

ABBOTT

<https://dam.abbott.com/en-us/documents/pdfs/abbott-citizenship/Abbott-2030-Sustainability-Plan-MATERIALITY.pdf> - pg 20

INTRODUCTION / INNOVATION / FOUNDATION / CREATION & MANAGEMENT

THE ABBOTT 2030 SUSTAINABILITY PLAN

MATERIALITY AND STAKEHOLDER ENGAGEMENT

To build our plan, an in-depth, two-year planning process began with a detailed analysis of over 200 topics that were relevant to internal and external stakeholders, which we prioritized by impact to our long-term business strategy, enterprise risk management (ERM) process and most material environmental, social and governance (ESG) topics.

We engaged a third party to lead an objective interview process with more than 100 Abbott stakeholders, including customers, suppliers, investors, healthcare providers, NGOs, sustainability experts and employees to finalize the 17 priority ESG topics and materiality matrix.

Teams of more than 100 leaders from across the company closely collaborated to develop the 2030 targets, with cross-business and cross-function representation to ensure integration and alignment with all elements of our diverse global businesses, nearly 100 manufacturing sites, 75,000 suppliers and a footprint spanning more than 160 countries.

100+

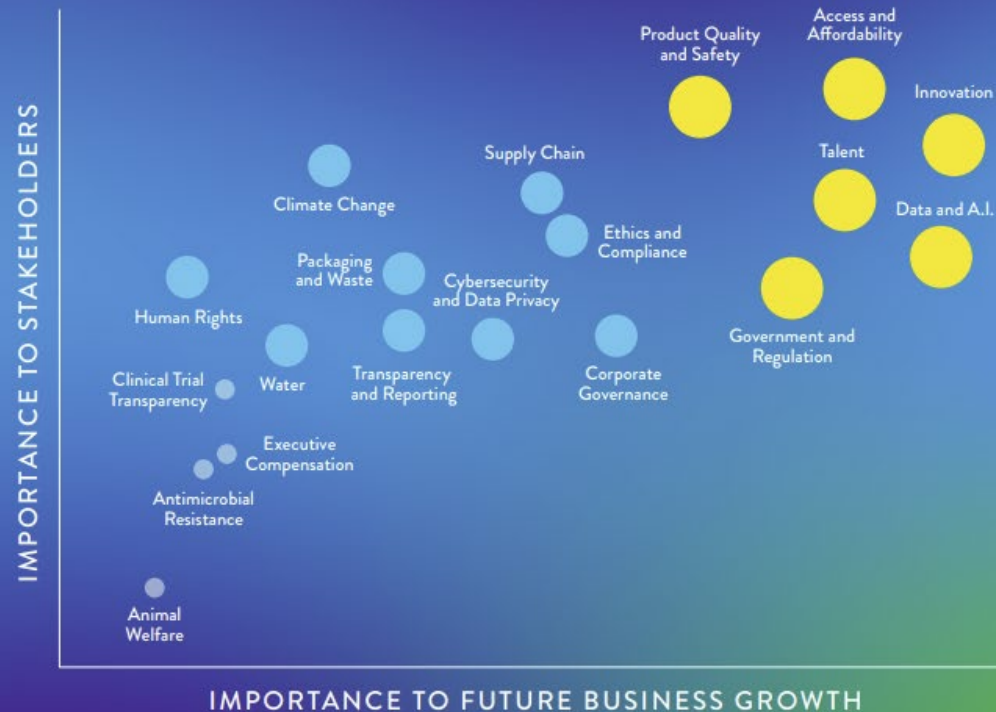
Abbott leaders collaborated on the 2030 plan

100+

interviews with stakeholders

200+

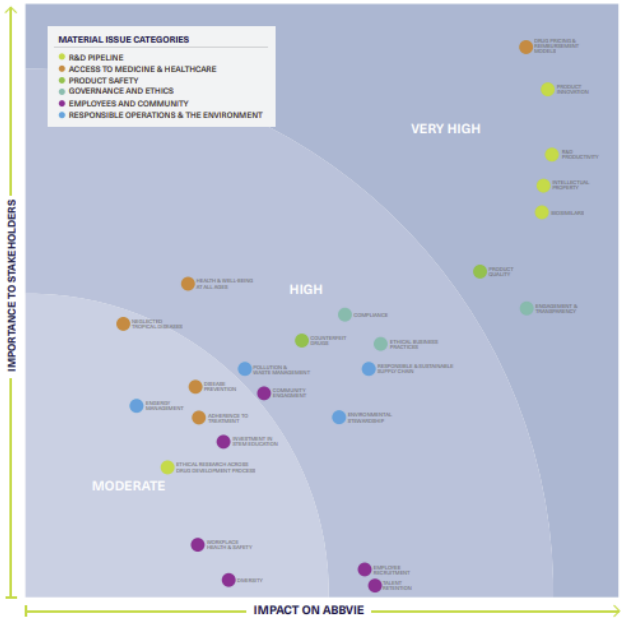
ESG topics analyzed to identify 17 priorities



