

# Welcome to your CDP Climate Change Questionnaire 2022

## C0. Introduction

## C<sub>0.1</sub>

### (C0.1) Give a general description and introduction to your organization.

Important Stakeholder Disclaimer:

Some statements in this response are, or may be considered, forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "anticipate," "project" and similar expressions, among others, generally identify forward-looking statements. AbbVie cautions that these forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements. Such risks and uncertainties include, but are not limited to, failure to realize the expected benefits from AbbVie's acquisition of Allergan plc ("Allergan"), failure to promptly and effectively integrate Allergan's businesses, competition from other products, challenges to intellectual property, difficulties inherent in the research and development process, adverse litigation or government action, changes to laws and regulations applicable to our industry and the impact of public health outbreaks, epidemics or pandemics, such as COVID-19. Additional information about the economic, competitive, governmental, technological and other factors that may affect AbbVie's operations is set forth in Item 1A, "Risk Factors," of AbbVie's 2021 Annual Report on Form 10- K, which has been filed with the Securities and Exchange Commission, as updated by its subsequent Quarterly Reports on Form 10-Q. AbbVie undertakes no obligation to release publicly any revisions to forwardlooking statements as a result of subsequent events or developments, except as required by law.

Additionally, terms such as "ESG," "impact" and "sustainability" can be subjective in nature, and there is no representation or guarantee that these terms, as used in the response, will reflect the beliefs or values, policies, principles, frameworks or preferred practices of any particular investor or other third-party or reflect market trends. Any ESG, climate or impact goals, commitments, incentives and initiatives outlined in this response are, unless explicitly stated otherwise in this response, purely voluntary, are not binding on our business and/or management and do not constitute a guarantee, promise or commitment regarding actual or potential positive impacts or outcomes.

#### About AbbVie:

AbbVie's mission is to discover and deliver innovative medicines and products that solve serious health issues and enhance people's lives today and address the medical challenges of tomorrow. We strive to have a remarkable impact on people's lives across several key



therapeutic areas: immunology, oncology, neuroscience, eye care, and virology in addition to products and services across our aesthetics portfolio. Our state-of the-art research, development, and manufacturing centers across the world allow us to move the best ideas forward faster and deliver transformative change. Our global headquarters is in North Chicago, IL, United States. We pride ourselves on a long tradition of strong corporate governance and financial controls, led by our board of directors. They play an active and vital role in overseeing our strategic direction and our performance against all objectives on behalf of our stakeholders. For more information about AbbVie, please visit us at www.abbvie.com.

AbbVie operates as a single global business segment dedicated to the research and development, manufacturing, commercialization and sale of innovative medicines and therapies. AbbVie includes four main business units which are Operations, Research & Development (R&D), Commercial, and Headquarters. AbbVie operates forty significant Operations and R&D sites. AbbVie also operates a significant number of small Commercial affiliate offices around the globe. In May of 2020, AbbVie acquired Allergan PLC. The 2021 data included in this report includes both the AbbVie and Allergan business operations. As we respond to the concerns of our stakeholders, we will strive to find innovative solutions that are both good for business and good for the environment. We aim to ensure that our energy management practices and provisions are respectful of local needs and concerns. We also commit to using our energy management knowledge and experience to address broader energy issues as necessary and appropriate. We will seek to use company-wide policy, standards, and management systems to assure responsible energy management programs are implemented. Stakeholder engagement and collaborative problem-solving play a central role in the development and implementation of these programs.

We prioritize environmental sustainability within and beyond AbbVie to support our patients, people and planet. Our environmental sustainability strategy is focused on reducing our environmental footprint, growing sustainably through inspiring innovation, and engaging our workforce to steward sustainability.

## C<sub>0.2</sub>

#### (C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2021	December 31, 2021	No

## C<sub>0.3</sub>

## (C0.3) Select the countries/areas in which you operate.

Algeria

Argentina

Australia

Austria

Bahrain

Belarus

Belgium



## Bosnia & Herzegovina

Brazil

Bulgaria

Canada

Chile

China

Colombia

Costa Rica

Croatia

Czechia

Denmark

Dominican Republic

Ecuador

Egypt

El Salvador

Estonia

Finland

France

Germany

Greece

Guatemala

Honduras

Hong Kong SAR, China

Hungary

India

Indonesia

Ireland

Israel

Italy

Japan

. Jordan

Kazakhstan

Kuwait

Latvia

Lebanon

Lithuania

Luxembourg

Malaysia

Mexico

Morocco

Netherlands

New Zealand

Nicaragua

Norway

Oman

Panama

Peru



Philippines

Poland

Portugal

Puerto Rico

Qatar

Republic of Korea

Romania

Russian Federation

Saudi Arabia

Serbia

Singapore

Slovakia

Slovenia

South Africa

Spain

Sweden

Switzerland

Taiwan, China

Thailand

Tunisia

Turkey

Ukraine

**United Arab Emirates** 

United Kingdom of Great Britain and Northern Ireland

United States of America

Uruguay

Venezuela (Bolivarian Republic of)

Viet Nam

## C<sub>0.4</sub>

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

## C<sub>0.5</sub>

(C0.5) Select the option that describes the reporting boundary for which climaterelated impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

## C<sub>0.8</sub>

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?



Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	US00287Y1091
Yes, a Ticker symbol	ABBV

## C1. Governance

## C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

## C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level	AbbVie's Board of Directors and its Public Policy and Sustainability Committee
committee	provide oversight on matters related to climate-related risks and strategies. The
	Board of Directors also oversees the enterprise risk management review.

## C1.1b

## (C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate- related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding risk management policies Setting performance objectives Monitoring implementation and performance of objectives	AbbVie maintains an established governance process for oversight and management of our climate and environmental sustainability efforts. AbbVie's Board of Directors and its Public Policy and Sustainability Committee provide oversight on matters related to climate-related risks and strategies, with annual updates from executive management on environmental strategy, action plans, objectives, and progress against established sustainability goals. The Board of Directors also oversees the enterprise risk management review. AbbVie's Executive Vice President (EVP) of Operations has direct responsibility for climate-related issues. The EVP of



Mo	onitoring and	Operations is an AbbVie C-suite corporate officer,
OVE	erseeing progress	who reports directly to the CEO, and is responsible
aga	ainst goals and	for AbbVie's Operations organization, including the
tarç	gets for addressing	Global Environmental, Health & Safety organization.
clin	mate-related issues	
		AbbVie's Public Policy and Sustainability committee
		monitors and oversees progress against goals and
		targets for addressing climate-related issues. This
		includes our absolute target of a 25% reduction in
		GHG emissions (Scope 1 & 2) by 2025, as well our
		additional 2025 and 2035 sustainability goals.
		The Executive Vice President of Operations presents
		to the public policy committee on environmental and
		climate related issues at periodic meetings. The
		update to the board includes environmental strategy,
		action plans, objectives, and progress against the
		established 2025 and 2035 environmental
		sustainability goals for AbbVie.

## C1.1d

# (C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	
Row 1	Not assessed	

## C1.2

# (C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify Executive Vice President, Operations	Both assessing and managing climate-related risks and opportunities	Annually

## C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Executive Vice President of Operations has direct responsibility for climate related issues. This position is an AbbVie C-Suite corporate officer, reports to the CEO and is responsible for



AbbVie's Global Operations organization. This individual presents to the Board on environmental and climate related issues at least annually. This position is responsible for AbbVie's Operations organization, including the Global Environmental, Health & Safety organization.

AbbVie's approach to identifying, assessing, and managing climate-related risks is integrated through its company-wide risk management processes and formal evaluations. Climate-related risks and risk mitigation are reviewed by the Board of Directors at least annually.

The Global Environmental, Health & Safety, and Sustainability organization leads the process for identifying and monitoring climate-related issues and related recommendations. This includes performing periodic climate risk assessments, educating business functions on current and emerging climate-related risks, and elevating these risks appropriately, including up to the enterprise risk management review with the Audit Committee and the Board of Directors. The scope of physical risk assessments includes evaluating AbbVie sites around the world including manufacturing, R&D, and warehouse locations, along with selected commercial offices. Other risk assessments may also include evaluating transition risks associated with climate change, such as regulatory transition.

In 2021, we enhanced our ESG oversight and governance with the establishment of an ESG Council. The ESG Council ensures strategic, enterprise-aligned delivery on AbbVie's ESG Framework. Chaired by our Vice Chairman, External Affairs and Chief Legal Officer and composed of senior cross functional leaders, the ESG Council's purpose is to champion business sustainability and mitigate business risks by monitoring, reviewing and recommending actions in support of our ESG framework and strategy. The ESG Council meets at minimum once per quarter and maintains sub-committees aligned to AbbVie's material ESG topics which includes Environmental Sustainability. In 2021, we also established an ESG Team, which reports to the Vice President of Corporate Responsibility. The ESG Team focuses on supporting AbbVie's ESG strategy and the ESG Council.

Catastrophic events and supply disruptions are increasing in global markets and increase the importance of ensuring patient access to the medicines they need. To protect continuous access to medicines and mitigate supply risks, AbbVie has created multiple teams to proactively anticipate and mitigate supply chain disruptions and catastrophic events. We have established an Executive Crisis Management Team (ECMT) that is led by the Executive Vice President of Operations and has executive leader representation from all functions within the company. This team is in place to anticipate and mitigate threats, including climate-related threats, through monitoring, advance planning, preparations and practice. In addition, the global ECMT leads AbbVie's response to major cross-border events, including those related to climate change, such as floods, hurricanes, drought, and wildfires.

Crisis Management conducts site-level risk assessments to identify business threats such as natural disasters, potential operational events, and IT interruptions. Crisis management is a function of Global Security and works closely with Corporate Risk Management, Loss Prevention, and Global Environmental Health and Safety to align business continuity efforts to protect key product and high-risk sites. We have Business Continuity Plans for all manufacturing sites globally and on-going crisis management and business continuity



awareness training and plans for all commercial organizations around the world. We routinely exercise affiliate Crisis Action Teams and site Business Continuity plans. These exercises include training and simulation. ECMT exercises include inviting external observers to assess and provide feedback on the effectiveness of the training. Our leadership takes experience from desktop scenarios and applies those lessons learned to help manage through actual events that have occurred around the world.

## C1.3

# (C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	No comment.

## C1.3a

# (C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Business unit manager	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target	targets and develops long-range environmental reduction targets that align with AbbVie's business model. The ability
Environment/Sustainability manager	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project	develops long-range environmental reduction targets that align with AbbVie's business model. The ability to meet and



		Energy reduction target Efficiency project Efficiency target	management's performance goals. For example, the Director of Global Energy Management and Environmental Sustainability sets performance goals to reduce CO2 emissions to meet our company-wide reduction targets. CO2 emissions reductions are the result of energy reduction projects and efficiency projects. That individual may receive bonuses and annual compensation increases, in part, based on their ability to attain or exceed these goals.
Buyers/purchasers	Monetary reward	Environmental criteria included in purchases Supply chain engagement	Select employees in AbbVie's Purchasing and Supplier Management, and EHS teams have specific annual goals related to supplier / supply chain sustainability (e.g. management of the Supplier Sustainability Program, piloting pro bono EHS services to suppliers, and monitoring suppliers' sustainability practices to further educate and assist underperforming vendors). Managers are recognized for achievement of these goals with bonuses and compensation increases.

