The purpose of this report is to describe our approach to corporate responsibility and our recent activities to advance our responsibility priorities.

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A message from our CEO

At AbbVie, we are guided in everything we do by our desire to make a remarkable impact on the lives of patients. We strive to do this by discovering and developing a consistent stream of innovative medicines that make a real difference for people facing serious health problems.

We have convened a world-class research organization and a diverse, talented and engaged workforce. Together they have developed important medicines that are benefitting patients with autoimmune conditions, cancer, hepatitis C, Parkinson's disease, endometriosis and other complex diseases.

As we look forward, we want to continue to be a long-term partner in the pursuit of better health outcomes. We know that doing so means thinking broadly about how we can use our expertise to advance health and wellness. It means building and maintaining the trust of all who rely on us, protecting our environment and understanding how we can be helpful members of the local and global community.

Our company, our employees and our partners have done much in 2018 to advance those priorities. I am proud of our scientific advancements, public health engagement, commitment to diversity and talent development and the historic contribution of $350 million to U.S. nonprofit organizations supporting long-term community strength.

It is my pleasure to introduce the AbbVie 2018 Responsible Action Report. It reflects ways in which we’ve worked to positively impact the lives of our patients, employees, partners and communities around the world.

Sincerely,

Rick Gonzalez
Chairman & CEO
Who we are

We are a global, research-based biopharmaceutical company with more than 30,000 employees in more than 70 countries. Since we became an independent company in 2013, we’ve grown and developed a culture and a purpose that is uniquely ours.

We focus on discovering, developing and delivering medicines that make a real impact, in therapeutic areas where we have proven expertise. These areas include immunology, oncology, virology and neuroscience.

We maintain state-of-the-art research, development and manufacturing centers in some of the most productive innovation hubs across the globe. In addition to our North Chicago, Illinois (U.S.) headquarters, these include the Boston, Massachusetts area, the San Francisco, California area and centers in Germany, Italy, Ireland, Puerto Rico, Singapore and Japan.

We are a passionate, diverse and inclusive organization that supports the best ideas, wherever they originate. Our scientists around the world are shaping their fields and inspiring all of us to do all we can to bring medicines to patients quickly and safely.
2018 Highlights

Research investment
We invested **$5.1 billion in research and development** in 2018, nearly doubling our level of investment since our inception in 2013.

Pro-bono research
AbbVie researchers donated nearly **40,000 hours** of paid work time to conduct research on neglected tropical diseases, malaria and tuberculosis. We completed a Phase 1 clinical study of a potential treatment for river blindness through collaboration with multiple public health partners.

Access to medicine
We signed our third agreement with the Medicines Patent Pool (MPP), granting MPP royalty-free license to the intellectual property for our first-line, pan-genotypic medicine for hepatitis C. The license will enable WHO-qualified generic manufacturers to produce lower-cost versions of the medicine for **more than 90 low- and middle-income countries and territories**.

Employee engagement
AbbVie employees around the world volunteered **more than 93,000 hours** in their communities, and our employee engagement rate reached **84 percent** globally.

Philanthropy
We contributed an additional **$350 million** to U.S. nonprofits helping families thrive, supporting disaster relief in Puerto Rico and strengthening K-12 education.

We are proud of recognition received and use it to benchmark our efforts.

**DJSI World Index**
AbbVie was once again named to the Dow Jones Sustainability Index (DJSI) North America and World Indices. Since our founding in 2013, AbbVie has been listed on the DJSI World Index every year.

**FTSE4Good Index**
The FTSE4Good Index Series measures company performance on environmental, social and governance practices. AbbVie has been a constituent of FTSE4Good since 2016.

**The Civic 50**
For the fifth year, AbbVie was recognized as one of America’s most community-minded companies and honored by The Civic 50 for our commitment to improving quality of life in communities where we do business.

**World’s Best Workplaces**
For the second year in a row, AbbVie was on the World’s Best Workplaces list from *Forbes* and *Great Place to Work*.

**DiversityInc Top 50 Companies for Diversity**
For the sixth consecutive year, we were named to the *DiversityInc* Top 50 Companies for Diversity in the United States.

**Working Mother’s 100 Best Companies**
AbbVie was among the Top 10 companies on *Working Mother’s* 100 Best Companies list in our fifth consecutive year on the list.
Our corporate responsibility approach

Our corporate responsibility approach stems from our company principles, our long-term goals and our business strategy.

Our Principles articulate what we believe to be right and true. They are foundational to our culture and guide our priorities, decisions and behavior. They are:

- Driving innovation
- Transforming lives
- Embracing diversity and inclusion
- Acting with integrity
- Serving the community

It is with these principles in mind that we pursue our goals and business strategy:

**At AbbVie, we strive to make a remarkable impact on patients and drive sustainable growth by discovering and delivering a consistent stream of innovative medicines that address serious health problems.**

These are long-term ambitions, supported by many day-to-day actions. We consider it our responsibility to ensure that the things we do each day align with our principles and support our goals, being thoughtful about how our business decisions affect the many stakeholders we impact.

The AbbVie Board of Directors and its Public Policy Committee oversee our corporate responsibility strategy.

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**Materiality**

Our responsibility priorities should reflect the most material drivers of our success and the issues that are most important to our stakeholders.

To assess those priorities, we began with a comprehensive multi-stakeholder materiality assessment conducted in 2016. The assessment identified the following topics as both highly material to AbbVie and very important to stakeholders:

- Product innovation and R&D productivity
- Drug pricing, reimbursement, intellectual property and biosimilar landscape
- Product quality and security
- Transparency, ethics and compliance
- Health and well-being at all ages
- Environmental stewardship

Since we conducted the materiality assessment, we have continued to engage broadly and frequently with both internal and external stakeholders to identify emerging issues and to keep our priorities aligned. We routinely engage with investors, policymakers, regulators, patient organizations, medical and scientific associations and nonprofit organizations in addition to our employees and partners.

We also benchmark our efforts relative to external frameworks such as the Dow Jones Sustainability Index, CDP, and the Sustainability Accounting Standards Board (SASB). Over time, through this process, the following topics have risen in importance to join those already identified:

- Equality, diversity and inclusion
- Talent attraction, retention and development
- Community engagement
Our corporate responsibility framework

Our corporate responsibility framework aligns our principles, our goals and business strategy, and our material topics:

**Corporate strategy**

We strive to make a remarkable impact on patients and drive sustainable growth by discovering and delivering a consistent stream of innovative medicines that address serious health problems.

Creating real health improvement is not only our mission, but also how we stay competitive. To be a leading health care innovator, we must attract, retain and support a diverse workforce and invest in their efforts to develop medicines that bring value for patients.

We recognize that health is of fundamental importance to all people. To participate over the long term in the provision of health care, we must earn and maintain the trust of patients, health care providers, regulators, policymakers and the public.

For any business to be successful, it must operate in strong growing markets. We have the opportunity to use our unique resources to support well-being, resilience and growth in our current markets, and help lay the foundation for broader community vitality.

**Principles**

- Driving innovation
- Transforming lives
- Embracing diversity and inclusion
- Acting with integrity
- Serving the community

**Responsibility commitments**

**Use our expertise to improve health**

We conduct research to make innovative medicines that offer real patient benefit.

**Steward our ethical and sustainable business**

We maintain high standards of ethics, quality and safety.

**Support long-term community strength**

We advance patient, family and caregiver well-being through education and support.

**Material topics impacting**

**Patients in our primary therapeutic areas**

- We give medicines, expertise and funding to promote the health needs of the underserved.

**Employees and contractors**

- We promote a diverse, inclusive workplace to drive innovation. We invest in our people, to build the capabilities they need to develop and perform.

- We protect human rights and workplace safety.

**The public & the environment**

- We prioritize environmental sustainability across our business and supply chain.

- We support communities through economic activity, employee volunteerism and philanthropy.
**Our contributions to the Sustainable Development Goals**

The United Nations developed the 2030 Agenda for Sustainable Development, a blueprint for achieving the vision of a better and more sustainable future for all. Underpinning the agenda are 17 Sustainable Development Goals (SDGs), each with multiple sub-targets. At AbbVie, we want to contribute to the achievement of the Agenda by advancing the goals and sub-targets that align most closely with our capabilities and responsibility commitments. We've identified six SDGs and, within them, key sub-targets, as our primary focus. Our activities may also advance other goals, and we continuously evaluate opportunities to expand our contributions.

