



Abbott

INDIA

SUSTAINABILITY
REPORT 2017-2018



BOLD, VITAL AND RESOURCEFUL	1
ABBOTT IN INDIA	2
WHAT WE DO	5
TO OUR STAKEHOLDERS	6
OUR SUSTAINABILITY APPROACH	7
INNOVATING TO MEET CURRENT AND FUTURE HEALTH NEEDS	8
EMPOWERING PEOPLE TO LIVE FULL AND HEALTHY LIVES	12
STRATEGIC PHILANTHROPY	20
OPERATING SUSTAINABLY AND RESPONSIBLY	24
VALUING OUR PEOPLE	26
SAFEGUARDING THE ENVIRONMENT	32
SUPPLY CHAIN EXCELLENCE	38
BUILDING SHARED VALUE IN INDIA	40
EXTERNAL RECOGNITION	44

ABOUT THIS REPORT

This is Abbott's third Sustainability Report for India. It covers initiatives taking place from 2017 through 2018 and mentions relevant forward-looking projects, as well.

All of the information that we disclose is sourced from Abbott's operations. The terms "Abbott" and "we" refer to Abbott in India.

In this report, figures for U.S. dollars have been calculated using the rate of 69 rupees to one dollar.

BOLD, VITAL AND RESOURCEFUL

At Abbott, we believe that good health is the starting point for all of life's possibilities, and in few places are those possibilities as rich and exciting as in India. This is a country that is bold, vital and resourceful — home to more than 1.2 billion people and rich in cultural diversity and traditions, in energy and ambition, and in zest for life.

Our company has been active in India for more than 100 years, helping people live the best lives they can through good health. Today, we offer more than 500 healthcare products in the country, with a distribution network that includes more than 5,000 stockists and 500,000 pharmacies. Our pharmaceuticals, nutrition products, medical devices and diagnostic solutions meet the healthcare needs of people in both rural and urban areas through direct distribution to consumers and patients, as well as through hospitals, blood banks and laboratories.

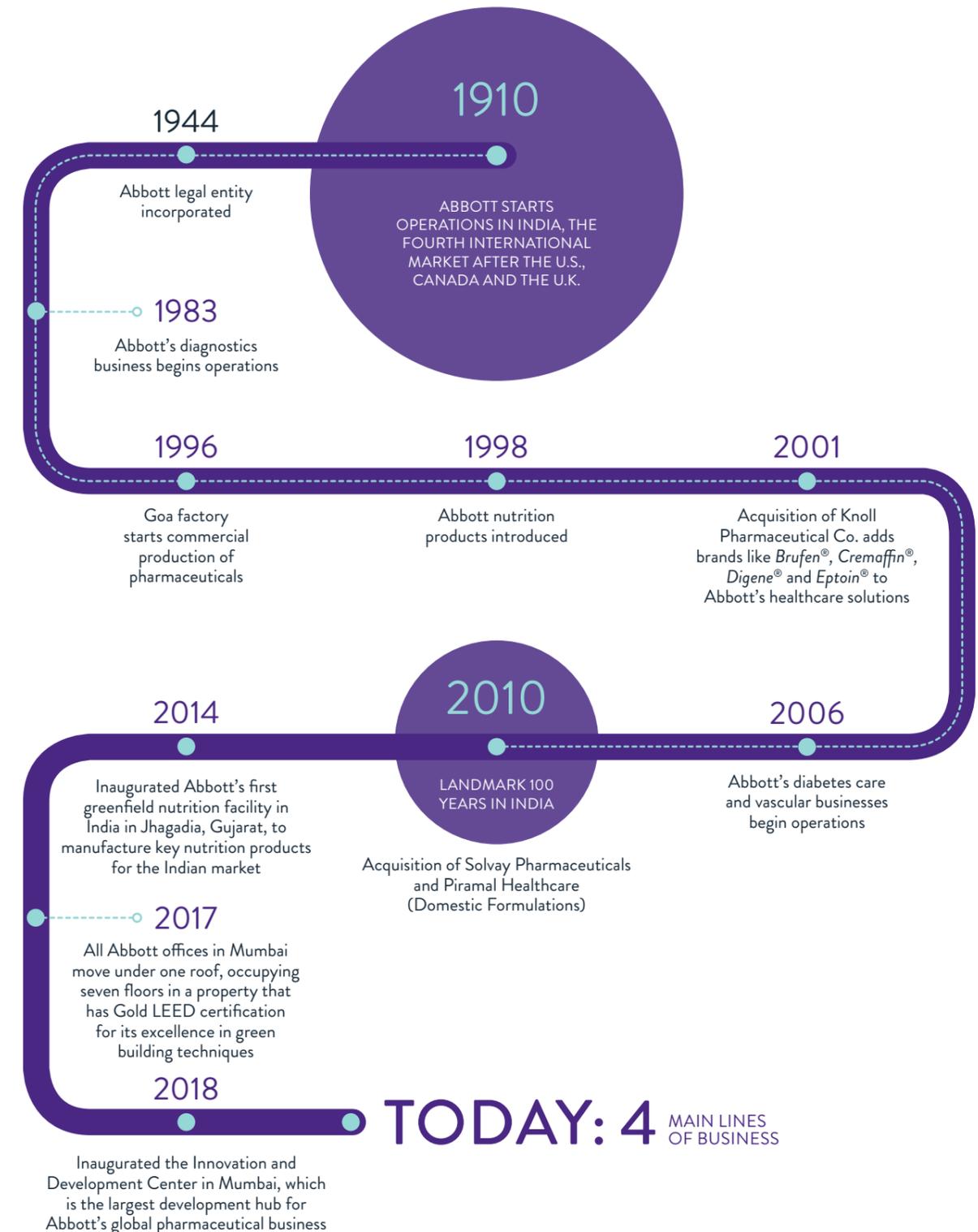
Our approach to sustainability within India, as elsewhere, focuses on doing the right things for the long term for the benefit of everyone who relies on our products and services. This starts with being a responsible, sustainable and inclusive business, maximizing the potential of our products and services to help people live fuller lives. At the same time, we work hard to extend the impact of our business by building stronger and healthier communities across India.

ABBOTT IN
INDIA

“India is a top priority for growth and investment for Abbott. With a development-friendly environment, I see our stake in the health of India only growing over the years to come.”

MILES D. WHITE
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

100+ YEARS
OF COMMITMENT



₹ 8,535

CRORE
REVENUE

Our company has conducted business in India for more than 100 years and is one of India's largest healthcare companies, with revenues of ₹8,535 crore (USD 1.237 billion) in 2017.

3 MANUFACTURING
LOCATIONS

- GOA
- BADDI
- JHAGADIA



We operate pharmaceutical manufacturing facilities in Goa and Baddi and also a nutrition plant in Jhagadia. Our plants deliver a reliable supply of high-quality products tailored to local needs and tastes.

NEW INNOVATION
AND DEVELOPMENT
CENTER



The recently inaugurated Innovation and Development Center in Mumbai is the largest development hub for Abbott's global pharmaceutical business. The center will develop high-quality medicines and new packaging to help people in India and in more than 30 other countries get and stay healthy. Abbott also has a nutrition research and development presence in Mumbai to develop science-based nutrition products.

A STRONG
NETWORK



Our partner distribution network in India includes more than 5,000 stockists and 500,000 pharmacies.

WHAT WE DO

We keep your heart healthy, nourish your body at every stage of life, help you feel and move better, and bring you information, medicines and breakthroughs to manage your health.

This is technology at its most personal, the kind that helps you live healthier, so you can do the things you love.

ESTABLISHED
PHARMACEUTICALS



We offer high-quality, affordable and trusted medicines that help millions of people around the world lead healthier lives. Through product enhancements such as new formulations, delivery methods and packaging, we tailor our offerings to address the specific needs of the regions we serve.

NUTRITION



Abbott understands that proper nutrition is the foundation for full and healthy lives. That's why we develop science-based nutrition products for people of all ages. With a focus on consumers and healthcare professionals, and a nutrition research and development presence in Mumbai, Abbott develops products that help babies and children grow, keep bodies strong and active, and support the unique nutrition needs of individuals with chronic illnesses. We work to make every stage of life a healthy one.

MEDICAL
DEVICES



More advanced medical devices mean faster, more effective and less invasive treatments for people with serious diseases. While Abbott was already a leader in important segments of the medical device market, the addition of St. Jude Medical in 2017 expanded our offerings in cardiovascular and neuromodulation treatments.

DIAGNOSTICS



Our innovative instruments and tests help diagnose and monitor a range of health conditions with speed, accuracy and efficiency. Our diagnostic solutions range from automated immunodiagnostic systems and blood analyzers to sophisticated molecular diagnostics and point-of-care devices. After acquiring Alere Inc. in 2017, Abbott became the global market leader in point-of-care testing, making diagnostics more accessible to people through remote and home testing, pharmacies, and clinics. All of our solutions are designed to deliver information that helps improve decision making and patient care across the entire healthcare system.

TO OUR STAKEHOLDERS

LETTER FROM OUR LEADERSHIP TEAM

We are pleased to present Abbott's 2017–2018 India Sustainability Report, which is the third report highlighting our work in India. This report describes our long-term commitment to helping people in India live the best lives they can through good health.