# C2. Risks and opportunities

## C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

## C2.1a

# (C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	AbbVie has identified the short-term time horizon as 5 years (2022 through 2026).
Medium- term	5	15	AbbVie has identified the medium-term time horizon as 10 years beyond that (2027 through 2036).



Long-term	15	30	AbbVie has identified the long-term time horizon as 15 years
			beyond that (2037 through 2051).

## C2.1b

# (C2.1b) How does your organization define substantive financial or strategic impact on your business?

Substantive risks for the company are set at a much higher financial and strategic impact threshold. Substantive strategic impacts would include things that could negatively impact our product pipeline, manufacturing capabilities, regulatory compliance, employee health & safety, and our reputation. Climate risks would generally be considered to have a substantive financial impact when greater than \$1 million on an annual basis, though such an impact should not be equated to or taken as a representation about "materiality" under the US federal securities laws or any similar legal or regulatory regime globally. Climate risks with strategic impact to the business would also be considered substantive.

## C2.2

## (C2.2) Describe your process(es) for identifying, assessing and responding to climaterelated risks and opportunities.

#### Value chain stage(s) covered

Direct operations

Upstream

Downstream

#### Risk management process

Integrated into multi-disciplinary company-wide risk management process

#### Frequency of assessment

Annually

## Time horizon(s) covered

Short-term

Medium-term

Long-term

#### **Description of process**

AbbVie has a well-established Risk Management program as well as a Crisis Preparedness and Business Continuity planning program. These two programs cover all of AbbVie's operations globally. The three key steps in both programs are to

- (1) analyze the business for sources of risk
- (2) assess the risks
- (3) develop strategies to address the risks.

Elements of prevention, preparedness, response, recovery, and sustainability are



incorporated into the programs. Climate-related risks are included within the risks that are addressed by these programs. AbbVie uses a Global Risk Profile approach to evaluate and prioritize a variety of risks geographically. We take an "All Hazards" approach in our evaluations, identifying risks in the following categories:

- (1) Natural Hazards (including climate-related risks)
- (2) Security / Political / Social
- (3) Financial and Investment

We also consider attendant risks to regulatory compliance, employee health & safety, and reputation with input from Public Affairs, Government Affairs, Regulatory Affairs, Legal, and EHS. The Risk Management function leads the annual process of identifying risks. Short-term, Medium-term, and Long-term are considered within this process. The Risk Management function reviews the progress of risk mitigation plans with the Executive Leadership Team on a quarterly basis.

AbbVie's Global EHS organization leads specific Climate Risk assessment activities on a periodic basis. The scope of physical risk assessments includes evaluating AbbVie sites around the world including manufacturing, R&D, and warehouse locations, along with selected commercial offices. We use qualitative and quantitative climate-related scenario analyses to assess climate-related physical risks. In 2020, we partnered with S&P Global Trucost to perform a Climate Risk Assessment for Physical Risks. The analysis looked at how physical hazards such as water stress, flooding, heatwave, cold wave, hurricane, wildfire and coastal flood risk might change along three climate change scenarios: High Warming Scenario (RCP 8.5), Moderate Warming Scenario (RCP 4.5), and High Climate Mitigation Scenario (RCP 2.6). These scenarios are based on the IPCC's Representative Concentration Pathways (RCP) and are aligned with the TCFD technical guidelines (FSB, 2017). We assessed the impacts of these physical hazards across time horizons to look beyond traditional business planning cycles; 2025, 2030 and 2050. The scope of the analysis encompassed 100 global AbbVie sites and locations including all manufacturing, R&D, warehouse locations, along with selected commercial affiliate offices. It also included the top 35 locations of our critical upstream suppliers, the top 20 locations for our downstream third-party logistic warehouses and all 9 of our global third-party data centers. This physical risk assessment will be repeated every five years or if a significant change occurs within our operational footprint. AbbVie has also initiated a Climate Risk assessment for transition risks focusing primarily on regulatory transition risk. This assessment is ongoing and is expected to be complete in Q3 of 2022.

AbbVie periodically conducts more general level assessments on the physical and transition risks of climate change and includes our upstream operations in addition to our downstream operations and clients. This includes an annual analysis of water risk across our manufacturing and research sites. We use the WRI Aqueduct tool to assess 100% of our direct and indirect water-related risks through 2030 and assess water-related risks of key suppliers globally.

We anticipate that climate change may have varying levels of impact on our business across the short-, medium-, and long-term. AbbVie seeks to understand and anticipate



these impacts to ensure we sustain the discovery and development of innovative medicines for both current and future patients. This effort involves evaluating our operations and supply chains for potential disruptions in connection with climate change and implementing contingency plans or advance preparedness. We invest in business continuity efforts that contribute to mitigating the potential for risk of loss and promote business continuity in the event a climate-related risk materializes. AbbVie's Crisis Preparedness and Business Continuity group develops and maintains the needed infrastructure, procedures, and practices that enable us to mitigate risks and respond to crisis events that may adversely impact our business, employees or surrounding communities. Each operating and commercial division have documented business continuity plans that address key products and operations. The overall Crisis Preparedness and Business Continuity plan is reviewed at the executive level on an annual basis, and all business continuity plans are reviewed on a biennial basis. AbbVie also invests in the assurance of supply activities including selecting redundant suppliers for raw materials, manufacturing products at multiple locations globally, and redundant shipping supply chains to deliver our products. The combination of our crisis preparedness activities and our assurance of supply activities is the way that AbbVie seeks to effectively address increasing climate risk.

## C2.2a

# (C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	AbbVie is a global bio-pharmaceutical company that develops new medicines, produces and manufactures those medicines, and markets them globally. Bio-pharmaceuticals is a highly regulated industry and current regulation is always relevant and considered in our risk process. In addition, our upstream suppliers and downstream distribution partners are subject to the same regulations. Increased capital expenditure and increased operational costs are included in this risk.  As an example, AbbVie has manufacturing sites in ten different countries around the world (United States, Ireland, Germany, Italy, France, Belgium, Costa Rica, Brazil, Israel, and Singapore) as well as Puerto Rico. Our operations in Ireland and Germany are subject to the EU ETS carbon cap and trade system, through which we incur increased costs. We monitor and manage these costs to ensure financial stability. AbbVie is also subject to existing regulations around refrigerants. The phase down of refrigerants with high Global Warming Potential's will require AbbVie to invest in refrigeration equipment upgrades and replacements globally.
Emerging regulation	Relevant, always included	New climate-related regulations are being proposed and enacted around the world. Our business and those of our upstream and downstream suppliers and partners are subject to the risk associated



		with these emerging climate-related regulations. Increased capital expenditure and increased operational costs are included in this risk. We continually monitor and assess the emerging regulations in all countries where we do business, to identify where we may incur increased cost (e.g., new or rising carbon taxes); new activities (e.g., new procedural or reporting requirements) or other risks (e.g., new minimum standards on air and water). AbbVie has seen an increased cost of carbon in many of these countries. For example, our operations in Ireland are subject to the Irish carbon tax. The current carbon tax is 37 EUR/Metric Ton, and is expected to rise to 100 EUR/Metric Ton. Singapore has also enacted a carbon tax. In all these cases, AbbVie is looking at ways to improve our energy efficiency to bring our Scope 1 and 2 emissions down which will then reduce the financial impact of the increasing cost of carbon.
Technology	Relevant, always included	AbbVie continually assesses changes in technology and the impact to our products and business. In general, AbbVie believes changes in technology will have a positive impact on our ability to decrease our carbon footprint. AbbVie is likely to invest in technology innovations rather than identify them as a risk. For example, in 2021 AbbVie made a significant investment in replacing utilities equipment (boilers, chillers, air compressors, HVAC, etc) at our global sites. All the replaced equipment utilizes high efficiency design to reduce the fuel or electricity usage of the equipment.
Legal	Relevant, always included	AbbVie continually assesses legal changes in all countries where we do business. The pharmaceutical industry is a relatively low carbon intensity sector when compared to energy production or raw material production. AbbVie's efforts to reduce our carbon footprint have been voluntary. Climate-related litigation claims have not been deemed to pose a risk to our business, and to date no claims have been raised.
Market	Relevant, always included	AbbVie continually assesses market changes in all countries where we do business. In some markets, we have seen increased requests for environmental sustainability progress and the environmental impact of our products. AbbVie has participated in tender offers in European countries where environmental information is consistently requested and considered in procurement decisions. Our efforts in environmental stewardship have improved our position and competitiveness within these tender offers.
Reputation	Relevant, always included	AbbVie's ESG Framework is built around three foundational pillars that align with our enterprise goals and principles. These have been developed based on an analysis of our material issues, considering the topics of most interest and relevance to our company and our stakeholders—including our patients, patient organizations, employees, investors, regulators and government, payers and providers, suppliers and nonprofit partners.



		Collaboration with stakeholders is critical to our success. We strive to create value by building engaging, long-term relationships with each of our partners and stakeholders. Through these relationships, we engage in regular dialogue to understand evolving needs, interests and expectations of AbbVie. From these interactions, we develop our understanding of meaningful issues and identify additional opportunities to improve and make an impact. We prioritize Environmental Sustainability within and beyond AbbVie to support our patients, people and the planet. We are focused on reducing our environmental footprint, growing sustainability through inspiring innovation and engaging our workforce to steward the same.
Acute physical	Relevant, always included	Acute physical risk is considered a relevant operational, strategic, and financial risk. AbbVie has identified the increased severity of climate change-related weather events as a potential near-term risk to our operations and supply chains. Disruption to our supply chains can have a significant impact to the availability of medicines for patients. Reduced revenue is included in this risk. AbbVie has manufacturing sites in Puerto Rico. This is an area that has been identified as being at a higher risk for more severe storms. Significant efforts have been made for contingency planning for these manufacturing sites. In 2019, AbbVie completed an investment to replace the electrical co-generation system and electrical infrastructure at our primary site in Puerto Rico. This investment is intended to increase the resiliency of the site during severe weather events.
Chronic physical	Relevant, always included	Chronic physical risk is considered a relevant operational, strategic, and financial risk. AbbVie has identified increasing global temperatures, increased levels of water stress, and sea level rise as potential risks to our operations. In the medium term, water stress at our global sites and our upstream supplier sites has been identified as an emerging risk. AbbVie has operations at multiple sites where water stress is increasing, and there is increased risk that water demands may not be met resulting in limitations on freshwater resources. As a result, in the medium term, there is a risk that clean water supplies may become more limited. In the long term, coastal sea level rise has been identified as a risk. AbbVie operates a manufacturing site in Singapore and an R&D site in South San Francisco that are in low-lying coastal areas. Although neither facility is in an area where there is direct physical risk to the site, coastal flooding may have an impact on critical public infrastructure, in the area which has the potential for business disruption.