<table>
<thead>
<tr>
<th>SDG</th>
<th>Relevant sub-targets</th>
<th>AbbVie’s role</th>
</tr>
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<tbody>
<tr>
<td>3.2</td>
<td>End preventable deaths of newborns and children &lt; 5 years of age</td>
<td>Our medicines treat respiratory conditions in premature newborns, HIV and hepatitis C and cancer. Our research on neglected tropical diseases, tuberculosis and malaria will help to directly address these targets.</td>
</tr>
<tr>
<td>3.3</td>
<td>End AIDS, tuberculosis, malaria and neglected tropical diseases; combat hepatitis, water-borne diseases and other communicable diseases</td>
<td></td>
</tr>
<tr>
<td>3.4</td>
<td>Reduce premature mortality from non-communicable diseases through prevention and treatment; promote mental health and well-being</td>
<td></td>
</tr>
<tr>
<td>4.1</td>
<td>Ensure all girls and boys complete free, equitable, quality education</td>
<td>Education enables the achievement of other goals, including health and prosperity.</td>
</tr>
<tr>
<td>4.4</td>
<td>Increase the number of people who have relevant skills for employment, decent jobs and entrepreneurship</td>
<td>Supporting effective educational programs for school-age children is a philanthropic priority for AbbVie and the AbbVie Foundation. By leveraging our highly educated workforce, we advance skill development for underserved students through mentorship, training and exposure to STEM projects.</td>
</tr>
<tr>
<td>4.5</td>
<td>Eliminate gender disparities in education and ensure equal access to education and training for the vulnerable</td>
<td></td>
</tr>
<tr>
<td>4.A</td>
<td>Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, nonviolent, inclusive and effective learning environments for all</td>
<td></td>
</tr>
<tr>
<td>5.1</td>
<td>End all forms of discrimination against all women and girls</td>
<td>At AbbVie, we respect the human rights of all individuals. We appreciate the contributions that women—and people of all backgrounds—make to an enterprise where diversity of thought drives innovation.</td>
</tr>
<tr>
<td>5.2</td>
<td>Eliminate all forms of violence against women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation</td>
<td>Our anti-discrimination, anti-harrassment and anti-violence policies extend through our organization and to our suppliers. We actively pursue equality through deliberate action in our company, with our suppliers and in our communities.</td>
</tr>
<tr>
<td>5.5</td>
<td>Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</td>
<td></td>
</tr>
<tr>
<td>8.1</td>
<td>Sustain per capita economic growth in accordance with national circumstances</td>
<td>We have employees in over 70 countries, and purchase over $13B in goods and services from a supplier network spanning over 120 countries and all 50 U.S. states.</td>
</tr>
<tr>
<td>8.2</td>
<td>Achieve higher levels of economic productivity through diversification, technological upgrading and innovation</td>
<td>We prioritize recruiting and hiring from historically underrepresented groups, and provide economic opportunity and technical support to small and diverse suppliers.</td>
</tr>
<tr>
<td>8.5</td>
<td>Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</td>
<td>Supporting communities is also a priority the AbbVie Foundation. We partner with nonprofit organizations and engage our employees to provide learning and workforce readiness programs.</td>
</tr>
<tr>
<td>12.2</td>
<td>Achieve sustainable management and efficient use of natural resources</td>
<td>As a manufacturing company, we must utilize natural resources to produce goods. To operate sustainably, we must use those resources efficiently, and manage waste so as to preserve the health of our environment.</td>
</tr>
<tr>
<td>12.4</td>
<td>Achieve environmentally sound management of chemicals and waste; significantly reduce their release to air, water and soil to minimize adverse impacts on health and the environment</td>
<td>We have set absolute targets for reduction of our carbon emissions, water consumption and waste generation and are actively taking steps to meet them. Through participation in CDP, we are transparent in reporting our environmental impacts.</td>
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<tr>
<td>12.5</td>
<td>Reduce waste generation through prevention, reduction, recycling and reuse</td>
<td></td>
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<tr>
<td>12.6</td>
<td>Encourage companies to adopt sustainable practices and integrate sustainability information into their reporting cycle</td>
<td></td>
</tr>
<tr>
<td>13.1</td>
<td>Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</td>
<td>Climate change will increasingly impact health and well-being globally. It will also pose risks for businesses in areas susceptible to climate change-related effects. As a provider of essential medicines, we must minimize the impacts on our continuity of supply. We anticipate climate-related risks and act proactively to mitigate them. We also support disaster relief partners to help to strengthen community resilience and recovery from climate-related hazards.</td>
</tr>
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</table>
Patients are the reason we come to work every day. They are at the heart of our principle of transforming lives.

Science and innovation are the cornerstones of our business. We focus on discovering, developing and delivering medicines for challenging diseases where we have expertise and can make a real impact for patients.

To do this, we must ensure that we deliver medicines reliably, with quality and safety patients can trust. We must act with integrity to maintain that trust.

We also understand that making a remarkable impact for patients takes more than medicine. That’s why we provide broader patient and family support, contribute research and funding to public health initiatives and support independent medical education.

In this section:

- We invest in research to make innovative medicines that offer real patient benefit
- We maintain high standards of ethics, safety and quality
- We advance patient, family and caregiver well-being through education and support

We focus on discovering, developing and delivering medicines for challenging diseases where we have expertise and can make a real impact for patients.
We invest in research to make innovative medicines that offer real patient benefit

Investing to build new understanding and find genuinely novel solutions is critical to our mission and is one of our core commitments. Our vision is to help create transformative change, not just incremental improvement. For autoimmune disease, that means aiming for remission, not just symptom management. For cancer, it means finding ways for patients to achieve better and longer-lasting treatment results. For neuroscience, an area many across the industry have exited, we continue to pursue ways to slow, halt and ultimately reverse the damage of debilitating diseases such as Parkinson’s and Alzheimer’s diseases.

We know that the true value of a medicine is in the difference it makes in a patient’s everyday life. We are investing in new ways to bring a patient focus into the lab and the clinic as we develop innovative treatments. This includes ensuring that we address and measure the outcomes that really matter, and provide support beyond our medicine, to help patients achieve the best possible health outcomes.

We recognize that in order to benefit from our medicines, patients must be able to access and afford them. Our approach to access is tailored on a product- and country-specific basis. We consider a range of factors including local disease burden, health and economic value of the medicine, ability to pay and budget impact and other factors impacting disease-specific outcomes, as well as the sustainability of different access strategies for the system and our business.

Depending on the situation, we use a variety of approaches, including pricing and reimbursement models, patient financial assistance programs, intellectual property licensing, product donation and support for local capacity-building programs.

Lastly, we understand that our research and medicines can make a real impact on public health and disease management. We conduct research to help improve screening, diagnosis and disease management in our therapeutic areas of focus.
Our progress

Our investment in research and development continues to grow, with increasing focus on these areas of very high need and potential impact: immunology, oncology and neuroscience. Since our inception in 2013, we have nearly doubled our level of investment, reaching $5.1 billion in 2018. From 2013-2018 we have also made over $1.5 billion in corresponding investment in our manufacturing network to develop the capabilities we need to make new innovative medicines.

We are continuing to build and expand state-of-the-art research hubs in world-class research communities, providing an environment for innovation and collaboration for our scientists and with our research partners. In 2018 we expanded our Cambridge Research Center in the Cambridge, Massachusetts biotechnology corridor, so that researchers specializing in neuroscience and immunology can work together and with partners in academia and industry. We also announced plans to build a new oncology research center in South San Francisco, California, which will bring multiple distinct sites together as an oncology innovation hub.

In 2018, we continued to broaden our research portfolio. Our early-discovery portfolio includes more than 90 targets and we received 60 first-in-family patents this year. We established significant new research partnerships with biotechnology companies and major medical and academic institutions that are aligned with our key focus areas in R&D, including immunology, oncology and neuroscience. AbbVie Ventures, our strategic venture capital arm, also invested in six new early-stage companies conducting leading-edge science. Our goal is to find those technologies that will transform care and help move them forward more quickly.

Additionally, we renewed our research collaboration with Calico, the Alphabet-backed life sciences company focused on aging research and therapeutics. Since 2014, the collaboration between AbbVie and Calico has evaluated dozens of early-stage programs and yielded new insights into the biology of aging.

We advanced novel compounds through the pipeline and to patients. We continue to expand the number of programs in late-stage development. Many of our late-stage candidates have been granted regulatory designations to expedite development or review, with recognition of their potential to address pressing needs. Five additional programs received such designations in 2018.

We have had success bringing new treatments to patients. In 2018, we received regulatory approvals for nine new products, indications or indication extensions that will advance the standards of care in endometriosis, blood cancers, hepatitis C and immune conditions. Indications received in the past five years comprise a growing proportion of our overall sales.

Investing in novel solutions also requires us to be courageous in the face of tough decisions and to learn from setbacks that are inevitable in the scientific process. At the discovery phase, careful analysis of historical projects has allowed us to refine our candidate selection criteria. By doing so, in four years we have nearly halved the percentage of AbbVie-discovered small molecules terminated in late discovery due to toxicity.

In 2018 we also received results from the clinical program for our antibody-drug conjugate targeting cancer stem-cell associated DLL-3 in small cell lung cancer, one of the hardest-to-treat forms of cancer. While the results were not what we hoped for, we are not deterred in our efforts to address some of the most challenging and debilitating diseases.

This year, we pioneered new ways to measure the impact of treatment on the outcomes that matter most to patients. For example, some of the most important symptoms (itching, pain) and impacts (sleep disturbance) of atopic dermatitis cannot be easily observed by a clinician. We sought to learn about how treatment impacts these factors directly from patients. Our health outcomes researchers worked with dermatologists and patients to develop and validate two new tools to help measure these effects in clinical trials of potential new medicines.¹

In another study, we sought to better understand the physical and mental burden on patients with glioblastoma multiforme. In one part of our study, we used Fitbit® devices to assess how the disease affects patients’ activities of daily living, without interfering with individuals’ normal routines. Based on this research, we will go on to assess whether our treatment addresses the daily effects of the disease.

¹ Foley et al. (2018): Development and content validity of new patient-reported outcome questionnaires to assess the signs and symptoms and impact of atopic dermatitis: the Atopic Dermatitis Symptom Scale (ADerm-SS) and the Atopic Dermatitis impact Scale (ADerm-IS), Current Medical Research and Opinion.
In 2018, AbbVie researchers made important contributions to disease management and public health. For example, endometriosis affects an estimated 1 in 10 women of reproductive age. Diagnosis is often delayed, placing a significant burden on patients and the health care system. We partnered with patients and health care providers to create and validate the Painful Periods Screening Tool to decrease the time to diagnosis for endometriosis. We also introduced the first FDA-approved oral treatment in over a decade for the treatment of moderate-to-severe pain associated with endometriosis.\(^2\)

Respiratory syncytial virus (RSV) accounts for over 300,000 hospitalizations of children under age five in industrialized countries each year. Premature infants are particularly vulnerable, and those who experience infection have lasting negative health effects and higher health care utilization than those who do not. Our team worked with health care providers and statisticians to identify the most significant risk factors for RSV infection in preterm infants. Their findings were published in 2018, and will help to educate parents about risk and help direct RSV preventive therapies cost-effectively to the most vulnerable infants.\(^3\)

Our research teams are also participating in collaborative initiatives to advance patient care.

Health outcomes research collaborations advancing patient care

Some real world questions about the patient experience, such as optimal sequencing of newer treatments, cannot be answered through a regular clinical trial. AbbVie has partnered with Memorial Sloan Kettering Hospital and 25 other investigators from leading institutions around the world on the CLL Collaborative Study of Real World Evidence (CORE). The goal of CORE is to collect detailed, real world longitudinal information about the experiences of CLL patients undergoing treatment, to help clinicians make more informed decisions in managing the disease.

AbbVie is a partner in the HARMONY Alliance, a public-private network designed to gather and analyze big data to uncover opportunities to speed the development of new treatments and more effective treatment strategies for patients with blood cancers.