Our company has been helping people in India live fuller and healthier lives for more than 100 years. In recent years, we have invested significantly in our operations here, building local manufacturing and innovation and development (I&D) capacity, so that we can create products to suit India's specific healthcare needs and tastes. In 2010, we acquired Solvay Pharmaceuticals and Piramal Healthcare's domestic formulations business to bolster our reach and product portfolio and to provide solutions to more of India's unmet medical needs. We have invested ₹517.5 crore (USD 75 million) in our state-of-the-art nutrition manufacturing plant in Jhagadia, which began operations in 2014, producing a line of nutritional products for India.

Abbott is in the business of life. We believe that good health is about more than treating illnesses or managing medical conditions. It's about enabling people to live their best possible lives every day. Our business is built around delivering innovative solutions that can push healthcare further. By focusing on the areas where opportunities for our business intersect with positive social and environmental impact, we aim to achieve sustainable growth, deliver life-changing technology and create value in communities around the world.

Thank you for taking the time to read this report to learn about what sustainability means to Abbott and our commitment to being a good citizen of India. We look forward to reporting to you on our future progress in these areas and to receiving your comments and suggestions.

SENIOR MANAGEMENT TEAM

JAWED ZIA
Vice President,
Established
Pharmaceuticals

TUSHAR SHARMA
General Manager,
India and South Asia,
Vascular

AMBATI VENU
Managing Director,
Abbott India Limited

AMAR BHANUSHALI
General Manager,
Diabetes Care

SUSHEEL UMESH
Managing Director
and General Manager,
Specialty Care, Abbott
Healthcare Pvt. Ltd.

SHYAMAKANT GIRI
General Manager,
India Region and Africa,
Point of Care

ASHOK NAIR
Managing Director
and General Manager,
Primary Care, Abbott
Healthcare Pvt. Ltd.

NARENDRA VARDE
General Manager,
Diagnostics

GURPRIT SINGH
Country Manager,
Molecular Diagnostics

AMAL KELSHIKAR
Country Head and
General Manager,
Nutrition

OUR SUSTAINABILITY APPROACH

Our sustainability strategy is focused on achieving sustainable growth, delivering innovative solutions and building stronger communities to help more people live their best lives. In India, as in other countries, this starts with being a responsible, sustainable and inclusive business.

The way that we report on our sustainability efforts reflects how our business helps people live full, healthy lives.

Abbott is committed to creating life-changing technologies in those areas where the need for new solutions is greatest. We innovate new products to meet changing healthcare needs, invest in new business models that create shared value for our communities and develop new systems that can deliver healthcare to those who need it most.

Knowledge is the essential foundation for healthier lives. Abbott works to empower healthcare practitioners, patients, consumers and our own employees. We share our expertise in new research and new health solutions, market our products responsibly, and empower people to make informed choices about healthcare and nutrition.

Operating sustainably and responsibly is the bedrock of our impact on society. We earn trust for our brand and products through demonstrating our commitment to quality and safety, ethics, and integrity. We protect the health and well-being of our employees while operating award-winning programs to help them fulfill their potential. We work to promote and preserve healthy living environments by reducing our environmental impact, mitigating the effects of climate change and safeguarding clean water resources. We work closely with our suppliers to apply the highest standards of environmental and social responsibility throughout our supply chain, including the protection of human rights.

In this report, we also provide insight into our work on developing shared-value initiatives that enable us to grow our business while solving social problems and also on our strategic philanthropy efforts that enable us to multiply the positive impact of our business for communities in India.





INNOVATING TO MEET CURRENT AND FUTURE HEALTH NEEDS

For more than 100 years, we have been helping people in India live healthier lives and reach their potential through innovative products that meet the highest standards of quality. We always aim to deliver innovation that makes life better and has a lasting impact on human health.

By establishing innovation and development (I&D) and manufacturing facilities in India, we've been able to ensure that our innovation is tailored to the needs people in India have when it comes to living healthier and fuller lives.

INNOVATING TO RAISE STANDARDS OF CARE

Our innovation for India is rooted in on-the-ground understanding, for example, through conducting taste tests in India, Abbott has built up a customized sensory profile that helps to ensure our products meet local tastes and preferences. We gather evidence through clinical trials within India to match groundbreaking technologies and solutions with different health challenges. In this way, we have developed and launched a range of new products and solutions that improves access to healthcare for India's diverse population.

100+ YEARS

ABBOTT HAS BEEN HELPING PEOPLE IN INDIA LIVE HAPPIER, HEALTHIER LIVES FOR MORE THAN 100 YEARS.



ESTABLISHED PHARMACEUTICALS

Our research revealed that a majority of epilepsy cases are diagnosed in childhood, but treatment was only available in the form of tablets, which are difficult for young children to swallow. To tackle this problem, we developed an easy-to-swallow liquid formulation of the treatment.

To prevent dosing challenges and improve compliance with liquid formulations, we developed an integrated dosing device called *LiDoCon*® in India. The device is simple and compact and provides accurate dosing while avoiding spillage and product contamination. A cough syrup for pediatric use has been launched in this innovative and patient-friendly pack in India.

NUTRITION

India has a substantial incidence of head, neck and gastrointestinal cancers. These are known to bring down body weight and adversely impact a person's response to therapy, reducing survival rates. Abbott's *ProSure*®, available in India, is scientifically formulated to contain eicosapentaenoic acid (EPA), which is clinically proven to help promote weight gain and improve patient outcomes.

Keeping with emerging trends in critical care and to address the need for hygiene and convenience in hospitals, we became the first to introduce the ready-to-use *Ensure*® in liquid form. In India, we have *Ensure*® Plus and *Ensure*® Plus Peptide liquid formulations to meet patients' needs in intensive care units (ICUs).



LASTING IMPACT

WE AIM TO DELIVER INNOVATIVE SOLUTIONS THAT MAKE LIFE BETTER AND HAVE A LASTING IMPACT ON HUMAN HEALTH.

MEDICAL DEVICES

Our industry-leading cardiovascular devices include gold-standard drug-eluting stents that open blocked vessels and physiology and visual tools that are changing the way cardiologists implant coronary stents. The fractional flow reserve (FFR) diagnostic tool measures the pressure inside blocked vessels to help healthcare professionals make treatment decisions, and the optical coherence tomography (OCT) systems help healthcare professionals see inside vessels in order to optimally place stents.

Our structural heart devices repair and replace damaged heart valves or repair holes in the heart, and our balloon catheters, guide wires and vessel closure devices help healthcare professionals as they perform minimally invasive procedures on patients.

Our heart failure and cardiac rhythm management devices keep the heart beating at a healthy pace with pacemakers, implantable cardiac defibrillators, diagnostic and ablation catheters, mapping and visualization systems, and implantable cardiac monitors. Solutions for treating heart failure with left ventricle assist devices, cardiac resynchronization therapy and a pulmonary artery pressure monitoring system mean we have many ways to get people's hearts working better sooner.

Our *FreeStyle® Libre Pro* flash glucose monitoring device fundamentally changes how healthcare professionals in India monitor glucose levels, enabling more effective detection and monitoring of diabetes.

DIAGNOSTICS

Abbott's core lab business is helping to transform healthcare around the world through a broad range of innovative instrument platforms, tests and services. We are addressing the growing needs of our customers to develop greater efficiencies using analytics, informatics and automation. Our new platforms in development for hematology, blood screening, and immunoassay and clinical chemistry will further standardize processes, reduce costs and manage labor constraints. This can help our customers deliver accurate and timely information to healthcare professionals as they make treatment decisions.





EMPOWERING PEOPLE TO LIVE FULL AND HEALTHY LIVES

Abbott exists to help people live better, longer and healthier lives. We do so by working with governments, international healthcare organizations and community-focused nongovernmental organizations (NGOs), engaging consumers and leveraging the skills and passion of our own employees.

We take a partnership-based approach to improving access to healthcare: increasing the geographical reach of healthcare products, advancing understanding of emerging products and treatments, and empowering people through education, information and inspiration.

2,100+ WOMEN

THE WINGS PROGRAM PROVIDED EDUCATION AND AWARENESS ON GDM TO MORE THAN 2,100 PREGNANT WOMEN.



₹13.4 CRORE

OVER THE PAST SIX YEARS, THE ABBOTT FUND HAS INVESTED ₹13.4 CRORE (MORE THAN USD 2 MILLION) IN THE WINGS PROGRAM TO HELP REDUCE GDM IN WOMEN IN INDIA.

250+ HEALTH WORKERS

MORE THAN 250 COMMUNITY HEALTH WORKERS HAVE BEEN INVOLVED IN OUTREACH PROGRAMS TO HELP RAISE AWARENESS OF GDM.

IMPROVING WOMEN'S HEALTH WITH THE INTERNATIONAL DIABETES FOUNDATION

Every year, more than 5 million pregnant women in India are estimated to have gestational diabetes mellitus (GDM), a condition that if not managed correctly, can lead to type 2 diabetes, as well as other health complications for both mothers and their babies. Yet despite the prevalence of GDM and its serious consequences, the condition is often overlooked. Inconsistent diagnostic criteria and lack of awareness among healthcare providers make identifying and treating GDM challenging, leading to poor outcomes for both mother and baby.

