
THURSDAY, MARCH 25, 2021, AT 10:00 A.M.,
AFFOLTERNSTRASSE 44, 8050 ZURICH, SWITZERLAND

Invitation to the Annual General Meeting of ABB Ltd, Zurich

Invitation

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to invite you to vote on our proposals to ABB's Annual General Meeting 2021. For reasons of health and safety, which are always our top priority at ABB, it will not be possible for you to attend this year's meeting in person. However, we very much hope that you will participate by voting through our independent proxy.

2020 was a year of rapid and sweeping change for the world and for ABB. Thanks to our company's financial resilience, global footprint, well-designed processes and, most importantly, our dedicated people and advanced technologies, we have been managing through the COVID-19 crisis and also helping our customers and many others through it. We also completed our organizational transformation, started in 2019, and delivered a strong financial performance in challenging circumstances. For more details on our performance, you will be able to view speeches by our CEO Björn Rosengren and me on the ABB website on the day of the AGM.

A significant achievement in 2020 was the successful carve-out of our Power Grids business, which was handed over to Hitachi on July 1. The separation of

Power Grids has enabled us to focus on those businesses where ABB has a substantial edge: electrification, robotics, automation and motion. We intend to return cash proceeds of \$ 7.6 to 7.8 billion from the divestment of Power Grids to our shareholders, and we launched a share buyback program in July 2020 to help do so.

We are very optimistic about the prospects for our business. ABB is well positioned to take advantage of megatrends such as digital connectivity, automation, sustainability and urbanization. And with our new company Purpose, business model and sustainability strategy, we have the means to realize our ambitious goals and targets.

Thank you for your continued trust and support, and we hope to see you in person at next year's AGM.

Yours sincerely,



Peter Voser
Chairman of the Board of Directors

Agenda and proposals of the Board of Directors

1. Approval of the management report, the consolidated financial statements and the annual financial statements for 2020

Proposal

The Board of Directors **proposes** that the management report, the consolidated financial statements and the annual financial statements for 2020 be approved.

Explanation

The management report, the consolidated financial statements and the annual financial statements for 2020 are available for inspection by the shareholders at the seat of the Company. They are also available electronically under www.abb.com/agm.

2. Consultative vote on the 2020 Compensation Report

Proposal

The Board of Directors **proposes** that the 2020 Compensation Report, which can be found in the Annual Report, be accepted (non-binding consultative vote).

Explanation

The Compensation Report contains the principles governing the compensation paid to the Board of Directors and the Executive Committee and reports

on the amounts paid to the members of both bodies for 2020. The 2020 Compensation Report is available for inspection by the shareholders at the seat of the Company. It is also available electronically under www.abb.com/agm.

3. Discharge of the Board of Directors and the persons entrusted with management

Proposal

The Board of Directors **proposes** that the members of the Board of Directors and the persons entrusted with management be granted discharge for financial year 2020.

4. Appropriation of earnings

Proposal

Net income for 2020	CHF	4,455,507,045
Carried forward from previous year	CHF	6,545,827,594
Earnings available to the Annual General Meeting	CHF	11,001,334,639

The Board of Directors **proposes** that out of the earnings available to the Annual General Meeting, a dividend of CHF 0.80 gross per registered share be distributed.

Calculated on the total number of issued shares of 2,168,148,264, this corresponds to a maximum total amount of CHF 1,734,518,611.20.

The first trading day ex-dividend is expected to be March 29, 2021. The payout date in Switzerland is expected to be March 31, 2021. The Swiss withholding tax of 35% will be deducted from the gross dividend amount.

The remaining amount of the available earnings is to be carried forward to the new account.

In deciding on the appropriation of dividends, the Annual General Meeting shall take into account that ABB Ltd will not pay dividends on shares that participate in the dividend access facility as per article 8 of the Articles of Incorporation and on own shares held by the Company and its subsidiaries.