Materiality assessment

Materiality assessments are used to identify which economic, social and environmental issues are of greatest interest to both a business and its stakeholders. In 2016, we conducted a formal materiality assessment and developed a matrix reflecting the most material issues for AbbVie.

We collected and assessed inputs from a range of internal and external sources to identify and evaluate material issues. We conducted interviews with a broad cross-section of external stakeholders including global health experts, nonprofit organizations, patient groups, academics, suppliers and industry associations. In addition, we gathered insights by interviewing executives and leaders across the business. Ultimately the 25 issues most material for AbbVie were mapped.



Based on this assessment, we 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

Ongoing analysis

We recognize that material issues evolve over time. Since we conducted the materiality assessment we have used ongoing benchmarking and stakeholder engagement to ensure alignment of our responsibility priorities. We use external frameworks such as those developed by the Dow Jones Sustainability Index, the FTSE4Good Index, CDP and the Sustainability Accounting Standards Board (SASB) to assess our areas of focus and our progress.

Stakeholder engagement

We also engage in ongoing dialogue with a wide variety of stakeholders. This allows us to understand our stakeholders' evolving needs, interests and expectations of AbbVie. From these interactions, we maintain our understanding of material issues and identify best practices and additional opportunities to make a contribution.

Patient Groups

Patients are at the heart of everything we do. We regularly engage with patient groups to understand patient needs and to work toward common desired outcomes.

Health Care Professionals

We want to equip health care professionals with the means to help their patients achieve better health and wellness. We consult with clinicians and researchers to understand the challenges they and their patients face and to receive input and feedback on our priorities, strategies, products and programs. We collaborate with scientific and professional associations to advance shared public health goals.

Payers

We work closely with payers to ensure a shared understanding of patient and health system needs and to find sustainable ways to make our medicines accessible and affordable to patients who need them.

Suppliers & Partners

Suppliers and partners are an extension of our business. Our work, our success and our reputations are interconnected. Through business reviews, site visits and supplier forums, we work closely with suppliers and partners to build productive relationships and understand how we can optimize our shared enterprise.

Employees

The capabilities and engagement of our employees are what make us successful, and their experience in our business gives them a unique perspective. Through employee surveys, town hall meetings and informal interactions, we hear their feedback, address their questions and gather their input.



Investors & Financial Community

Our investors expect us to create long-term value, and we actively engage with them on an ongoing basis to hear their perspectives on our opportunities and progress.