The Abbott Fund partnered with the International Diabetes Federation (IDF), an umbrella organization of more than 200 national diabetes associations in more than 160 countries, and the Madras Diabetes Research Foundation (MDRF), with an investment of ₹13.4 crore (USD 2 million) since 2011. Together, we launched the Women in India with Gestational Diabetes Mellitus Strategy (WINGS) program to tackle India's rising prevalence of GDM and to help define an innovative model of care for improving awareness, diagnosis and care of gestational diabetes. This can lead to better detection and management of the condition across India and beyond. It is the first project to tackle this serious disease.

Piloted in Tamil Nadu, the program provided community-based education for more than 2,100 pregnant women with GDM, including effective management for 215 women diagnosed with GDM. More than 60 physicians were trained on the model of care, and more than 250 community health workers were involved in the outreach program to raise awareness of GDM. The program focused on the importance of close follow-up and interaction between healthcare workers and patients.

The [initial results](#) were promising: The women with GDM who participated in the program had pregnancy outcomes that were similar to outcomes of women without GDM. In addition, 96 percent of women participating in the program returned for follow-up after having their babies (compared to typical follow-up rates of 10-20 percent). This follow-up care created a valuable opportunity to prevent the development of type 2 diabetes.

Results from the program were shared at the World Diabetes Congress in Vancouver, Canada, with the longer-term goal of introducing the program in other countries around the world.

7 SITES

WINGS PILOT PROGRAMS WERE LAUNCHED AT SEVEN CLINICS IN URBAN AND RURAL AREAS.

WINGS IMPACT

- Developed a training manual for healthcare professionals and community health workers
- Developed an educational handbook for pregnant women and those at risk for GDM, which was the handbook that was distributed through the WINGS program
- Provided community-based education for more than 2,100 pregnant women with GDM
- Helped more than 215 pregnant women with GDM to begin managing their condition through diet, exercise and monitoring
- Made available WINGS model of care resources for healthcare professionals and those with GDM on the WINGS website

SUPPORTING HEALTHCARE PROFESSIONALS THROUGH TRAINING AND EDUCATION

Supporting the training and education of healthcare providers is a central element in our strategy to improve access to healthcare. We do this through a wide range of training events, meetings, conferences and educational activities, reaching out to a range of stakeholders working in healthcare. In 2017, the focus was on doctors practicing in rural areas. More than 22,000 medical professionals in India participated in our educational programs, many of which are focused on the diagnosis of commonly seen and emerging diseases.

60+ HCPs

MORE THAN 60 HEALTHCARE PROFESSIONALS (HCPs) WERE SPECIALLY TRAINED IN THE WINGS MODEL OF CARE FOR WOMEN WITH GDM.

96% OF WOMEN

MORE THAN 95 PERCENT OF WOMEN RETURNED FOR FOLLOW-UP CARE, COMPARED TO THE TYPICAL 10-20 PERCENT FOLLOW-UP RATES.



KNOWLEDGE GENIE™: AN EFFECTIVE TOOL FOR SCIENTIFIC ENGAGEMENT

Knowledge Genie is a multichannelled online science platform, providing medical practitioners with news about the latest developments and insights in medicine. Launched by Abbott in 2010, it provides access to an e-library of more than 3,000 medical journals, more than 2,000 ebooks, and daily updates on clinical and research developments, giving easy access to the latest medical advances and treatment options. Doctors view *Knowledge Genie* as a trusted partner that helps them keep abreast of important developments in their respective fields. More than 73,000 of India's doctors across 20 specialties are enrolled in *Knowledge Genie*, with more than 420,000 visits to the site each year.

ORTHOPEDIC EXCELLENCE PROGRAM

Changes in lifestyle, including rising physical inactivity and shifting eating habits, are triggering a rise in noncommunicable diseases (NCDs) across a broad range of different countries, and India is no exception. Bone health is just one area of concern, with bone-related disorders and syndromes on the rise across all age groups.

Abbott is collaborating with the Indian Orthopaedic Association (IOA), the largest professional organization dedicated to bone health in India, on its Ortho Excellence Program, which provides medical professionals with information about the most up-to-date practices for diagnosis and treatment of bone-related disorders.

The program is the first of its kind in India and takes the form of daylong sessions covering a range of different therapy types. These include pain management and treatment of osteoporosis, osteoarthritis, hyperuricemia and fractures. In daylong sessions, subject-matter experts explain the latest guidelines and treatment protocols with illustrative case studies and question-and-answer sessions. Close to 1,000 orthopedists across 13 cities have participated in the sessions so far, and we are working to extend the reach of the program to more than 4,000 orthopedists in 50 cities across India.

ANHI IN INDIA

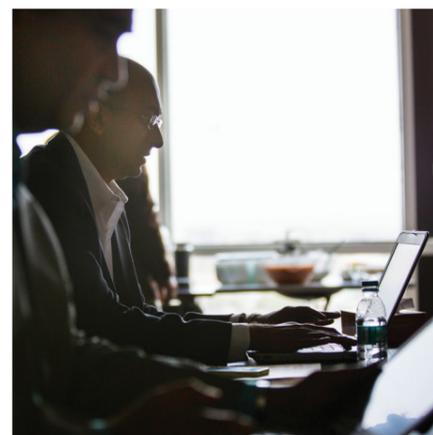
The Abbott Nutrition Health Institute (ANHI) was formed in 2007 and has operated in India since 2010. The mission of ANHI is to connect and empower people through science-based nutrition resources to optimize health worldwide.

ANHI is focused on providing evidenced-based nutrition education that highlights the ways in which good nutrition can improve lives. The institute brings together leading healthcare professionals, including physicians, nurses and dietitians, who deliver vital nutrition care and education and provide key resources to assist them in their work.

ANHI's work has focused on three areas in India:

- Education, with training courses for healthcare professionals on the importance of nutrition therapy
- Advocacy, with ANHI providing service and design protocols that advocate for the role of science-based nutritional approaches for enhancing overall health
- Collaboration, working with other premier institutions and encouraging research in the field of therapeutic nutrition

ANHI also hosts its digital material on a newly built digital space that allows practitioners to access the nutrition education they are seeking with greater ease and flexibility.



73,000+ DOCTORS

MORE THAN 73,000 OF INDIA'S DOCTORS ARE ENROLLED IN KNOWLEDGE GENIE, A MULTICHANNEL ONLINE SCIENCE PLATFORM WITH NEWS ABOUT THE LATEST DEVELOPMENTS AND INSIGHTS IN MEDICINE.

21,000+ DOCTORS

OUR PARTNERSHIP WITH THE AMERICAN SCHOOL OF CONTINUING MEDICAL EDUCATION HAS REACHED SOME 21,800 DOCTORS IN RURAL MARKETS.



LASTING IMPACT

WE HAVE HELPED SET UP CME PROGRAMS FOR THOUSANDS OF HEALTHCARE PROFESSIONALS ACROSS INDIA, WHICH ACCOUNT FOR PHYSICIAN LOCATION, CAREER LEVEL AND MEDICAL TOPIC.

CONTINUING MEDICAL EDUCATION PROGRAMS

Abbott works with a number of different stakeholders to provide continuing medical education (CME) programs that help active healthcare professionals stay abreast of the issues affecting India and the latest techniques and products for tackling them.

We conduct a number of CME programs, tailored to different career levels.

For **consulting physicians**, we work with AIM (a partnership of the American Academy of Continuing Medical Education and the Indian Medical Association) in addressing pressing clinical challenges, such as hypertension, diabetes and H1N1. We have created a series of web-based scientific programs that give specialists throughout the country real-time access to consulting physicians, thus catalyzing the sharing of knowledge. So far, this program has facilitated 5,000 interactions with consulting physicians.

For **junior physicians**, we partner with the American Guild of Physicians to deliver high-quality classroom-based content and reading materials directly to clinics. Attendees at these education sessions can also earn continuing education credits, which promotes registration renewals. The program has so far helped to educate 6,500 physicians, using 340 speakers.

In **rural markets**, doctors have little time for continuing education, due to the pressures and workload that result from a shortage of healthcare practitioners. We partner with the American School of Continuing Medical Education to provide locally relevant print materials to help doctors learn on the go, without the need to attend formal classes. Self-assessment questionnaires help doctors to assess their own progress.

So far, this program has reached some 21,800 doctors through a combination of:

- Virtual lectures, expert talk meetings and round-table meetings to enhance therapy area knowledge.
- Various learnings, such as Learn in Clinic from the Expert (LITE), Initiative for Medical Practitioners to Augment in Clinic Training (IMPACT) and ebooks on enhancing clinic diagnostic skills.
- A virtual reality app and digital e-detailers that provide information on the importance of quality in pharmaceutical products.



KEEPING PRACTITIONERS INFORMED ON CUTTING-EDGE SCIENCE

In 2014, we launched a partnership with the Association of Physicians of India (API) to conduct a series of pioneering CME programs. Known as API-DIAS (Dissemination of Updated Information through API Speakers), these programs are designed to bridge the gap between theoretical knowledge and practical implementation for specialists and consulting physicians.

To date, the API-DIAS has held 80 conferences on cutting-edge science in both chronic and acute therapeutic areas. We have held these conferences in 40 cities in India, featuring 2,500 speakers and chairpersons of national and international repute. The program has reached more than 7,000 healthcare professionals.