Shareholders who are resident in Sweden and participate in the established dividend access facility will receive an amount in Swedish Kronor from ABB Norden Holding AB that corresponds to the dividend resolved on a registered share of ABB Ltd without deduction of the Swiss withholding tax. This amount, however, is subject to taxation according to Swedish law.

5. Capital reduction through cancellation of shares repurchased under the share buyback program

Proposal

The Board of Directors **proposes:**

- a) to reduce the share capital of CHF 260,177,791.68 by CHF 13,800,000 to CHF 246,377,791.68 by way of cancellation of 115,000,000 shares with a nominal value of CHF 0.12 each which were bought back by the Company under the share buyback program announced in July 2020;
- b) to confirm as a result of the report of the auditors that the claims of the creditors are fully covered notwithstanding the capital reduction;
- c) to amend article 4 para. 1 of the Articles of Incorporation according to the following wording as per the date of the entry of the capital reduction in the commercial register (the proposed amendments are underlined):

Article 4 para. 1

The share capital of the Company is CHF 246,377,791.68 and is divided into 2,053,148,264 fully paid registered shares. Each share has a par value of CHF 0.12.

Explanation

Under the share buyback program announced in July 2020, ABB Ltd repurchased as per February 15, 2021, a total of 117,012,859 shares for cancellation. This is to ask the shareholders to approve the cancellation of 115,000,000 shares. It is expected that the cancellation of the remaining shares repurchased under this share buyback program will be proposed to the Annual General Meeting 2022.

6. Renewal of authorized share capital

Proposal

The Board of Directors **proposes** to renew ABB Ltd's authorized share capital in an amount not to exceed CHF 24,000,000 enabling the issuance of up to 200,000,000 shares with a nominal value of CHF 0.12 each by no later than March 25, 2023, by amending article 4^{ter} para. 1 of the Articles of Incorporation as follows (the proposed amendments are underlined):

Article 4^{ter} – Authorized Share Capital

- 1 The Board of Directors shall be authorized to increase the share capital in an amount not to exceed CHF 24,000,000 through the issuance of up to 200,000,000 fully paid registered shares with a par value of CHF 0.12 per share by not later than March 25, 2023. Increases in partial amounts shall be permitted.

[Article 4^{ter} para. 2–4 remain unchanged.]

Explanation

The proposal is intended to renew the existing authorized share capital, which will expire on May 2, 2021, if not renewed. The proposed renewal will maintain a certain financial flexibility of the Company. The authorized share capital is not for use in connection with employee share plans.

7. Binding votes on the compensation of the Board of Directors and the Executive Committee

7.1. Binding vote on the maximum aggregate amount of compensation of the Board of Directors for the next term of office, i.e. from the 2021 Annual General Meeting to the 2022 Annual General Meeting

Proposal

The Board of Directors **proposes** that shareholders approve the maximum aggregate amount of compensation of the Board of Directors covering the period from the 2021 Annual General Meeting to the 2022 Annual General Meeting in the amount of CHF 4,400,000.

Explanation

Pursuant to article 34 of the Articles of Incorporation, the General Meeting of Shareholders shall approve the maximum aggregate amount of compensation of the Board of Directors for the next term of office. Further information on the proposed compensation is provided in the annex to this invitation.

7.2. Binding vote on the maximum aggregate amount of compensation of the Executive Committee for the following financial year, i.e. 2022

Proposal

The Board of Directors **proposes** that shareholders approve the maximum aggregate amount of compensation of the Executive Committee for the financial year 2022 in the amount of CHF 40,000,000.

Explanation

Pursuant to article 34 of the Articles of Incorporation, the General Meeting of Shareholders shall approve the maximum aggregate amount of compensation of the Executive Committee for the following financial year. Further information on the proposed compensation is provided in the annex to this invitation.

8. Elections to the Board of Directors and election of the Chairman of the Board of Directors

The term of office for all members of the Board of Directors expires at the completion of the Annual General Meeting on March 25, 2021.

Proposal

The Board of Directors **proposes** that the persons presented below be elected to the Board of Directors for a term of office extending until completion of the Annual General Meeting 2022.