## C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?



Yes

## C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Cyclone, hurricane, typhoon

Primary potential financial impact

Decreased revenues due to reduced production capacity

## Company-specific description

In 2020, we partnered with S&P Global Trucost to perform a Climate Risk Assessment for Physical Risks. Increased intensity of Tropical Storms (hurricanes/typhoons) were identified as a high risk at our manufacturing facilities in Puerto Rico which are at risk of damage from strong storms. In addition, we have global supply chains and distribution routes in at-risk regions. We have identified one of our greatest climate-related risk to be business interruption during extreme weather and the related aftermath.

#### Time horizon

Short-term

#### Likelihood

Virtually certain

## Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure - maximum (currency)

**Explanation of financial impact figure** 



No explanation.

### Cost of response to risk

#### Description of response and explanation of cost calculation

AbbVie operates a facility in Puerto Rico where product components are manufactured. Due to its location in the Caribbean, this site is at an increased risk of hurricane. To promote business continuity of operations, AbbVie has invested heavily in redundant manufacturing capabilities in Massachusetts and Singapore which would allow for a continuity of supply in the event the Puerto Rico location is unable to function. Investments have been and continue to be made to proactively address the resiliency of our facilities, such as reinforcing the physical infrastructure and providing backup on-site power supply. This is aligned to our Crisis Preparedness strategy. These measures helped to minimize the business impact of the 2017 hurricanes in Puerto Rico, as our facilities in Puerto Rico had been designed to withstand category 5 Hurricanes, we have on-site power generation, an on-site supply of water, and a well-developed crisis management plan. For business activities occurring in the highest risk areas, redundant manufacturing capacity, supply chains and shipping routes have been established in lower risk locations. This is aligned to our Assurance of Supply strategy. We realize that weather events may not only impact AbbVie but also the partners we rely on within AbbVie's supply chain. To mitigate climate-related disruptions to AbbVie's supply chain, AbbVie works with its supply chain partners to ensure they have robust continuity plans and makes investments itself in assurance of supply activities. This investment includes, but is not limited to, obtaining redundant suppliers for raw materials, manufacturing products at multiple locations globally, and using redundant shipping supply chains to deliver our products

It is difficult to exactly quantify the cost of management for this climate-specific risk, because many of these initiatives also address other risks as part of our overall Crisis Preparedness and Assurance of Supply strategy. No cost of the response to the risk is provided.

#### Comment

Although this risk has a high likelihood and a high impact, our Crisis Preparedness strategy and Assurance of Supply strategy have put us in a position to minimize the impact, thus making a scenario that approaches a significant financial impact unlikely.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical Wildfire



## Primary potential financial impact

Decreased revenues due to reduced production capacity

## Company-specific description

In 2020, we partnered with S&P Global Trucost to perform a Climate Risk Assessment for Physical Risks. Wildfires were identified as a high risk at most of our operations in California. Although none of the sites are in locations where we would expect direct physical risk to the site, the level of business disruption from power outages and smoke as well as disruption to personnel may be significant. In addition, we have suppliers in high-risk regions. We have identified one of our greatest near term climate-related risks to be business interruption associated with wildfires.

#### Time horizon

Short-term

#### Likelihood

Virtually certain

#### Magnitude of impact

High

### Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

#### **Explanation of financial impact figure**

No explanation.

Cost of response to risk

## Description of response and explanation of cost calculation

AbbVie operates multiple facilities in California where product components are manufactured and R&D is conducted. Due to their locations in California, the sites are at an increased risk for wildfire. To promote business continuity of operations, AbbVie has invested heavily in redundant manufacturing and R&D capabilities around the globe which would allow for a continuity of supply in the event one of the California locations is unable to function.

Investments have been and continue to be made to proactively address the resiliency of our facilities, such as providing backup on-site power supply. This is aligned to our Crisis Preparedness strategy. These measures helped to minimize the business impact of the 2020 and 2021 wildfires in California, as our facilities had been designed with



emergency power generation and well-developed crisis management plans were in place. For business activities occurring in the highest risk areas, redundant manufacturing capacity, supply chains and shipping routes have been established in lower risk locations. This is aligned to our Assurance of Supply strategy. We realize that wildfire events may not only impact AbbVie but also the partners we rely on within AbbVie's supply chain. To mitigate climate-related disruptions to AbbVie's supply chain, AbbVie works with its supply chain partners to ensure they have continuity plans and makes investments itself in assurance of supply activities. This investment includes, but is not limited to, obtaining redundant suppliers for raw materials, manufacturing products at multiple locations globally, and using redundant shipping supply chains to deliver our products

It is difficult to exactly quantify the cost of management for this climate-specific risk, because many of these initiatives also address other risks as part of our overall Crisis Preparedness and Assurance of Supply strategy.

#### Comment

Although this risk has a high likelihood and a high impact, our Crisis Preparedness strategy and Assurance of Supply strategy have put us in a position to minimize the impact, thus making a scenario that approaches a significant financial impact unlikely.

#### Identifier

Risk 3

### Where in the value chain does the risk driver occur?

Direct operations

## Risk type & Primary climate-related risk driver

Chronic physical Water scarcity

## Primary potential financial impact

Decreased revenues due to reduced production capacity

#### Company-specific description

In 2020, we partnered with S&P Global Trucost to perform a Climate Risk Assessment for Physical Risks. Water Stress was identified as a growing risk across our operational sites. Both climate change and population density will have a negative impact on the water supplies in the areas where we operate causing water supplies to become more scarce and limited. There will be a corresponding increase in the cost of water, as well as potential limitations on the amount of water that can be withdrawn. We currently have a limited number of sites in high water stress areas such as our Campoverde, Italy site, but we expect that to increase to over 20 operational sites in the future. This includes our Tuas, Singapore site, all of our California sites, and others around the globe. AbbVie has suppliers in areas where water stress is a growing risk issue, and lack of access to enough clean water is a growing risk.

#### Time horizon



Medium-term

#### Likelihood

Very likely

#### Magnitude of impact

High

#### Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

#### **Explanation of financial impact figure**

No explanation.

#### Cost of response to risk

1,325,000

#### Description of response and explanation of cost calculation

AbbVie considers decreasing our water usage and implementing water efficiency projects to be the most effective method to manage this risk. AbbVie has established an absolute water reduction goal for 2025 and 2035 compared to our 2015 baseline. AbbVie has a global Subject Matter Expert who concentrates on clean utilities including Water treatment, Purified Water, and Water for Injection systems. Many of AbbVie's manufacturing sites are ISO 14001 certified. AbbVie is managing the water risk and the cost impact by driving water reductions and implementing water management programs at our highest water stress sites. AbbVie had a centralized environmental capital budget of \$1,100,000 in 2020. This capital was used to fund multiple water efficiency projects at our global manufacturing sites. These funds are earmarked to help address these risks as well as other environmental related risks. The cost of the ISO 14001 program is estimated at \$250,000 per year.

## Comment

Although this risk has a high likelihood and a high impact, our Assurance of Supply strategy and our Water Conservation efforts have put us in a position to minimize the impact, thus making a scenario that approaches a significant financial impact unlikely.

Identifier

Risk 4

Where in the value chain does the risk driver occur?



Direct operations

#### Risk type & Primary climate-related risk driver

Chronic physical Sea level rise

#### Primary potential financial impact

Increased capital expenditures

#### Company-specific description

In 2020, we partnered with S&P Global Trucost to perform a Climate Risk Assessment for Physical Risks. Costal sea level rise was identified as a long-term risk for our Tuas, Singapore manufacturing site and our South San Francisco, CA research and development site. Although neither facility is in an area where there is direct physical risk to the site, coastal flooding may have significant impact to critical public infrastructure in the area which has the potential to impact the site's ability to operate efficiently.

#### Time horizon

Long-term

#### Likelihood

More likely than not

#### Magnitude of impact

High

## Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure - maximum (currency)

## **Explanation of financial impact figure**

No explanation.

#### Cost of response to risk

0

#### Description of response and explanation of cost calculation

AbbVie continually evaluates our business strategy and how our global footprint of facilities contributes to that strategy. AbbVie has implemented measures to assess the risk of operating in various locations across the globe, and this consideration now includes climate risk. The government in Singapore and South San Francisco both acknowledge that increased levels of coastal sea level rise pose a risk to these areas



and both areas have published plans to combat the issue. AbbVie will continue to monitor this long-term risk for the potential of negative impacts to our operations. Due the long-term nature and uncertainty of this risk, there is no estimated cost for responding to this risk at this time.

#### Comment

No comment.

#### Identifier

Risk 5

### Where in the value chain does the risk driver occur?

Direct operations

#### Risk type & Primary climate-related risk driver

Emerging regulation
Carbon pricing mechanisms

#### Primary potential financial impact

Increased indirect (operating) costs

#### Company-specific description

The cost of carbon has been identified as a growing transition risk for our business. AbbVie participates in the EU Emissions Trading System (ETS) at our Ludwigshafen, Germany site and our Westport, Ireland site. AbbVie is subject to carbon taxes at sites in Ireland and Singapore. The cost of carbon attributes as well as carbon taxes has increased significantly in the last 3 years. This has increased both the cost of fuel and electricity at these sites. In addition, there has been increased discussion of enacting legislation/regulation that could increase the cost of carbon in the United States.

#### Time horizon

Medium-term

#### Likelihood

Likely

### Magnitude of impact

High

#### Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure - maximum (currency)



### **Explanation of financial impact figure**

No explanation.

#### Cost of response to risk

12,050,000

#### Description of response and explanation of cost calculation

AbbVie considers decreasing our carbon emissions and implementing energy efficiency projects to be the most effective method to manage costs associated with carbon regulation. AbbVie has established an absolute carbon reduction goal, and a goal to increase the purchase of renewable electricity. AbbVie has a Global Energy Community of Practice led by the Director of Global Energy Management. This team meets monthly and works to support the Global AbbVie sites with energy management and energy efficiency practices. Twelve of AbbVie's manufacturing sites are ISO 50001 certified. AbbVie is managing the regulatory risk and the cost impact by driving energy reductions and implementing energy management programs at our most energy intensive sites. AbbVie has established centralized energy efficiency and decarbonization capital budgets of \$11,800,000 annually. This capital fund was used to fund energy efficiency and decarbonization projects at our global manufacturing sites. These funds are earmarked to help address these risks as well as other energy-related risks. The cost of the ISO 50001 program is estimated at \$250,000.

#### Comment

No comment.

#### C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

## C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

#### Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

#### Opportunity type

Resource efficiency

Primary climate-related opportunity driver



Use of more efficient production and distribution processes

#### Primary potential financial impact

Reduced direct costs

#### Company-specific description

There is the opportunity for reduced operating costs that result from our energy efficiency strategy and initiatives. This applies to all of our global Operations, R&D, and Commercial sites.

