FILED
IN OPEN COURT
DEC - 2 2022
CLERK U.S. DISTRICT COURT
ALEXANDRIA, VIRGINIA

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA	)	
	)	
v.	)	Case No. 1:22-CR-222
	)	
ABB SOUTH AFRICA (PTY) LTD.	)	Hon. Michael S. Nachmanoff
	)	
Defendant	)	

PLEA AGREEMENT

The United States of America, by and through the Department of Justice, Criminal Division, Fraud Section (the "Fraud Section") and the United States Attorney's Office for the Eastern District of Virginia (together, the "Offices") and the Defendant, ABB South Africa (Pty) Ltd., by and through its undersigned attorneys, and through its authorized representative, pursuant to authority granted by the Defendant's Board of Directors, hereby submits and enters into this plea agreement (the "Agreement"), pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure. The terms and conditions of this Agreement are as follows:

The Defendant's Agreement

1. Pursuant to Fed. R. Crim. P. 11(c)(1)(C), the Defendant agrees to waive its right to grand jury indictment and its right to challenge venue in the District Court for the Eastern District of Virginia, and agrees to plead guilty to a one-count criminal Information charging the Defendant with conspiracy to violate the anti-bribery provisions of the Foreign Corrupt Practices Act ("FCPA"), in violation of Title 18, United States Code, Section 371 (the "Information"). The Defendant further agrees to persist in that plea through sentencing and, as set forth below, to cooperate fully with the Offices in their investigation into the conduct described in this Agreement and other conduct related to the conduct described in this Agreement and the

Statement of Facts attached hereto as Attachment A ("Statement of Facts").

2. The Defendant understands that, to be guilty of this offense, the following essential elements of the offense must be satisfied:

a. an agreement existed among two or more persons, the object of which was an offense against the United States, namely, to violate the anti-bribery provisions of the FCPA, Title 15, United States Code, Section 78dd-1;

b. that the Defendant knowingly and willfully joined in that conspiracy; and

c. that an overt act in furtherance of the conspiracy was committed by at least one of the members of the alleged conspiracy.

3. The Defendant understands and agrees that this Agreement is between the Offices and the Defendant and does not bind any other division or section of the Department of Justice or any other federal, state, local, or foreign prosecuting, administrative, or regulatory authority. Nevertheless, the Offices will bring this Agreement and the nature of the conduct, the nature and quality of the cooperation and remediation of the Defendant, its direct or indirect affiliates, parent companies, subsidiaries, and joint ventures, to the attention of other law enforcement, regulatory, and debarment authorities and Multilateral Development Banks ("MDBs"), if requested by the Defendant.

4. The Defendant agrees that this Agreement will be executed by an authorized corporate representative. The Defendant further agrees that a resolution duly adopted by the Defendant's Board of Directors in the form attached to this Agreement as Attachment B, authorizes the Defendant to enter into this Agreement and take all necessary steps to effectuate this Agreement, and that the signatures on this Agreement by the Defendant and its counsel are

authorized by the Defendant's Board of Directors, on behalf of the Defendant.

5. The Defendant agrees that it has the full legal right, power, and authority to enter into and perform all of its obligations under this Agreement.

6. The Offices enter into this Agreement based on the individual facts and circumstances presented by this case, the Defendant, and the Parent Company, including:

a. ABB Ltd., the Defendant's parent company (hereinafter, the "Parent Company") is entering into a deferred prosecution agreement ("DPA") and ABB South Africa South Africa (Pty) Ltd. is entering a guilty plea simultaneously to the Defendant entering its guilty plea, relating to the same conduct set forth in the Statement of Facts;

b. the nature and seriousness of the offense conduct, as described in the Statement of Facts, including a multi-year scheme to pay bribes benefitting a high-level official of Eskom, the state-owned and state-controlled energy company of South Africa;