“With the theme ‘From Guidelines to Practice,’ the API-DIAS program has educated over 6,000 M.D. physicians within a record-breaking time frame of five months. On behalf of API, we thank Abbott for taking this program to this scale and for augmenting excellence in healthcare by keeping the patient at the heart of treatment.”

**DR. A. MURUGANATHAN,
FORMER PRESIDENT OF API**





STRATEGIC PHILANTHROPY

Abbott seeks to create stronger and healthier communities, enabling people to fulfill their potential and to live the fullest possible lives wherever we live, work and do business.

Abbott and our philanthropic foundation, the Abbott Fund, support a diverse range of projects around the globe, projects where financial support comes from a collaboration of the Abbott Fund, together with Abbott's people, products and expertise. Our partners encompass the best in humanitarian organizations, and we work together to deliver results.

We focus on philanthropic investments in areas that align with our business and our core capabilities, on opportunities to leverage our employees' time and skills in their local communities, and on partnerships with stakeholders that enable us to achieve sustainable change. We always start by listening to the needs of India's people and to the challenges that have prevented workable solutions up to now.

We have used this approach to identify a number of different focus areas for our philanthropic work in India. In each of these areas, we are partnering with organizations that have the skills, knowledge and resources to complement our efforts. We are committed to measuring the impact of our programs, so that we can drive change sustainably and apply the lessons to helping other communities, as well.

512 TOILETS

TO DATE, A TOTAL OF 512 HOUSEHOLD TOILETS AND SEVEN SCHOOL AND COMMUNITY TOILETS HAVE BEEN BUILT.



₹3.4 CRORE

ABBOTT HAS MADE A ₹3.4 CRORE (USD 500,000) INVESTMENT IN SANITATION IN THE BHARUCH DISTRICT, WHERE NEARLY 70 PERCENT OF HOUSEHOLDS ARE WITHOUT TOILETS.

SANITATION

According to the 2011 census, nearly half of India's people have no toilet at home. This situation has a significant negative impact on human health, and awareness of the need for improved sanitation has risen with initiatives such as Prime Minister Narendra Modi's Clean India campaign.

Abbott was determined to help by developing a holistic solution. We examined the challenges surrounding this issue and took a multidimensional approach: investing in sanitation infrastructure, ecosystem building and cultural awareness.

We made a ₹3.4 crore (USD 500,000) investment in sanitation in the Bharuch district of Gujarat, focusing on two villages — Dadheda and Talodra — where nearly 70 percent of the households were without toilets. The aim was to achieve "open-defecation-free" status for the targeted villages through construction of household toilets. To date, a total of 512 household toilets and seven school and community toilets have been built, which has resulted in 100 percent of households in the villages having access to toilets.

This investment was guided by a detailed research and analysis process.

We consulted with local government authorities to identify the villages to target with the scheme and then conducted a preliminary situational analysis of both villages. We then completed a detailed needs assessment study to identify the requirements of the community and individual households regarding sanitation and waste management.

We helped to build and maintain toilets in homes, schools and villages; support community education efforts to raise awareness of the connections between sanitation and health; and teach appropriate use and maintenance of the new facilities.

To increase the effectiveness of our investment in Gujarat, we worked with the Federation of Indian Chambers of Commerce and Industry's Social and Economic Development Federation (SEDF) to develop targeted awareness and behavioral change programs. We targeted our awareness program at important and influential groups, such as students and women, leveraging our partners' understanding of specific barriers to behavior change. At the same time, we trained village residents to take over the running of the awareness program and to support the use of the facilities once they were in place.

Measuring the impact of the project was a critical component to ensuring its success. Key performance indicators (KPIs) included the number of individuals using toilets, incidence of sanitation-related illnesses and school attendance.

The findings demonstrate the positive impact of the program: One hundred percent of households participated in community awareness sessions, and 100 percent of respondents said they use the newly constructed toilets. In addition, 99 percent of women reported an increase in safety and privacy.

The increased number of toilets also resulted in improvements in other aspects of healthy living. Overall, 65 percent of people reported an improved health condition. Households having at least one diseased member fell from 40 percent to 7 percent. Productivity and time saved also increased: 7 percent of respondents reported increased income due to saving time, and in the week prior to taking the assessment survey, zero students took a leave of absence from school due to health issues.

GIRLS FIRST

The Abbott Fund partnered with CorStone's Girls First program to empower adolescent girls and young women through training in personal resilience, providing them with knowledge and skills to improve their health, educational outcomes and self-sufficiency.

To date, we have provided ₹2.8 crore (USD 420,000) in grants to help train more than 2,000 adolescent girls in Surat, Gujarat.

ULTRA RICE®

More than 200 million people in India, many of them children, suffer from hunger and malnutrition. Rice, a staple food for two-thirds of India's people, can play an important part in overcoming micronutrient malnutrition. Abbott partnered with international nonprofit organization PATH to reformulate its Ultra Rice — a manufactured grain that looks and tastes like rice but contains important nutrients that rice lacks — reducing the cost by approximately 10 percent while enhancing it with additional vitamins.

With ₹10.1 crore (USD 1.5 million) in funding support from the Abbott Fund, the partnership has also strengthened local production capacity in India, where fortified grains are produced by local businesses and rice millers. This builds local capacity and strengthens local distribution chains.

Ultra Rice feeds nearly half a million children every day, and these fortified grains hold great potential to improve the quality of life for millions of children and their families in India and more than a billion worldwide.

2,000+ GIRLS

TO DATE, ABBOTT HAS PROVIDED ₹2.8 CRORE (USD 420,000) IN GRANTS TO HELP TRAIN MORE THAN 2,000 ADOLESCENT GIRLS IN SURAT, GUJARAT.

₹36.9+ CRORE

MORE THAN ₹36.9 CRORE (USD 5.5 MILLION) IN NUTRITIONAL AND PHARMACEUTICAL PRODUCTS HAVE BEEN DISTRIBUTED TO INDIAN COMMUNITIES IN NEED.

HUMANITARIAN RELIEF EFFORTS

Humanitarian relief is an integral part of our commitment to global sustainability. When natural disasters and other emergencies strike, healthcare products are an important part of the response. We work with trusted humanitarian relief partners to help distribute products to where they are most needed.

Since 2005, Abbott has distributed more than ₹36.9 crore (USD 5.5 million) in nutritional and pharmaceutical products to Indian communities in need. These donations have helped combat a wide range of diseases, tackling malnutrition and dehydration and preventing infection.

From 2014 to 2017, India suffered a number of disastrous floods as a result of torrential rains and other natural disasters in the states of Jammu and Kashmir, Gujarat, West Bengal, Assam, Odisha and Bihar, and Tamil Nadu. These incidents caused widespread destruction, wiping out entire communities and their livelihoods. We responded by donating cash and critical products, including antibiotics, vitamins and minerals, through AmeriCares India, a nonprofit organization respected for its expertise in emergency response and a long-term partner of Abbott.

“Through an 18-month-long intervention around several sensitivities associated with behaviors and habits, we have succeeded in making both Talodra and Dadheda 100 percent open-defecation-free. The most encouraging aspect of the impact we have seen is the way communities have embraced the change and are experiencing the benefits that it has brought along — especially in the areas of safety, privacy, convenience and overall health. These are factors that women, young girls and elderly value immensely, and that brings Abbott the greatest satisfaction.”

AMAL KELSHIKAR,
COUNTRY HEAD AND GENERAL MANAGER, NUTRITION



500,000 CHILDREN

ULTRA RICE FEEDS NEARLY HALF A MILLION CHILDREN EVERY DAY.



OPERATING SUSTAINABLY AND RESPONSIBLY

Operating responsibly and sustainably is the foundation of our business. For us, operating responsibly means earning trust in our products through our commitment to quality, reducing our environmental impact and enabling healthy living environments — ensuring environmental and social responsibility throughout our supply chain and protecting the health and well-being of our employees.

PRODUCT QUALITY AND SAFETY

Consumers trust Abbott products to help them live their best possible lives through better health. We do not take this responsibility lightly. We strive to enhance the health and well-being of patients and consumers by ensuring the highest standards of quality and safety in our products and in their manufacture and distribution. We use the Abbott Global Quality System as a foundation for each Abbott business unit, incorporating effective quality management practices into every aspect of our daily work and complying with all applicable regulations and standards.

Protecting the authenticity of our products is another important part of earning people's trust. We take a proactive approach, taking action to keep counterfeit, illegally diverted and stolen Abbott products out of the marketplace.

₹517.5 CRORE

ABBOTT HAS INVESTED ₹517.5 CRORE (USD 75 MILLION) IN OUR NEW NUTRITION MANUFACTURING PLANT IN JHAGADIA, WHICH MAKES A LINE OF NUTRITIONAL PRODUCTS FOR INDIA.

DEVELOPING AFFORDABLE HIGH-QUALITY PRODUCTS

Abbott is committed to providing products that are affordable and accessible for consumers in India while meeting the highest standards of quality and safety. Our success is reflected in the fact that 70 percent of our products sell for less than seven rupees, and some of our targeted innovations have been developed for India.

JHAGADIA PLANT DESIGNED FOR QUALITY

In 2014, we opened our nutrition manufacturing plant in Jhagadia, which makes nutrition products for the Indian market. With this plant, our objective is to bring to life our “Make in India” approach for nutrition. It allows us to better understand the health needs and preferences of families in India and to use our scientific expertise and research knowledge to deliver innovative localized products.

