

ABB in China overview

In China, for China and the world

ABB is a leader in power and automation technologies that enable utility, industry, and transport and infrastructure customers to improve their performance while lowering environmental impact. The ABB Group of companies operates in roughly 100 countries and employs about 140,000 people, with revenues of around \$40 billion in 2014.

A Fortune 500 company, ABB is headquartered in Zurich, Switzerland and its shares are traded on the stock exchanges of Zurich, Stockholm and New York. ABB Group was formed in 1988, when the Swedish Asea and the Swiss BBC Brown Boveri merged under the name of ABB.

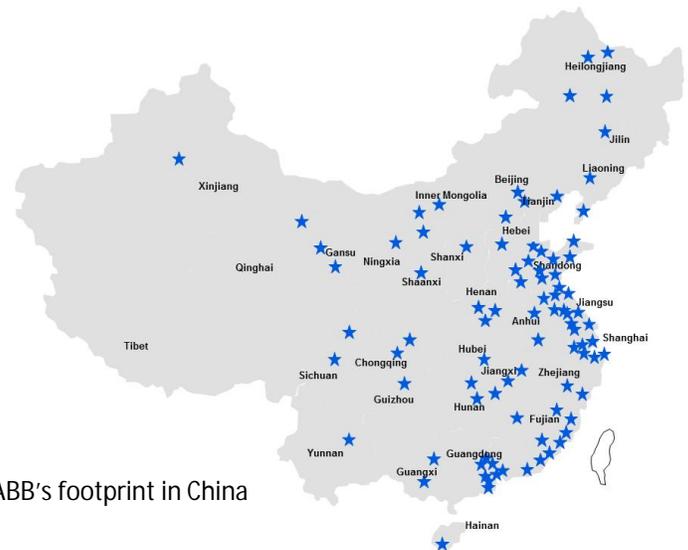
China: ABB's second largest market

ABB's relationship with China dates back to 1907, when it delivered the first steam boiler to the country. In 1974, ABB established its first office in Hong Kong, followed by its first permanent office in Beijing in 1979. In 1992, ABB launched its first Chinese joint venture in Xiamen. In 1994, ABB moved its China headquarters to Beijing. In 1995, ABB's holding company, ABB China Limited, was formally established.

After years of fast growth, ABB has established a full range of business activities in China, including R&D, manufacturing, engineering, sales and service, with 19,000 employees, 39 local companies and an extensive sales and service network across 126 cities. In 2014, ABB reported that China had continued as its second largest market worldwide with over \$5.8 billion in revenue.

A focus on local talent

ABB attaches great importance to the cultivation of talent and actively creates a sound environment for local employee development. In the "2014 China Best Employers of College Graduates" results announced by the Ministry of Education, ABB was selected as one of the "2014 China 100 Best Employers of College Graduates" and the only company to win "Best Employers of the Industry" in the power sector. In 2009 and 2013, ABB was selected as one of "Top 10 Best Employers in manufacturing/electric sector" in the "Survey of Best Employers among University Students". In 2015, ABB was named one of the world's most ethical companies for the third year in a row.



ABB's footprint in China

Through hosting the "University Students' Innovation Contest" and initiating research projects with universities, ABB promotes the cultivation of local talents.

Remarkable local R&D capacity

ABB adheres to its "In China, for China and the world" strategy and propelled the R&D localization. ABB has continuously improved its local R&D capabilities through continued investment and R&D footprint optimization. In 2005, ABB located one of its 7 global R&D organizations in China. Now, ABB has more than 2,000 research and development professionals in China dedicated to local R&D and innovation.

The ABB China R&D team has achieved great results, including the development of ABB's smallest robot IRB 120 and the world's first truly collaborative robot YuMi;

the innovative high-voltage isolation circuit breaker; the new generation 145 kV gas-insulated switchgear; the i-Home wireless smart home system; and Terra 53 Z, ABB's first general type of high power DC fast charger that complies with China GB standard. In 2012, the first ± 800 kV HVDC transformer manufactured in Chongqing, which is the highest voltage transformer produced by ABB in China to date, successfully passed the type test and put into operation at site. Meanwhile, ABB worked closely with State Grid Corporation of China and successfully developed the ± 1100 kV converter transformer technology, marking another important milestone for ABB China in the HVDC field.

ABB's local R&D strength have won recognition and praise. In 2013, ABB won the Swiss Business Awards "Innovation of the Year Award"; ABB Corporate Research Center in China was named among "2013 Top 10 Most Influential Research and Development Centers" while ABB China was chosen as one of the top 10 innovative foreign companies by *Global Science*.

With world leading technology and solutions, ABB actively helps its domestic customers improve energy efficiency and promotes the development of renewable resources for the realization of sustainable development in China. The drives ABB provided to domestic customers by 2014 have contributed to saving 243 TWh in electricity, enough to power the whole city of Beijing for more than two years. Meanwhile, ABB provides onshore and marine intertidal zone wind farm project converters, generators, substations, and battery energy storage facilities, helping China build the world's largest green grid.

Full range of products tailored to local needs

ABB's product portfolio in China includes a full range of power and distribution transformers, switchgear technologies for high, medium and low voltage applications, electrical drives and motors, and industrial robotics products. These products are widely used in industrial, commercial, and utility applications. Meanwhile, ABB has set up 13 service centers to enhance its service capacity, with a team consisting of more than 1,500 service professionals dedicated to providing professional service to Chinese customers.

In China, ABB has participated in many key national

projects, such as power transmission from the south-to-north water diversion project, the west-to-east power transmission project, the Qinghai-Tibet Railway, the Beijing Olympic Games stadiums, Shanghai Expo projects. In addition, ABB has provided power and automation technology and solutions for numerous customers, including high speed rail projects in Beijing, Shanghai, and Guangzhou among others; auto manufacturers including BMW, Volvo and ChangAn Ford; steel customers including Baosteel and Shagang; and, datacenter customers including Global Data Solutions (GDS). In the HVDC field, ABB China has supported the construction of Xiangjiaba-Shanghai, Nuozhadu-Guangdong, Jinping-Sunan, and Hami-Zhengzhou, Xiluodu-Zhexi ± 800 kV high-voltage transmission projects. ABB has participated in 20 out of 28 HVDC power transmission projects in China. ABB also partnered with Shenzhen BYD Daimler New Technology Co., Ltd. to build a fast-charging network for electric vehicles to support China's sustainable development of urban transportation.

ABB's smart technologies for improving efficiency and productivity can support the utility, industry, transportation and infrastructure customers to realize intelligent upgrading.

A responsible corporate citizen

ABB actively fulfills its social responsibility and takes an active part in charitable, educational, and environmental programs in China. ABB Group Executives have been members of mayors or governor's advisors in Beijing, Shanghai, Chongqing and Guangdong. They actively propose forward-looking advices to support China's sustainable growth.

ABB has participated in various charity activities, such as planting trees, volunteering in communities, caring for senior citizens and hosting electric safety seminars and other public events. ABB also launched the "ABB-New Great Wall Fund," supporting impoverished college students. As of 2014 the fund has accumulated more than RMB 12 million in donations, benefitting over 2,000 university students and 1,000 students from technical schools.

With these efforts, ABB has won awards for corporate social responsibility, such as the "2014 China Top 100 Green Companies" award; Best CSR Performer in Education; China Low Carbon Award 2013; and the

Most Environmentally-Friendly Enterprise among others.