c. the Defendant and the Parent Company did not receive voluntary disclosure credit pursuant to the FCPA Corporate Enforcement Policy in the Department of Justice Manual § 9-47.120, or pursuant to the United States Sentencing Guidelines ("U.S.S.G." or "Sentencing Guidelines"), because they did not voluntarily and timely disclose to the Offices the conduct described in the Statement of Facts attached hereto as Exhibit A; although the Defendant and the Parent Company did not receive voluntary disclosure credit, the Offices, in evaluating the appropriate disposition of this matter—including the appropriate form of the resolution—considered evidence that, within a very short time of learning of the misconduct, the Parent Company contacted the Fraud Section and scheduled a meeting to discuss matters under investigation by the Fraud Section and the Parent Company. The Company did not specifically

identify the South Africa misconduct in that meeting request, but it disclosed the South Africa misconduct during the scheduled meeting, subsequently presented evidence to the Offices that it intended to disclose the misconduct related to South Africa during the scheduled meeting and did not know of any imminent media reports when the meeting was scheduled. However, before the scheduled meeting occurred and prior to making any such disclosure to the Fraud Section, a media report was published related to the misconduct;

d. the Defendant and the Parent Company received full credit for their extraordinary cooperation with the Offices' investigation pursuant to U.S.S.G. § 8C2.5(g)(2) because they cooperated with the Offices and demonstrated recognition and affirmative acceptance of responsibility for their criminal conduct; the Defendant and the Parent Company also received full credit for their cooperation pursuant to the FCPA Corporate Enforcement Policy, JM § 9-47.120, by, among other things: (i) promptly providing information obtained through its internal investigation, which allowed the Offices to preserve and obtain evidence as part of their own independent investigation; (ii) making regular and detailed factual presentations to the Offices; (iii) voluntarily making foreign-based employees available for interviews in the United States; (iv) producing relevant documents located outside the United States to the Offices in ways that did not implicate foreign data privacy laws; and (v) collecting, analyzing, and organizing voluminous evidence and information that it provided to the Offices, including the translation of certain foreign language documents;

e. the Parent Company engaged in extensive remedial measures, including hiring experienced compliance personnel and, following a root-cause analysis of the conduct described in the Statement of Facts, investing significant additional resources in compliance

testing and monitoring throughout the organization; implementing targeted training programs, as well as on-site supplementary case-study sessions; conducting continuing monitoring and testing to assess engagement with new training measures; restructuring of reporting by internal project teams to ensure compliance oversight; and promptly disciplining employees involved in the misconduct;

f. the Parent Company has enhanced and has committed to continuing to enhance its compliance program and internal controls throughout its operations, including at ABB Management Services Ltd. and ABB South Africa (Pty) Ltd. Such enhancements include ensuring that Parent Company's compliance program satisfies the minimum elements set forth in Attachment C to the Parent Company's DPA;

g. based on the Parent Company's remediation and the state of the Parent Company's compliance program, and the Parent Company's agreement to report to the Offices as set forth in Attachment D to the Parent Company's DPA (Enhanced Corporate Compliance Reporting), the Offices determined that an independent compliance monitor is unnecessary;

h. the Parent Company's criminal history, including (1) the Parent Company's 2010 deferred prosecution agreement, accompanied by guilty pleas by U.S. and Jordan-based subsidiaries, for FCPA violations involving bribes and kickbacks to officials in Mexico and Iraq; (2) guilty pleas in 2004 by the Parent Company's U.S. and United Kingdom-based subsidiaries for FCPA violations involving bribery of Nigerian officials; and (3) a guilty plea in 2001 by an Italy-based subsidiary of the Parent Company to a bid-rigging conspiracy involving a construction contract in Egypt; as well as the Parent Company's resolution of administrative actions with European and Brazilian competition authorities in 2013 and 2014;

i. the Parent Company's agreement to resolve concurrently a separate investigation by the United States Securities and Exchange Commission ("SEC") relating to the conduct described in the Statement of Facts and its agreement to pay $75,000,000 in civil monetary penalties; and the Parent Company's agreement to resolve additional separate investigations by authorities in South Africa and Switzerland, and its anticipated resolution with authorities in Germany, related to the conduct described in the Statement of Facts, which resolutions the Offices are crediting in connection with the criminal penalty specified in the DPA;

j. the Defendant's and the Parent Company's agreement to continue to cooperate with the Offices in any ongoing investigation, as described in Paragraph 5 of the Parent Company's DPA and Paragraphs 9 and 10 below;

k. accordingly, after considering (a) through (j) above, the Defendant and the Parent Company received an aggregate discount of 25 percent off the mid-point between the middle and the high end of the otherwise-applicable United States Sentencing Guidelines fine range for the conduct described in the Statement of Facts.