Gunnar Brock (as Director)

Gunnar Brock has been a member of ABB's Board of Directors since March 2018. He is currently chairman of the boards of Neptunia Invest AB, Mölnlycke Health Care AB and Stena AB (all Sweden). He is a member of the boards of directors of Investor AB and Patricia Industries (both Sweden). He was formerly president and chief executive officer of Atlas Copco AB (Sweden). Mr. Brock was born in 1950 and is a Swedish citizen.



David Constable (as Director)

David Constable has been a member of ABB's Board of Directors since April 2015. Effective January 2021, he was appointed chief executive officer of Fluor Corporation (U.S.), for which he continues to serve as a member of the board of directors. He was a member of the boards of directors of Rio Tinto plc (U.K.) and Rio Tinto Limited (Australia) until the end of 2020. He was formerly president and chief executive officer as well as a member of the board of directors of Sasol Limited (South

Africa). He joined Sasol after more than 29 years with Fluor Corporation (U.S.). Mr. Constable was born in 1961 and is a Canadian and U.S. citizen.



Frederico Fleury Curado (as Director)

Frederico Fleury Curado has been a member of ABB's Board of Directors since April 2016. He is the chief executive officer of Ultrapar Participações S.A. (Brazil), the holding company of the Ultra Group of companies. Mr. Curado is a member of the board of directors of Transocean Ltd. (Switzerland). He was formerly the chief executive officer of Embraer S.A. (Brazil). Mr. Curado was born in 1961 and is a Brazilian and Portuguese citizen.



Lars Förberg (as Director)

Lars Förberg has been a member of ABB's Board of Directors since April 2017. He is co-founder and managing partner of Cevian Capital. Mr. Förberg was born in 1965 and is a Swedish and Swiss citizen.

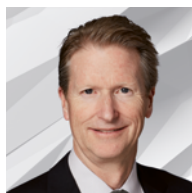
**Jennifer Xin-Zhe Li (as Director)**

Jennifer Xin-Zhe Li has been a member of ABB's Board of Directors since March 2018. She is a member of the board of directors of Flex Ltd (Singapore/U.S.) as well as, through May 2021, of the boards of directors of Philip Morris International Inc. (U.S.) and The Hongkong and Shanghai Banking Corporation Limited (Hong Kong). Ms. Li is a founder and general partner of Changcheng Investment Partners (P.R.C.), a private investment fund. From 2008 to 2018, she served as chief financial officer of Baidu Inc. (P.R.C.) and chief executive officer of Baidu Capital (P.R.C.). Prior to that, Ms. Li spent 14 years with General Motors, holding various senior finance positions, including chief financial officer of GM China and corporate controller for GMAC North American Operations. Ms. Li was born in 1967 and is a Canadian citizen.

**Geraldine Matchett (as Director)**

Geraldine Matchett has been a member of ABB's Board of Directors since March 2018. She is the co-chief executive officer (since

February 2020), the chief financial officer and a member of the managing board of Royal DSM N.V. (The Netherlands). She was previously chief financial officer of SGS Ltd (Switzerland). Prior to joining SGS she worked as an auditor at Deloitte Ltd (Switzerland) and KPMG LLP (U.K.). Ms. Matchett was born in 1972 and is a Swiss, British and French citizen.

**David Meline (as Director)**

David Meline has been a member of ABB's Board of Directors since April 2016. He is the chief financial officer of Moderna Inc. (U.S.). From 2014 through 2019, Mr. Meline was the chief financial officer of Amgen Inc. (U.S.). He was formerly with the 3M Company (U.S.), where he served as chief financial officer. Prior to joining 3M, Mr. Meline worked for more than 20 years for General Motors Company (U.S.). Mr. Meline was born in 1957 and is a U.S. and Swiss citizen.