Governments & Policymakers

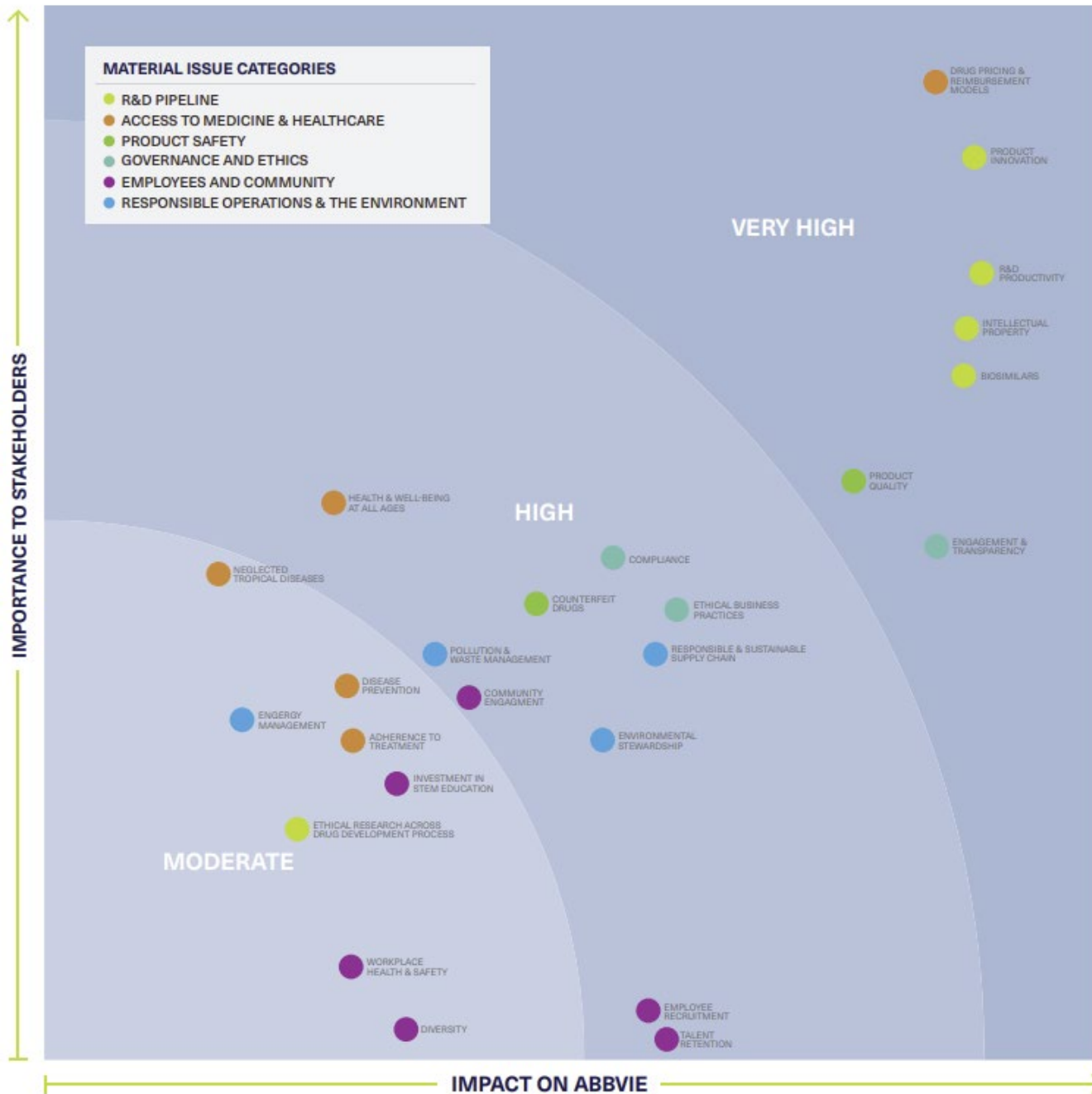
Health care is important to all people and therefore governments and policymakers take an active interest in our work. Through an ongoing dialogue with decision-makers we can understand how best to collaborate to meet patient, community and health system needs.

Nonprofit Organizations

Nonprofit organizations address the needs of some of the most vulnerable populations. We value the opportunity to benefit from their unique perspective on unmet needs and to understand how AbbVie can help to address them.

Through this process the following topics have risen in importance to join those already identified in our materiality assessment.







MATERIALITY

As part of Baxter's philosophy of continuous improvement and in an effort to remain mindful of the current landscape within which we operate, the company periodically conducts assessments to identify the corporate responsibility issues that are most relevant to Baxter and its stakeholders. In early 2018, Baxter worked with an external partner to update its prior corporate responsibility "materiality" assessment, conducted in 2015. As used in this report, "materiality" or "material" refers to environmental, social and economic issues that are deemed to be of significant importance to Baxter's stakeholders and to the company. These "material" issues inform Baxter's corporate responsibility strategy, priorities and goals, and reporting, and are not the same as "material" issues for the purposes of the company's financial and SEC reporting in the United States.

The process for this assessment included:

- Review of the material corporate responsibility issues defined in 2015
- Assessment of the material issues of industry peers, based on recent corporate responsibility reports
- Analysis of issues defined as material by the Sustainability Accounting Standards Board for the Medical Equipment and Supplies and Pharmaceuticals industries
- Review of issues prioritized for the Health Care Equipment and Supplies industry by the Dow Jones Sustainability Index
- Development of a working list of material issues based on the analysis described above
- Interviews conducted with 15 Baxter executives and 14 external stakeholders, including customers, investors, NGOs, suppliers and other companies, to determine how important it is for Baxter to effectively manage each issue on the working list, considering factors such as the impact of the issue on Baxter as well as the company's impacts and influence related to each issue