7. The Defendant agrees to abide by all terms and obligations of this Agreement as described herein, including, but not limited to, the following:

a. to plead guilty as set forth in this Agreement;

b. to abide by all sentencing stipulations contained in this Agreement;

c. to appear, through its duly appointed representatives, as ordered for all court appearances, and obey any other ongoing court order in this matter, consistent with all applicable U.S. and foreign laws, procedures, and regulations;

d. to commit no further crimes;

e. to be truthful at all times with the Court;

f. to pay the applicable fine and special assessment;

g. to cooperate fully with the Offices as described in Paragraphs 9 and 10; and

h. to work with the Parent Company in fulfilling the obligations of the Parent Company's DPA.

8. Except as may otherwise be agreed by the parties in connection with a particular transaction, the Defendant agrees that in the event that, during the term of the Parent Company's DPA (the "Term"), the Defendant undertakes any change in corporate form, including if it sells, merges, or transfers business operations that are material to the Defendant's consolidated operations, or to the operations of any subsidiaries or affiliates involved in the conduct described in the Statement of Facts, as they exist as of the date of this Agreement, whether such sale is structured as a sale, asset sale, merger, transfer, or other change in corporate form, it shall include in any contract for sale, merger, transfer, or other change in corporate form a provision binding the purchaser, or any successor in interest thereto, to the obligations described in this Agreement. The purchaser or successor in interest must also agree in writing that the Offices' ability to declare a breach under this Agreement is applicable in full force to that entity. The Defendant agrees that the failure to include these provisions in the transaction will make any such transaction null and void. The Defendant shall provide notice to the Offices at least thirty (30) days prior to undertaking any such sale, merger, transfer, or other change in corporate form. If the Offices notify the Defendant prior to such transaction (or series of transactions) that they

have determined that the transaction or transactions have the effect of circumventing or frustrating the enforcement purposes of this Agreement, as determined in the sole discretion of the Offices, the Defendant agrees that such transaction or transactions will not be consummated. In addition, if at any time during the Term the Offices determine in their sole discretion that the Defendant has engaged in a transaction or transactions that have the effect of circumventing or frustrating the enforcement purposes of this Agreement, the Offices may deem it a breach of this Agreement pursuant to Paragraphs 22-25 of this Agreement. Nothing herein shall restrict the Defendant from indemnifying (or otherwise holding harmless) the purchaser or successor in interest for penalties or other costs arising from any conduct that may have occurred prior to the date of the transaction, so long as such indemnification does not have the effect of circumventing or frustrating the enforcement purposes of this Agreement, as determined by the Offices.

9. The Defendant shall cooperate fully with the Offices in any and all matters relating to the conduct described in this Agreement and the attached Statement of Facts and other conduct under investigation by the Offices at any time during the Term, until the later of the date upon which all investigations and prosecutions arising out of such conduct are concluded, or the end of the Term. At the request of the Offices, the Defendant shall also cooperate fully with other domestic or foreign law enforcement and regulatory authorities and agencies, as well as the MDBs, in any investigation of the Defendant, the Parent Company or affiliates, or any of their present or former officers, directors, employees, agents, and consultants, or any other party, in any and all matters relating to the conduct described in this Agreement and the attached Statement of Facts and any other conduct under investigation by the Offices. The Defendant's cooperation pursuant to this Paragraph is subject to applicable laws and regulations, as well as