#### Time horizon

Short-term

#### Likelihood

Virtually certain

#### Magnitude of impact

Low

## Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

### **Explanation of financial impact figure**

No explanation.

#### Cost to realize opportunity

250,000

#### Strategy to realize opportunity and explanation of cost calculation

The primary strategy to realize this opportunity is to identify the best energy efficiency projects that have the greatest return on investment. AbbVie has a Global Energy Community of Practice led by the Director of Global Energy Management. This team meets monthly and works to support the Global AbbVie sites with energy management and energy efficiency practices. Twelve of AbbVie's manufacturing sites are ISO 50001 certified. AbbVie has found that implementing the ISO 50001 program at our sites is a "best in class" practice for identifying energy efficiency and savings opportunities. The estimated cost of management for the ISO 50001 program is \$250,000 per year. AbbVie has established centralized energy efficiency and decarbonization capital budgets. This capital fund was used to fund energy efficiency and decarbonization projects at our global manufacturing sites. Sixteen total projects were funded, and all of the projects are either complete or in the implementation phase.



#### Comment

No comment.

#### Identifier

Opp2

## Where in the value chain does the opportunity occur?

Direct operations

## Opportunity type

Energy source

### Primary climate-related opportunity driver

Use of new technologies

## Primary potential financial impact

Reduced direct costs

### Company-specific description

Energy Efficiency Technology – There is the opportunity for adopting new technology which will increase our energy efficiency and reduce our energy use and GHG emissions. This applies to all of our global Operations, R&D, and Commercial sites.

#### Time horizon

Short-term

#### Likelihood

Likely

## Magnitude of impact

Low

#### Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

## **Explanation of financial impact figure**

No explanation.

#### Cost to realize opportunity

250,000



#### Strategy to realize opportunity and explanation of cost calculation

The primary strategy to realize this opportunity is to identify new technology that increases the energy efficiency of our Operations, R&D, and Commercial sites. AbbVie has a Global Energy Community of Practice led by the Director of Global Energy Management. This team meets monthly and works to support the Global AbbVie sites with energy management and energy efficiency practices. Twelve of AbbVie's manufacturing sites are ISO 50001 certified. AbbVie has found that implementing the ISO 50001 program at our sites is a "best in class" practice for identifying energy efficiency and savings opportunities. The estimated cost of management for the ISO 50001 program is \$250,000 per year.

AbbVie has implemented continuous HVAC monitoring software at one of our manufacturing sites. The intention of the technology is to improve the overall maintenance program for the HVAC system, and we have found that by responding to HVAC issues in a more timely manner we have also realized decreased energy costs at the site. The total annual energy savings in the first year were equal to the cost of deploying the system.

#### Comment

No comment.

#### Identifier

Opp3

### Where in the value chain does the opportunity occur?

Direct operations

#### Opportunity type

Products and services

#### Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

#### Primary potential financial impact

Increased revenues resulting from increased demand for products and services

#### Company-specific description

Improved competitive advantage - There is the opportunity for improved competitive advantage in the marketplace.

#### Time horizon

Long-term

#### Likelihood

More likely than not

#### Magnitude of impact

Medium

#### Are you able to provide a potential financial impact figure?



No, we do not have this figure

### Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure - maximum (currency)

## **Explanation of financial impact figure**

No explanation.

Cost to realize opportunity

## Strategy to realize opportunity and explanation of cost calculation

AbbVie continually assesses market changes in all countries where we do business. In some markets, we have seen increased requests for environmental sustainability progress and the environmental impact of our products. AbbVie has participated in tender offers in European countries where environmental information is consistently requested and considered within the tender offer decision process. Our efforts in environmental stewardship have improved our position and competitiveness within these tender offers. Over the long term this is anticipated to become a larger factor in the decision criteria of tender offers.

#### Comment

No comment.

## C3. Business Strategy

## C3.1

# (C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

#### Row 1

#### **Transition plan**

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

# Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

In June 2021, AbbVie committed to setting a 1.5 °C Science Based Target. This target will replace the existing absolute GHG reduction targets that we previously committed to. We will submit these targets to SBTi in early Q3 of 2022, and we expect approval of



these targets. Following the approval of our SBT, we intend to publish a written transition plan that details our pathway to achieving that target.

## C3.2

# (C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	
Row 1	Yes, qualitative and quantitative	

## C3.2a

## (C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate- related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 8.5	Company- wide		In 2020, we partnered with S&P Global Trucost to perform a Climate Risk Assessment for Physical Risks. The analysis looked at on how physical hazards such as water stress, flooding, heatwave, cold wave, hurricane, wildfire and coastal flood risk might change along three climate change scenarios High Warming Scenario (RCP 8.5), Moderate Warming Scenario (RCP 4.5), and High Climate Mitigation Scenario (RCP 2.6). These scenarios are based on the IPCC's Representative Concentration Pathways (RCP) and are aligned with the TCFD technical guidelines (FSB, 2017). We assessed the impacts of these physical hazards across time horizons to look beyond traditional business planning cycles; 2025, 2030 and 2050.
Physical climate scenarios RCP 4.5	Company- wide		In 2020, we partnered with S&P Global Trucost to perform a Climate Risk Assessment for Physical Risks. The analysis looked at on how physical hazards such as water stress, flooding, heatwave, cold wave, hurricane, wildfire and coastal flood risk might change along three climate change scenarios High Warming Scenario (RCP 8.5), Moderate Warming Scenario (RCP 4.5), and High Climate Mitigation Scenario (RCP 2.6). These scenarios are based on the IPCC's Representative Concentration Pathways (RCP) and are aligned with the TCFD technical guidelines (FSB, 2017). We assessed the impacts of these physical hazards across time horizons to look beyond traditional business planning cycles; 2025, 2030 and 2050.



Physical	Company-	In 2020, we partnered with S&P Global Trucost to
climate	wide	perform a Climate Risk Assessment for Physical Risks.
scenarios		The analysis looked at on how physical hazards such
RCP 2.6		as water stress, flooding, heatwave, cold wave,
		hurricane, wildfire and coastal flood risk might change
		along three climate change scenarios High Warming
		Scenario (RCP 8.5), Moderate Warming Scenario (RCP
		4.5), and High Climate Mitigation Scenario (RCP 2.6).
		These scenarios are based on the IPCC's
		Representative Concentration Pathways (RCP) and are
		aligned with the TCFD technical guidelines (FSB,
		2017). We assessed the impacts of these physical
		hazards across time horizons to look beyond traditional
		business planning cycles; 2025, 2030 and 2050.

## C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

#### Row 1

#### **Focal questions**

How could the physical risks of climate change plausibly affect our company, what are the most material risks, and what are the short/medium/long term actions that need to be taken in regards to our business strategy and financial planning?

# Results of the climate-related scenario analysis with respect to the focal questions

AbbVie's focus to discover and deliver innovative medicines and products to solve serious health issues remains constant. The climate-related risks that have been identified would not alter that mission for the benefit of both current and future patients. Climate-related risks, however, inform how we evaluate our operations and supply chains for potential disruptions in connection with climate change, implement contingency plans, and advance our preparedness. AbbVie has invested in business continuity efforts aimed at mitigating the potential for risk of loss and promoting business continuity in the event a climate-related risk materializes.

For example, AbbVie dedicates resources to assurance of supply activities, such as selecting redundant suppliers for raw materials, manufacturing products at multiple locations globally, and redundant shipping supply chains to deliver our products. The financial impact of these activities are evaluated within our annual and long-range financial planning cycles. The climate-related opportunities that have been identified require additional investment. AbbVie has established a centralized capital fund for global energy efficiency and decarbonization efforts.



## C3.3

# (C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	No	AbbVie has not experienced significant impact to our products from any of the identified risks or opportunities associated with climate change. We have not yet identified a risk that has resulted in a change to a product.
Supply chain and/or value chain	Yes	AbbVie has identified the increased severity of weather-related climate change events as a significant risk to our supply chains. Disruption to our supply chains can have a significant impact to the assurance of supply for our products and disruption to our patients access to the medicines they need. A significant supply chain interruption could result in a high financial impact. AbbVie has invested heavily in assurance of supply activities to help patients access the medicines they need. This includes redundant suppliers for raw materials, manufacturing products at multiple locations globally, and redundant shipping supply chains to deliver our products.  In June of 2021, AbbVie committed to setting a Science Based Target. We have elected to pursue a supplier engagement target, and we AbbVie started have been developing a Supplier Engagement Strategy that will support a proposed supplier engagement target. Our proposed supplier engagement target will be to engage with our top suppliers that represent 67% of our Scope 3 emissions. In 2021, This strategy is based on four pillars of direct supplier engagement, an annual supplier survey, a supplier awards program, and a supplier risk assessment. We are in process of rolling out these four elements of the strategy.
Investment in R&D	No	AbbVie has not pursued research and development within an area of unmet medical need that has come directly from a climate change related opportunity. Further, our risk mitigation activities related to climate change have not impacted our ability to invest in R&D in our therapeutic areas of focus.
Operations	Yes	AbbVie has identified the increased severity of climate- related weather events as having the potential to impact



operations and supply chain. Disruption to our Operations sites could impact assurance of supply for our products, if resiliency plans are not implemented or effective. AbbVie invests in, and creates, business continuity plans to mitigate identified climate-related weather events. For example, AbbVie maintains a facility in Puerto Rico where product components are manufactured. Due to its location in the Caribbean, this site is at an increased risk of hurricane. To promote business continuity of operations, AbbVie has invested heavily in redundant manufacturing capabilities in Massachusetts and Singapore which would allow for a continuity of supply in the event the Puerto Rico location is unable to function. In 2018, AbbVie started the replacement of our cogeneration system at our manufacturing site in Puerto Rico. This project represents a significant investment into the electrical resiliency of the site. The project was completed and put into service in 2019. AbbVie has invested in energy efficient technology to reduce our energy usage globally. AbbVie has established a capital fund to invest in energy efficiency and decarbonization projects at our global manufacturing sites.

## C3.4

# (C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Indirect costs Capital expenditures	AbbVie has identified the increased severity of climate-related weather events as having the potential to impact operations and supply chain. Disruption to our Operations sites could impact assurance of supply for our products, if resiliency plans are not implemented or effective. AbbVie has and will continue to invest in and create business continuity plans to mitigate identified climate-related weather events. AbbVie has invested heavily in assurance of supply activities including redundant suppliers for raw materials, manufacturing products at multiple locations globally, and redundant shipping supply chains to deliver our products. The financial impact of these activities are evaluated within our annual and long-range financial planning cycles.  We realize that weather events may not only impact AbbVie but also the partners we rely on within AbbVie's supply chain. To mitigate climate-



related disruptions to AbbVie's supply chain, AbbVie works with its supply chain partners to ensure they have continuity plans and makes investments itself in assurance of supply activities. This investment includes, but is not limited to, obtaining redundant suppliers for raw materials, manufacturing products at multiple locations globally, and using redundant shipping supply chains to deliver our products.

The climate-related opportunities that have been identified require additional investment. AbbVie has established a centralized capital fund for global energy efficiency and decarbonization efforts.