Satish Pai (as Director)

Satish Pai has been a member of ABB's Board of Directors since April 2016. He is the managing director and a member of the board of directors of Hindalco Industries Ltd. (India). He joined Hindalco in 2013 after 28 years with Schlumberger Limited (U.S.). Mr. Pai was born in 1961 and is an Indian citizen.



Jacob Wallenberg (as Director)

Jacob Wallenberg has been a member of ABB's Board of Directors since June 1999 and Vice-Chairman since April 2015. He is the chairman of the board of Investor AB (Sweden). He is vice-chairman of the boards of Telefonaktiebolaget LM Ericsson, FAM AB and Patricia Industries (all Sweden). He is also a member of the boards of directors of Nasdaq, Inc. (U.S.) and the Knut and Alice Wallenberg Foundation (Sweden) as well as a member of the nomination committee of SAS AB (Sweden). Mr. Wallenberg was born in 1956 and is a Swedish citizen.



Peter Voser (as Director and Chairman)

Peter R. Voser has been a member and Chairman of ABB's Board of Directors since April 2015. He was ABB's Chief Executive Officer from April 2019 through February 2020. He is a member of the board of directors of IBM Corporation (U.S.). He is also a member of the board of directors of Temasek Holdings (Private) Limited (Singapore) as well as chairman of the board of PSA International Pte Ltd (Singapore), one of its subsidiaries. In addition, he is the chairman of the board of trustees of the St. Gallen Foundation for International Studies. He was previously the chief executive officer of Royal Dutch Shell plc (The Netherlands). Mr. Voser was born in 1958 and is a Swiss citizen.

Explanation

Pursuant to article 21 of the Articles of Incorporation, the General Meeting of Shareholders elects individually each member of the Board of Directors and the Chairman of the Board of Directors. Taking into consideration Matti Alahuhta's decision not to stand for re-election and following a detailed review process, the Board of Directors has determined that its members have a very good mix of CEO, CFO, industry, geographic/regional, sustainability and technology experience, but recognizes that ABB needs to strengthen the gender diversity of the Board within the next two years, preferably at the Annual General Meeting 2022. For the Annual General Meeting 2021, the Board of Directors is not proposing any new members, but is nominating all of its other members for re-election.

9. Elections to the Compensation Committee

Proposal

The Board of Directors **proposes** the election of:

- David Constable
- Frederico Fleury Curado
- Jennifer Xin-Zhe Li

to the Compensation Committee for a term of office extending until completion of the Annual General Meeting 2022.

Explanation

Pursuant to article 29 of the Articles of Incorporation, the General Meeting of Shareholders elects individually each member of the Compensation Committee.

10. Election of the independent proxy

Proposal

The Board of Directors **proposes** the election of

- Dr. Hans Zehnder, attorney-at-law and notary, Bahnhofplatz 1, 5400 Baden, Switzerland

as independent proxy for a term of office extending until completion of the Annual General Meeting 2022.

Explanation

Pursuant to article 15 of the Articles of Incorporation, the General Meeting of Shareholders elects the independent proxy. The Board of Directors confirms that the proposed candidate is independent.

11. Election of the auditors

Proposal

The Board of Directors **proposes** that KPMG AG, Zurich, be elected as auditors for the financial year 2021.

Zurich, February 26, 2021

ABB Ltd

Board of Directors



Organizational topics

Shareholders will not be able to attend the Annual General Meeting in person

ABB's top priority remains protecting the health of our shareholders and employees. Therefore, the Board of Directors resolved that shareholders again will only be able to exercise their shareholder rights via the independent proxy. As a result, it unfortunately will not be possible for shareholders to attend the 2021 Annual General Meeting in person.

Annual Report

As from March 5, 2021, the Annual Report will be available to the shareholders for inspection at the Company's head office at Affolternstrasse 44, Zurich Oerlikon, Switzerland, as well as in Sweden at ABB AB, Kopparbergsvägen 2, Västerås. The Annual Report will also be available electronically under www.abb.com/agm and will be mailed on request. The invitation including the agenda and the proposals of the Board of Directors will be mailed directly to shareholders who are registered in the Company's share register with the right to vote.