valid claims of attorney-client privilege or attorney work product doctrine; however, the Defendant must provide to the Offices a log of any information or cooperation that is not provided based on an assertion of law, regulation, or privilege, and the Defendant bears the burden of establishing the validity of any such an assertion. The Defendant agrees that its cooperation pursuant to this paragraph shall include, but not be limited to, the following:

a. The Defendant represents that it has truthfully disclosed all factual information with respect to its activities, those of the Parent Company and affiliates, and those of its present and former directors, officers, employees, agents, and consultants relating to the conduct described in this Agreement and the attached Statement of Facts, as well as any other conduct under investigation by the Offices at any time about which the Defendant has any knowledge. The Defendant further agrees that it shall promptly and truthfully disclose all factual information with respect to its activities, those of the Parent Company and affiliates, and those of its present and former directors, officers, employees, agents, and consultants about which the Defendant shall gain any knowledge or about which the Offices may inquire. This obligation of truthful disclosure includes, but is not limited to, the obligation of the Defendant to provide to the Offices, upon request, any document, record or other tangible evidence about which the Offices may inquire of the Defendant including evidence that is responsive to any requests made prior to the execution of this Agreement.

b. Upon request of the Offices, the Defendant shall designate knowledgeable employees, agents or attorneys to provide to the Offices the information and materials described in Paragraph 9(a) above on behalf of the Defendant. It is further understood that the Defendant must at all times provide complete, truthful, and accurate information.

c. The Defendant shall use its best efforts to make available for interviews or testimony, as requested by the Offices, present or former officers, directors, employees, agents and consultants of the Defendant. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with domestic or foreign law enforcement and regulatory authorities. Cooperation under this Paragraph shall include identification of witnesses who, to the knowledge of the Defendant, may have material information regarding the matters under investigation.

d. With respect to any information, testimony, documents, records or other tangible evidence provided to the Offices pursuant to this Agreement, the Defendant consents to any and all disclosures, subject to applicable laws and regulations, to other governmental authorities including United States authorities and those of a foreign government, as well as the MDBs, of such materials as the Offices, in their sole discretion, shall deem appropriate.

10. In addition to the obligations in Paragraph 9, during the Term, should the Defendant learn of any evidence or allegation of conduct that may constitute a violation of the FCPA anti-bribery or accounting provisions had the conduct occurred within the jurisdiction of the United States, the Defendant shall promptly report such evidence or allegation to the Offices. Thirty (30) days prior to the end of the Term, the Defendant, through an appropriate senior executive of the Defendant or the Parent Company, will certify to the Offices that the Defendant has met its disclosure obligations pursuant to this Paragraph. Each certification will be deemed a material statement and representation by the Defendant to the executive branch of the United States for purposes of Title 18, United States Code, Sections 1001 and 1519, and it will be deemed to have been made in the judicial district in which this Agreement is filed.

11. The Defendant agrees that any fine imposed by the Court will be due and payable as specified in Paragraph 19 below, and that any restitution imposed by the Court will be due and payable in accordance with the Court's order. The Defendant further agrees to pay the Clerk of the Court for the United States District Court for the Eastern District of Virginia the mandatory special assessment of $400 (pursuant to Title 18, United States Code, Section 3013(a)(2)(B)) per count within ten (10) business days from the date of sentencing.

The United States' Agreement

12. In exchange for the guilty plea of the Defendant and the complete fulfillment of all of its obligations under this Agreement, the Offices agree they will not file additional criminal charges against the Defendant, ABB South Africa (Pty) Ltd., the Parent Company or any of its direct or indirect affiliates, subsidiaries, or joint ventures relating to any of the conduct described in the attached Statement of Facts or the Information filed pursuant to this Agreement. The Offices, however, may use any information related to the above-referenced conduct against the Defendant: (a) in a prosecution for perjury or obstruction of justice; (b) in a prosecution for making a false statement; (c) in a prosecution or other proceeding relating to any crime of violence; or (d) in a prosecution or other proceeding relating to a violation of any provision of Title 26 of the United States Code. This Agreement does not provide any protection against prosecution for any future conduct by the Defendant or any of its direct or indirect subsidiaries and affiliates. In addition, this Agreement does not provide any protection against prosecution of any individuals, regardless of their affiliation with the Defendant. The Defendant agrees that nothing in this Agreement is intended to release the Defendant from any and all of the Defendant's tax liabilities and reporting obligations for any and all income not properly reported and/or legally or illegally obtained or derived.