BAXTER'S MATERIAL ISSUES*

Issue	Description	IMPACT WITHIN VALUE CHAIN		
		Upstream	Baxter Operations	Downstream
Climate change	Reducing energy consumption and expanding use of renewable energy in Baxter's operations and reducing greenhouse gas (GHG) emissions across the company's value chain; incorporating climate change strategy, including adaptation and resilience planning, into relevant business decisions	●	●	●
Community support and volunteerism	Supporting communities in need where Baxter has a presence with partnerships aimed at addressing economic, environmental and social needs, including through financial contributions and employee volunteerism		●	
Diversity and inclusion	Maintaining an inclusive, non-discriminatory hiring process and culture; providing employees equal pay for equal work regardless of gender, race, sexual orientation or disability; welcoming, leveraging and appreciating the uniqueness of every Baxter employee; and supporting supplier diversity	●	●	●
Employee attraction, development and retention	Attracting, engaging and retaining top talent by providing employees career and personal training and development opportunities, and designing succession plans to ensure qualified Baxter candidates for critical positions; upholding labor rights and ensuring that labor concerns can be reported		●	
Ethics and compliance	Providing effective corporate governance structure, business processes, marketing standards, and reporting mechanisms, and fostering an open culture that demonstrates the highest ethics and anticorruption standards companywide	●	●	●
Health, safety and well-being	Providing employees with a zero-harm workplace, an environment that encourages healthy choices, and resources to maintain and improve their health and safety and that of their families		●	
Healthcare access and affordability	Improving access to, and affordability of, Baxter products and services for populations in need, through product innovation, public health initiatives, public policy efforts, business model innovation, and strategic giving, which includes product donations and grants from the Baxter International Foundation			●
Human rights	Ensuring workers throughout Baxter's value chain are treated in accordance with international standards of human rights	●	●	●
Innovation	Investing in innovation that solves for unmet needs and improves patient outcomes and standards of care		●	●
Privacy and data protection	Protecting personal information from unauthorized or inappropriate collection, processing and disclosure, and protecting information resources from threats, whether internal or external, deliberate or accidental	●	●	●
Product sustainability	Incorporating and managing sustainability across the product life cycle (R&D and design, materials use including chemicals of concern, manufacturing, product transport, packaging, product use and end-of-life), and communicating sustainable product attributes to customers	●	●	●
Quality and patient safety	Helping to ensure quality and patient safety across the product life cycle, through leading practices in design, materials use, manufacturing, communications, surveillance and reporting	●	●	●
Supply chain sustainability	Working with suppliers to improve their own as well as Baxter's sustainability programs and performance	●		
Waste	Minimizing disposal of manufacturing waste from Baxter's operations, first through source reduction and reuse and then through recycling and energy recovery		●	
Water use	Reducing water use in Baxter's operations, increasing recycling, managing water discharge quality and protecting local water sources, especially in water-scarce areas		●	

*In this report, Baxter is not using the terms "material" and "materiality" as defined for the purposes of financial and SEC reporting in the United States. Instead, the terms refer to environmental, social and economic issues that are of significant importance to Baxter's stakeholders and to the company. These "material" issues inform Baxter's corporate responsibility strategy, priorities and goals, and reporting. The issues in this table are listed in alphabetical order. The listing does not reflect the presumed importance or "materiality" of any particular issue to Baxter or its stakeholders.

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 Energy, Emissions and Climate Change	 Our Workplaces and Communities	 Food Security and Product Stewardship	 Ethics and Governance
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CF'S IDENTIFIED MATERIAL ISSUES									
GHG Emissions					Diversity and Inclusion				
Energy Management					Community Relations				
Air Quality					Safety & Environmental Stewardship of Chemicals				
Climate Change					Environmental Compliance				
Water Management					Food Security				
Workforce Health & Safety					Product Design for Use-Phase Efficiency				
Process Safety, Emergency Preparedness & Response					Ethics				
Training and Development					Management of Legal and Regulatory Environment				

MATERIAL ISSUES

CF's material issues fall under four key dimensions: energy, emissions and climate change; workplaces and communities; food security and product stewardship; and ethics and governance. We identified these material issues through internal and external stakeholder engagement by aligning with long-term business strategy and emerging trends and issues of importance.

We believe an issue is material if it meets two conditions: if it impacts our business significantly in terms of growth, cost or risk and if it is important to our stakeholders and they expect us to take action on the issue. In determining if an issue is material, we consider our impacts across the entire value chain.

Materiality Assessment Our materiality assessment and resulting materiality matrix form the foundation of our corporate responsibility program at Grainger. Using the Global Reporting Initiative (GRI) Standards’ definition of materiality, this assessment is the process through which an organization determines the most important environmental, social and governance (ESG) issues that reflect its impacts on stakeholders, the economy, the environment and society.