In March 2018, AbbVie and the International Myeloma Foundation announced a collaboration to conduct a landmark retrospective study to understand the role of a specific genetic mutation on clinical outcomes in multiple myeloma.

Partnering to eliminate hepatitis C

Globally, an estimated 71 million people have chronic hepatitis C infection. The introduction of highly efficacious pan-genotypic therapies for hepatitis C virus (HCV) has made elimination of the disease an attainable goal. The World Health Organization has set a target to achieve elimination by 2030.

Our epidemiology team worked with external experts to assess progress toward elimination in 45 countries, identifying areas where urgent action is needed to reach the target. The analysis is helping to build support for national elimination strategies and for initiatives where they are needed most.

Eliminating a communicable disease means finding those harder-to-reach patients and linking them to diagnosis and care. We’ve implemented HCV awareness campaigns in 70 countries around the world to educate the public about the importance of screening and treatment. Further, the global hepatitis community has endorsed a strategy called micro-elimination—the targeted elimination of hepatitis in specific cities, regions or patient groups, including people who inject drugs. AbbVie is joining the community to support micro-elimination projects. In 2018, we launched 20 HCV micro-elimination projects in 17 countries. We also supported over 300 partner micro-elimination projects around the world, with the goal of scaling those that succeed and learning from those that do not. Finally, we launched MappingHepC.com, a new interactive online resource that features U.S. national and state-level data on HCV screening, diagnosis and treatment from two large studies.

HCV elimination also requires access to medicine. The Medicines Patent Pool (MPP) promotes access to medicines in low- and middle-income countries by granting qualified generic manufacturers royalty-free intellectual property licenses to make lower-cost versions of important medicines. In 2018, we announced our third licensing agreement with MPP, this one for our pan-genotypic, first-line treatment for HCV. The license will enable access in over 90 low- and middle-income countries and territories. AbbVie also has two licensing agreements with MPP for one of our treatments for HIV.

\(^2\) DiBenedetti et al. (2018) Development of the Painful Periods Screening Tool for endometriosis. Postgraduate Medicine

Because we know that achieving health impact takes more than medicine, we continue to provide broad patient support, to enable the best possible health outcomes. In the U.S., our support programs help patients more fully understand their disease and the treatment they have been prescribed. They offer one-to-one education and support through personalized interactions, help patients adjust to the use of their medicine, and in some programs, also provide lifestyle management support to further promote health.

Outside the U.S., our AbbVie Care program includes a wide range of disease- and country-specific patient programs that provide meaningful, informative and empowering support to patients who have been prescribed AbbVie medicines. These programs are tailored to the needs and regulations in each country and patient community.

Globally, our patient support programs had over 2.3 million patient contacts in 2018.

AbbVie personnel do not give medical advice and are trained to direct patients to their health care professional for any treatment-related questions.

In the U.S., we continue to provide eligible patients with AbbVie medication at no cost through our Patient Assistance Program. The program allows people who are struggling to pay for medicines to access 15 of our medications at no cost. In 2018, we expanded the eligibility criteria for our Patient Assistance Program for our most-requested medicine, so we could help more individuals receive the support they need.

In 2018, the Patient Assistance Program provided free medication to nearly 81,000 patients in the U.S.

Information about our access strategies for resource-limited settings can be found on pages 28-29.

**Key performance indicators**

<table>
<thead>
<tr>
<th>Key performance indicators</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td><strong>Investment and Innovation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development investment (adjusted)</td>
<td>$4.15B</td>
<td>$4.83B</td>
<td>$5.09B</td>
</tr>
<tr>
<td>New product or indication approvals including indication expansions</td>
<td>9</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Number of programs granted a designation by at least one major regulatory authority to expedite development or review</td>
<td>5</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>% of compounds in clinical development with a novel mechanism of action</td>
<td>67%</td>
<td>67%</td>
<td>72%</td>
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<table>
<thead>
<tr>
<th><strong>Patient support</strong></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Number of patient impacts in AbbVie patient support programs globally (millions)</td>
<td>3.0</td>
<td>2.2</td>
<td>2.3</td>
</tr>
<tr>
<td>U.S. patients provided medicine at no cost through AbbVie Patient Assistance Program</td>
<td>78,745</td>
<td>76,692</td>
<td>80,871</td>
</tr>
</tbody>
</table>
We maintain high standards of ethics, safety and quality

Ethics
In order to make a positive long-term impact for patients we must earn and maintain their trust by acting with integrity in everything we do. Through our Code of Business Conduct, we set clear expectations for appropriate behavior. We support our employees in upholding these expectations through additional policies and procedures, a robust training program, and a well-publicized disclosure program. We have systems in place to monitor, assess and correct behaviors if needed.

Our Code of Business Conduct applies to all employees globally and is available in 31 languages. Each year, all employees are required to complete interactive training on the Code and certify that they will adhere to it.

We strive to be transparent in our interactions with external stakeholders. We disclose our payments to health care providers in accordance with the United States Sunshine Act, the European Federation of Pharmaceutical Industries and Associations (EFPIA) Code on Disclosure of Transfers of Value from Pharmaceutical Companies to Healthcare Professionals (HCPs) and Healthcare Organizations (HCOs), and other similar codes.

Research is foundational to our work. To have a lasting positive impact, we must conduct our research ethically. This begins in the lab and extends to the clinic. While animal testing is required by law for the development of new medicines, we consistently apply the internationally accepted “3Rs” principles, which means that we seek to reduce the number of animals needed to achieve research objectives when possible; replace animal studies with non-animal or sentient alternatives; and if animals must be studied, refine our practices to minimize any potential for pain and/or distress. Our Commitment to Humane Care and Use of Animals further outlines our approach.

Safety
Every year, tens of thousands of patients worldwide participate in clinical trials of potential AbbVie medicines. It’s because of these clinical trial participants that we can eventually bring medicines to many more patients. Their safety is our first priority. Our safety team of physicians and scientists are recognized experts both within and beyond the company, actively advancing the field in collaboration with academic scientists, health authorities, and industry peers. Our integrated, multi-disciplinary approach is designed to identify potential safety signals early and prevent avoidable problems. For marketed products, we use advanced post-marketing surveillance systems to detect and address signals quickly. We routinely achieve over 98 percent expedited reporting of adverse events to U.S. FDA and the European Medicines Agency (EMA).

Quality
We have robust systems in place to ensure the medicines we manufacture are high quality and available when patients need them. The Quality Council oversees our quality strategy and is accountable directly to our CEO. Highly skilled and experienced teams oversee every aspect of our manufacturing processes, from the suppliers who provide the inputs to the product delivered. We use an integrated enterprise quality management system that complies with applicable standards from the International Organization for Standardization (ISO), the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) and regulatory authorities. We use both internal and external audits to ensure ongoing product quality.

Though we produce many of the most critical components of our products in-house, we also purchase inputs from thousands of suppliers across the globe. From among these, we identify our most critical suppliers. This classification is based on many criteria, but the potential impact of a supplier issue on product efficacy, safety, availability or patient experience is paramount. For our most critical suppliers, we require strong controls and close involvement of AbbVie experts, including regular in-person and remote audits. Further, we continuously monitor the evolving legal and regulatory landscape to ensure that the chemicals, mixtures and commodities in our products, including purchased inputs, are compliant with applicable regulations.

A secure supply chain helps to ensure not only product quality, but also a faster and more efficient process to reach customers and patients. To ensure the security of our materials as they move across borders, we participate in the Trusted Trader programs run by the U.S., E.U. and other customs authorities. Through these programs, the U.S. Customs and Border Patrol, E.U. customs authorities and other border authorities inspect and certify our security measures. More than 90 percent of our shipments of finished commercial products are received by locations in Trusted Trader programs.

In addition, our global product protection team continuously scans our supply chain and the commercial landscape to prevent counterfeit or diverted products from reaching patients. Our measures include visible and invisible product features to verify authenticity; multiple and overlapping product tracking methods from origin to destination; and close partnership with local law enforcement authorities.
Our progress

**Our commitment to ethics and integrity remained a focus of sustained efforts.** In 2018, we refreshed our global Ethics & Compliance Helpline awareness campaign to remind employees about the importance of speaking up if they become aware of a potential violation of our principles, policies, procedures or the law. Our Ethics & Compliance Helpline is available 24 hours a day, 7 days a week.

In addition to the Code of Conduct employees in relevant functions received mandatory training on topics such as anti-corruption and anti-bribery, conflicts of interest, recognizing and reporting safety information, appropriate product promotion, and appropriate interactions with health care providers and patient groups.

In recognition of our transparency regarding political activities and donations, in 2018 we were named to the Center for Political Accountability’s list of “trendsetters”—the highest scoring tier—in their annual CPA-Zicklin Index of Corporate Political Disclosure and Accountability.

**Our research teams advanced the 3Rs mission (reduce, replace, refine) for ethical treatment of animals.** Through our 3Rs Advancement Award Program, scientists who adopt and implement the 3Rs concept are recognized. In 2018, seven teams were recognized for their efforts, with notable accomplishments including significant reduction in the number of animals required through use of advanced technologies and in vitro platforms. We also enhanced our animal care program by creating an outdoor space for exercise, socialization, enrichment and pre-adoption acclimation of canine participants.
AbbVie safety scientists continued to advance both theory and practice in their field. They edited and made major contributions to the newly published textbook *Pharmacovigilance: A Practical Approach* (Elsevier, 2018). Our teams are pioneering new pharmacovigilance models and techniques, publishing often in peer-reviewed journals.

The safety and technology teams also collaborated to release the first robotic process automation in AbbVie’s Automation Center of Excellence. Named “Ditto,” this robot has now automated the cumbersome process of checking for duplicate adverse events. This process is ideal for automation because this manual task is both time consuming and prone to errors. Ditto has allowed us to increase efficiency and accuracy and deploy valuable human resources for more complex pharmacovigilance tasks. There are currently additional “bots” in development in the safety department.

Our safety team is also helping to train the next generation of pharmacovigilance professionals. We participate in post-graduate safety science fellowships with academic medical centers, and teach pharmacovigilance in graduate training programs for health care providers.