Factual Basis

13. The Defendant is pleading guilty because it is guilty of the charges contained in the Information. The Defendant admits, agrees, and stipulates that the factual allegations set forth in the Information and the Statement of Facts are true and correct, that it is responsible for the acts of its officers, directors, employees, and agents described in the Information and Statement of Facts, and that the Information and Statement of Facts accurately reflect the Defendant's criminal conduct. The Defendant stipulates to the admissibility of the Statement of Facts in any proceeding by the Offices, including any trial, guilty plea, or sentencing proceeding, and will not contradict anything in the attached Statement of Facts at any such proceeding.

The Defendant's Waiver of Rights, Including the Right to Appeal

14. Federal Rule of Criminal Procedure 11(f) and Federal Rule of Evidence 410 limit the admissibility of statements made in the course of plea proceedings or plea discussions in both civil and criminal proceedings, if the guilty plea is later withdrawn. The Defendant expressly warrants that it has discussed these rules with its counsel and understands them. Solely to the extent set forth below, the Defendant voluntarily waives and gives up the rights enumerated in Federal Rule of Criminal Procedure 11(f) and Federal Rule of Evidence 410. The Defendant agrees that, effective as of the date the Defendant signs this Agreement, it will not dispute the Statement of Facts set forth in Attachment A to this Agreement, and that the Statement of Facts shall be admissible against the Defendant in any criminal case involving the Offices and the Defendant, as: (a) substantive evidence offered by the government in its case-in-chief and rebuttal case; (b) impeachment evidence offered by the government on cross-examination; and (c) evidence at any sentencing hearing or other hearing. In addition, the Defendant also agrees not to assert any claim under the Federal Rules of Evidence (including Rule 410 of the Federal

Rules of Evidence), the Federal Rules of Criminal Procedure (including Rule 11 of the Federal Rules of Criminal Procedure), or the United States Sentencing Guidelines (including U.S.S.G. § 1B1.1(a)) that the Statement of Facts set forth in Attachment A to this Agreement should be suppressed or is otherwise inadmissible as evidence (in any form). Specifically, the Defendant understands and agrees that any statements that it makes in the course of its guilty plea or in connection with the Agreement are admissible against it for any purpose in any U.S. federal criminal proceeding if, even though the Offices have fulfilled all of their obligations under this Agreement and the Court has imposed the agreed-upon sentence, the Defendant nevertheless withdraws its guilty plea.

15. The Defendant is satisfied that the Defendant's attorneys have rendered effective assistance. The Defendant understands that by entering into this Agreement, the Defendant surrenders certain rights as provided in this Agreement. The Defendant understands that the rights of criminal defendants include the following:

a. the right to plead not guilty and to persist in that plea;

b. the right to a jury trial;

c. the right to be represented by counsel—and if necessary have the Court appoint counsel—at trial and at every other stage of the proceedings;

d. the right at trial to confront and cross-examine adverse witnesses, to be protected from compelled self-incrimination, to testify and present evidence, and to compel the attendance of witnesses; and

e. pursuant to Title 18, United States Code, Section 3742, the right to appeal the sentence imposed.