The Jhagadia facility uses state-of-the-art manufacturing technology that adheres to the high standards of Good Manufacturing Practices (GMP). This includes a completely sealed production procedure with zero touch, so that products are untouched by human hands until the final packaging stage, and zero exposure, so the products are also sheltered from outside elements during manufacturing. Each product batch undergoes extensive quality testing and multiple quality checkpoints, which are designed to ensure product safety and accurate nutrient levels.

PROMOTING ETHICS AND INTEGRITY

Abbott aims to meet the highest standards of ethical conduct in everything we do — in India and throughout the world. As part of a highly regulated industry, we make it a priority to ensure that all Abbott employees understand our company values, policies and procedures, as well as our wider legal obligations.

The Abbott Code of Business Conduct sets forth our commitment to ethics and compliance. It covers a wide range of principles and requirements that touch upon all aspects of our business activities and operations.

POLICIES AND PROCEDURES

Our policies and procedures operate alongside our Code to guide employees as they conduct their day-to-day activities. They comply with all relevant laws, regulations and promotional standards in the countries where we operate, and they encompass pertinent industry specific laws and regulations, including food and drug laws, as well as laws relating to government healthcare programs. Our policies also consider industry best practices, including provisions of global and local codes for medical devices and pharmaceuticals. Our Code of Conduct is available on our website.

COMBATING CORRUPTION AND BRIBERY

Abbott's policies and procedures comply with and incorporate all relevant laws, regulations and promotional standards in the countries where we operate, including India. We also are committed to preventing corruption in connection with our global business activities and to working with third parties that share this commitment. The Office of Ethics and Compliance (OEC) has developed a third-party compliance process to identify potential risks when doing business with third parties, and to address such risks where they do exist.

At Abbott, we take alleged violations very seriously, and if they are substantiated, offenders are subject to disciplinary action.

BUILDING A COMPLIANCE CULTURE

To implement Abbott's compliance policies, we require ethics and compliance training for all employees, including senior executives and new employees. Training topics cover anticorruption and anticommmercial bribery laws, corporate policies and the Abbott Code of Business Conduct.

Training programs are delivered face to face and through our online training platform, and we document the results. In addition, Abbott's Office of Ethics and Compliance issues regular all-employee communications on our ethics and compliance policies.



VALUING OUR PEOPLE

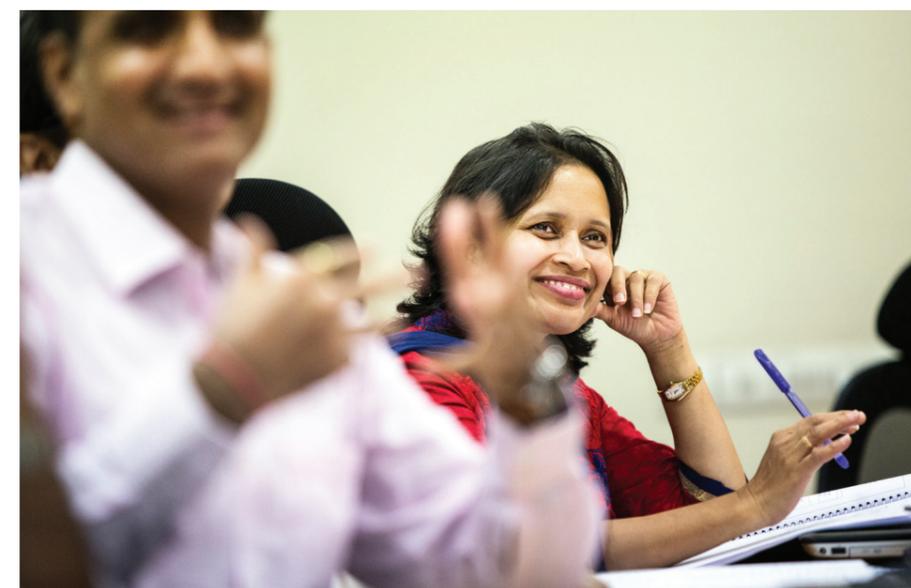
People are an important asset at Abbott: Their skill, dedication, zeal and agility in helping our business understand and respond to changing healthcare needs are what helps Abbott live up to its promise to help people live fuller, healthier lives.

Employment with Abbott is also an important channel through which our business contributes toward stronger and healthier communities.

This is the reason we choose our people carefully and work to provide them with opportunities to pursue fulfilling careers. We offer a competitive, locally relevant employee value proposition, "Grow with the Leader," that reflects our commitment to our employees. This allows employees to be the best they can be, be inspired by what they do, and be acknowledged for their work and efforts. At Abbott, we take pride in our work and in helping our employees to maintain the highest standards of ethics and compliance. We are focused on building a highly engaged workforce on a foundation of proactive performance management, competitive pay and benefits, rewards and recognition, and open and continuous communication across all levels of the organization.

TOTAL REWARDS

EMPLOYEES CAN USE THEIR PERSONALIZED TOTAL REWARDS STATEMENTS TO VIEW THEIR COMPENSATION AND BENEFITS.



COMPENSATION AND BENEFITS

Our compensation and benefits package compares favorably with the pay programs of other leading healthcare companies, as well as other high-performing companies outside of the healthcare arena. Our employees have a convenient and complete view of their Abbott compensation and benefits through their Total Rewards statement, which we first launched as a pilot in India in 2013. These personalized Total Rewards statements help employees understand and make the most of the programs that Abbott offers.

Our employees also have the flexibility of making changes to their salary structure through the Flexible Compensation Plan. Under this program, certain allowances, such as medical or leave travel allowances, are identified. These flexible allowances have been designed to enable employees to take advantage of certain tax benefits, in line with current income tax rules. Employees can modify their compensation structure online, keeping aligned with their specific financial requirements.

HEALTH AND WELL-BEING

The ability of our employees to live full and healthy lives is hugely important to Abbott. To this end, we have launched the Flexible Benefits Program for our employees in India. The Flexible Benefits Program gives our employees the security they need to choose the benefits that matter to them. Through this program, we offer a wide selection of benefits related to insurance, lifestyles and personal development that work for employees at any stage of life. At Abbott, we believe in giving our employees the freedom of choice and the security that they need with the help of this program.

We recently launched the Abbott Shop, a first-of-its-kind initiative in the healthcare industry in India. The Abbott Shop is an online portal that gives employees access to Abbott's medicines and nutrition products in one online location. The products are offered to employees at a discounted rate, and employees can get them delivered to a desired location. The Abbott Shop makes Abbott products available, accessible and more affordable to all employees in the country.



49,000+ WORKDAYS

OUR SALES FORCE HAS UNDERGONE MORE THAN 49,000 WORKDAYS OF ACADEMY TRAINING ACROSS MULTIPLE PROGRAMS.

EMPLOYEE DEVELOPMENT AND TALENT MANAGEMENT

We are committed to helping our people fully realize their potential, and we make that possible by leveraging the scale and diversity of our businesses to support their career development. This is done through providing unique career paths, customized learning experiences, career development programs, and job-specific training and learning opportunities to help employees be successful in their current roles and to develop their potential for future career paths. All Abbott employees, from those working in commercial and operations to those in research and development, have access to these training and development opportunities.

Our learning and development strategy is focused on attracting and retaining the very best talent. In addition to the job-specific training and development available to every Abbott employee worldwide, we offer several area-specific programs in India. Our key training programs include:

- **Professional Development Program (PDP)** for entry-level employees, which offers opportunities to experience roles in different Abbott businesses and locations worldwide and runs across 13 countries, including India.

- **Development programs and certifications for managers**, which are designed to enhance managers' functional skills and competencies across leadership, organizational processes and functional aspects of the role being performed.
- **Capability-building programs for sales managers**, developed in collaboration with the Indian Institute of Management (IIM), India's premier business and management institute, as part of our Next Generation Leadership Program.
- **Abbott Sales Training Academy** for our sales force, which provides structured training programs based on intensive customer research. In 2017, our sales force underwent more than 49,000 workdays of academy training across multiple programs. We also provide tiered certification programs for our sales force, which have three accreditation levels in India and are integrated into our career progression strategy.

We are always seeking to identify, develop and provide accelerated career paths to future leaders within India, who have the potential to play key roles in Abbott's future. Our robust talent management review is an ongoing process to evaluate our internal leadership pipeline, identify the critical capabilities for success and execute development plans for high-potential employees.

We have made robust progress since 2013, with more than 50 percent of our critical leadership roles being filled internally.

In 2014, Abbott developed the In-Stride leadership program in India. In-Stride is a 12-month program that combines practical assignments with mentoring, one-on-one career counseling and courses on leadership to ensure future leaders have the right skills, competencies and support to advance in their careers.

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, innovation and development (I&D) centers, and commercial sites adhere to auditing and reporting requirements, which serve as a baseline for health and safety performance worldwide. Each facility is regularly evaluated against the following criteria:

- 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

iCARE ROAD SAFETY PROGRAM

Road accidents are among India's biggest killers. In 2016 alone, more than 150,000 people lost their lives in nearly 500,000 road accidents in India. A large portion of those killed were riding motorcycles.

Reducing the incidence of vehicle accidents among our employees is one of Abbott's most important safety goals. We operate on a Zero Injuries, Zero Incidents basis, with a stated aim of preventing all vehicle accidents and a determination to continue improving toward reaching this goal. In recent years, we have intensified our efforts under the iCare road safety program, a training course that every member of our sales staff is required to take.