To ensure quality and regulatory compliance, AbbVie manufacturing sites received dozens of outside inspections and audits. Most of these are from major regulatory health authorities such as the U.S. FDA, the European Medicines Agency and the Japanese Pharmaceuticals and Medical Devices Agency. None of these audits had findings resulting in production stoppages.

We conducted our own quality assessments and audits of our most critical suppliers to ensure they are upholding our quality standards. The frequency and method of supplier quality assessment is based on a detailed risk evaluation as specified in our supplier quality policies and procedures. In 2018 we conducted in-depth quality assessments of 474 supplier sites. Among those, we are particularly focused on those sites with the greatest potential to impact product efficacy and safety, aiming to assess each of these in-depth at least once every three years. In the three year period ending December 31, 2018, we conducted detailed assessments of more than 95 percent† of these sites at least once—some more frequently—with the majority of these assessments taking place in-person.

<table>
<thead>
<tr>
<th>Ethics, Compliance, Safety and Quality</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees certifying on the AbbVie Code of Business Conduct*</td>
<td>28,580</td>
<td>28,906</td>
<td>29,595</td>
</tr>
<tr>
<td>Number of regulatory inspections of AbbVie commercial manufacturing facilities</td>
<td>41</td>
<td>52</td>
<td>37</td>
</tr>
<tr>
<td>Rate of expedited adverse event reporting to FDA</td>
<td>&gt;98%</td>
<td>&gt;98%</td>
<td>&gt;98%</td>
</tr>
<tr>
<td>Rate of expedited adverse event reporting to EMA</td>
<td>&gt;98%</td>
<td>&gt;98%</td>
<td>&gt;98%</td>
</tr>
<tr>
<td>Backorders as % of total orders</td>
<td>&lt;0.01%</td>
<td>&lt;0.01%</td>
<td>&lt;0.01%</td>
</tr>
<tr>
<td>Number of supplier sites assessed in-depth for quality</td>
<td>488</td>
<td>540</td>
<td>474</td>
</tr>
<tr>
<td>Percentage of supplier sites with greatest impact on product quality and safety assessed in-depth</td>
<td>32%</td>
<td>41%</td>
<td>41%</td>
</tr>
</tbody>
</table>

*This figure fluctuates with the workforce.
†Some sites not assessed during the three year period are new and still within the required audit window.

We were able to maintain consistent supply to meet demand at nearly all times. Our assurance of supply program is designed to help us maintain supply even in unpredictable circumstances, such as natural disasters or surges in demand. We identify and qualify backup suppliers, scan the environment for potential risks and plan for alternate scenarios. For example, after Hurricane Maria devastated Puerto Rico in 2017, a high level of preparedness allowed us to maintain production at all three of our local plants with no impact to patients.

Our goal is to have no backordered product, as backorders can cause treatment interruptions and impact patient outcomes. In 2018, backorders comprised fewer than 0.01 percent of the total orders we fulfilled.

**Key performance indicators**

AbbVie safety science: recent contributions to the field

*Pharmacovigilance: A Practical Approach*¹
AbbVie experts edited and made major contributions to this book, which is a comprehensive, up-to-date source of information on the principles and practice of pharmacovigilance.

This paper presents best practices for prescription drug labeling and educational materials.

This paper identifies three building blocks for the future of safety science: cognitive and behavioral systems, medical assessment, and data science.

¹ Doan, T., Renz, C., Lievano, F., Bhattacharya, M., and Scarazzini, L., editors. Elsevier, 2018
Patients look to their families, caregivers and communities for support during their health journey. We want to help ensure they can receive broad care and support when it’s needed most.

We support educational programs that equip patients with the knowledge and resources to understand their disease. These programs help connect patients with advocacy organizations, patient summits, online programs, and educational materials where they can learn more and meet other patients.

We also recognize that a patient’s diagnosis impacts their caregivers. For example, we support the Davis Phinney Foundation, which empowers patients with Parkinson’s disease, and provides resources to their caregivers to be active participants in their care. We also fund organizations such as the Arthritis Foundation, the National Psoriasis Foundation, the Leukemia & Lymphoma Society and the American Liver Foundation.

We support patients beyond their conditions. AbbVie offers scholarships to help patients reach their educational goals.

- AbbVie’s **Cystic Fibrosis scholarships** provide financial support to young adults with cystic fibrosis as they pursue undergraduate and graduate degrees in the United States. The program has awarded over $3.2 million in scholarships in its 25 year history.

- Additionally, the **Immunology Scholarships** aim to empower exceptional students living with inflammatory disease in our United States. We share the stories of our scholarship recipients as an inspiration to others living with inflammatory diseases.

Science and medicine are constantly changing. Patients trust that their health care providers are equipped with the latest information and resources to make the best choices for their treatment and help them navigate through it. We provide support for independent scientific and medical education programs that offer unbiased continuing education for experienced health care providers and scientists on current, new and emerging science.

We also provide support for fellowships that allow health care providers who are new to their field to continue their training and increase their experience and knowledge in their specialty of interest. This financial support helps the next generation of providers who are entering fields where there is need.

We advance patient, family and caregiver well-being through education and support
Our progress

In 2018, our support for independent medical and patient education continued. 2018 highlights include: A pilot HCV educational program developed with our support proved successful in advancing the goal of HCV elimination, and was replicated globally. A research initiative we funded used big data to identify new insights on education related to a chronic skin disease. This research resulted in 16 peer-reviewed publications. A “shared decision making” initiative receiving our support engaged health care providers and patients with the goal of improved patient-reported outcomes in endometriosis.

AbbVie was proud to make significant charitable gifts to help families thrive by providing family-centered care. We provided financial support to nonprofit partners addressing challenges that directly affect a family’s emotional, psychological and financial well-being during a child’s illness.

AbbVie supports nonprofit organizations that help to provide family-centered care

Ronald McDonald House Charities: AbbVie donated $100 million to Ronald McDonald House Charities (RMHC) to add new guest sleeping rooms and family-centered spaces at 33 locations in the United States. This gift was the largest single donation in both AbbVie’s and Ronald McDonald House Charities’ history.

Family Reach: Because we believe that a child’s chances of overcoming cancer should never be jeopardized by financial barriers, we have contributed $5 million to Family Reach, to help alleviate the financial burdens associated with cancer. With this gift, Family Reach will expand and accelerate its programs and reach 25 new hospitals in 23 states in the United States.

St. Jude Children’s Research Hospital: AbbVie has contributed $50 million to St. Jude to build new, family-centered areas on its Memphis, Tennessee campus. The spaces are designed to give kids and families a treatment-free place to recuperate and connect. This gift was the largest one-time gift in St. Jude’s history.

Direct Relief: Outside the United States, we also partner with nonprofits that support families of sick children. The AbbVie Foundation has partnered with Direct Relief and local organizations in Mexico to address major barriers to pediatric cancer care in regions with limited infrastructure. Our support helped develop a program focused on providing transportation, lodging and meals.

Supporting sick children and their families

When the Garinis family learned that their 6-year-old son Constantine had a brain tumor, they left their home in Long Island, New York for the Children’s Hospital of Philadelphia, so that Constantine could receive the best treatment. The Garinis family anticipated having to rely on their savings to pay for a hotel, but then learned of a nearby Ronald McDonald House, a place that offered lodging and services for families with children receiving treatment for serious illnesses, and soon had a place to stay.

This particular House serves over 1,300 families like the Garinises per year, and the need is growing. For every family staying at the House, four others must be turned away due to lack of space, resulting in thousands of families with sick children—in the Philadelphia area alone—being put on waitlists every year. However, because of AbbVie’s $100 million donation, soon more families will have access to the family-centered support provided at this House and others around the United States through the Ronald McDonald House Charities.

Key performance indicators

<table>
<thead>
<tr>
<th>Medical and patient education</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health care providers reached through independent medical education grants</td>
<td>637,320</td>
<td>528,961</td>
<td>609,980</td>
</tr>
<tr>
<td>Patients reached through independent patient education grants</td>
<td>655,480</td>
<td>1,028,283</td>
<td>545,130*</td>
</tr>
</tbody>
</table>

*As the needs and programs related to different disease states evolve, the number of patients in the patient and caregiver population we support may vary.
Building and supporting a diverse, high-performing workforce

For an innovation-driven company like AbbVie, the knowledge, ideas and capabilities that employees bring are critical. We’re focused on attracting, retaining, developing and supporting the people who, working together, can advance our mission.

Embracing diversity and inclusion is fundamental at AbbVie. We know that the best ideas can come from anywhere in the organization, so employees must be comfortable sharing their perspectives and challenging each other.

To maximize the performance of individuals and teams, we must help them build the capabilities that are most critical to our mission and success. We must also treat them with respect, provide a safe environment and support their well-being.

“Developing and bringing innovative, life-saving medicines to patients requires diverse thought and approaches. Bringing together experts from diverse backgrounds and thought is crucial to our ability to deliver today and into the future.”

– Rick Gonzalez, Chairman and CEO

In this section:

We promote a diverse, inclusive workplace and invest in capability development to drive innovation

We protect human rights and workplace safety

We offer our people the resources and support they need to be at their personal best every day
Evidence shows that equality, diversity and inclusion in the workplace help to drive superior business performance. We know we are at our best when all voices are heard and valued and when our employees can contribute their best. To fully realize this, we have committed to embracing diversity and inclusion as one of our guiding Principles.

Our Chairman and CEO and executive leadership team oversee and take accountability for our equality, diversity and inclusion strategy, actions, measurements and results.

Activating this strategy helps us innovate, understand our customers and attract and retain the best talent. We proactively engage talent from diverse backgrounds. Our state-of-the-art research, development and manufacturing centers in some of the most productive innovation hubs across the globe put us at the heart of cutting-edge research and enable us to attract top science talent. In our affiliates around the world, a range of programs ensure we attract and hire a diverse workforce, including women, people from all backgrounds and ethnicities and people with disabilities.

To support our diverse workforce, we must create an environment where all individuals can thrive. This means providing inclusive benefits, such as inclusive parental leave and adoption assistance, health care benefits for same-gender partners and military leave. It also means educating and engaging employees about inclusion. Our functional Equality, Diversity and Inclusion Councils and Employee Resource Groups (ERGs) enrich our workplace by promoting awareness and appreciation of our diversity, and supporting people of all backgrounds to develop and thrive in the organization.