PerformanceRight SnackRight MomentRight WaySustainable IngredientsGovernance

OverviewTable of contentsCEO Q&AAbout usOur purposeOur approachMaterialityESG prioritiesOur ESG progress

MATERIALITY

At Mondelēz International, we are committed to focusing where we can make the biggest difference and deliver the greatest long-term positive impact. We go about this in a disciplined and determined way.

Since 2012, we have worked with internal and external experts to review the impact of major environmental and societal issues on our business and shape our strategic response and action plans.

Our Board of Directors and the Governance, Membership and Public Affairs Committee of the Board are actively involved in our environmental and social agenda as part of the Governance, Membership and Public Affairs Committee, the Mondelēz International Leadership team, as well as our regional business units and global functions.

We validate our long-term targets and associated action plans with external experts including Quantis and gather feedback from various investment groups. Additionally, we consider perspectives from our ongoing stakeholder engagement, as well as actively engage with various ESG ratings and indices and we advance our disclosure.

This two-way dialogue informs our ESG ambition, which defines our concept of social and environmental materiality. Our Board actively oversees this concept.

Materials and processes that guide our assessment include our Enterprise Risk Management (ERM) program for identifying, measuring, monitoring and managing risks; external affairs analysis of stakeholder and regulatory issues; the greenhouse gas, land and water footprint of our total company; proprietary consumer insight data; and publicly available data on societal issues, including statistics and reports from authorities, NGOs and peer companies.

We have identified four social and environmental issues that are most material to building a successful sustainable snacking company and have a clear focus of action for each one:

Importance to Stakeholders

1. Safety

Promote the safety of our people and products.

2. Supply security

Focus on key agricultural commodities and social challenges in the supply chain, including sustainable agriculture and human rights management within our signature programs for cocoa and palm oil and operations.

3. Environmental footprint

Improve environmental impact across our operations, supply and communities. Covering our primary ingredients, product packaging and manufacturing.

4. Consumer well-being

Promote improved health and well-being through portfolio enhancements, package messaging and community partnerships.

Influence on Business Success

MONDELÉZ INTERNATIONAL

SNACKING MADE RIGHT 2020 ESG REPORT

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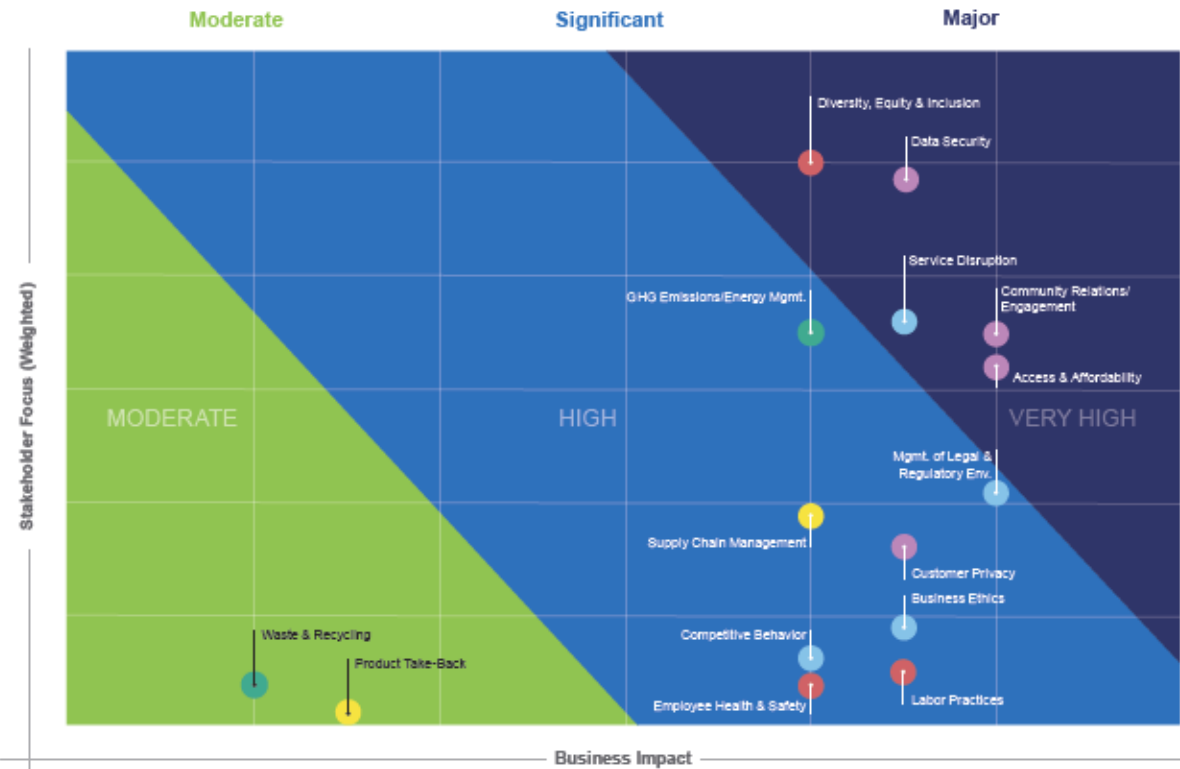
Materiality Assessment