The program focuses on four key areas: the use of helmets and seatbelts; avoiding distractions, such as mobile phones, while driving; speed control; and alert driving techniques. To date, Abbott has educated more than 15,000 employees on defensive driving.

Abbott has partnered with the American Association of Physicians of Indian Origin (AAPI) and the distinguished Indian actor Amitabh Bachchan to leverage the success of our internal training for a campaign designed to build awareness, prevent accidents and save lives across the country.

As part of this program, on April 29, 2015, Abbott undertook a nationwide road safety awareness drive, which used our iCare training to educate India's general public. On that day, 5,500 members of our sales staff used their regular visits to medical clinics as an opportunity to speak with and educate patients in the waiting rooms about road safety. Each of the sales staff spoke with at least 10 people in each of the 10 medical clinics they visited during the course of the day. They used the opportunity to share simple, actionable safe driving principles and to encourage those they met to take a pledge to drive safely.

In that single day, our employees reached out to more than 500,000 people; 318,445 signed pledge cards promising to take ownership of their road safety and share road safety awareness ideas with friends and relatives. This led to Abbott being recognized by Guinness World Records for Most Pledges Received for a Safety Campaign.

The program was repeated in subsequent years. In 2016, 6,027 Abbott employees participated in the employee drive, while in 2017, the participation was 6,236. Over the three years the initiative has been running, the collective reach has been more than 1.5 million people.

1,500,000+ PEOPLE

ABBOTT EMPLOYEES IN INDIA REACHED OUT TO MORE THAN 1,500,000 PEOPLE ABOUT ROAD SAFETY AWARENESS.

A WORLD RECORD

GUINNESS WORLD RECORDS HAS RECOGNIZED ABBOTT FOR THE MOST PLEDGES RECEIVED FOR A SAFETY CAMPAIGN.



1,500,000+

ABBOTT EMPLOYEES IN INDIA REACHED OUT TO MORE THAN 1,500,000 PEOPLE ABOUT ROAD SAFETY AWARENESS.

93%

ABBOTT'S SALES FORCE SAFE DRIVER TRAINING HAS HELPED REDUCE ACCIDENTS INVOLVING EMPLOYEES BY 93 PERCENT OVER THE PAST FIVE YEARS.

496,000+

IN 2017, 496,635 PLEDGE CARDS WERE SIGNED BY PEOPLE WHO PROMISED TO TAKE OWNERSHIP OF THEIR PERSONAL ROAD SAFETY.

EMPLOYEE GIVING AND ENGAGEMENT

Abbott employees in India share our global commitment to creating healthier communities. They give generously of their time, expertise, money and enthusiasm, contributing to numerous community-based initiatives throughout India. These programs include Daan Utsav and payroll giving.

DAAN UTSAV (JOY OF GIVING)

Each year in India, Abbott celebrates Daan Utsav, our Joy of Giving Week. Beginning on Mahatma Gandhi's birthday on October 2 and celebrated across all of India, Daan Utsav gives employees the chance to participate in various volunteering events, with more than half of employees taking part. Every year, employees are invited to submit proposals for nongovernmental organizations (NGOs) for Abbott to support, and every year we increase the number of NGOs that we contribute to. Daan Utsav lets employees support causes close to their hearts, empowering people to make a positive contribution to the community issues they care most about.

PAYROLL GIVING

We have operated a payroll giving plan for the past seven years, enabling employees to donate a percentage of their salary directly to an NGO or other cause of their choice. We partner with Give India to provide a simple donation platform that allows employees to choose from more than 200 NGOs to support.





SAFEGUARDING THE ENVIRONMENT

A healthy environment is essential for better health, stronger communities and more fulfilling lives. We are committed to safeguarding healthy environments for all by reducing our environmental impacts. This shapes the way that we source our raw materials within India and how we manufacture and distribute our products.

We have set clear environmental goals and made rapid progress in using energy and water resources more efficiently while minimizing our waste.

1,600 KILOLITERS

OUR BADDI SITE IN HIMACHAL PRADESH IS SAVING NEARLY 1,600 KILOLITERS (423,000 GALLONS) OF WATER ANNUALLY BY REUSING WATER AND BY PURIFYING WATER USING REVERSE OSMOSIS.



AMBITIOUS 2020 TARGETS

Abbott has set ambitious worldwide goals for 2020 (adjusted for sales) to reduce our environmental impacts compared with 2010 levels. These goals include:

- A 40 percent reduction in carbon dioxide equivalent (CO₂e) emissions from direct emissions.
- A 30 percent reduction in total water intake.
- A 50 percent reduction in total waste.

As we grow our business and increase our manufacturing presence within India, the measures that we take to reduce our environmental impacts in this country will play a vital role in helping to achieve these worldwide goals.

Our main environmental impacts in India stem from our manufacturing plants: their use of water and energy and their waste production. We are also addressing the impact of our product packaging and distribution, including how healthcare practitioners, patients and consumers dispose of our products. Our plant in Jhagadia uses state-of-the-art technology to minimize environmental impacts.

Our plants in Gujarat and Goa have also implemented innovative initiatives to reduce emissions, water use and waste and to make product packaging more sustainable.

WATER STRATEGY

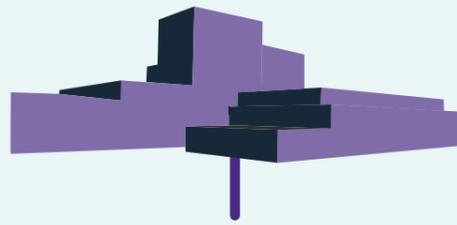
Clean water is a critical resource in India and worldwide, vital to sustaining human health, economic growth and the environment. Access to water is also essential for Abbott's manufacturing operations and plays an important role in how our products are used. Abbott is committed to using water efficiently and sustainably. Even where water is plentiful, we have a responsibility to use resources wisely. That's why we've set a goal to reduce our water intake globally by 30 percent by 2020.

Our Baddi site in Himachal Pradesh has saved nearly 1,600 kiloliters (423,000 gallons) of water per year by reusing water and by purifying water using reverse osmosis. The heated water produced through our water purification processes at the plant is also used in our heating, ventilation and air conditioning, saving ₹1.27 million (USD 19,000) a year.

In Goa, our site has introduced a rainwater harvesting system with the potential to collect more than 2,000 kiloliters (528,000 gallons) of water that is then used in cooling towers and as flush water.

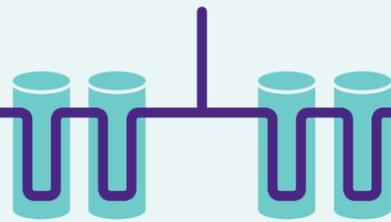
RECYCLING WASTEWATER TO REDUCE OUR ENVIRONMENTAL IMPACT

UNDERSTANDING KARNAL TECHNOLOGY



INITIAL TREATMENT REMOVES MOST MATERIALS

Treatment begins even before the wastewater flows into the fields of trees: Oil and fat, solids, microorganisms, phosphorous and odors are removed.



8 FIELDS

The treated water is discharged into furrows in one of eight fields: one for each day of the week, plus one reserved for emergencies.



SOIL AND TREES ACT AS A LIVING FILTER



GROVE OF TREES RETURNS CLEAN MOISTURE TO THE AIR

BENEFITS



WATER LEVELS

Water is quickly absorbed by the land and trees, so there's no danger of overflow, even when it rains. This reduces the risk of contaminating surrounding land or water.



ODOR AND INSECT CONTROL

Quick absorption of water prevents odor. No standing water also means no breeding grounds for mosquitoes and flies, which can carry disease.



TEMPERATURE REGULATION

The grove of trees creates a microclimate, keeping the surrounding area cooler in summer and warmer in winter.



SMART SPECIES

Eucalyptus and casuarina trees do not encourage nesting birds, which may spread pathogens such as salmonella through their droppings.



HARVESTING LUMBER

After eight to 10 years, trees can be harvested to generate revenue for local industry.

10 ACRES

10 ACRES (4 HECTARES) ABSORB THE TREATED WATER FROM THE JHAGADIA NUTRITION PLANT.

At our Jhagadia nutrition plant, Karnal Technology reuses wastewater from the plant to nourish a new 10-acre (four-hectare) forest of 6,800 eucalyptus and casuarina trees. This innovative approach minimizes water waste while creating a green area that complements the local ecosystem, which is particularly important given Gujarat's arid climate.

Creating, maintaining and monitoring our Karnal Technology forest is a team effort. Some of the key stakeholders of our team include:

- **Dr. Ranbir Chhabra, soil chemist at the Central Soil Salinity Research Institute**, responsible for design and implementation of the Karnal Technology solution.
- **Navsari Agricultural University**, which monitors soil health, water quality, evaporation and the transpiration rate.
- **Gujarat Pollution Control Board**.

REDUCING OUR CARBON FOOTPRINT

Abbott's carbon footprint includes the emissions resulting from our manufacturing, warehousing and office activities, as well as from our vehicle fleets. We are committed to minimizing those emissions in all of our activities.