Attracting a high-performing workforce is only the first step. Our approach to employee development is directly linked to our business priorities. We identify enterprise critical capabilities—those capabilities that have a direct and significant impact on our ability to deliver on our long-term business strategy. We focus significant development programming on those particular capabilities and the people who hold the roles where they reside.

We then use ongoing analysis to inform and refine our employee development strategy, using employee surveys, performance evaluations and talent reviews to ensure that we are successfully recruiting, retaining and deploying top talent, while monitoring and fostering high engagement levels for all employees. This measurement-based approach accelerates differential investment in the right areas, growing a strong pipeline of talent for the future.

Our approach to employee development is directly linked to our business priorities. We identify enterprise critical capabilities—those capabilities that have a direct and significant impact on our ability to deliver on our long-term business strategy.

More broadly, we provide resources for the learning and development of all employees. Our signature global program, Learn.Develop.Perform, is a weeklong series of live, interactive learning events designed to keep all employees deliberately focused on their development. In 2018, more than 16,000 employees—over half of our global workforce—voluntarily participated in the program.

In addition, functional organizations have dedicated learning and development teams that provide training on function-specific knowledge and skills.

### Employee Resource Groups (ERGs)

- **Black Business Network**
- **AHORA Hispanic/Latino**
- **AbbVie Pride**
- **Women Leaders in Action**
- **Asian Leadership Network**
- **AbbVie Veterans**

1. Some benefits are particular to certain affiliates.
2. Not all ERGs are active in every affiliate.
Our progress

While we are consistently recognized for our diversity and inclusion, in 2018 we redoubled our commitment. We created a new Vice President role focused exclusively on equality, diversity and inclusion. We also made a new commitment to gender equality, SDG 5, and published our statement of Commitment to Equality, Diversity and Inclusion. It describes how we advance equality, diversity and inclusion in our workplace and hold ourselves accountable by creating function-specific strategies and measuring our progress against them.

We launched new programs to help us attract and develop a diverse workforce. We are committed to advancing gender equality at all levels. To help advance talented women into top management roles, we launched Women’s Leadership Journey. This global leadership development program includes programming that extends over five months, to ensure learning is sustained and applied to real work challenges. Participants enjoy opportunities to meet and talk with senior executive women leaders from across the enterprise.

Women’s Leadership Journey complements the existing global Executive Diversity Mentoring Program, which aligns high-performing diverse and female talent with senior executive leaders for a one-year partnership. Mentors provide guidance and counsel to ensure mentees are on the path for continued development.

We also enhanced our engagement with the U.S. veteran community to attract and hire veterans. In 2018, our headquarters hosted the Honor Foundation for Special Forces to offer exposure to career opportunities in the pharmaceutical industry. We continued our partnership with the Great Lakes Naval Base, located near our headquarters, on their transition classes.

Additionally, our Veterans ERG worked alongside Human Resources and the sales organization on a focused veteran recruitment initiative with great success. The Lifetime television network profiled AbbVie on their show, Military Makeover. To further advance inclusion, we launched a new Inclusive Culture Learning Series. Available in 12 languages, five learning modules cover topics such as unconscious bias, including and making everyone feel valued and the ways diversity and inclusion impact our business.

We enhanced our support for employee networking as a way to connect individuals, foster informal mentoring and broaden visibility to the talent in our workforce. Our company is large and diverse, which means that when we have a need, we often have people with applicable experience and skills within the organization. However, identifying those people can be challenging. Similarly, we realized that there were talented people in the organization whose advancement was limited not by performance but by visibility. That’s why we launched Talent Link, an online internal professional networking platform. Talent Link enables employees to find internal experts or colleagues with particular experience, skills or interests. It helps employees to connect with each other, build communities of interest and find mentors.

Our employee engagement rate continued to rise. Employee engagement is a composite metric reflecting employee sentiment about the company, their workplace and their work. We view it as an indication of the willingness of our employees to give ‘discretionary effort’ to the company. The 2018 employee survey again reflected an increase in employee engagement rate to 84%, markedly outperforming the Best Companies benchmark rate of 70%, which we aim to consistently exceed.

“At AbbVie we strive to create an inclusive culture where everyone is treated equally, with dignity and respect. When our employees embrace diverse backgrounds and perspectives, we are all able to achieve our very best.”

– Julie Osborne
Vice President, Equality, Diversity and Inclusion

Selected distinctions for equality, diversity and inclusion

| Working Mother’s 100 Best Companies | DiversityInc Top 50 Companies For Diversity | Illinois Hires Heroes Consortium | FORTUNE 100 Best Companies To Work For | Best Places To Work For LGBTQ Equality |
**Key performance indicators**

<table>
<thead>
<tr>
<th>Equality, Diversity and Inclusion</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total employees</td>
<td>28,939</td>
<td>29,777</td>
<td>30,612</td>
</tr>
<tr>
<td>Female share of total workforce</td>
<td>52.9%</td>
<td>53.4%</td>
<td>53.2%</td>
</tr>
<tr>
<td>Females in management positions</td>
<td>44.7%</td>
<td>46.9%</td>
<td>47.1%</td>
</tr>
<tr>
<td>Females in top management positions (up to CEO -2)</td>
<td>35.0%</td>
<td>37.9%</td>
<td>34.8%</td>
</tr>
<tr>
<td>Females on the Board of Directors</td>
<td>1/9</td>
<td>2/10</td>
<td>3/11</td>
</tr>
<tr>
<td>Proportion of U.S. employees who are members of underrepresented populations</td>
<td>–</td>
<td>30.1%</td>
<td>31.4%</td>
</tr>
<tr>
<td>Proportion of U.S. employees who are veterans*</td>
<td>3.2%</td>
<td>3.4%</td>
<td>3.8%</td>
</tr>
<tr>
<td>Proportion of U.S. employees who have disabilities*</td>
<td>0.9%</td>
<td>1.2%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

Except for total employees, figures exclude Pharmacyclics.

*These figures are based on employee self-reporting.

<table>
<thead>
<tr>
<th>Talent Attraction, Retention and Development</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall turnover rate</td>
<td>9.2%</td>
<td>8.4%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Voluntary turnover rate</td>
<td>5.9%</td>
<td>5.3%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Employee engagement rate</td>
<td>81%</td>
<td>–</td>
<td>84%</td>
</tr>
<tr>
<td>% of employees who indicate that AbbVie equips them well to perform in their role*</td>
<td>76%</td>
<td>–</td>
<td>79%</td>
</tr>
<tr>
<td>% of employees who indicate that their manager leads effectively**</td>
<td>–</td>
<td>–</td>
<td>82%</td>
</tr>
</tbody>
</table>

*Source: Employee Survey, which is conducted every two years. Percentage favorable responses (“agree” or “strongly agree”) to the following questions:
  • I have the tools and resources to do my job well.
  • I have opportunities to learn new skills that help me succeed.

**Source: Employee Survey, which is conducted every two years. This element of the survey was new in 2018. Percentage of favorable responses (“agree” or “strongly agree”) to a multi-dimensional assessment of manager effectiveness.
We protect human rights and workplace safety

We believe in the inherent dignity of every human being and respect individual rights as set out in the Universal Declaration of Human Rights. We know that our responsibility as an employer and as a responsible corporate citizen is to prevent, mitigate and remedy any adverse human rights impacts across our value chain. Our Commitment to Human Rights describes the ways in which we ensure respect for all people, including our employees, contractors, suppliers and patients.

Workplace safety is one of the ways we live our commitment to human rights. We provide comprehensive workplace safety training for all employees, as appropriate for their environment. Our guiding philosophy is called Zero. Believe It. Achieve It, which reflects the core belief that every environmental, health and safety incident is preventable if each employee adopts a preventative mindset.

We also obtain external certifications for workplace safety. Nine of our manufacturing sites are certified to the international standards for safety associated with OHSAS-18001 (five sites) or ISO 450001 (four sites). All OHSAS-18001 certified sites will move to ISO 45001 over the next two years, and three additional sites are in the process of obtaining ISO 45001 certification, which is expected by the end of 2019.

In 2018, we continued to lead the industry in employee health and safety. AbbVie was the Dow Jones Sustainability Index leader on their occupational health and safety dimension across both the biotechnology and the pharmaceutical industries. Our recordable incident rate and lost time incident rate are among the lowest in the industry based on data from the Pharmaceutical Safety Group, an industry consortium.

We continued our involvement with the Pharmaceutical Supply Chain Initiative (PSCI) which promotes responsible practices in labor, health, safety and environmental sustainability in supply chains. We began the process of further aligning our supply chain assessments with the environmental and social standards set by PSCI and look forward to continuing this work in 2019. Over the past three years, we have conducted 131 detailed assessments of the labor, health, safety and environmental practices of our business-critical suppliers. Through our Supplier Health Index, we continuously scan our broader supplier network for risks, taking into account country-specific environmental, social and security dynamics.

Key performance indicators

<table>
<thead>
<tr>
<th>Workplace Safety</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recordable incident rate*</td>
<td>0.28</td>
<td>0.27</td>
<td>0.26</td>
</tr>
<tr>
<td>Lost time incident rate*</td>
<td>0.10</td>
<td>0.04</td>
<td>0.04</td>
</tr>
</tbody>
</table>

*Data reported for 2017 has been slightly restated due to changes in injury status/classification post year.
We offer our people the resources and support they need to be at their personal best every day

To be effective at work, employees must also be able to meet their personal, family and community needs and obligations. That’s why we provide programs to support employee health, well-being and work-life balance.

Our comprehensive and competitive suite of benefits ranges from medical and dental coverage to retirement, disability and life insurance programs.

AbbVie Vitality is our approach to employee well-being. The program encompasses a wide range of local and global events, programs, resources, and tools including:

- Seminars and online resources on health-related topics, such as stress management, nutrition, safety and work-life balance
- Health promotion programs for diabetes, cancer and weight management (U.S.)
- Heart-healthy offerings and campaigns in company cafeterias (U.S.)
- Free health assessments, as well as on-site screenings and immunizations (U.S.)
- On-site fitness and rehabilitation centers
- *AbbVie in Motion*, a four-week global team competition encouraging fitness and resilience
- *AbbVie World of Well-Being*, a global health awareness program that offers activities to improve employees’ overall health, well-being and performance, including a variety of local events

We also support employee work-life balance and flexibility to help our employees sustain high performance, productivity, and engagement. We provide managers and their teams with tools, tips and guidelines on effectively managing workloads, managing teams from a distance and supporting flexible work practices.

