

# Environmental

## 2021 Highlights

Surpassed 2025 target of

**25%**

reduction in carbon emissions since 2015 baseline



**92%**

of waste diverted from landfill

**13**

winning ideas from the SPARK Innovation Accelerator

**32%**

of electricity purchased from renewable sources

We recognize that a business built on sustainable practices will be a long-lasting business. Our strategy is focused on reducing our environmental footprint, growing sustainably through inspiring innovation, and engaging our workforce to steward the same. We have set ambitious, long-term targets that put this strategy into practice.



## Environmental Sustainability

Climate change has a direct impact on human health. As a company taking on the toughest health challenges, we must play our part in mitigating the impacts of climate change.

In 2021, AbbVie surpassed its 2025 emissions reduction target of 25%, four years ahead of schedule. We accomplished this by increasing our investment in renewable sources, decreasing our Scope 2 emissions. Furthermore, AbbVie has implemented energy efficiency measures, which decreased both our Scope 1 and Scope 2 emissions. For example, we completed the replacement of our cogeneration system at our site in Barceloneta, Puerto Rico.

We committed to joining the Science Based Targets initiative (SBTi) in 2021 and setting ambitious science-based emissions reduction targets to support limiting global temperature rise to no more than 1.5°C above pre-industrial levels, in line with the Paris Climate Agreement and the 2018 Intergovernmental Panel on Climate Change. Working with the SBTi allows us to access expert resources that support us on our journey to meaningfully reduce our climate impact and provide external assessment and validation of our approach and target. We intend to formally announce our SBTi-approved science-based targets in 2022, using 2021 as our baseline year.

### AbbVie Environmental Targets

	2021 Achieved	2025 Target	2035 Target
Reduce absolute carbon emissions (Scope 1 and Scope 2 – market-based) vs. 2015 baseline <sup>1</sup>	-26%	-25%	-50%
Increase percentage of electricity purchased from renewable sources (excluding leased commercial offices)	+32%	+50%	+100%
Reduce absolute water withdrawal (including non-contact cooling water) vs. 2015 baseline <sup>1</sup>	+14%	-20%	-50%
Reduce absolute total hazardous and non-hazardous waste generated (excluding construction and demolition waste) vs. 2015 baseline <sup>1,2</sup>	-14%	-20%	-
Achieve and maintain combined recycling rate for hazardous and non-hazardous waste (excluding construction and demolition waste)	42%	50%	-
Achieve zero waste to landfill (excluding leased offices)	92%	-	100%

<sup>1</sup> In 2021, AbbVie performed a recalculation exercise of the metrics for our Environmental Sustainability targets and our 2015 baseline. The numbers listed above include both AbbVie and Allergan data versus our targets.

<sup>2</sup> Includes waste disposed of in the following manner: beneficial use, recycled, composted, treated, incinerated with energy recovery and incinerated without energy recovery.

We continuously evaluate the impact of climate change on our business, particularly in terms of potential supply disruption. To ensure continued access to medicines and to mitigate supply risks, we conduct climate risk assessments and implement adaptation projects. Climate risk is integrated into our enterprise risk management process.

We partnered with S&P Global Trucost in 2020 to perform a climate risk assessment for physical risks. The analysis focused on extreme weather impacts today and other climate impacts out to 2050. The risk assessment encompassed 100 global sites and locations including all manufacturing, R&D, warehouse locations, along with select global offices. It also included the top 35 locations of our critical suppliers, the top 20 locations for our third-party logistic warehouses and nine of our global third-party data centers. Details from this assessment were included in our 2021 CDP Climate submission. AbbVie also conducts general assessments on the physical impact of climate change, including our upstream and downstream operations and stakeholders.

In our continuous effort to adapt to climate risk, we updated the physical features of our Barceloneta, Puerto Rico site in preparation for stronger hurricanes in the future. Our roofs have been designed and reinforced to withstand a Category 5 hurricane, and our cogeneration system has recently been replaced to ensure that we can self-generate power in the event that an engine is damaged.

To further improve our resiliency, we are in the process of installing on-site emergency power generators at our sites in Branchburg, New Jersey, and Waco, Texas, and have commissioned and installed an on-site emergency generator at our new R&D site in South San Francisco, California, in preparation for future wildfire-related outages.

### Reducing Our Footprint

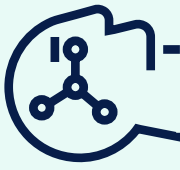
AbbVie actively seeks to reduce the energy and water we consume and the waste we generate around the world. We monitor our operations to ensure that the manufacturing, use and disposal of our medicines do not adversely affect the environment or human health. We operate robust environmental and energy management systems that support the integrity of our environmental sustainability strategy.

### Energy and Carbon

Our determined efforts to reduce carbon emissions are being achieved largely through investment in technology, infrastructure and processes that increase energy efficiency and use cleaner energy sources. We increased the amount of renewable electricity that we purchase to over 30% globally in 2021 and are on track to meet our 2025 target of increasing renewable energy sourcing to 50%. We continue to expand the use of electric and hybrid vehicles in our fleets, as well as explore other opportunities to reduce emissions. For example, of the new vehicles that were introduced in our UK fleet, 95% were electric or hybrid, and over 30% of all the new vehicles introduced in our Western Europe fleet were electric or hybrid. In 2021, we replaced all steam boilers at our manufacturing site in Campo Verde, Italy. The new boilers have increased efficiency to over 90% and are significantly more efficient than the previous units, which were at least 30 years old.