Registration and voting

Shareholders entered in the share register with the right to vote on March 17, 2021, 3:00 p.m. (CET), are entitled to participate in the Annual General Meeting. They may exercise their shareholder rights solely by authorizing/issuing voting instructions to the independent proxy Dr. Hans Zehnder, attorney-at-law and notary, Bahnhofplatz 1, 5400 Baden, Switzerland. Authorization may be granted and voting instructions may be issued to the independent proxy either using the reply form enclosed or electronically (e-voting).

The reply form or a corresponding notification must reach the independent proxy not later than March 19, 2021 (by mail or e-voting). Reply forms or notifications arriving after that date will not be taken into consideration.

Shareholders may grant authorization or issue instructions electronically to the independent proxy (e-voting) via the shareholder platform at www.gvote.ch. The requisite login details are enclosed in the reply form. Shareholders may vote electronically, or change any instructions they

may have communicated electronically, up to but no later than 11:59 p.m. (CET) on March 19, 2021.

For further information as well as instructions on how to register and vote electronically, please refer to www.abb.com/agm.

No trading restrictions on shares for registered shareholders

The entry of shareholders with the right to vote in ABB's share register does not affect the trading of shares held by such shareholders before, during or after the Annual General Meeting.

Shares and votes

As of December 31, 2020, the total number of shares and votes in ABB Ltd was 2,168,148,264. As of the same date, the Company held 137,314,095 treasury shares, corresponding to 137,314,095 votes. The voting rights in treasury shares cannot be exercised at the Annual General Meeting.

Speeches by the Chairman of the Board of Directors and the CEO

On the day of the Annual General Meeting, from 10:00 a.m. (CET), we will upload speeches on www.abb.com/agm during which Peter Voser, Chairman of the Board

of Directors, and Björn Rosengren, CEO, will inform shareholders about the past financial year and ABB's future prospects. The Annual General Meeting itself will not be broadcast.

Record of decisions

A record of the decisions taken by the Annual General Meeting will be available for inspection shortly after the Annual General Meeting at the Company's head office in Zurich Oerlikon, Switzerland, and will be published on www.abb.com/agm.

Annex to Agenda Item 7

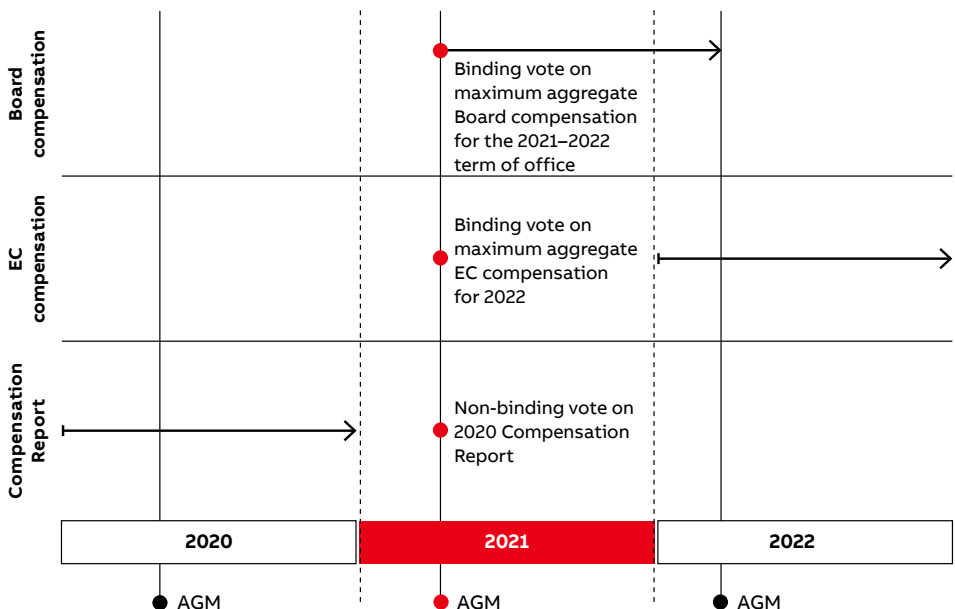
(Binding votes on the compensation of the Board of Directors and the Executive Committee)