We also have industry-leading parental leave policies and on-site daycare to support our working parents. In addition, all U.S. employees are permitted to use up to two days paid work time to volunteer in the community.
Our progress

In 2018, we benchmarked our employee well-being efforts both internally and externally, confirming the strength of our programs.

In our 2018 employee survey, 90 percent of employees responded that they agreed or strongly agreed that: “My manager grants me enough flexibility to meet my personal/family responsibilities.”

We received a Platinum distinction, the top honor available, from Best Employers for Healthy Lifestyles. Awarded by the National Business Group on Health, this award recognizes the best workforce well-being programs in the U.S., particularly those with a holistic approach to well-being, encompassing financial, emotional, social and community aspects. It further recognizes a connection between employee well-being and key business outcomes.

Participation in our global wellness programs continued to grow. In 2018, nearly 7,900 employees in 62 countries participated in AbbVie in Motion, logging an average of 23 hours of exercise per employee over the course of the program. Participation in AbbVie World of Well-being has grown more than 30 percent since 2016, to over 6,000 employees.

We created the AbbVie Employee Assistance Fund (AEAF) to support our employees around the world. The AEAF funds programs that offer employees assistance at two pivotal moments: when a child goes to college and when disaster strikes. The goal of these programs is to offer resources to employees and their families when they need it most.

AEAF became operational in early 2019 and supports two new programs for our global employees:

- **AbbVie Possibilities Scholarship:** Children of AbbVie employees may apply for an annual merit-based scholarship of up to $5,000 for use at accredited colleges, universities or vocational-technical schools.

- **Employee Relief Program:** AbbVie employees may apply for financial assistance when facing large-scale disasters (e.g. hurricane), individual disasters (e.g. home fire) or financial hardship (e.g. death of spouse).

Both programs are managed by independent nonprofits, Scholarship America and E4E Relief. AbbVie is not involved in selecting recipients under either program, but general oversight of the programs will be provided by AbbVie’s Global Philanthropy team in close partnership with Human Resources.

Key performance indicators

<table>
<thead>
<tr>
<th>Employee Well-Being</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of employees indicating that their manager provides flexibility to meet personal obligations</td>
<td>80%</td>
<td>–</td>
<td>90%</td>
</tr>
</tbody>
</table>

*Source: Employee Survey, which is conducted every two years. Percentage favorable responses (“agree” or “strongly agree”) to the following question: My manager grants me enough flexibility to meet my personal/family obligations.*
We recognize that a corporation with global scale and unique resources has the opportunity to use those resources for social good.

Giving back is an integral part of who we are. That’s why we donate our expertise in drug discovery, development and safety science to help address certain diseases that primarily affect the underserved. It’s why we encourage our employees to be engaged with their communities and to volunteer during working hours. And it’s why we provide philanthropic support to build long-term community strength.

We also know that good health requires a healthy environment and that climate change will increasingly impact human health. We hold ourselves accountable for sustainably running our business and reducing our impact on the environment.

In this section:

We give our medicines, expertise and funding to address the health needs of the underserved

We prioritize environmental sustainability across our business and supply chain

We support communities through economic activity, employee volunteerism and philanthropy
Neglected tropical diseases (NTDs), together with widespread diseases such as malaria and tuberculosis, affect public health and the economic well-being of more than one billion people worldwide. They disproportionately affect low- and middle-income countries (LMICs). Because of this impact, ending these diseases has become a key sub-target for United Nations Sustainable Development Goal 3 (Ensuring Good Health and Well-Being).

AbbVie was one of the original signatories to the London Declaration on Neglected Tropical Diseases in 2012. This global partnership among pharmaceutical companies, donors, endemic countries and nonprofit organizations aims to eliminate or control 10 NTDs. Our cross-functional Executive Council for Neglected Diseases oversees and coordinates our contributions to this important goal. Our efforts span multiple diseases including malaria, tuberculosis, buruli ulcer, onchocerciasis, lymphatic filariasis, soil transmitted helminths, Chagas disease and dengue fever.

At the heart of our efforts is a pro-bono research program through which AbbVie researchers donate paid work time to research partnerships of global health nonprofits that are addressing these diseases. Participation has grown to more than 400 researchers and our portfolio of projects continues to grow. We do this work with no expectation of commercial benefit.

We also help to build health system capabilities where they are needed. We provide in kind support to the Bill & Melinda Gates Foundation's global “Smart Safety Surveillance” initiative to enhance pharmacovigilance systems in low- and middle-income countries. AbbVie was also an early sponsor of a public-private partnership to develop a mobile application to enhance adverse event reporting for our patients in Africa. Tools like this offer great potential to enhance public health and safety worldwide.

AbbVie partners with global humanitarian organizations to donate our medicines to people in need. Through our product donation programs, we provide medicines for people who would have no other means of accessing them.

Since 2013, we have donated medicines for use in over 100 countries.

We know that addressing the health needs of the underserved requires a community-level approach. AbbVie and the AbbVie Foundation support health system strengthening both close to home and further afield. In the North Chicago (U.S.) community where our global headquarters are located, we built a health clinic at the local high school and provided funding to establish foundational care. In 20 countries around the world, our Good to Grow program supports collaboration across stakeholders to address causes of preventable neonatal mortality for premature infants.

We have a long history in HIV that includes the development of important medicines that are now licensed royalty-free to the Medicines Patent Pool for lower-cost access in LMICs. The AbbVie Foundation works with leading partners to support community-based programs that address the needs of families living with HIV in resource-limited areas.

In addition, the AbbVie Foundation has supported nonprofit organizations including Partners in Health, Direct Relief, University of Notre Dame's Institute for Global Health, Global Health Corps, MAP International, Indiana Universities’ AMPATH Consortium and the Sabin Vaccine Institute, improving local capabilities to address health needs and build health care leadership capacity in Africa and Latin America. This work includes training community health workers, disease surveillance and mapping, supporting prevention, screening and early detection, and linkage to care.

Augustine Osuma—Giving expertise to drive public health outcomes

AbbVie’s neglected disease research program attracts talented AbbVie scientists who donate their time to researching treatments for neglected tropical diseases, malaria and tuberculosis.

AbbVie researchers are drawn to the program by a passion to use their scientific expertise to address public health. AbbVie scientist Augustine Osuma has contributed to the program for the past eight years. Having seen the effects of tropical diseases as a child in his hometown in Lagos, Nigeria, Augustine has been motivated to find a solution. Through the program, he has had the opportunity to research better treatments for diseases like tuberculosis that disproportionately affect communities in low- and middle-income countries.
Our progress

2018 was a significant year in our work on neglected tropical diseases. Our researchers contributed nearly 40,000 hours (more than 20 full time equivalent employees) to these efforts. We were pleased to complete a Phase 1 clinical study of a potential treatment for river blindness, which has been granted Fast Track status by the FDA. The results of the study support progression to Phase 2.

Additionally, a team of AbbVie process chemists donated their expertise to a nonprofit partner working on a promising treatment for drug-resistant tuberculosis. They developed a new way to synthesize the drug that would be significantly more economical. The cost of one key ingredient was reduced by more than sevenfold, and the overall yield – the product obtained – was increased by more than four times. If the compound receives regulatory approval, it will be more affordable.

We contributed to the World Intellectual Property Organization’s Patent Information Initiative for Medicines (Pat-INFORMED) database, which helps facilitate decisions and actions supporting access to medicines globally. The database enables health agencies and other decision-makers to simply access information on patent status of medicines for HIV/AIDS, cardiovascular diseases, diabetes, hepatitis C, oncology, respiratory conditions, and all products on the World Health Organization Essential Medicines List. To date, AbbVie has shared the patent information for several of our HIV and HCV treatments.

The community health programs we support continued to address needs of the underserved. For example, since 2013 the AbbVie Foundation has supported the Baylor College of Medicine International Pediatric AIDS Initiative (BIPAI) in providing comprehensive HIV care and treatment to children in Romania and Malawi. In 2018 these programs served over 31,000 people.

The AbbVie Foundation has also supported AMPATH’s HIV Perpetual Home-Based Counseling and Testing (PHCT) program in Kenya since the Foundation’s inception. Over the past five years the program has screened over 1.3 million people including many in remote areas with limited access to care.

With support from the AbbVie Foundation, BIPAI, AMPATH and other grant recipients help to build the capacity of local health workforces. Since 2013, AbbVie Foundation-funded programs have educated or trained over 13,000 local health care workers.

Medicine donation partnerships

Twins Kaan and Kiara were born prematurely in Gjakova, western Kosovo. Kiara was born healthy, but Kaan was immediately diagnosed with infant respiratory distress syndrome (IRDS) – the leading cause of death among preterm newborns. Kaan was rushed to the University Clinical Center of Kosovo (UCCK), the only facility in the country able to treat infants with IRDS.

Through AbbVie’s product donation partnership with Americares, UCCK receives an AbbVie product for IRDS. Kaan’s doctors administered treatment and kept Kaan on respiratory support until he stabilized and could breathe on his own. His mother, Edona, was able to take her twins home a few weeks later.

This program has saved the lives of thousands of Kosovar infants with IDRS, like Kaan. A similar partnership between AbbVie and Direct Relief has reached nearly 5,000 babies in 12 countries.

AbbVie also partners with Mercy Ships and Operation Smile to increase access to essential surgical care. Mercy Ships works in areas of sub-Saharan African nations like Togo, Benin, Madagascar, Cameroon and Guinea where access to life-changing surgeries can be limited. Over the past six years, our general anesthetic has been used in more than 7,000 surgeries on the ship, known as the Africa Mercy.

Operation Smile provides free cleft lip and cleft palate surgeries for children and young adults in places of need and utilizes 36 years of surgical expertise to help strengthen local health systems. Since 2013, our medicine donations have helped serve more than 21,000 young people in nearly 40 countries.

