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ABB statement on climate change and global warming

Climate scientists overwhelmingly agree that human activity is responsible for an increase in global temperatures over the past century. In response, a global climate agreement was reached in Paris in December 2015, under which countries agreed to take action to limit the rise in global temperatures to well below 2°C, and preferably below 1.5°C, compared with pre-industrial levels. The 1.5°C threshold is considered the maximum that global temperatures can rise without having an irreversible impact on the earth's ecosystems, for instance, through rising sea levels.

ABB supports the Paris Agreement and is committed to doing its part to limit global warming and avert the potentially devastating consequences of climate change. Meeting the goals of the Paris Agreement will require significant investment in new and upgraded technologies. At ABB, we believe that well-designed climate policies are essential to drive development of these technologies and encourage early adoption of clean technologies and energy efficiency. For instance, if all 300 million industrial electric motor-driven systems in operation today were replaced with optimized, high-efficiency equipment, global electricity consumption would be reduced by up to 10 percent.

Such investments will bring both economic and societal benefits by supporting the growth of a sustainable and resilient economy as well as reducing the environmental impact of human activity.

Part of ABB's Purpose is to energize the transformation of society and industry to achieve a more productive, sustainable future. As a global technology leader in electrification, robotics, automation and motion, we focus on those areas where we can make the biggest impact – enabling a low-carbon society by reducing emissions, preserving resources and promoting social progress.

By far the biggest impact we can have in reducing greenhouse gas emissions is through our leading technologies, which cut energy use in industry, buildings and transport – sectors that together account for nearly three-quarters of global energy consumption. Our solutions also play an important role in the shift from combustion fuels to electricity and in improving energy efficiency.

We have set ourselves the ambitious target of helping customers to reduce their annual CO₂ emissions by more than 100 megatons by 2030. This is equivalent to the annual emissions of 30 million combustion cars. Among our key technologies to achieve this goal are our variable speed drives for electric motors which, complemented by connected digital solutions, can reduce electricity consumption by up to 25 percent.

In 2020, ABB's installed base of high efficiency motors and drives enabled 198 terawatt-hours of electricity savings – more than half of the UK's annual consumption.

Among other key ABB technologies for reducing CO₂ emissions are our fast-charging solutions for electric vehicles, as well our ABB Ability™ Connected Operations, which improve the efficiency and performance of a wide range of technologies such as machines and robots, as well as production sites, vessels and mines.

In our own operations, we will lead by example by achieving carbon neutrality by 2030. Our corporate greenhouse gas targets have been validated by the Science Based Targets initiative as being in line with a 1.5°C trajectory. Key actions to reach carbon neutrality include continuing to transition to renewable sources of energy, improving energy efficiency across our factories and sites, and converting our vehicle fleet to electric or other non-emitting alternatives. We will also reduce emissions by engaging with our suppliers and embedding circularity across our value chain to preserve resources – another pillar of our 2030 sustainability strategy.

Our sustainability focus is part of ABB's commitment to responsible business practices, which are at the center of our comprehensive governance framework, based on integrity and transparency. To ensure that we are focused on achieving our goals, our sustainability targets are integrated into our decision-making processes and we have accountabilities and incentive plans in place to drive action.

With our leading technologies and sustainable business practices, we are confident that we will have reached all our targets by 2030 and be a leading contributor to sustainable development.

A handwritten signature in blue ink, consisting of stylized initials 'BR' followed by a long horizontal line extending to the right.

Björn Rosengren
Chief Executive Officer