## C4. Targets and performance

## C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

## C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

## Target reference number

Abs 1

Year target was set

2016

**Target coverage** 

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2015

Base year Scope 1 emissions covered by target (metric tons CO2e)

402,448



Base year Scope 2 emissions covered by target (metric tons CO2e) 418.473

Base year Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

820,921

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

49

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

51

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

**Target year** 

2025

Targeted reduction from base year (%)

25

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

615,690.75

Scope 1 emissions in reporting year covered by target (metric tons CO2e) 365,601

Scope 2 emissions in reporting year covered by target (metric tons CO2e) 245,682

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

611,283

% of target achieved relative to base year [auto-calculated]

102.1477097065



#### Target status in reporting year

Achieved

#### Is this a science-based target?

No, but we anticipate setting one in the next 2 years

#### Target ambition

#### Please explain target coverage and identify any exclusions

In 2016 AbbVie decided to take a leadership approach to climate change by setting new targets to reduce emissions. Our GHG reduction target is to reduce emissions 25% absolute, by 2025 with a 2015 baseline. All GHG targets are combined scope 1 and 2 market based. [It should be noted that the CO2e emissions associated with the acquisition of Stemcentrx (2016) and Pharmacyclics (2015) as well as a new R&D center in Cambridge, MA (2017) are not included in the target calculation because they were not included in the 2015 baseline. In addition, the CO2e emissions associated with Allergan's acquisition of Zeltiq (2017) was not included in the target calculation because they were not included in the 2015 baseline. The CO2 emissions from these three businesses account for less than 1% of the total AbbVie CO2e emissions. ] In early 2020 AbbVie initiated the process of setting a science-based carbon target. We submitted a letter of commitment to SBTi in June of 2021, and we anticipate submitting our new target to SBTi in Q3 of 2022 for approval.

## Plan for achieving target, and progress made to the end of the reporting year

# List the emissions reduction initiatives which contributed most to achieving this target

Purchasing renewable electricity at selected sites around the globe reducing Scope 2 emissions.

Replacement of the cogeneration system at AbbVie's Barceloneta site in Puerto Rico which replaced #6 Fuel Oil with Liquified Natural Gas lowering Scope 1 emissions. Energy Efficiency projects across the globe reducing Scope 1 and 2 emissions.

#### Target reference number

Abs 2

Year target was set

2016

**Target coverage** 

Company-wide

Scope(s)

Scope 1

Scope 2



### Scope 2 accounting method

Scope 3 category(ies)

Base year

2015

Base year Scope 1 emissions covered by target (metric tons CO2e)

402,448

Base year Scope 2 emissions covered by target (metric tons CO2e)

418,473

Base year Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

820,921

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

49

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

51

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2035

Targeted reduction from base year (%)

50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

410,460.5

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

365.601



# Scope 2 emissions in reporting year covered by target (metric tons CO2e) 245.682

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

# Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

611,283

## % of target achieved relative to base year [auto-calculated]

51.0738548533

### Target status in reporting year

Underway

#### Is this a science-based target?

No, but we anticipate setting one in the next 2 years

#### **Target ambition**

#### Please explain target coverage and identify any exclusions

In 2016, AbbVie decided to take a leadership approach to climate change by setting new aggressive targets to reduce emissions. Our GHG reduction target is to reduce emissions 50% absolute, by 2035 with a 2015 baseline. All GHG targets are combined scope 1 and 2 market based. It should be noted that the CO2e emissions associated with the acquisition of Stemcentrx (2016) and Pharmacyclics (2015) as well as a new R&D center in Cambridge, MA (2017) are not included in the target calculation because they were not included in the 2015 baseline. In addition, the CO2e emissions associated with Allergan's acquisition of Zeltiq (2017) was not included in the target calculation because they were not included in the 2015 baseline. The CO2 emissions from these three businesses account for less than 1% of the total AbbVie CO2e emissions.

In early 2020, AbbVie initiated the process of setting a science-based carbon target. We submitted a letter of commitment to SBTi in June of 2021, and we anticipate submitting our new target to SBTi in Q3 of 2022 for approval. AbbVie intends to replace this 2035 target with our new Science Based Target.

### Plan for achieving target, and progress made to the end of the reporting year

Steady progress has been made against this absolute 2035 target achieving slightly over 51% towards the 2035 target. AbbVie intends to replace this 2035 target with our new Science Based Target (see above). This will be updated accordingly once the target is approved.

List the emissions reduction initiatives which contributed most to achieving this target



## C4.2

# (C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production Other climate-related target(s)

## C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

#### Target reference number

Low 1

Year target was set

2016

#### **Target coverage**

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

## Base year

2015

Consumption or production of selected energy carrier in base year (MWh)

0

% share of low-carbon or renewable energy in base year

0

## **Target year**

2025

% share of low-carbon or renewable energy in target year

50

% share of low-carbon or renewable energy in reporting year

31.8

% of target achieved relative to base year [auto-calculated]



63.6

## Target status in reporting year

Underway

## Is this target part of an emissions target?

Yes. In 2016, AbbVie decided to take a leadership approach to climate change by setting new targets to increase the amount of renewable electricity that we purchase. The target is to increase the percentage of renewable electricity that we purchase to 50% by 2025. This is a separate target from our carbon emissions target, but the initiative to purchase additional renewable electricity will contribute to a reduction in Scope 2 emissions.

## Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

## Please explain target coverage and identify any exclusions

In the 2021 reporting year, the total electricity purchased was 643,691 MWh with 205,015 MWh of that being purchased renewable electricity. We are at 63.6% of the target.

## Plan for achieving target, and progress made to the end of the reporting year

AbbVie has established a glide path to achieve this target, and is on track. AbbVie is currently looking at VPPA options in the United States and Europe to increase our percentage of renewable purchased electricity.

## List the actions which contributed most to achieving this target

## Target reference number

Low 2

Year target was set

2016

**Target coverage** 

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2015



# Consumption or production of selected energy carrier in base year (MWh)

0

% share of low-carbon or renewable energy in base year

0

## **Target year**

2035

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

31.8

% of target achieved relative to base year [auto-calculated]

31.8

## Target status in reporting year

Underway

## Is this target part of an emissions target?

Yes. In 2016 AbbVie decided to take a leadership approach to climate change by setting new targets to increase the amount of renewable electricity that we purchase. The target is to increase the percentage of renewable electricity that we purchase to 100% by 2035. This is a separate target from our carbon emissions target, but the initiative to purchase additional renewable electricity will contribute to a reduction is Scope 2 emissions.

## Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

### Please explain target coverage and identify any exclusions

In the 2021 reporting year, the total electricity purchased was 643,691 MWh with 205,015 MWh of that being purchased renewable electricity. We are at 31.8% of the target.

## Plan for achieving target, and progress made to the end of the reporting year

AbbVie has established a glide path to achieve this target, and is on track. AbbVie intends to replace this 2035 target with our new Science Based Target which will accelerate our goal to reach 100% renewable purchased electricity to 2030. This will be updated accordingly once the target is approved.

List the actions which contributed most to achieving this target

# C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.



## Target reference number

Oth 1

## Year target was set

2016

## **Target coverage**

Company-wide

## Target type: absolute or intensity

Absolute

# Target type: category & Metric (target numerator if reporting an intensity target)

Waste management metric tons of waste generated

## Target denominator (intensity targets only)

## Base year

2015

## Figure or percentage in base year

34,123

## **Target year**

2025

## Figure or percentage in target year

27,298

## Figure or percentage in reporting year

30,751

## % of target achieved relative to base year [auto-calculated]

49.4065934066

## Target status in reporting year

Underway

## Is this target part of an emissions target?

Yes. In 2016, AbbVie decided to take a leadership approach to waste reduction by setting new targets to decrease the amount of waste that we generate. The target is to decrease the percentage by 20% by 2025 with a 2015 baseline. All quantities reported in this section are in Metric Tons of waste. Decreases in our on-site waste processing and handling have an impact on reducing our Scope 1 and Scope 2 emissions.

# Is this target part of an overarching initiative?

No, it's not part of an overarching initiative



## Please explain target coverage and identify any exclusions

Total waste produced in 2021 was 30,751 Metric Tons versus the 2015 baseline of 34,123 Metric Tons. This is a reduction of 10%. We are 49% of the way to the target. It should be noted that the waste associated with the acquisition of Stemcentrx (2016) and Pharmacyclics (2015) as well as a new R&D center in Cambridge, MA (2017) are not included in the target calculation because they were not included in the 2015 baseline. The waste from these three businesses account for less than 1% of the total AbbVie waste. Waste quantities from Allergan have not been incorporated into this target yet, but will be added in a future year.

## Plan for achieving target, and progress made to the end of the reporting year

AbbVie has established a glide path to achieve this target. Global waste reduction opportunities have been identified and are being implemented.

## List the actions which contributed most to achieving this target

# Target reference number

Oth 2

Year target was set

2016

## **Target coverage**

Company-wide

Target type: absolute or intensity

Absolute

# Target type: category & Metric (target numerator if reporting an intensity target)

Waste management metric tons of waste diverted from landfill

# Target denominator (intensity targets only)

## Base year

2015

## Figure or percentage in base year

0

## Target year

2035

## Figure or percentage in target year

100



## Figure or percentage in reporting year

0

## % of target achieved relative to base year [auto-calculated]

n

## Target status in reporting year

Underway

## Is this target part of an emissions target?

Yes. In 2016, AbbVie decided to take a leadership approach to waste reduction by setting new targets to increase the number of our global sites that have achieved Zero Waste to Landfill. The target is to have 100% of our sites achieve Zero Waste to Landfill by 2035. Decreases in our on-site waste processing and handling have an impact on reducing our Scope 1 and Scope 2 emissions.

## Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

## Please explain target coverage and identify any exclusions

No sites have achieved zero waste to landfill at this time. In 2018, AbbVie defined our internal criteria for our Zero Waste to Landfill status. Starting in 2019 and beyond, our manufacturing and research sites will be able to complete an audit to certify that they have achieved zero waste to landfill status. The audit for the first site is scheduled in late 2022.

## Plan for achieving target, and progress made to the end of the reporting year

AbbVie has established a glide path to achieve this target. Our sites that are already at Zero Waste to Landfill have committed to completing the audit process over the next 5 year period. The remaining sites continue to look at ways to reduce their waste and look for alternatives to landfilling for disposal.

## List the actions which contributed most to achieving this target

## C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

## C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

Number of	Total estimated annual CO2e savings in metric
initiatives	tonnes CO2e (only for rows marked *)



Under investigation	36	0
To be implemented*	39	4,496
Implementation commenced*	12	2,759
Implemented*	19	3,257
Not to be implemented	0	0

# C4.3b

# (C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

## Initiative category & Initiative type

Energy efficiency in buildings Heating, Ventilation and Air Conditioning (HVAC)

# Estimated annual CO2e savings (metric tonnes CO2e)

309

# Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

# Voluntary/Mandatory

Voluntary

## Annual monetary savings (unit currency - as specified in C0.4)

80,000

## Investment required (unit currency - as specified in C0.4)

269,000

## Payback period

1-3 years

## Estimated lifetime of the initiative

16-20 years

# Comment

AbbVie implemented a series of HVAC projects at our global Manufacturing sites that will replace the existing HVAC units or improve the overall efficiency of the units.