<table>
<thead>
<tr>
<th>Addressing the health needs of the underserved</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research hours donated to neglected tropical diseases, malaria and tuberculosis</td>
<td>21,583</td>
<td>30,006</td>
<td>39,945</td>
</tr>
<tr>
<td>Value of AbbVie medicine donated* (WAC) (millions)</td>
<td>$31.6</td>
<td>$26.2</td>
<td>$92.3</td>
</tr>
</tbody>
</table>

*Donation figures do not include the AbbVie U.S. Patient Assistance Program
Commitment: Steward our ethical and sustainable business

We prioritize environmental sustainability across our business and supply chain

We believe in the importance of a healthy environment and sustainable use of natural resources. We work to advance the sustainability of our operations by reducing the energy and water we consume, and by reducing the waste we generate. We also monitor our operations to ensure that the manufacture, use and disposal of our products do not adversely affect the environment or human health.

We use robust environmental and energy management systems. All of our manufacturing sites have ISO 14001 certification for effective environmental management systems, nine have ISO 50001 certification for effective energy management systems, and we are working toward three more ISO 50001 certifications.

We have set ambitious, long-term environmental sustainability targets for absolute reductions to carbon emissions, water use and waste generation while driving increases in renewable electricity. Through participation in CDP, we are transparent about our efforts and our impacts.

We also expect our suppliers to join us in our efforts to protect the environment. As stated in our Supplier Code of Conduct, we expect that “suppliers shall operate in an environmentally efficient manner and shall strive to minimize adverse impacts on the environment.” Our sustainability audits include a robust assessment of the environmental stewardship practices of key suppliers.

Through our sustainable procurement policy, we prioritize the selection of suppliers and purchased goods that have lower impact on the environment when compared with competing products that serve the same purpose.

Our commitment to environmental stewardship and our position on global climate change are available at abbvie.com.

AbbVie environmental targets (all changes are relative to 2015 baseline)

<table>
<thead>
<tr>
<th>Target Description</th>
<th>2025 Target</th>
<th>2035 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce absolute carbon emissions (scope 1 &amp; scope 2 – market based)</td>
<td>25%</td>
<td>50%</td>
</tr>
<tr>
<td>Increase percentage of electricity purchased from renewable sources (excluding leased commercial offices)</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>Reduce absolute water withdrawal (including non-contact cooling water)</td>
<td>20%</td>
<td>50%</td>
</tr>
<tr>
<td>Reduce absolute total hazardous and non-hazardous waste generated (excluding construction and demolition waste)</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Achieve and maintain combined recycling rate for hazardous &amp; non-hazardous waste (excluding construction and demolition waste)</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>Achieve zero waste to landfill (excluding leased offices)</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>
Our progress

We have continued to make progress on our absolute environmental sustainability targets relative to our 2015 baseline, even as our business has grown.

We’re working to reduce carbon emissions through investment in technology, infrastructure and processes that will be more energy efficient. For example, we purchase 100 percent renewable electricity at our manufacturing sites in Europe and are exploring new opportunities to expand this achievement globally. We have also expanded the use of hybrid and electric vehicles in our global fleet. In Japan, 100 percent of fleet vehicles have been converted to hybrid. We are also investing in new metering and energy management software to help identify new energy savings opportunities.

We’ve reduced water consumption at our North Chicago manufacturing site by over 400,000 m³ per year since 2015. We’ve invested in water efficient technology to generate the high purity water we use in our manufacturing processes. We’ve also installed rainwater harvesting equipment at our Singapore manufacturing site. Our stated target of reducing overall water withdrawal has been harder to reach, in part because it includes use of non-contact cooling water, which has risen recently. Non-contact cooling water is returned to the source in the same amount and with the same quality as was withdrawn. The increase we’ve seen in our non-contact cooling water use is generally due to seasonal variations in source water temperatures.

To reduce waste, we are continuing to focus on recycling and striving for zero waste to landfill. Our Campoverde, Italy manufacturing site achieved an 84 percent recycling rate in 2018. This includes recycling of solvents that are used in the active pharmaceutical ingredient manufacturing process.

Key performance indicators

<table>
<thead>
<tr>
<th>Environmental Sustainability</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in absolute carbon emissions vs. 2015 baseline* (scope 1 and scope 2, market based) [2025 target: -25%]</td>
<td>-8%</td>
<td>-13%</td>
<td>-13%</td>
</tr>
<tr>
<td>Change in absolute water withdrawal vs. 2015 baseline* (includes non-contact cooling water) [2025 target: -20%]</td>
<td>+4%</td>
<td>+1%</td>
<td>+4%</td>
</tr>
<tr>
<td>Change in absolute water consumption** vs. 2015 (excludes non-contact cooling water)</td>
<td>-5%</td>
<td>-12%</td>
<td>-11%</td>
</tr>
<tr>
<td>Change in total amount of hazardous and non-hazardous waste generated vs. 2015 baseline* (excluding construction &amp; demolition) [2025 target: -20%]</td>
<td>4%</td>
<td>-7%</td>
<td>-10%</td>
</tr>
<tr>
<td>Combined recycling rate for hazardous and non-hazardous waste (excluding construction &amp; demolition) [2025 target: 50%]</td>
<td>37%</td>
<td>37%</td>
<td>32%</td>
</tr>
<tr>
<td>Percentage of global waste diverted from landfills (annually) **,† (excluding construction &amp; demolition)</td>
<td>77%</td>
<td>83%</td>
<td>85%</td>
</tr>
<tr>
<td>Percentage of electricity purchased from renewable sources (excluding leased facilities) [2025 target: 50%]</td>
<td>9%</td>
<td>16%</td>
<td>20%</td>
</tr>
</tbody>
</table>

*Figures exclude two R&D facilities which were not included in the 2015 baseline.
**This key performance metric includes manufacturing and R&D, which account for the majority (>75%) of our operations
†Includes waste disposed of in the following manner: beneficial use, recycled, composted, treated, fuel blending, incinerated with energy recovery, and incinerated without energy recovery.
Commitment: Support long-term community strength

We support communities through economic activity, employee volunteerism and philanthropy

Economic activity
As a large global employer, AbbVie provides economic opportunity to communities around the world. Our diverse and committed employees contribute in many ways to the economic and cultural vitality of their communities.

We also create business opportunity for thousands of suppliers in more than 120 countries and all 50 U.S. states. In North America, our Supplier Diversity program is designed to integrate small and diverse businesses into our supply chain. We offer opportunities for historically underutilized populations, including minorities, women, military veterans and others, to do business with AbbVie.

Employee volunteerism
Community volunteerism is an integral part of AbbVie’s culture. About one quarter of AbbVie employees volunteer annually through programs sponsored by AbbVie or the AbbVie Foundation. In recognition of this culture, FORTUNE and Great Place to Work ranked AbbVie #8 among their 50 Best Workplaces for Giving Back in 2018.

Beyond Week of Possibilities, our annual company-wide week of service, AbbVie employees engage with students in their communities through educational programs sponsored by the AbbVie Foundation. In North Chicago, the AbbVie STEM (Science, Technology, Engineering, Math) Challenge was developed in partnership with the Illinois Science and Technology Institute to enable students from the high school to explore potential careers in science. Around the globe, AbbVie employees encourage science education as volunteers with the AbbVie Foundation’s SEEK (Science, Engineering, Exploration, Knowledge) program for kids.

AbbVie employees contribute financially to their communities as well. Our North America employee giving and matching program encourages employees to make charitable donations to eligible nonprofit organizations. Through an online platform supported by AbbVie, employees, retirees and former and current members of the Board of Directors may make contributions—through payroll deduction if they choose—to charities of their choice. The AbbVie Foundation matches those contributions dollar for dollar, up to $5,000. In the fall of each year we run the Employee Giving Campaign, to encourage participation in the program. We aim to consistently exceed 85% participation in the campaign.

Philanthropy
We donate directly to our communities. Since the company’s inception in 2013, AbbVie and the AbbVie Foundation have contributed significant funding directly into the North Chicago community immediately surrounding our global headquarters.

FORTUNE and Great Place to Work ranked AbbVie #8 among their 50 Best Workplaces for Giving Back in 2018.

Through the work of more than 30 local nonprofit organizations, our contributions have helped to build the district’s first preschool, renovate libraries, classrooms, athletic facilities and activity rooms and fund the adoption of new math and reading curricula.

Natural disasters can cause injury, illness, death, homelessness and economic loss. We want to help communities recover from disasters and become more resilient for the future. Our disaster relief program has helped communities impacted by more than 40 disasters in more than 25 countries.
Our progress

In 2018, we purchased goods and services valued at more than $13 billion with suppliers around the world. This included nearly $900 million from approximately 2,000 small and diverse businesses in North America, including Puerto Rico. We supported the development of small and diverse suppliers through our Annual Supplier Diversity and Development Conference, attended by over 100 incumbent and prospective suppliers. They heard from AbbVie senior leaders, participated in matchmaking sessions with our purchasing organization and attended workshops on topics such as brand strategy, growth and scaling and innovation with AbbVie and external faculty. These learning and development opportunities will benefit them both in and beyond their business with AbbVie. We also mentored suppliers through the Diversity Alliance for Science mentoring program. Our pro-bono environmental health and safety audit program offers small and diverse suppliers with free audits by our experienced teams.

The AbbVie Foundation’s SEEK program continued to grow, adding new programs in Bulgaria, China, Colombia, Peru, Switzerland and Vietnam. In 2018, AbbVie employees around the world volunteered 1,250 hours to support the program, offering 1,860 students with hands-on insight into the scientific discovery process.

Elevating small and diverse suppliers

AbbVie is a champion of diverse suppliers and encourages all types of small-business owners—including people from disadvantaged and minority backgrounds, women, veterans and others—to work with us. Our partnerships with diverse companies build shared economic strength, enhancing businesses and surrounding communities.

OVERTURE

Overture, a promotional marketing business in Chicago, has been a member of AbbVie’s cohort of diverse suppliers since 2017. Overture is a small women-owned business certified by the Women’s Business Enterprise National Council. Over the past two years, Overture has supported several AbbVie events, including our company-wide week of service—Week of Possibilities—with everything from branded volunteer shirts to display materials.