Nonetheless, the Defendant knowingly waives the right to appeal or collaterally attack the conviction and any sentence within the statutory maximum described below (or the manner in which that sentence was determined) on the grounds set forth in Title 18, United States Code, Section 3742, or on any ground whatsoever other than an ineffective assistance of counsel claim that is cognizable on direct appeal or the grounds specifically excluded in this Paragraph, in exchange for the concessions made by the Offices in this Agreement. This Agreement does not affect the rights or obligations of the Offices as set forth in Title 18, United States Code, Section 3742(b). The Defendant also knowingly waives the right to bring any collateral attack challenging either the conviction or the sentence imposed in this case. The Defendant hereby waives all rights, whether asserted directly or by a representative, to request or receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without limitation any records that may be sought under the Freedom of Information Act, Title 5, United States Code, Section 552, or the Privacy Act, Title 5, United States Code, Section 552a. The Defendant waives all defenses based on the statute of limitations and venue with respect to any prosecution related to the conduct described in the Information and the Statement of Facts, including any prosecution that is not time-barred on the date that this Agreement is signed in the event that: (a) the conviction is later vacated for any reason; (b) the Defendant violates the Agreement; or (c) the plea is later withdrawn, provided such prosecution is brought within one year of any such vacation of conviction, violation of the Agreement, or withdrawal of plea plus the remaining time period of the statute of limitations as of the date that this Agreement is signed. The Offices are free to take any position on appeal or any other post-judgment matter. The parties agree that any challenge to the Defendant's

sentence that is not foreclosed by this Paragraph will be limited to that portion of the sentencing calculation that is inconsistent with (or not addressed by) this waiver. Nothing in the foregoing waiver of appellate and collateral review rights shall preclude the Defendant from raising a claim of ineffective assistance of counsel in an appropriate forum.

Penalty

16. The statutory maximum sentence the Court can impose for a violation of Title 18, United States Code, Section 371, is a fine of $500,000 or twice the gross pecuniary gain or gross pecuniary loss resulting from the offense, whichever is greatest (Title 18, United States Code, Sections 371, 3571(c), and 3571(d)); five years' probation (Title 18, United States Code, Section 3561(c)(1)); a mandatory special assessment of $400 (Title 18, United States Code, Section 3013(a)(2)(B)); and restitution in the amount of any victims' losses as ordered by the Court. In this case, the parties agree that the gross pecuniary loss resulting from the offense is approximately $74,000,000. Therefore, pursuant to Title 18, United States Code, Section 3571(d), the maximum fine that may be imposed is twice the gross pecuniary loss, or approximately $148,000,000 per offense.

Sentencing Recommendation

17. The parties agree that pursuant to *United States v. Booker*, 543 U.S. 220 (2005), the Court must determine an advisory Sentencing Guidelines range. The Court will then determine a reasonable sentence within the statutory range after considering the advisory Sentencing Guidelines range and the factors listed in Title 18, United States Code, Section 3553(a). The parties' agreement herein to any guideline sentencing factors constitutes proof of those factors sufficient to satisfy the applicable burden of proof. The Defendant also understands that if the Court accepts this Agreement, the Court is bound by the sentencing provisions in

Paragraph 19.

18. The Offices and the Defendant agree that a faithful application of the Sentencing Guidelines to determine the applicable fine range yields the following analysis:

a. The November 1, 2021 Sentencing Guidelines are applicable to this matter.

b. Offense Level. Based on U.S.S.G. § 2C1.1, the total offense level is 42, calculated as follows:

(a)(2)	Base offense level	12
(b)(1)	More than one bribe	+2
(b)(2)	Value of benefit received more than $65,000,000	+24
(b)(3)	Involvement of high-level official	+4
TOTAL		42

c. Base Fine. Based upon U.S.S.G. § 8C2.4(d), the base fine is $150,000,000 (the fine indicated in the Offense Level Fine Table);

d. Culpability Score. Based upon U.S.S.G. § 8C2.5, the culpability score is 8, calculated as follows:

(a)	Base culpability score	5
(b)(3)(B)(i)	200 or more employees and high-level personnel	+3
(c)(2)(B)	Prior history	+2
(g)(2)	Cooperation and acceptance of responsibility	-2
TOTAL		8

e. Calculation of Fine Range.