## Initiative category & Initiative type

Energy efficiency in buildings Heating, Ventilation and Air Conditioning (HVAC)



# Estimated annual CO2e savings (metric tonnes CO2e)

720

## Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

## **Voluntary/Mandatory**

Voluntary

## Annual monetary savings (unit currency – as specified in C0.4)

258.000

## Investment required (unit currency - as specified in C0.4)

998,000

## Payback period

4-10 years

## Estimated lifetime of the initiative

16-20 years

## Comment

AbbVie implemented a series of HVAC projects at our global Manufacturing sites that will replace the existing HVAC units or improve the overall efficiency of the units.

## Initiative category & Initiative type

Energy efficiency in buildings Lighting

## Estimated annual CO2e savings (metric tonnes CO2e)

27

## Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

## Voluntary/Mandatory

Voluntary

## Annual monetary savings (unit currency – as specified in C0.4)

10,000

## Investment required (unit currency - as specified in C0.4)

33,000

## Payback period

1-3 years

## Estimated lifetime of the initiative

16-20 years



## Comment

AbbVie implemented a lighting project at a global Manufacturing site that replaced the existing lights to improve the overall efficiency of lighting.

## Initiative category & Initiative type

Energy efficiency in buildings Building Energy Management Systems (BEMS)

## Estimated annual CO2e savings (metric tonnes CO2e)

121

# Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

## Voluntary/Mandatory

Voluntary

## Annual monetary savings (unit currency - as specified in C0.4)

45,000

## Investment required (unit currency - as specified in C0.4)

120,000

## Payback period

1-3 years

## Estimated lifetime of the initiative

16-20 years

### Comment

AbbVie implemented a project at our North Chicago and Abbott Park sites to supplement the existing Building EMS to improve the overall efficiency of the utility systems such as the boilers, chillers, and HVAC.

# Initiative category & Initiative type

Energy efficiency in production processes Waste heat recovery

# Estimated annual CO2e savings (metric tonnes CO2e)

417

## Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

## Voluntary/Mandatory

Voluntary

## Annual monetary savings (unit currency – as specified in C0.4)



526,000

## Investment required (unit currency - as specified in C0.4)

1,201

## Payback period

1-3 years

## Estimated lifetime of the initiative

16-20 years

#### Comment

AbbVie implemented a number of heat recovery projects and a heat pump optimization project at our global Manufacturing sites that recover waste heat and improves the overall efficiency of the heating systems.

## Initiative category & Initiative type

Energy efficiency in production processes Cooling technology

## Estimated annual CO2e savings (metric tonnes CO2e)

1,433

## Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

# Voluntary/Mandatory

Voluntary

## Annual monetary savings (unit currency – as specified in C0.4)

509,000

## Investment required (unit currency - as specified in C0.4)

1,614,000

## Payback period

1-3 years

# Estimated lifetime of the initiative

16-20 years

#### Comment

AbbVie implemented a number of chillers and chilled water distribution systems improvement projects at our global Manufacturing sites that improves the overall efficiency of the chillers and the chilled water distribution systems.

## Initiative category & Initiative type

Energy efficiency in production processes



Compressed air

# Estimated annual CO2e savings (metric tonnes CO2e)

165

## Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

## **Voluntary/Mandatory**

Voluntary

## Annual monetary savings (unit currency - as specified in C0.4)

57,000

# Investment required (unit currency - as specified in C0.4)

153,000

## Payback period

1-3 years

## Estimated lifetime of the initiative

16-20 years

#### Comment

AbbVie installed a new Air Compressor at a global Manufacturing site improving the overall efficiency of the compressed air system.

# Initiative category & Initiative type

Low-carbon energy generation Solar PV

## Estimated annual CO2e savings (metric tonnes CO2e)

65

## Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

# Voluntary/Mandatory

Voluntary

## Annual monetary savings (unit currency – as specified in C0.4)

21,000

## Investment required (unit currency - as specified in C0.4)

80,000

# Payback period

4-10 years

## Estimated lifetime of the initiative



21-30 years

# Comment

AbbVie installed a solar PV expansion at a global site .

# C4.3c

# (C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	AbbVie has a dedicated corporate energy capital fund. The global manufacturing sites apply for this funding to complete energy reduction and emission reduction projects. In addition, each site can use funds from their respective capital budgets to execute energy projects. In 2021 a total of 19 energy reduction projects were approved and funded by the two funds. Projects included replacement of chillers, HVAC modifications, lighting projects, new boilers, boiler upgrades and a new air compressor. This fund was \$6,800,000 in 2021.
Dedicated budget for other emissions reduction activities	AbbVie has a dedicated corporate environmental capital fund. The global manufacturing sites apply for this funding to complete energy, water, and waste reduction projects. This fund was \$1,100,000 in 2021.
Employee engagement	AbbVie has a global energy team that meets monthly. These meetings share best practices, opportunities and lessons learned. The meeting is open to a diverse group of energy managers, sustainability leads, engineers, EHS personnel, and our Purchasing & Supplier Management group. This drives investments because others can share best practices and leverage internal experience and expertise to overcome obstacles and challenges as well as fostering a team-based approach to energy management. In addition, there is engagement of all employees to operate efficiently, reduce energy usage, and reduce our carbon footprint. AbbVie facilitates an annual innovation accelerator program for environmental sustainability. In 2021, colleagues from 37 different global sites submitted over 200 ideas. For the second year running, on Earth Day 2021, we launched an employee sustainability engagement campaign called EcoChallenge to encourage the adoption of sustainable behaviors at work and at home. Over 115,903 sustainable actions were completed by 3,683 colleagues in 343 team from 63 different countries.
Lower return on investment (ROI) specification	AbbVie has an internal return on investment specification of 20% Internal Rate of Return (IRR) for projects to be classified as financially justified. This is calculated using a DCF-ROI model that AbbVie developed. Many of the energy projects that were funded were approved with a lower IRR in the 5% to 20% range. Many of the environmental projects that were funded had low or no IRR. In 2022, AbbVie has established a second capital fund to invest in decarbonization projects. The capital fund is \$5,000,000 annually.



# C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

# C5. Emissions methodology

# C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

# C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

## Row 1

## Has there been a structural change?

Yes, an acquisition

Name of organization(s) acquired, divested from, or merged with Allergan, PLC

## Details of structural change(s), including completion dates

AbbVie acquired Allergan, PLC in May of 2020. 2021 was the first full year of operations as a combined company under the AbbVie name. 2021 was the first year that AbbVie included all of the Allergan energy and GHG emissions data with our global data.

# C5.1b

# (C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

		Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)	
F 1	Row	Yes, a change in boundary	The 2021 boundary change was the addition of the Allergan energy and GHG emissions data for their sites and activities within our Operational Control. 2021 was the first year that AbbVie included the Allergan energy and GHG emissions data with our global data.	



# C5.1c

# (C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	AbbVie's base year emissions recalculation policy refers directly to Chapter 5 of the GHG protocol. AbbVie has established an internal policy that sets a threshold of 5% for acquisitions. The acquisition of Allergan, PLC met that threshold and our 2015 base year emissions were recalculated to include both AbbVie + Allergan, PLC.

# C5.2

## (C5.2) Provide your base year and base year emissions.

## Scope 1

## Base year start

January 1, 2015

## Base year end

December 31, 2015

## Base year emissions (metric tons CO2e)

402,448

## Comment

The Scope 1 base year emissions reported above were recalculated in 2021 to include both AbbVie + Allergan, PLC for 2015.

## Scope 2 (location-based)

## Base year start

January 1, 2015

## Base year end

December 31, 2015

## Base year emissions (metric tons CO2e)

419,061

#### Comment

The Scope 2 (location) base year emissions reported above were recalculated in 2021 to include both AbbVie + Allergan, PLC for 2015.

## Scope 2 (market-based)

## Base year start

January 1, 2015



## Base year end

December 31, 2015

## Base year emissions (metric tons CO2e)

418.473

#### Comment

The Scope 2 (Market) base year emissions reported above were recalculated in 2021 to include both AbbVie + Allergan, PLC for 2015.

For scope 3 information, please see www.cdp.net.

# C5.3

# (C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

IEA CO2 Emissions from Fuel Combustion

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Mandatory Greenhouse Gas Reporting Rule

US EPA Emissions & Generation Resource Integrated Database (eGRID)

# C6. Emissions data

## C<sub>6</sub>.1

# (C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

## Reporting year

## Gross global Scope 1 emissions (metric tons CO2e)

367.954

#### Comment

No comment.

# C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

### Row 1

## Scope 2, location-based

We are reporting a Scope 2, location-based figure

### Scope 2, market-based

We are reporting a Scope 2, market-based figure



## Comment

No comment.

# C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

## Reporting year

## Comment

AbbVie acquired Allergan, PLC in May of 2020. 2021 was the first year that AbbVie included the Allergan energy and GHG emissions data with our global data. The Scope 2 (location) base year emissions reported above were calculated in 2021 to include both AbbVie + Allergan.

## C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

# C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

For scope 3 information, please see www.cdp.net.

## C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

# C<sub>6</sub>.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

11.12

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)



624,662

## **Metric denominator**

unit total revenue

Metric denominator: Unit total

56,197,000,000

## Scope 2 figure used

Market-based

## % change from previous year

0.2

# **Direction of change**

Increased

## Reason for change

Sales increased to 56.197 Billion USD from 45.804 Billion USD, and CO2e emissions increased to 624,662 MT from 508,261 MT due to the addition of Allergan GHG emissions. The 2021 Intensity figure was 11.12 which was increased very slightly from the 2020 intensity figure of 11.10. (11.12-11.10 / 11.12 = 0.2% Increase).