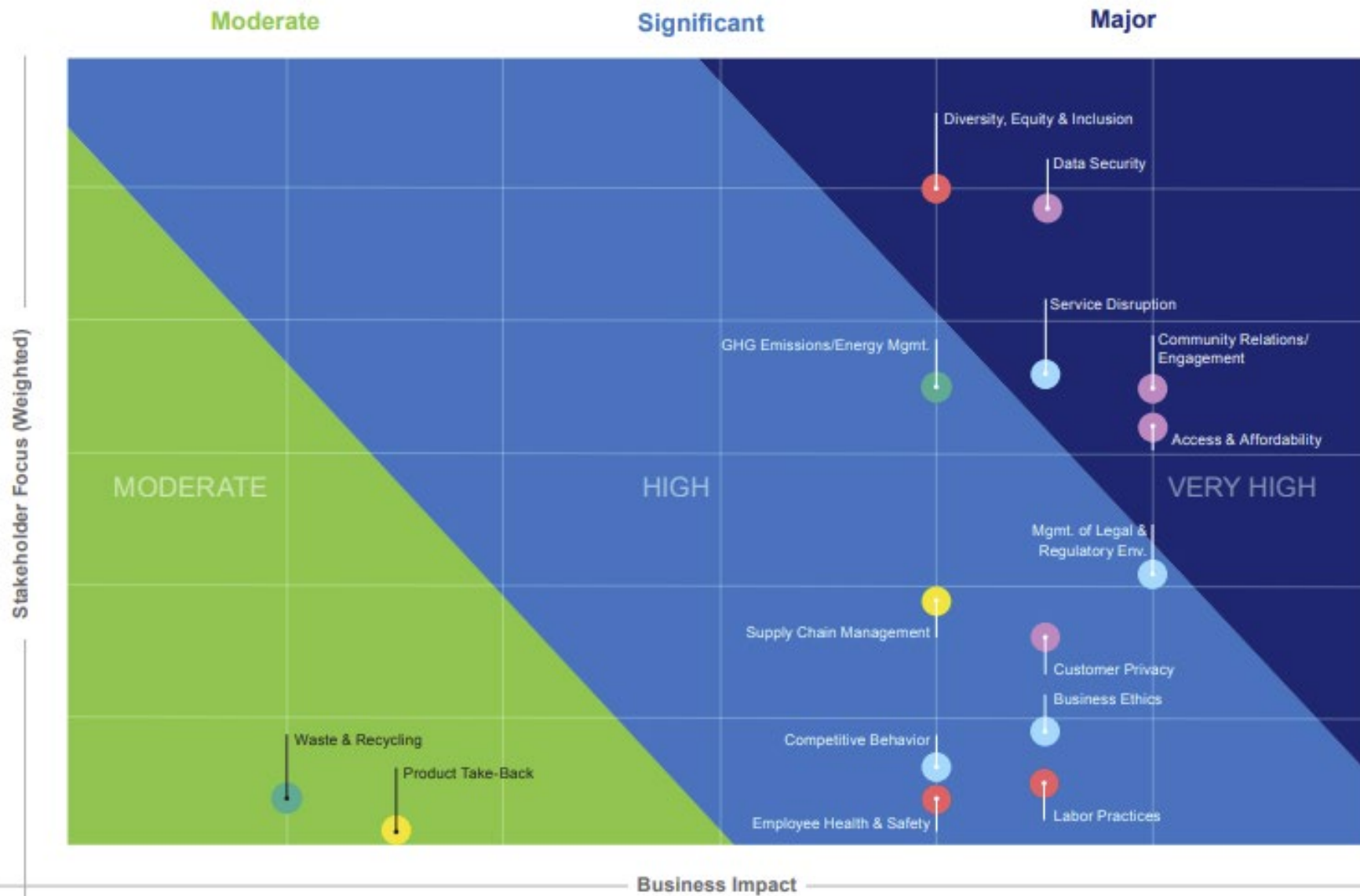
As a part of TDS’ program to advance our environmental, social and governance (ESG) strategy, we conducted a Materiality Assessment in order to identify opportunities and risks that our stakeholders consider most important for TDS. We partnered with an independent third party to guide us in the process of researching, testing, and analyzing our material ESG issues.