Fourteen of our manufacturing sites have achieved ISO 14001 certification for environmental management systems and 12 have ISO 50001 certification for effective energy management systems. Our Westport, Ireland site is the newest site to receive the ISO 50001 certification. Our Branchburg, New Jersey; Waco, Texas; and Wyandotte, Michigan sites were awarded Energy Star Certification in 2021, and AbbVie was named the U.S. Environmental Protection Agency's (EPA) ENERGY STAR Partner of the Year for our performance in 2021.



### Inspiring Innovation

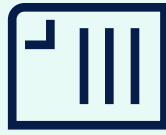
The SPARK Innovation Accelerator is an incubator for employee-driven ideas that accelerate our efforts to reduce energy consumption, water use and waste. In 2021, colleagues from 37 global sites submitted over 200 innovative ideas. Thirteen winning ideas will be implemented by November 2022.

### Two 2021 Winning Ideas:

In North Chicago, a team of scientists built a dashboard to identify facilities that close fume hoods and those who leave them open—allowing energy to escape, like an open window. By making this data visible, the team is influencing positive change and as a result, AbbVie saved almost 15,000 kilowatt hours of energy globally in 2021.

A team of colleagues in the United States collaborated to understand the quantity of printed sales materials not being used due to the pandemic and the impact of the shift to virtual engagement of healthcare professionals. Their work identified an opportunity to reduce printed sales material waste by 31 metric tons each year. The team looks forward to executing on their plan in 2022 and beyond.

### Task Force on Climate-Related Financial Disclosures (TCFD)



AbbVie is committed to understanding our climate risks, disclosing those risks and doing our part to mitigate the impacts of climate change by reducing our carbon footprint. In early 2022, we committed to publicly disclosing environmental information in the TCFD framework. Our TCFD report is available on our [website](#).

### Key Performance Indicators: Carbon Emissions and Renewable Energy

	2021
Change in absolute carbon emissions vs. 2015 baseline (Scope 1 and Scope 2, market based) [2025 target: -25%] <sup>1</sup>	-26% Achieved Target
Percentage of electricity purchased from renewable sources (excluding leased facilities) [2025 target: 50%]	32%

<sup>1</sup> In 2021, AbbVie performed a recalculation exercise of the metrics for our Environmental Sustainability targets and our 2015 baseline. The numbers listed above include both AbbVie and Allergan data versus our targets.

### Key Performance Indicators: Carbon Emissions and Renewable Energy Absolute Values

	2021
<b>Absolute Scope 1 GHG Emissions (Metric Tons CO2e)</b>	<b>367,954</b>
Scope 1 Stationary Combustion GHG Emissions (MT)	259,456
Scope 1 Mobile Combustion GHG Emissions (MT)	97,076
Scope 1 Fugitive GHG Emissions (MT)	5,501
Scope 1 Office Activities GHG Emissions (MT)	5,921
<b>Absolute Scope 2 Location Based GHG Emissions (Metric Tons CO2e)</b>	<b>330,946</b>
<b>Absolute Scope 2 Market Based GHG Emissions (Metric Tons CO2e)</b>	<b>256,708</b>
Scope 2 Purchased Electricity GHG Emissions (MT)	204,918
Scope 2 Purchased Steam GHG Emissions (MT)	25,649
Scope 2 Purchased Chilled Water GHG Emissions (MT)	26,141
<b>Scope 1 &amp; 2 GHG Intensity (Metric Tons CO2e / \$million revenue)</b>	<b>11.12</b>
<b>Scope 1 &amp; 2 Absolute Non-Carbon Emissions (in Metric Tons) (CH4, N2O, HFC and Other)</b>	<b>7,016</b>
CH4 (MT)	501
N2O (MT)	1,014
HFC (MT)	29
Other (MT)	5,472
<b>Absolute Energy Consumption (MWH)</b>	<b>2,654,868</b>
Natural Gas (MWH)	1,000,684
LNG, LPG & Propane (MWH)	338,459
#2 Fuel Oil (MWH)	51,985
#6 Fuel Oil (MWH)	0
Jet Kerosene (MWH)	22,698
Motor Fuel Gasoline/Diesel (MWH)	354,507
Purchased Electricity & Utilities (Steam & Chilled Water) (MWH)	886,535

This table includes new KPIs added to 2021 ESG Action Report. 2021 was the first full year that Allergan data was integrated into AbbVie, and the data provided is reflective of such.



## Designing for Sustainability

Integrating sustainability into AbbVie's design, planning and development processes allows AbbVie to make progress toward our environmental targets, but also supports sustainable growth well into the future. In 2021, we released refreshed Global Facility Design Guidelines to our facility designers and engineers across the globe. These guidelines include over 100 sustainable design concepts that can be incorporated in new construction, upgrades and retrofits.

Most of our design concepts were integrated into our new R&D facility located in South San Francisco, a certified LEED Platinum building. The building, opened in 2021, includes energy efficient lighting and lighting controls as well as a rainwater harvesting system.



### Water

Access to clean water is crucial for human health, and we are committed to using water responsibly and doing our part to protect this vital resource. We have set an ambitious goal to halve our absolute water withdrawal by 2035 compared to our 2015 baseline. To achieve this goal, we focus our efforts on reducing our total global water consumption and investing in innovative technologies that allow us to use water more efficiently.



In Barceloneta, Puerto Rico, we have reduced water consumption at the site by over 250,000 cubic meters annually. Through a reverse osmosis system in our on-site wastewater treatment plant, treated wastewater is further purified via reverse osmosis and used for non-manufacturing purposes at the site.