Introduction

At the 2021 Annual General Meeting of ABB Ltd, there will be separate binding votes on the maximum aggregate compensation of the Board of Directors (Board) for its 2021–2022 term of office

and on the maximum aggregate compensation of the Executive Committee (EC) for 2022. There will also be a non-binding vote on the 2020 Compensation Report.

Overview of compensation votes at the 2021 Annual General Meeting



→ Compensation period

● Date of vote

7.1. Binding vote on the maximum aggregate amount of compensation of the Board of Directors for the next term of office, i. e. from the 2021 Annual General Meeting to the 2022 Annual General Meeting

The Board is proposing to decrease the number of Board members to 10 in the 2021–2022 term of office compared with 11 in the 2020–2021 term. Compensation for individual Board members is planned to remain at the same level as in the previous period.

The Board proposes that shareholders approve a maximum aggregate compensation of the Board of CHF 4,400,000.

The compensation of the members of the Board consists only of fixed compensation and the Board members are required to take at least half of their compensation in the form of ABB Ltd shares.

The compensation principles for the members of the Board are described in article 33 of the Articles of Incorporation. Based on the proposals of the Compensation Committee, the Board determines the compensation of its members taking into account each member's position and responsibilities.

Additional information regarding compensation of the Board is available in the 2020 Compensation Report, which can be found in the Annual Report.

7.2. Binding vote on the maximum aggregate amount of compensation of the Executive Committee for the following financial year, i. e. 2022

ABB has progressively increased the performance orientation of its compensation system while better aligning it to the Company's strategy, taking into consideration inputs from shareholders and other stakeholders. Further information regarding Executive Committee compensation, including the proposed changes for 2021, is available in the 2020 Compensation Report, which can be found in the Annual Report.

The main factors impacting changes in aggregate compensation from year to year are the number of EC members, each member's target compensation, and Company and individual performance during the relevant performance cycles.

Target compensation would be reached if EC members meet the performance criteria for a 100 percent payout of the short-term incentive (STI) award and for the allocation of 100 percent of the reference grant size of the long-term incentive (LTI) plan.

a maximum allocation of 112.5 percent of the reference grant size under the LTI plan. Over the last 3 years, this level of STI award and LTI allocation for all EC members, on an aggregate basis, has not occurred at ABB.

The proposed maximum aggregate EC compensation for 2022 of CHF 40,000,000 would only be reached if EC members meet the performance criteria for a 150 percent award under the STI plan and

The chart below shows the expected development of aggregate EC compensation from 2020 to 2022.

Overview of considerations in calculation of maximum aggregate EC compensation¹

	2020			2021	2022																
Aggregate EC compensation in CHF (millions)	<table><caption>Aggregate EC compensation in CHF (millions)</caption><thead><tr><th>Year</th><th>Actual</th><th>Target</th><th>Maximum</th></tr></thead><tbody><tr><td>2020</td><td>35.4</td><td>38.3</td><td>55.5</td></tr><tr><td>2021</td><td>-</td><td>-</td><td>39.5</td></tr><tr><td>2022</td><td>-</td><td>-</td><td>40.0</td></tr></tbody></table>			Year	Actual	Target	Maximum	2020	35.4	38.3	55.5	2021	-	-	39.5	2022	-	-	40.0		
Year	Actual	Target	Maximum																		
2020	35.4	38.3	55.5																		
2021	-	-	39.5																		
2022	-	-	40.0																		
Assumptions																					
STI award percentage		100%	150%	150%	150%																
Adjustment of LTIP grant size		0%	+12.5%	+12.5%	+12.5%																
Number of EC members		13	12	9	9																

¹ For full description, see Compensation Report, which can be found in the Annual Report.



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