At our Jhagadia plant, we have reduced electricity consumption by 10 percent by replacing conventional lighting with LEDs, installing variable-frequency drives for more energy-efficient air conditioning and optimizing our approach to using drying equipment. We have been able to reduce emissions further by using petroleum natural gas (PNG) as fuel for boilers.

In addition, our pharmaceutical manufacturing plant in Baddi has installed solar panels to generate electricity and provide hot water. This site was recognized for its green manufacturing practices by Frost and Sullivan, which presented us with the Silver Award for Green Manufacturing Excellence in 2013.

400 KILOLITERS

400 KILOLITERS (105,668 GALLONS) OF WATER ARE DISCHARGED TO THE TREES EACH DAY USING KARNAL TECHNOLOGY.



WASTE MANAGEMENT

Abbott is also committed to generating less waste. By the end of 2016, we had reduced the volume of waste that we generate globally by 27 percent, compared to 2010, and by 39 percent, when adjusted for our increased sales. We have achieved these reductions through careful and focused management of our resources and collaborative partnerships with waste management suppliers.

The end goal of our efforts toward better waste management is for Abbott sites to send zero waste to landfill. We have developed a comprehensive program to certify Abbott sites as Zero Waste to Landfill, and our Goa plant has become the first Abbott site outside of Europe to achieve this certification.

PRODUCT STEWARDSHIP

At Abbott, an important part of our commitment to improving lives is ensuring that our products keep adverse environmental impacts to a minimum. We focus on improving packaging and product design to reduce waste and energy demands from our products' use.

By introducing a new product sample packet, we eliminated the need for inner and outer product cartons, reducing the amount of paperboard used for our samples by 60 percent. This saves 15 million metric tons of paperboard for every million sample packs that we produce, the equivalent of saving 110 trees.

Our established pharmaceuticals team switched from using glass bottles for our liquid products in India to using amber-colored bottles made from polyethylene terephthalate (PET), an easily recyclable plastic. This has reduced the weight of our bottles by more than 80 percent and reduced the carbon emissions associated with transporting our products.

We also launched a partnership with the Gujarat Pollution Board to help spread the use of more efficient packaging techniques across Gujarat through transfers of technology and approaches developed by Abbott to other state-based entrepreneurs. Additionally, we are working with Navsari Agricultural University to track the environmental impact of our packaging changes and incorporating insights that result from more efficient packaging into the university's curriculum.

ENVIRONMENTALLY FRIENDLY PRACTICES IN THE OPERATING ROOM

Launched by Abbott in June 2015, the Green Operating Theater (GOT) program aims to bring better environmental management to hospitals through a certification process developed with our partner, Bureau Veritas. GOT designation will recognize hospitals as standard-bearers, in terms of safety and environmental compliance, while also enabling important cost savings. So far, 75 of India's top private hospitals have taken part in the monthlong certification process.

6,800 TREES

6,800 TREES HAVE BEEN PLANTED TO ACTIVELY FILTER AND CLEAN WASTEWATER AS PART OF THE KARNAL TECHNOLOGY PROCESS.

15 MILLION METRIC TONS

WE SAVE 15 MILLION METRIC TONS OF PAPERBOARD FOR EVERY MILLION SAMPLE PACKS THAT WE PRODUCE, WHICH ENDS UP SAVING 110 TREES.

“This unique certification program helps hospital stakeholders realize the cost benefits of making their operating rooms environmentally friendly. In addition, working with medical facilities to help them become Green Operating Theater-certified demonstrates Abbott’s commitment to being a preferred partner for our country’s best hospitals.”

SHYAMAKANT GIRI,
GENERAL MANAGER, INDIA REGION AND AFRICA, POINT OF CARE





SUPPLY CHAIN EXCELLENCE

Abbott works with more than 70,000 suppliers in 115 countries, spending more than ₹60,030 crore (USD 8.7 billion) with our direct suppliers in 2017. Our supply chain is not just fundamental to our business success; it is also integral to our impact on society and the environment.

In addition, several global trends drive expectations for strong supply chain management:

- Internal and external business stakeholders are demanding greater transparency in companies' supply chains and expecting them to take ownership of the risks.

- Global companies, including Abbott, are localizing their supply chains to reduce costs, which can result in increased supply chain complexity and risk exposure.
- Regulations and reporting requirements are multiplying globally and require companies to monitor and report what is happening in their supply chains.
- Multinational corporations increasingly are becoming educators and overseers of their own supply chains to reduce interruptions from noncompliance or significant events.

Because of these trends, Abbott is taking steps to increase visibility into their supply chains to guarantee risk management, business continuity, cost transparency and brand value.

1,500+ DAIRY FARMERS

BY DEVELOPING A MORE SUSTAINABLE SUPPLY CHAIN, ABBOTT HAS MADE A DIFFERENCE IN MORE THAN 1,500 DAIRY FARMERS IN INDIA.



MANAGING SUSTAINABILITY THROUGHOUT OUR SUPPLY CHAIN

At Abbott, sustainability means taking advantage of our great heritage. Our company has a long history of helping people live better, longer and healthier lives. Each day, Abbott and our suppliers make decisions that impact our ability to provide quality healthcare products to our customers. This means working with and supporting suppliers by helping them understand and adhere to our high expectations in areas such as ethical behavior, business integrity, human rights, safeguarding the environment and fair competition. We also are committed to driving our suppliers to manage and reduce their sustainability and related impacts through contracts requiring them to uphold standards that align with our supply chain management and sustainability strategies.

Abbott's Supplier Guidelines outline the principles and expectations we set to establish strong business relationships and ensure our sustainability values are upheld in our purchasing process.

Similarly, they define the minimum standards our suppliers and their suppliers must maintain when conducting

business with Abbott, including expectations for ethical behavior, business integrity and fair competition, human rights, privacy, labor rights and worker protection, animal welfare, environmental stewardship, and health and safety practices.

Suppliers are responsible for distributing, training and confirming compliance with these guidelines with their employees and their suppliers. Our Supplier Guidelines are published in multiple languages and are available to all suppliers, along with answers to frequently asked questions (FAQs), in the [Resources for Suppliers](#) section of our website. As part of our sourcing process, we include a copy of the guidelines and strive to obtain a signed copy with each proposal submission.

Abbott is committed to ensuring that everything we make and everything that others make for us is sourced and produced in an ethical manner while minimizing our shared sustainability impact. The way we manage our supplier relationships helps safeguard the quality of our products and ensures their positive impact on helping people live fuller, better lives. By striving for excellence in our supplier relationships, we seek to foster economic opportunity, shared value and sustainable market growth.



BUILDING SHARED VALUE IN INDIA

Abbott is committed to creating life-changing technology in those areas where the need for new solutions is greatest. We innovate new products to meet changing healthcare needs, invest in new

business models that create shared value for our communities and develop new systems that can deliver healthcare to those who need it most.

STRENGTHENING LOCAL SUPPLY CHAINS

India is the world's largest producer of milk, and more than 70 million families in rural India depend on dairy farming as a source of income. Despite dairy farming being a well-established industry, many dairy farmers continue to be marginalized. They are often held back by middlemen taking a significant portion of earnings, by a lack of technology and methods to produce higher quality milk for a better price, and by a limited knowledge of the organized dairy sector in which companies like Abbott participate. A further problem is that women are often excluded from decision making, despite playing a significant role in dairying work.

A UNIQUE PARTNERSHIP TO BUILD A SUSTAINABLE LOCAL SUPPLY CHAIN

In 2014, Abbott opened a new state-of-the-art manufacturing facility for nutrition products in Jhagadia, Gujarat. However, we were having difficulty sourcing the high-quality milk we needed to meet our strict quality standards. Working with Prabhat, a local dairy supplier with long-standing milk collection experience, and TechnoServe, a nonprofit organization working to help farmers in the developing world build sustainable businesses, we developed a quality-focused demonstration model. This model 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.

To advance this ongoing initiative, each partner applies its unique and complementary expertise and resources. Prabhat Dairy Limited demonstrates the new model to farmers and replicates the program across the region. TechnoServe builds trust at the farm level to reach farmers in ways that are meaningful to them through training on animal care, finance and women's empowerment and by measuring and analyzing program results. Abbott contributes by investing in the program and sharing our modern dairy, engineering, nutrition and business expertise.

Chilling milk within hours of milking cows reduces the chances of spoilage, but rapid chilling requires refrigeration and an uninterrupted power supply. These aren't always available in rural India. Through this program, we began building critical infrastructure, including 10 new bulk milk chiller facilities in local communities to provide safe and reliable cold storage for high-quality milk.

Before Prabhat began collecting milk from these facilities, our program delivered robust training on the basics of ensuring high-quality milk. After collection began, we expanded training to include topics on technical dairying skills, animal feed and care, farm management and the business of dairying. We run trainings specifically for women farmers, as well.

DOUBLED MILK PRODUCTION

IN THE FIRST YEAR OF THE DAIRY PROGRAM IN GUJARAT, FARMERS WERE ABLE TO NEARLY DOUBLE THE AMOUNT OF MILK PRODUCTION.





70 MILLION

NEARLY HALF OF INDIA'S RURAL HOUSEHOLDS – 70 MILLION FAMILIES – DEPEND ON DAIRY FARMING FOR AT LEAST PART OF THEIR INCOME.¹

We established transparent pricing mechanisms for the farmers' milk that clearly demonstrate the link between quality and price. The program also further incentivizes farmers to deliver contaminant-free milk, with Prabhat paying an additional premium that is unique in the region. The confidence that higher quality will result in higher prices builds trust among farmers and provides an incentive for them to further strengthen their approach.

