graduate recruitment, offers structured and defined development opportunities for new graduates with superior leadership potential.

We also strive to recognise employees for outstanding achievement. At the 2014 gradIreland Graduate Recruitment Awards, Niall Fitzgerald, a mechanical engineering graduate of the University of Limerick, was named Graduate Employee of the Year. This reflects the employee's exceptional achievement as an employee and Abbott's commitment to influencing the next generation of talent through our Professional Development Programme.

Other examples of the progressive workplace initiatives we've put in place include:

- Our LiveLifeWell programme, which inspires, engages and empowers employees to embrace a holistic approach to their physical and mental well-being
- Ideas into Action, a programme that enables employees to identify and pursue opportunities for company improvement in such areas as culture, cost management, environmental impact, knowledge and process
- Customer experience feedback initiatives that enable employees to see the positive differences they are making in people's lives
- Lunch and Learn and Nosh and Natter meetings, where employees meet informally with senior leaders for discussion, information sharing and learning

- Our award-winning employee volunteering programme, Croi an Óir, which helps employees support the local communities where they work and live

A DIVERSE, INCLUSIVE WORKPLACE

We work hard to encourage inclusion of individuals with disabilities across all of our businesses and locations. For example, since 2007, Abbott Ireland's vascular business in Clonmel has been working in partnership with the Association for Higher Education Access and Disability (AHEAD) and its offshoot, Willing Able Mentoring (WAM), to introduce a workplace access programme for disabled university graduates.

To date, we have recruited more than 30 graduates for the programme, which includes on-site mentoring. Abbott hires these WAM participants for trial engagements of six months, often extending their work with us well beyond that initial period. We also use our WAM participants as a source of advice on enhancing our workplace inclusiveness, and we host numerous events to share what we've learned from them.



2013 WINNER

Abbott was the 2013 winner of the Engineers Ireland Career Professional Development Employer of the Year Award.

Supply Chain Excellence

SUSTAINABLE SOURCING

Abbott has been locally sourcing dairy ingredients for the nutritional products manufactured at its Cootehill plant since 1975, when the facility was established. Today, Abbott relies on about 1,000 Irish dairy farms to supply the 500,000 liters (132,000 gallons) of milk processed at Cootehill each day. Milk is a key ingredient in many of the infant formula products Abbott exports to markets around the world.

Abbott's goal is to secure high-quality, sustainable ingredients to manufacture nutritious products that enhance consumers' health. To achieve that goal, Abbott pursues a global supply chain strategy in an effort to ensure we source the highest-quality ingredients while helping farmers be successful sustainably. Our goal is to work with suppliers that aim to become long-term strategic partners with Abbott. These relationships position our suppliers for long-term success and ensure a quality, sustainable and efficient supply chain for Abbott. For example, our longstanding partnership with multiple Irish dairy organisations has helped the Irish dairy industry and Abbott's global growth and reputation for nutrition quality in Europe, the Middle East, Africa, the Asia Pacific and the Americas.

To ensure the highest-quality ingredients, year after year, Abbott chooses its suppliers from a global perspective – with the aim to do what is best for consumers, for its business and for the environment, regardless of location. When selecting dairy ingredients, for example, Abbott chose a leading Irish milk powder producer, because of its ability to meet Abbott's quality standards as well as its ability to reach all corners of the globe through its mature supply chain.

To ensure quality, Abbott audits its suppliers, carries out routine testing protocols and liaises with industry regulators to ensure continuous compliance. Abbott also works closely with the Irish Food Board, An Bord Bia, and is a member of its advanced sustainability program, Origin Green, setting high standards for the environment, sustainability and animal health, and conducting thousands of audits each year.

Abbott aims to expand its relationships with Irish dairy processors when European Union milk quotas are removed in 2015. With no quota, Irish farmers will be able to achieve greater efficiencies through sustainable expansion – and that will enable Abbott to effectively meet the increasing demand for its nutrition products in fast-growing economies.



1,000
DAIRY FARMS

Abbott relies on about 1,000 dairy farms in Ireland and Northern Ireland for the 500,000 liters (132,000 gallons) of milk processed at Cootehill each day.

CARBON REDUCTIONS IN MANUFACTURING

Abbott's nutrition business launched the Utility Excellence (UEX) programme in February 2013. This was due to Abbott's nutrition business manufacturing work being particularly energy and water intensive, accounting for around 45 percent of Abbott's greenhouse gas emissions.

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.

At Abbott's nutrition business in Cootehill, Co Cavan, the UEX team created a utility value-stream map to identify opportunities for saving in terms of reducing utility usage.

In the Cootehill plant, the wet process area – where liquid milk is mixed with powdered ingredients – was identified as holding significant opportunities for savings. Through assessment, the team determined that the manufacturing of some products could be done at a temperature 25 degrees celsius lower, with no product or process impact. Changes were implemented, which resulted in annual savings of over €50,000 (\$65,000). The Cootehill project will serve as a critical element for replication and standardisation across other sites. To date, the UEX program has resulted in efficiency savings exceeding €7.5 million (\$9.9 million) globally, and significant reductions in greenhouse gas emissions.