“AbbVie treats us as an equal partner rather than a vendor—our cultures are aligned.”

– Jo Gilley, CEO and Owner, Overture

Overture’s CEO and Owner Jo Gilley believes that her partnership with AbbVie exemplifies what it means to have a collaborative, rather than a transactional, relationship. Working with AbbVie, Jo has been able to strengthen partnerships with diverse suppliers across Chicago and continues to grow her business. Jo especially values the opportunity to connect with other women-owned businesses and was inspired to launch OWL—Overture Women Leaders—to encourage younger, emerging women leaders at Overture and give them a platform to make connections and support and inspire each other to grow into leaders in business.

SEEK: Nurturing young scientists

The AbbVie Foundation’s SEEK (Science, Engineering, Exploration, Knowledge) program introduces students ages five to 14 to science and engineering through fun and participatory activities. SEEK uses a variety of exercises—such as the Mystery Box—to give underserved students an opportunity to explore the excitement of science and AbbVie volunteers the chance to engage with young, bright minds. The program uses simple experiments to engage students, showing how these skills are important in science and other careers. AbbVie scientists and engineers not only lead the programs, but also played a role in the development of the process.

In 2018, we introduced the SEEK Junior Scientist, a program targeted at students in pre-Kindergarten to first grade. The program allows young students to dress up as scientists with lab coats and safety glasses to investigate and learn about the color green. Junior Scientist supports young students to practice creative thinking and processes used by scientists, such as asking questions, observing, predicting and testing.
“AbbVie has demonstrated a long-standing commitment to supporting and investing in North Chicago. This donation will help support our high expectations for student learning in the STEM areas of science, technology, engineering and math while meeting the social and emotional needs of our students.”

– John Price, Superintendent, North Chicago District 187

AbbVie supports nonprofit organizations advancing education for the underserved

North Chicago Community Unit School District 187: AbbVie donated $40 million to fund the rebuilding of the district’s only middle school: Neal Math & Science Academy. This donation will provide a safer, modernized learning environment to improve student success and aims to help improve graduation rates, reduce dropout rates and increase college and career readiness. The district will focus on supporting social/emotional learning and strong relationships between students and teachers, and increasing access to high-quality academic programs.

Communities In Schools (CIS): The nation’s largest organization dedicated to empowering at-risk students, CIS works to ensure every student is offered an equitable opportunity to excel in the classroom and beyond. AbbVie’s donation of $30 million will allow CIS to provide essential support services to nearly 100,000 underserved children, including children in 16 high-need Chicago public schools. This investment represents the largest single corporate donation Communities In Schools has received in its 40-year history.

The University of Chicago Education Lab: The Education Lab partners with Chicago Public Schools, local nonprofits and city government to identify and test innovative ways to improve outcomes for Chicago’s most vulnerable youth. AbbVie’s $15 million donation will expand the Lab’s partnership with Chicago Public Schools, supporting work to implement promising services for Chicago’s students, and evaluate and scale these solutions in similar settings around the country.

City Year: City Year helps students and schools succeed by recruiting diverse, talented and trained AmeriCorps members to serve full-time as tutors, mentors and role models, preparing students with the skills and mindsets to succeed. AbbVie’s $10 million gift will help expand the organization’s reach to serve more than 18,000 students in 36 schools in Chicago over the next five years, bringing engaging afterschool STEAM (Science, Technology, Engineering, Arts, Math) programming to underserved students in San Jose, California and strengthening City Year’s National Math and Literacy Academic Services to 385 schools and 258,000 students by 2022.
2018 tested our abilities to respond quickly and effectively to natural disasters. In addition to supporting numerous disasters across the world, AbbVie provided support for innovative initiatives designed to increase health-related disaster preparedness.

Further, as a committed employer in Puerto Rico, we are working with partners to support long-term efforts that will move the community from recovery to resilience in the wake of Hurricane Maria. With a $50 million gift from AbbVie, Habitat for Humanity will execute its five-year plan to strengthen housing in key areas on the island. Habitat expects to directly assist 13,000 people through repairs, new construction, workforce training and assistance with clearing property titles. Through its work to effect policy and systems reforms, Habitat also expects to make significant progress in aiding many of the estimated 1.3 million Puerto Ricans who live in housing that was built without clear title or proper permits.

AbbVie also donated $50 million to Direct Relief to rebuild and strengthen the primary health care system.

### AbbVie disaster relief contributions, 2013-2018

Balkan Islands  
China  
Colombia  
Dominican Republic  
Ecuador  
Greece  
Guatemala  
Haiti  
Honduras  
India  
Indonesia  
Japan  
Liberia  
Mexico  
Myanmar  
Nepal  
Pakistan  
Peru  
Philippines  
Puerto Rico  
Serbia  
Sierra Leone  
Turkey  
Ukraine  
United States  
U.S. Virgin Islands

### Key performance indicators

<table>
<thead>
<tr>
<th>Economic activity, volunteerism and philanthropy</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total supplier spend (worldwide)</td>
<td>$8.2 B</td>
<td>$9.7 B</td>
<td>$13.3 B</td>
</tr>
<tr>
<td>Total spend with small and diverse suppliers (millions)</td>
<td>$516</td>
<td>$741</td>
<td>$894</td>
</tr>
<tr>
<td>Employee community volunteers (worldwide)</td>
<td>8,174</td>
<td>7,247</td>
<td>7,494</td>
</tr>
<tr>
<td>Hours volunteered during work time</td>
<td>65,473</td>
<td>75,497</td>
<td>93,608</td>
</tr>
<tr>
<td>Students reached through education projects</td>
<td>9,107</td>
<td>56,840</td>
<td>56,807</td>
</tr>
<tr>
<td>Percentage of eligible employees participating in employee giving campaign</td>
<td>96%</td>
<td>92%</td>
<td>87%</td>
</tr>
<tr>
<td>Funds raised during employee giving campaign (millions)</td>
<td>$6.5</td>
<td>$7.9</td>
<td>$11.8</td>
</tr>
<tr>
<td>Number of disaster relief efforts supported</td>
<td>7</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Total amount donated to disaster relief organizations (excluding product donations) (millions)</td>
<td>$0.4</td>
<td>$4.5</td>
<td>$2.6</td>
</tr>
</tbody>
</table>
Supporting recovery and resilience in Puerto Rico

In the aftermath of Hurricanes Irma and Maria, communities in Puerto Rico were left devastated—the hurricanes had destroyed homes, caused widespread power outages that lasted for months and 3,000 people perished. With infrastructure including community health centers destroyed, many left the island, leaving a shortage of medical workers. Dr. Yania López Álvarez, a new doctor who had recently returned to Puerto Rico to practice in her home country, chose to stay and help lead recovery efforts.

The nonprofit relief organization Direct Relief stepped in to not only provide immediate and vital care to those in need, but also to work with doctors like Dr. López to rebuild Puerto Rico's primary health care system. AbbVie's $50 million donation helps Direct Relief to do this critical work. This includes partnering with the Puerto Rico Department of Health and the University of Puerto Rico and Ponce Medical School to launch the Telemedicine to Increase Health Care Access program, so that specialists like Dr. López can consult with patients and their providers directly and help assess how to manage their condition and whether they need to visit a health care facility.

Innovative solutions for disaster preparedness

Recent trends have indicated an increase in the prevalence and severity of natural disasters, leading to a greater need for preparedness and relief. AbbVie is supporting leading nonprofit organizations in their efforts to meet these challenges with innovative solutions.

With support from the AbbVie Foundation, International Medical Corps is maintaining and deploying fully functional Emergency Field Hospitals. These mobile hospitals provide trauma and medical care and can deploy as soon as 24 to 48 hours following a natural disaster. The Emergency Field Hospitals come stocked with supplies and equipment to operate independently for approximately four weeks. This includes medicine, food, water purifiers, tents, generators and communication equipment.

Following 2018 Hurricane Michael in the Florida Panhandle, with AbbVie support, International Medical Corps was able to deliver, set up and equip two temporary clinics for PanCare Health, a nonprofit that operates community health centers in Marianna and Panama City. This ensured health workers were able to continue offering medical and dental services to at-risk populations affected by the storm.

“Now we can continue to provide primary and urgent care, as well as dental care and mental health support, to people who are already carrying the burden of dealing with the aftermath of the hurricane.”

– R. Michael Hill, President and CEO of PanCare Health

“As doctors, as members of this community, we need to build our training programs, and we need to encourage strong foundations for doctors to serve in both times of need and of prosperity.”

– Dr. Yania López Álvarez
Looking ahead

Our work to support patients, employees and communities is never done. 2018 was an important year in our journey, but we look ahead knowing that there is more we can do.

We hope to continue advancing the health and well-being of patients around the world. As we anticipate new medicine approvals in the coming year, we will bring those medicines to patients with the same commitment to safety, quality and holistic patient support that we’ve demonstrated to date.

We’ll also continue working to impact health care beyond medicine, through a wide range of collaborative efforts to advance disease management, health system capability development and disease elimination.

We’ve made great strides in building AbbVie’s culture, and we’ll keep moving forward. Embracing diversity and inclusion, being innovative and performance-driven, acting with integrity and giving back are what enable us to help transform the lives of patients and communities. As a young company, we’ll continue to nurture and deepen this culture.

We remain committed to reducing our environmental footprint even as our business grows. Looking ahead we’ll seek to continue and replicate strategies that have been successful and add new ones.

In the coming years, we look forward to seeing the impact of recently launched programs and partnerships, in particular the historic donations we have made to nonprofits in 2018. We’re proud to play a part in the collaborative effort of building long term community strength, and to supporting the patients, families and employees whose well-being is at the heart of our mission.

2018 was an important year in our journey, but we look ahead knowing that there is more we can do.
Our public positions and views align with our work to improve lives—and to do so in a transparent and sustainable way. Additional policies, codes and compliance standards on a range of areas are also publicly available.

Data assurance and reporting standards
Specified 2018 environmental and safety data have been assured by DNV GL. Where noted, minor changes have been made to previously-stated data.

The 2018 Assurance Report outlines performance for corporate-wide environmental and safety data. All environmental data is presented as absolute data; safety data is presented as rates, using hours worked.