To date, our program has directly reached more than 1,500 smallholder dairy farmers, half of whom are women, in Maharashtra, the state neighboring Gujarat.

MEASURING OUR IMPACT AND EXPANDING OUR APPROACH

Our goal was to create a sustainable, innovative approach for working with small family farms to modernize the dairy industry in rural communities. Throughout the first pilot demonstration, we measured and analyzed outcomes and impacts to create a proven model that could be expanded to other communities. In the first year, farmers were able to double the amount of milk production compared to nonparticipating farmers, and the quality of milk was higher. Also, the farmers' income more than doubled that of nonparticipants, while the cost remained the same.

Based on this success, Prabhat is committed to expanding this model in the region. This will give more smallholder farmers access to a trusted and transparent market and the skills and infrastructure they need to supply it.

Abbott is working closely with Prabhat to pursue this strategy to ensure a common approach while generating a positive impact in our communities.

SHARED VALUE IN LOCAL SOURCING

As with all inclusive business initiatives, benefits accrue on all sides of any shared-value opportunity. Abbott gets a high-quality, cost-efficient local supply chain that helps to reduce our environmental footprint and strengthens our nutrition business in India. Farmers have a platform for growing their incomes and improving the quality of life for their families and communities, and Indian consumers get access to high-quality nutrition made in India from locally sourced ingredients.

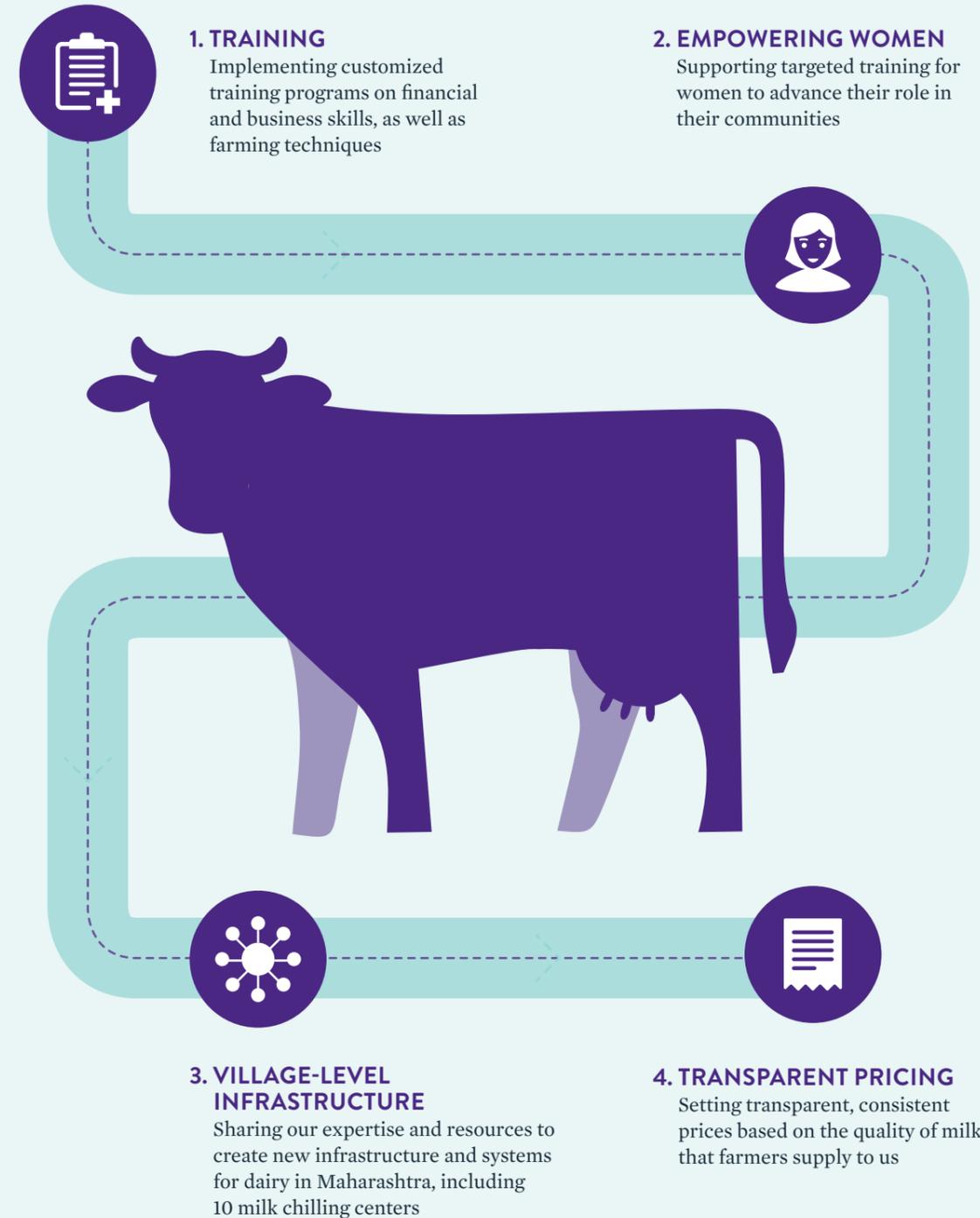
By investing locally, we aspire to create jobs, strengthen local economies, and enhance the quality and safety of India's dairy products.

¹<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>.

THE DAIRY PROJECT

1,500+ FARMERS

More than 1,500 small dairy farmers have received training, support and infrastructure to help them increase milk production and incomes while they expand the supply of high-quality milk needed for Abbott's growing nutrition business.



EXTERNAL RECOGNITION

We are grateful for recognition of our efforts in acting as a responsible business in India and everywhere Abbott operates.

IFC-TIMES NETWORK STRATEGY AWARD

Recognized by the 2018 IFC-Times Network Strategy Awards for shaping the industry, creating unique positioning, and altering the basis of competition for the healthcare and pharmaceutical industry

PORTER PRIZE FOR CREATING SHARED VALUE

Received the 2016 Porter Prize for Creating Shared Value, which recognizes companies for advancing the competitiveness of their business and the health of communities

SHARED-VALUE INITIATIVE INCLUSIVE BUSINESS LIST

Featured on Shared Value Initiative's 2017 "Inclusive Business" list; named among the top 50 companies for our inclusive business practices

FEDERATION OF INDIAN CHAMBERS OF COMMERCE AND INDUSTRY (FICCI) AWARD

Received the Special Jury Award for the Best Community Initiative at the FICCI 2017 Awards for Role of Corporates in Road Safety

INDIA PHARMACEUTICALS AWARD

Recognized with the Corporate Social Responsibility Program of the Year by the Indian government's Department of Pharmaceuticals in the first India Pharmaceuticals Awards

GOLDEN PEACOCK AWARD

Recognized with the Golden Peacock Award for Corporate Social Responsibility by the Institute of Directors in 2015

GUINNESS WORLD RECORD

Awarded a Guinness World Record for the Most Pledges for a Safety Campaign for our iCare Road Safety Awareness Drive

FROST AND SULLIVAN INDIA HEALTHCARE EXCELLENCE AWARD

Named Multinational Pharmaceutical Company of the Year in the Frost and Sullivan India Healthcare Excellence Awards from 2011 to 2014; received two further awards at the 2015 event: the India Healthcare Excellence Award for Disease Awareness Campaign of the Year for Making India Thyroid Aware and Innovative Marketing Campaign of the Year for our Green Operating Theater program

BUSINESS STANDARD NEWSPAPER AWARD

Awarded Star MNC of the Year by the *Business Standard* newspaper in 2015

MOST ADMIRABLE COMPANY BY FORTUNE INDIA

Ranked no. 1 in the pharmaceutical sector by *Fortune India* on its Most Admired Companies list in 2014

BUSINESS TODAY TOP RANKING

Ranked no. 1 among "Top Companies to Work For" in the Healthcare and Pharmaceuticals sector by *Business Today* in 2014 and 2015

MINT INSTITUTE AWARD

Recognized with a Competitiveness Strategy Award in the Healthcare and Pharmaceuticals sector by the Mint Institute in 2014

PHARMALEADERS

Named by Pharmaleaders as the most valuable and admired pharmaceutical group in India in 2014

BRAND EQUITY'S MOST TRUSTED BRAND

In 2014, *Digene*® was featured in Brand Equity's "Most Trusted Brand" survey in the Top 20 brands in the Over-the-Counter (OTC) category

DOW JONES SUSTAINABILITY WORLD INDEX

Named leading company in our industry in the Dow Jones Sustainability World Index for the fifth consecutive year in 2017; recognized for the 13th consecutive year for sustainability leadership

TOP GLOBAL INNOVATOR

Named to the Clarivate 2017 "Top 100 Global Innovators" list for the fourth consecutive year





life. to the fullest.™

Abbott

Please contact us with your questions and comments:

Abbott
Godrej BKC
Plot C-68, G Block, BKC
Bandra East
Mumbai 400051
<http://www.abbott.in/>



Copyright © 2018 Abbott. All rights reserved. Reproduction in whole or part without written permission is strictly prohibited.

WWW.ABBOTT.IN