Strategic Philanthropy

In communities large and small, Abbott seeks to make a significant and long-lasting difference in the quality of people's lives. In 2014, Abbott employees in Ireland volunteered more than 8,000 hours through our Croi an Óir volunteering programme.



100+
TEACHERS AND
EMPLOYEES

Have participated in Abbott Family Science and Operation Discovery.

ABBOTT IN IRELAND: INSPIRING STUDENTS

Since 2003, we have worked closely with Junior Achievement Ireland, encouraging young, at-risk students to remain in school and teaching them a variety of skills they need to succeed in a changing world. To date, our work with Junior Achievement has reached nearly 14,000 students in more than 100 of Ireland's primary and secondary schools.

In Ireland and globally, Abbott supports a diverse range of other community projects, with particular emphasis on promoting science education at primary and secondary school. As an example, we are members of Smart Futures, a collaborative government-industry framework initiative promoting science, technology, engineering and maths (STEM) careers to post-primary students in Ireland.

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 along with their parents and teachers, to learn about science and innovation through exciting experiments and activities led by Abbott scientists and engineers.



Operation Discovery, brings students to an Abbott facility, where our scientists and engineers guide them through hands-on lab experiments.

For the past five years, we have coordinated our Family Science and Operation Discovery programmes, which are supported by the Abbott Fund. In 2014, almost 100 employees from seven sites participated in these two programmes, volunteering their services in 23 local schools. Our follow-up studies show that these programmes have a significant impact on the way participating children and their parents perceive science. A critical part of these programmes is collaboration with teachers, and more than 100 have participated since 2009.

Complementing our science programmes, Abbott in Ireland participates in National Engineering Week each February. In 2014, engineers from six sites met with more than 400 primary and secondary students.

Promoting Ethics and Integrity

Abbott is committed to doing business in a responsible manner and to maintaining the highest standards of ethical conduct in everything we do. The people of Abbott understand the impact that our work can have on people everywhere.



25
LANGUAGES

The Abbott Code of Business Conduct is published in print and online.

We therefore strive to ensure that we are doing the right thing, in the right way, every day. Reflecting our commitment to doing business fairly, honestly and with integrity, our ethics and compliance programme goes beyond just adhering to applicable laws and regulations.

Abbott makes it a priority to enlist our employees in this commitment and to ensure that they understand our company's values, our Code of Conduct and our policies and procedures, as well as our legal obligations. 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. The fundamental message of the Code is straightforward: It's up to us, each Abbott employee, to build our company and our brand by holding ourselves to the highest ethical standards, by living our values and continually operating with honesty, fairness and integrity.

Abbott employees are required to read and certify adherence to our Code annually. It clearly states that Abbott does not tolerate illegal or unethical behaviour in any aspect of our business. It emphasises the importance of ethical and honest conduct; of following 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.

To further ensure that we uphold our company's global standards for ethics and integrity in Ireland, we have established an Abbott Ireland Compliance Committee. It is responsible for implementing and monitoring policies and procedures for increasing employee awareness of the Abbott Code of Conduct and responding to suspected violations of our Code of Conduct or of local laws and regulations. Additionally, the committee is charged with assessing the efficacy of existing policies and procedures locally and ensuring that they address all legal and compliance risks in such key areas as promotional activities; product sampling; sponsorships of healthcare professionals; post-marketing studies; charitable contributions; and privacy and competition law.

External Recognition



IRELAND

- 2014 Excellence in Environment Award from Chambers Ireland for our waste, water and energy programme
- 2014 Excellence in Marketplace Award from Chambers Ireland for our Abbott Hospital to Home nutrition programme
- In 2014, Abbott's vascular business in Clonmel won the Shingo Award – making it the first organisation in Europe to achieve the standards for sustainable, operational excellence required to receive the top Shingo prize.
- In 2014, Abbott's diagnostics business in Ireland (Sligo and Longford) was awarded the Silver Award by the National Irish Safety Organisation. This award acknowledges the positive and proactive culture of safety management undertaken at Abbott facilities.
- In 2014, at the Irish Institute of Training and Development's National Training Awards, an Abbott employee won the Learner of the Year award.
- In 2014, an Abbott employee won the gradIreland Graduate Employee of the Year. Abbott was also selected by students as the Most Popular Graduate Recruiter in Ireland in the Science category for the second year in a row.

- In 2013, Abbott received the Engineers Ireland Career Professional Development Employer of the Year award (Cootehill and Sligo).
- Abbott was recognised as one of Ireland's best places to work by *Great Places to Work* for the 10th year in a row in 2013.

GLOBAL

- For the third consecutive year, Abbott was named the leading company in its industry by the Dow Jones Sustainability Index (DJSI), one of the most prestigious global benchmarks for corporate responsibility and sustainability. 2015 was the 11th consecutive year that Abbott was recognised for sustainability leadership through its inclusion in both the Dow Jones Sustainability World Index and North America Index.
- 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 and 2015 lists.
- Abbott has been included in the global 100 Best Corporate Citizens list compiled by *Corporate Responsibility* magazine for seven consecutive years, 2009 to 2015.
- Abbott has been included on the Ethibel Excellence Investment Register since 2005, in recognition of the company's economic, social and environmental performance.

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