# C7. Emissions breakdowns

# C7.1

# (C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

# C7.1a

# (C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	360,938	IPCC Fourth Assessment Report (AR4 - 50 year)
CH4	501	IPCC Fourth Assessment Report (AR4 - 50 year)
N2O	1,014	IPCC Fourth Assessment Report (AR4 - 50 year)
HFCs	29	IPCC Fourth Assessment Report (AR4 - 50 year)



Other, please specify	5,472	IPCC Fourth Assessment Report (AR4
Non-HFC		- 50 year)
Refrigerants		

# C7.2

# (C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Algeria	12
Egypt	323
Morocco	5
Tunisia	19
South Africa	316
Argentina	854
Brazil	2,697
Canada	1,828
Chile	8
Colombia	51
Costa Rica	4
Dominican Republic	1
Guatemala	1
Honduras	0
Mexico	175
Nicaragua	0
Panama	1
Peru	0
Puerto Rico	69,373
El Salvador	0
Uruguay	8
United States of America	130,736
United Arab Emirates	81
Bahrain	3
China	312
Hong Kong SAR, China	26
Israel	678
Jordan	19
Japan	2,411



Kazakhstan	16
Republic of Korea	445
Kuwait	20
Lebanon	216
Malaysia	37
Oman	4
Qatar	3
Saudi Arabia	291
Singapore	14,009
Thailand	463
Turkey	1,426
Taiwan, China	645
Austria	419
Belgium	642
Bulgaria	179
Bosnia & Herzegovina	23
Belarus	15
Switzerland	241
Germany	31,643
Denmark	171
Spain	1,573
Estonia	40
Finland	18
France	3,715
United Kingdom of Great Britain and Northern Ireland	1,084
Greece	268
Croatia	132
Hungary	19,323
Ireland	24,340
Italy	26,978
Lithuania	68
Latvia	27
Netherlands	457
Norway	85
Poland	19,623



Portugal	267
Romania	193
Russian Federation	759
Serbia	62
Slovakia	503
Slovenia	99
Sweden	345
Ukraine	90
Australia	192
New Zealand	38
Indonesia	1,708
India	1,472
Philippines	37
Viet Nam	1
Czechia	16
Luxembourg	3,591

# C7.3

# (C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By facility

By activity

# C7.3a

# (C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Operations	252,039
Commercial	96,141
Headquarters	7,494
R&D	12,280

# C7.3b

# (C7.3b) Break down your total gross global Scope 1 emissions by business facility.

See details at www.cdp.net.



# C7.3c

# (C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Stationary Combustion	259,456
Mobile Combustion	97,076
Fugitive Emissions	5,501
Office Activities	5,921

# C7.5

# (C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Algeria	54	54
Egypt	155	155
Morocco	32	32
Tunisia	77	77
South Africa	728	728
Argentina	177	177
Brazil	804	145
Canada	249	249
Chile	35	35
Colombia	61	61
Costa Rica	49	49
Dominican Republic	2	2
Guatemala	1	1
Honduras	0	0
Mexico	191	191
Nicaragua	0	0
Panama	3	3
Peru	0	0
Puerto Rico	4,654	4,654
El Salvador	0	0
Uruguay	1	1
United States of America	264,576	215,249
United Arab Emirates	320	320



Bahrain	0	0
China	1,848	1,848
Hong Kong SAR, China	181	181
Israel	369	369
Jordan	24	24
Japan	1,574	1,574
Kazakhstan	10	10
Republic of Korea	625	625
Kuwait	25	25
Lebanon	181	181
Malaysia	220	220
Oman	0	0
Qatar	0	0
Saudi Arabia	305	305
Singapore	16,206	20,417
Thailand	119	119
Turkey	1,157	1,157
Taiwan, China	492	492
Austria	55	55
Belgium	260	131
Bulgaria	80	80
Bosnia & Herzegovina	22	22
Belarus	3	3
Switzerland	16	16
Germany	6,707	660
Denmark	39	39
Spain	300	300
Estonia	30	30
Finland	16	16
France	1,089	1,089
United Kingdom of Great Britain and Northern Ireland	906	713
Greece	170	170
Croatia	23	23
Hungary	42	42
Ireland	21,917	176



Italy	735	382
Lithuania	6	6
Latvia	11	11
Netherlands	390	390
Norway	4	4
Poland	479	479
Portugal	79	79
Romania	155	155
Russian Federation	305	305
Serbia	36	36
Slovakia	75	75
Slovenia	25	25
Sweden	6	6
Ukraine	81	81
Australia	595	595
New Zealand	9	9
Luxembourg	1	1
Venezuela (Bolivarian Republic of)	0	0
Indonesia	0	0
India	602	602
Oman	0	0
Philippines	162	162
Viet Nam	4	4
Czechia	6	6

# C7.6

# (C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By facility

By activity

# C7.6a

# (C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	
Operations	282,102	209,334	



Commercial	22,950	22,950
Headquarters	10,839	9,563
Research and Development	15,055	14,861

# C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

See details at www.cdp.net.

# C7.6c

## (C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Operations Activities (Manufacturing, Warehouse, etc.)	282,102	209,334
Office Activities (Commercial Office Spaces, Leased Offices)	33,789	32,513
Research and Development	15,055	14,861

# C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

# C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	74,238	Decreased	12	In 2020 we generated 508,261 of CO2e and in 2021 we generated 624,662 MT. Overall this is an increase of 116,401 MT. Our Renewable Energy Strategy accounted for a 74,238,111 MT decrease of CO2e. (74/238/624,662) X



				100 = 12% decrease due to purchasing renewable electricity.
Other emissions reduction activities	3,257	Decreased	1	Our energy efficiency emissions reduction strategy accounted for 3,257 MT of CO2e. (3,257/624,662) X 100 = 1% decrease due to energy efficiency projects.
Divestment	0	No change	0	There was no divestment in 2021.
Acquisitions	145,256	Increased	23	AbbVie acquired Allergan, PLC in May of 2020. 2021 was the first year that AbbVie included the Allergan energy and GHG emissions data with our global data. The acquisition accounted for 145,256 MT of CO2e. (145,256/624,662) X 100 = 23% increase due to the acquisition.
Mergers	0	No change	0	There were no mergers in 2021.
Change in output	48,640	Increased	8	There were a number increases and decreases in manufacturing volumes (output) at the various manufacturing sites globally. The net change in output was an increase was 48,640 MT. (48,640/624,662) X 100 = 8% increase due to change in output.
Change in methodology	0	No change	0	There was no change in methodology in 2021.
Change in boundary	0	No change	0	The 2021 boundary change was the addition of the Allergan energy and GHG emissions data for their sites and activities within our Operational Control. 2021 was the first year that AbbVie included all of the Allergan energy and GHG emissions data with our global data. The changes in emissions are accounted under Acquisitions.
Change in physical	0	No change	0	There was no change in physical operating conditions in 2021.
operating conditions				
	0	No change	0	Not applicable.



# C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

# C8. Energy

# C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

# C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy- related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

# C8.2a

# (C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non- renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	1,768,333	1,768,333



Consumption of purchased or acquired electricity	206,823	602,226	809,049
Consumption of purchased or acquired steam	0	137,015	137,015
Consumption of purchased or acquired cooling	0	103,767	103,767
Consumption of self- generated non-fuel renewable energy	1,953		1,953
Total energy consumption	208,776	2,611,341	2,820,017

# C8.2b

# (C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

# C8.2d

# (C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	171,370	165,213	1,808	1,808
Heat	237,153	237,153	0	0
Steam	553,357	528,013	0	0



Occiling   +0+,02+   000,000   100,000   100,000	Cooling	404,524	339,805	100,333	100,333
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# C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

## Sourcing method

Unbundled energy attribute certificates (EACs) purchase

# **Energy carrier**

Electricity

## Low-carbon technology type

Wind

## Country/area of low-carbon energy consumption

United States of America

## Tracking instrument used

**US-REC** 

# Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

104,208

# Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

# Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,018

#### Comment

U.S. REC's are sourced and retired through the electric suppliers.

## Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

# **Energy carrier**

Electricity

## Low-carbon technology type

Wind



## Country/area of low-carbon energy consumption

Ireland

## Tracking instrument used

GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

73,975

Country/area of origin (generation) of the low-carbon energy or energy attribute

Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

#### Comment

Irish GO's are sourced and retired through our local electric supplier. AbbVie has a contract in place with our electric supplier to source the GO's for 100% of our purchased electricity and then retires them on our behalf. Our supplier does this as a program for multiple customers and does not currently provide us with specific data on the generation facility of origin for the GO's.

## Sourcing method

Unbundled energy attribute certificates (EACs) purchase

## **Energy carrier**

Electricity

## Low-carbon technology type

Wind

## Country/area of low-carbon energy consumption

Germany

## Tracking instrument used

GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

17,554

Country/area of origin (generation) of the low-carbon energy or energy attribute

Germany



# Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

#### Comment

German GO's are sourced and retired through our local electric supplier. AbbVie has a contract in place with our electric supplier to source the GO's for 100% of our purchased electricity and then retires them on our behalf. Our supplier does this as a program for multiple customers and does not currently provide us with specific data on the generation facility of origin for the GO's.

## Sourcing method

Unbundled energy attribute certificates (EACs) purchase

## **Energy carrier**

Electricity

## Low-carbon technology type

Solar

## Country/area of low-carbon energy consumption

Italy

## Tracking instrument used

GC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,240

Country/area of origin (generation) of the low-carbon energy or energy attribute

Italy

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

### Comment

Italian GO's are sourced and retired through our local electric supplier. AbbVie has a contract in place with our electric supplier to source the GO's for 100% of our purchased electricity and then retires them on our behalf. Our supplier does this as a program for multiple customers and does not currently provide us with specific data on the generation facility of origin for the GO's.

## Sourcing method



Unbundled energy attribute certificates (EACs) purchase

## **Energy carrier**

Electricity

## Low-carbon technology type

Hydropower (capacity unknown)

## Country/area of low-carbon energy consumption

Brazil

## Tracking instrument used

I-REC

# Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

6,333

# Country/area of origin (generation) of the low-carbon energy or energy attribute

Brazil

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

### Comment

Brazil iREC's are sourced and retired through our local electric supplier. AbbVie has a contract in place with our electric supplier to source the iREC's and then retires them on our behalf. Our supplier does this as a program for multiple customers and does not currently provide us with specific data on the generation facility of origin for the iREC's.

# Sourcing method

Unbundled energy attribute certificates (EACs) purchase

## **Energy carrier**

Electricity

## Low-carbon technology type

Wind

## Country/area of low-carbon energy consumption

Belgium

## Tracking instrument used

GC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)



778

# Country/area of origin (generation) of the low-carbon energy or energy attribute

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

### Comment

GO's for out site in Belgium are sourced and retired through our local electric supplier. AbbVie has a contract in place with our electric supplier to source the GOs and then retires them on our behalf. Our supplier does this as a program for multiple customers and does not currently provide us with specific data on the generation facility of origin for the GOs.

## Sourcing method

Unbundled energy attribute certificates (EACs) purchase

## **Energy carrier**

Electricity

## Low-carbon technology type

Wind

## Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

## Tracking instrument used

GO

# Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

927

# Country/area of origin (generation) of the low-carbon energy or energy attribute

United Kingdom of Great Britain and Northern Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

#### Comment

GO's for out site in the UK are sourced and retired through our local electric supplier. AbbVie has a contract in place with our electric supplier to source the GOs and then retires them on our behalf. Our supplier does this as a program for multiple customers



and does not currently provide us with specific data on the generation facility of origin for the GOs.