The results of this assessment will help us further define and drive our ESG strategy. The matrix included on the right categorizes these ESG topics, which will help drive our ESG strategy moving forward.

This scattergram presents each of the ESG topics relative to its potential impact on TDS’ business (the X-axis) vs. stakeholder focus. Those topics in the top right are considered the most important overall.

- Environment
- Social Capital
- Human Capital
- Business Model & Innovation
- Leadership & Governance



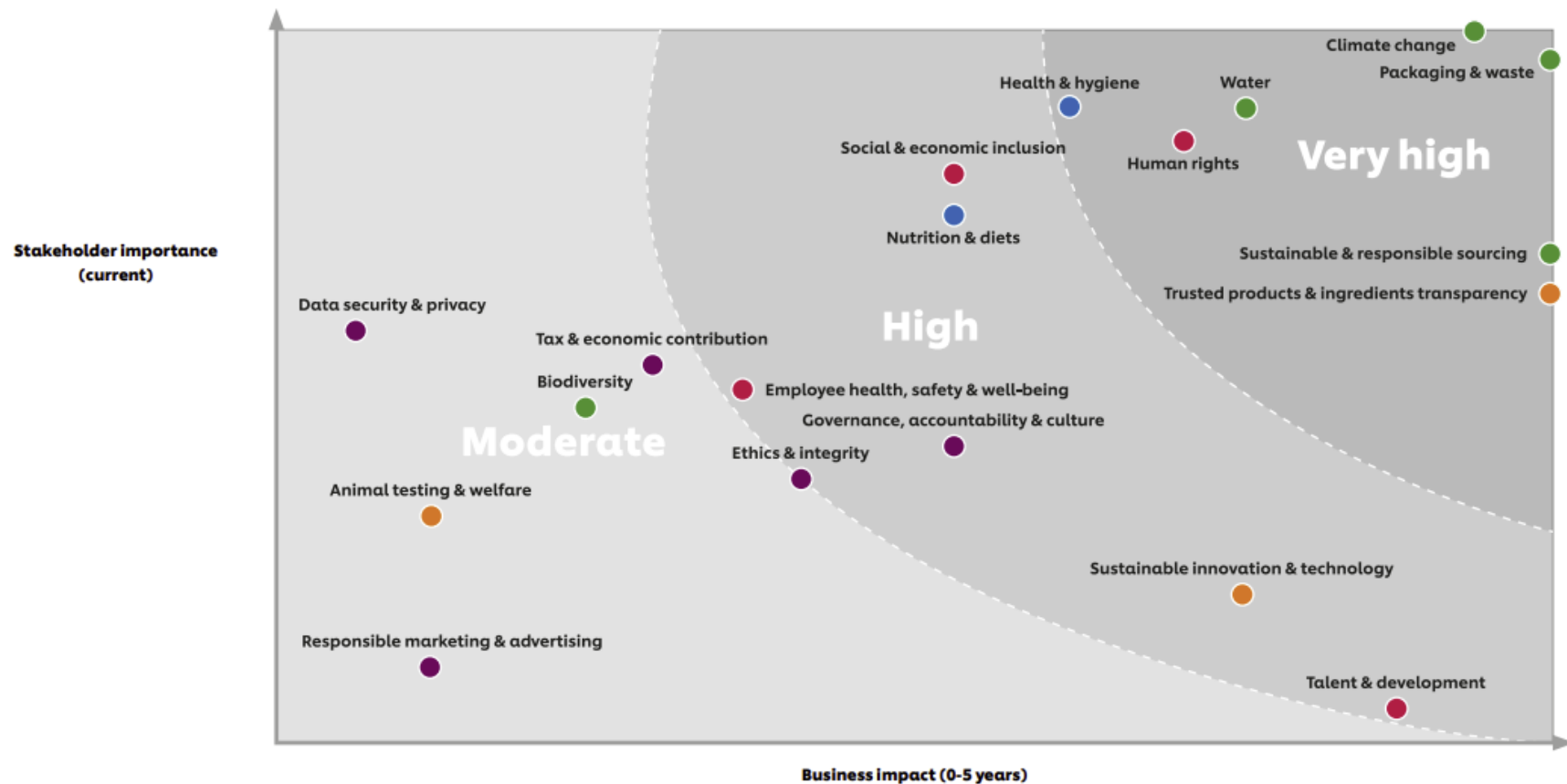




Materiality Matrix 2019/2020 – Issues and Topics



A total of **169 topics** have been identified and grouped into **19 Issues**. The tables on the following pages list the 19 issues that form Our Materiality Matrix and reflect how we have prioritised them. We have classified these issues into five Focus Areas. **Improving Health & Well-being**, **Reducing Environmental Impact** and **Enhancing Livelihoods** encompass the three Big Goals of the Unilever Sustainable Living Plan; **Responsible Business Practices** and **Wider Sustainability Issues** include issues that are not explicitly part of our Plan, but which are relevant to our commitments as a responsible business. These issues are listed by **priority** which indicates the importance attached to any given issue according to its impacts on our business and its importance to our stakeholders. Priority does not equate to the extent of action within Unilever to address an issue.





Materiality Matrix 2019/2020 – Issues and Topics

Improving
Health and
Well-being

Reducing
Environmental
Impact

Enhancing
Livelihoods

Responsible
Business
Practices

Wider
Sustainability
Issues



Improving Health and Well-being

Very high priority

Health & hygiene

Definition: Improving the health and hygiene of stakeholders across our value chain through products, campaigns and partnerships.

- Handwashing
- Hygiene
- Oral health
- Sanitation

High priority

Nutrition & diets

Definition: Developing products with a balanced nutritional profile and promoting consumers' understanding of their own nutrition, and its links to their health and well-being.

- Access and affordability
- Calories
- Diets and lifestyle
- Fortification
- Meat and dairy-free alternatives
- Nutritional labelling
- Nutritional profile
- Product reformulation
- Religious or vegetarian suitability
- Salt
- Saturated fat
- Sugar
- Trans fat

OVERVIEW

CSR Materiality

(GRI 102-15, 102-21, 102-29, 102-43, 102-44, 102-46, 102-47, 103-1, 103-2, 103-3)

In the context of the COVID-19 global health crisis and the urgent social demands of the racial equity movement, we moved to rapidly re-calibrate our CSR materiality.

We pivoted to focus on evolving stakeholder issues in two ways. The first was by stepping up our engagement with our stakeholder groups and accelerating our responses. This is reflected in the Stakeholder Engagement section on pages 26-35, in our in-depth stories on COVID-19 and racial equity on pages 38-49, and elsewhere throughout the report, as our responses were deeply embedded throughout the business.

