



Supply Chain Due Diligence Disclosures

Overview

We are committed to upholding the fundamental principles of environmental protection, human rights, and fair labor practices to drive long-term business success for Abbott and our suppliers and to improve lives around the world. Our Supply Chain Due Diligence program works to minimize impacts associated with human health and labor and the environment, minimize reputational and continuity risks, and monitor conformance with our Supplier Guidelines.

Supplier Expectations

Our Abbott Supplier Guidelines establish sustainability management and performance expectations for suppliers. They are aligned with internationally recognized and industry-accepted standards such as the Pharmaceutical Supply Chain Initiative (PSCI) Principles for Responsible Supply Chain Management. Our guidelines focus on the following priorities:

- Management systems
- Human rights and labor
- Health and safety
- Ethics
- Environmental management and compliance
- Supply chain management

Through the Guidelines, we detail our expectations that suppliers conduct business in compliance with relevant legal requirements and industry codes. When asked, suppliers are expected to demonstrate compliance at the request and to the satisfaction of Abbott through our Supply Chain Due Diligence program. We expect suppliers to fully support the Guidelines, driving sustainability principles into their own supply chains, systems, and worker practices. Our Tier 1 suppliers are expected to cascade the values represented in our Supplier Guidelines into their own supply chains and drive responsible sourcing practices to Abbott's Tier 2 suppliers and beyond.

Controls and Implementation

To uphold the values represented in our Supplier Guidelines and other applicable policies, we have established controls and relevant training to support our due diligence activities. We also embed a social responsibility clause in applicable procurement contracts. This clause details Abbott's values and sets the expectation that suppliers comply with applicable laws and principles contained in our Supplier Guidelines. It enables assessment of this compliance and requires our suppliers to remediate any issues identified.

Risk-Based Monitoring and Evaluation

We have global policies and procedures for evaluating potential sustainability issues in our suppliers' operations, including those related to human rights and labor, health and safety, environment, and management systems. These policies guide Abbott's supply chain sustainability due diligence activities, including but not limited to supplier selection and management, compliance with Abbott's Supplier Guidelines, and participation in sustainability due diligence and remediation activities, where applicable. Our supplier assessment programs take a risk-based approach to screening, assessment and monitoring, considering supplier size, industry, and sourcing location(s).

Supplier Selection

When selecting suppliers, we consider sustainability risk factors alongside business capabilities and capacities, quality management systems, financial health, and alignment with Abbott's vision.

Supplier Screening

We maintain a supplier assessment process to minimize reputational and sustainability risks. We utilize a third-party supply chain sustainability risk mapping technology to assess and provide a more detailed understanding of our direct and select indirect suppliers' sustainability risks. Using this tool as well as additional risk-based criteria, Abbott evaluates sustainability risks from third party tools as well as other information such as the supplier's industry and region, referencing a variety of public and nonprofit sustainability, geopolitical, security, and infrastructure indices and sources. From this evaluation, Abbott determines the appropriate due diligence activities and frequency of due diligence.

Supplier Assessment and Audits

We engage with our suppliers of potentially high sustainability risk to explore compliance with our Supplier Guidelines. Desktop assessments, conducted by a third party, are tailored to the nature of the supplier's operations, location, and size. Assessments cover the topics of labor and human rights, environment and sustainable procurement. Suppliers that are non-responsive to assessment requests, have potentially high sustainability risks, or with identified sustainability risks, may be subject to an on-site audit. These audits are conducted by an external auditor using a workplace condition report or other globally recognized sustainability audit standards to assess social and labor conditions, and health and safety, environment, and business practices at the site.

Assessment and Remediation

Where issues are identified, suppliers are expected to submit corrective and preventative action (CAPA) plans. Abbott's supplier relationship manager and subject matter experts monitor CAPA implementation and determine if a reaudit or other action — up to supplier disqualification — is required. We also maintain strategic category- and/or region-specific supplier assessment and audit programs where sustainability risks have been identified. Depending on the supplier audit program, supplier industry, and assessment results, audit frequency can range from one to five years. Insights collected support better supplier engagement and inform sustainability initiative development at the supplier, sourcing, and/or business levels.

Accountability & Reporting Concerns

Our guidelines provide that any concern a supplier has regarding unethical conduct or a potential conflict of interest be reported through Abbott's Office of Ethics and Compliance.

Abbott offers several channels where questions can be asked and concerns can be raised, including via our SpeakUp tool. Our Ethics and Compliance helpline is multilingual and available globally 24/7 for voicing concerns of a potential violation of Abbott's values and standards of conduct.

<http://speakup.abbott.com>.