# C8.2g

## (C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

## Country/area

Brazil

**Consumption of electricity (MWh)** 

6,333

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6,333

# Country/area

Costa Rica

Consumption of electricity (MWh)

9,423

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

9,423

## Country/area

Puerto Rico

Consumption of electricity (MWh)

110,408

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

110,408



Country/area United States of America
Consumption of electricity (MWh) 468,725
Consumption of heat, steam, and cooling (MWh) 240,782
Total non-fuel energy consumption (MWh) [Auto-calculated]
709,507
Country/area Singapore
Consumption of electricity (MWh) 41,592
Consumption of heat, steam, and cooling (MWh)
Total non-fuel energy consumption (MWh) [Auto-calculated]
41,592
 Country/area Belgium
Consumption of electricity (MWh) 778
Consumption of heat, steam, and cooling (MWh)
Total non-fuel energy consumption (MWh) [Auto-calculated]
778
Country/area Germany
Consumption of electricity (MWh)

39,529



Consumption of heat, steam, and cooling (MWh)	
Total non-fuel energy consumption (MWh) [Auto-calculated]	
39,529	
Country/area France	
Consumption of electricity (MWh) 17,634	
Consumption of heat, steam, and cooling (MWh)	
Total non-fuel energy consumption (MWh) [Auto-calculated]	
17,634	
Country/area United Kingdom of Great Britain and Northern Ireland	
Consumption of electricity (MWh) 927	
Consumption of heat, steam, and cooling (MWh)	
Total non-fuel energy consumption (MWh) [Auto-calculated]	
927	
Country/area	
Ireland	
Consumption of electricity (MWh)	
79,917	
Consumption of heat, steam, and cooling (MWh)	
0	

Total non-fuel energy consumption (MWh) [Auto-calculated]

79,917



Country/area

Italy

Consumption of electricity (MWh)

33,783

Consumption of heat, steam, and cooling (MWh)

C

Total non-fuel energy consumption (MWh) [Auto-calculated]

33,783

# C9. Additional metrics

# C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

# C10. Verification

# C10.1

# (C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

# C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete



## Type of verification or assurance

Limited assurance

## Attach the statement

 $\ensuremath{\mathbb{Q}}$  2021-environment-and-safety-performance-report.pdf

## Page/ section reference

2021-environment-and-safety-performance-report.pdf Page 5 of 15 for Scope 1 data and Page 14 of 15 for assurance statement.

#### Relevant standard

ISAE3000

## Proportion of reported emissions verified (%)

100

# C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

## Scope 2 approach

Scope 2 market-based

## Verification or assurance cycle in place

Annual process

## Status in the current reporting year

Complete

## Type of verification or assurance

Limited assurance

## Attach the statement

 $\cDot{0}$  2021-environment-and-safety-performance-report.pdf

## Page/ section reference

2021-environment-and-safety-performance-report.pdf Page 6 of 15 for Scope 2 data and Page 14 of 15 for assurance statement.

## Relevant standard

ISAE3000

## Proportion of reported emissions verified (%)

100



# C<sub>10.2</sub>

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

# C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ISAE3000	Total Energy Consumption. 2021- environment-and-safety-performance- report.pdf Page 3 of 15

<sup>&</sup>lt;sup>1</sup>2021-environment-and-safety-performance-report.pdf

# C11. Carbon pricing

# C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

# C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

**EU ETS** 

Ireland carbon tax

Singapore carbon tax

## C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

## **EU ETS**

% of Scope 1 emissions covered by the ETS

9.3

% of Scope 2 emissions covered by the ETS

(



## Period start date

January 1, 2021

#### Period end date

December 31, 2021

#### Allowances allocated

6,059

## Allowances purchased

28.086

## Verified Scope 1 emissions in metric tons CO2e

34,145

## Verified Scope 2 emissions in metric tons CO2e

C

# **Details of ownership**

Facilities we own and operate

## Comment

AbbVie has two facilities that are subject to the EU ETS system which are the Ludwigshaven, Germany site and the Westport, Ireland sites.

## C11.1c

# (C11.1c) Complete the following table for each of the tax systems you are regulated by.

## Ireland carbon tax

## Period start date

January 1, 2021

## Period end date

December 31, 2021

## % of total Scope 1 emissions covered by tax

6.5

## Total cost of tax paid

1,136,000

### Comment

The total cost of tax paid is estimated based on a current tax rate of 41 EUR per metric ton and the fuel burned (Scope 1 carbon emissions) for the six Irish sites.

# Singapore carbon tax

## Period start date

January 1, 2021



## Period end date

December 31, 2021

## % of total Scope 1 emissions covered by tax

3.8

## Total cost of tax paid

52.000

#### Comment

The total cost of tax paid is calculated based on a current tax rate of 5 SDG per metric ton and the total carbon emissions for the Singapore site.

# C11.1d

# (C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Compliance with the EU ETS system is handled by the site level EHS organization at the two sites which are subject to the system. The Ludwigshaven, Germany and Westport, Ireland manufacturing sites track their emissions, track their allowances, and make decisions on purchasing or selling allowances. Both sites are audited annually for compliance with the ETS system by a third party auditing body. The AbbVie Global EHS organization also performs an internal audit to track compliance with the ETS system. The Ireland Carbon as well as the Singapore Carbon tax are paid directly within the fuel invoices, and is included in the overall cost of fuel for the manufacturing sites. Compliance with this carbon tax is handled by the various fuel vendors within their invoicing.

# C11.2

# (C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

# C11.3

## (C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

# C12. Engagement

## C12.1

## (C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients



## C12.1a

## (C12.1a) Provide details of your climate-related supplier engagement strategy.

## Type of engagement

Information collection (understanding supplier behavior)

## **Details of engagement**

Collect climate change and carbon information at least annually from suppliers

## % of suppliers by number

10

## % total procurement spend (direct and indirect)

75

## % of supplier-related Scope 3 emissions as reported in C6.5

67

# Rationale for the coverage of your engagement

In June of 2021, AbbVie committed to setting a 1.5 Deg C science based target. We have elected to pursue a supplier engagement target, and we have been developing a Supplier Engagement Strategy and Program. Our proposed supplier engagement target will be to engage with our top suppliers that represent 67% of our Scope 3 emissions.

## Impact of engagement, including measures of success

AbbVie is beginning to roll out our strategy, and we anticipate submitting our supplier engagement target to SBTi for approval in Q3 of 2022. AbbVie has an annual supplier survey and we included questions from the Pharmaceutical Supply Chain Initiative (PSCI) environmental survey in our questionnaire in 2021. This portion of the survey includes questions regarding the supplier's plans for setting GHG emissions reduction targets and specifically a SBT.

#### Comment

## Type of engagement

Engagement & incentivization (changing supplier behavior)

## **Details of engagement**

Run an engagement campaign to educate suppliers about climate change Climate change performance is featured in supplier awards scheme

## % of suppliers by number

10

## % total procurement spend (direct and indirect)



75

# % of supplier-related Scope 3 emissions as reported in C6.5

## Rationale for the coverage of your engagement

In June of 2021, AbbVie committed to setting a 1.5 Deg C science based target. We have elected to pursue a supplier engagement target, and we have been developing a Supplier Engagement Strategy and Program. Our proposed supplier engagement target will be to engage with our top suppliers that represent 67% of our Scope 3 emissions.

## Impact of engagement, including measures of success

AbbVie is beginning to roll out our strategy, and we anticipate submitting our supplier engagement target to SBTi for approval in Q3 of 2022. AbbVie's supplier category leads meet with our top suppliers at least annually. Discussing the supplier's plans for a GHG emission target and requesting that they set a SBT has been added to the agenda for these meetings. Our category managers receive training on our SBT and the key role that they play in engagement with our suppliers. AbbVie has also created a Supplier Sustainability Awards program. Suppliers who set a SBT and who are making significant progress against their SBT will be given special consideration for these awards. AbbVie expects this award program to launch in 2023.

#### Comment

# C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

#### Type of engagement & Details of engagement

Education/information sharing

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

1

% of customer - related Scope 3 emissions as reported in C6.5

5

# Please explain the rationale for selecting this group of customers and scope of engagement

AbbVie has participated in a number of Environmental Sustainability surveys that were requested by our customers. This includes:

Customer Environmental Sustainability Surveys

EcoVadis Survey

**PSCI** Environmental Survey



Customers who have requested our participation generally have been customers where we are performing third party manufacturing or customers where we are selling our products directly to the customer. AbbVie responded to surveys from 12 customers during 2021. AbbVie has also shared that we have achieved the following certifications: Twelve of our global sites are ISO50001 certified as of 2021

Three of our U.S. based site are EnergySTAR certified in 2021

AbbVie was selected as an EnergySTAR partner of the year for 2021

## Impact of engagement, including measures of success

Up to this point, most of the impact of engagement was primarily information sharing.

## C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, and we do not plan to introduce climate-related requirements within the next two years

# C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

## Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

No

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

Our climate change strategy is established and communicated as our Corporate Energy Policy. Our policy states that we will take steps to reduce carbon emissions through the efficient use of energy in developing and delivering our products, as well as engaging where there is the opportunity to influence or impact our use, procurement or conservation of energy. AbbVie does not have a documented public commitment for our engagement activities to ensure that they are in line with the goals of the Paris Agreement. However, in 2021, we enhanced our ESG oversight and governance with the establishment of an ESG Council. The ESG Council ensures strategic, enterprise-aligned delivery on AbbVie's ESG Framework. Chaired by our Vice Chairman, External Affairs and Chief Legal Officer and composed of senior cross functional leaders, the ESG Council's purpose is to champion business sustainability and mitigate business risks by monitoring, reviewing and recommending actions in support of our ESG framework and strategy. The ESG Council meets at minimum once per quarter and maintains sub-committees aligned to AbbVie's material topics which included Environmental Sustainability. This council would have oversight and decision making



ability in a situation where engagement with a trade associate may not align with the goals of the Paris Agreement.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Important but not an immediate priority

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Engagement on climate issues is important, but has not been deemed an immediate priority at this time.

# C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

#### **Publication**

In mainstream reports

### **Status**

Complete

## Attach the document

AbbVie 2021 ESG Report.pdf

## Page/Section reference

Pages 8-10

## **Content elements**

Emissions figures Emission targets

Other metrics

### Comment

In May 2022, AbbVie published our annual ESG report. This report is publicly available on abbvie.com.

#### **Publication**

In mainstream reports, incorporating the TCFD recommendations

## **Status**

Complete



## Attach the document

AbbVie 2022 TCFD Report.pdf

# Page/Section reference

All pages

## **Content elements**

Governance

Strategy

Risks & opportunities

**Emission targets** 

Other metrics

## Comment

In 2022, AbbVie published our initial TCFD report. This report is publicly available on abbvie.com.

# C15. Biodiversity

# C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues
Row 1	No, and we do not plan to have both within the next two years

# C15.2

# (C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity
Row 1	No, and we do not plan to do so within the next 2 years

## C15.3

## (C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years



# C15.4

# (C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?
Row 1	No, and we do not plan to undertake any biodiversity-related actions

# C15.5

# (C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	

# C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report	Content	Attach the document and indicate where in the document the
type	elements	relevant biodiversity information is located

# C16. Signoff

# C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

No additional comments.

## C16.1

# (C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior Director, Global EHS	Environmental, health and safety manager



# **Submit your response**

# In which language are you submitting your response? English

# Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

## Please confirm below

I have read and accept the applicable Terms