The second way was through a review of our material CSR topics and emerging issues using Datamaran - a software analytics platform that supports a data-driven and dynamic materiality process. This review relied on sources, which were each used as individual inputs into a custom-made model that allowed WBA to build an evidence-based approach to materiality. Corporate reports, regulations, online news and social media were analyzed by quantifying qualitative information to rank topics by importance, allowing us to incorporate a wide range of data and stakeholders. The review validated our current healthcare-centered CSR strategy and identified emerging issues including political and societal risks such as global pandemics and human rights. These insights have shaped internal dialogue across WBA's businesses.

We also began a new CSR materiality assessment during fiscal 2020, to systematically survey a wide range of global stakeholders and to understand how the changing context is affecting views of ESG impacts throughout our operations. We conduct a CSR materiality assessment at least every three years, in keeping with best practices in sustainability reporting, to understand our impacts, encourage insightful stakeholder dialogue, inform our sustainability strategy and form the basis for our CSR Reporting. Our previous CSR materiality assessment took place in fiscal 2018, and we

will publish the full outcomes of our current assessment in our fiscal 2021 CSR report.

The feedback received from ongoing stakeholder feedback, the insights from the Datamaran analysis, as well as preliminary indications from the new materiality assessment showed us that human rights; diversity, equity and inclusion; digital innovation; and reducing the negative impacts of waste materials and plastic are issues that have become increasingly important to our stakeholders. Our materiality matrix on page 25 and our list of material topics, definitions and mapping to GRI disclosures on pages 26-27 are unchanged from our previous report and will be updated in our 2021 report with the outcomes from our current assessment.

Global charity Forum for the Future advised on our current CSR materiality assessment as well as the previous one in 2018. Datamaran's patented technology also supported our stakeholder survey and the defining of material topics.

Our overall mission as a business, and our competitive strategy, remain central to our process of defining our material CSR issues. Due to the scale of our operations, we can have a significant economic impact in the countries and regions where we do business. Our economic performance is the bedrock of our CSR commitments because it enables us to promote health, well-being and sustainability through employment, investment, initiatives and corporate giving.

The [GRI Content Index](#) at the back of this report provides a guide for readers to find disclosures related to the material topics. Our definition of material for CSR purposes is distinct from the definition of that term that may be used by the company for other purposes.