Base fine	$150,000,000
Multipliers	1.6 (min) / 3.2 (max)
Fine range	$240,000,000 (min) / $480,000,000 (max)

19. Pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the Offices and the Defendant agree that the following represents the appropriate disposition of the case:

a. Disposition. Pursuant to Fed. R. Crim. P. 11(c)(1)(C), the Offices and the Defendant agree that the appropriate disposition of the case is as set forth above, and agree to recommend jointly that the Court, at a hearing to be scheduled at an agreed upon time, impose a sentence requiring the Defendant to pay a $500,000 criminal fine within ten (10) business days of the sentencing hearing (the "Recommended Sentence"). Specifically, the parties agree that the Recommended Sentence is appropriate in light of the Parent Company's DPA, which relates to the same conduct to which the Defendant is pleading guilty. Pursuant to the DPA, the Parent Company and the Offices agreed, based on the application of the USSG to the misconduct, that the appropriate total criminal penalty is $315,000,000 (the "Total Criminal Penalty"), $500,000 of which will be paid as a criminal fine by the Defendant pursuant to this Agreement. The Total Criminal Penalty reflects a 25 percent discount off the mid-point between the middle and the high end of the otherwise-applicable Sentencing Guidelines fine range. The Parent Company and the Offices agree that the Parent Company will pay the United States Treasury $72,500,000 within ten (10) business days from the Defendant's sentencing in connection with this

Agreement. The Offices agree to credit toward satisfaction of payment of the Total Criminal Penalty as follows:

(i) The Offices agree to credit toward satisfaction of payment of the Total Criminal Penalty the amount the Parent Company pays to South African authorities, up to a maximum of $157,500,000, equal to approximately 50 percent of the Total Criminal Penalty, so long as the Parent Company pays such amount to South Africa pursuant to the Defendant's separate resolution with South African authorities concerning the same underlying conduct described in the attached Statement of Facts.

(ii) The Offices agree to credit toward satisfaction of payment of the Total Criminal Penalty the amount the Parent Company pays to Swiss authorities, up to a maximum of $11,000,000, so long as the Parent Company pays such amount to Switzerland pursuant to ABB Management Services Ltd.'s separate resolution with Swiss authorities concerning the same underlying conduct described in the attached Statement of Facts.

(iii) The Offices agree to credit toward satisfaction of payment of the Total Criminal Penalty the amount the Parent Company pays to German authorities, up to a maximum of $11,000,000, so long as the Parent Company pays such amount to Germany pursuant to an anticipated separate resolution with German authorities concerning the same underlying conduct described in the attached Statement of Facts. In the event the Parent Company does not pay Germany any part of the $11,000,000 within 12 months after the Agreement is

fully executed, the Parent Company will be required to pay the full remaining amount to the United States Treasury on or before December 2, 2023.

(iv) The Offices agree to credit toward satisfaction of payment of the Total Criminal Penalty the amount the Parent Company pays in civil penalties to the SEC, up to a maximum of $63,000,000, equal to approximately 20 percent of the Total Criminal Penalty, so long as the Parent Company pays such amount to the SEC pursuant to the Parent Company's separate resolution with the SEC concerning the same underlying conduct described in the attached Statement of Facts.

b. The Defendant shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source, other than the Parent Company, with regard to the fine, penalty, or forfeiture amounts that the Defendant or the Parent Company pays pursuant to this Agreement, the Parent Company's DPA or any other agreement entered into with an enforcement authority or regulator concerning the facts set forth in the Statement of Facts. The Defendant further acknowledges that no tax deduction may be sought in connection with the payment of any part of this fine.

c. Mandatory Special Assessment. The Defendant shall pay to the Clerk of the Court for the United States District Court for the Eastern District of Virginia within ten (10) days of the time of sentencing the mandatory special assessment of $400 per count.

d. Restitution. As of the date of the Agreement, the Offices and the Defendant have not identified any victim qualifying for restitution and thus are not requesting an order of restitution. The Defendant recognizes and agrees, however, that restitution is imposed

at the sole discretion of the Court. The Defendant agrees to pay restitution as part of the Agreement in the event restitution is ordered by the Court.

20. This Agreement is presented to the Court pursuant to Fed. R. Crim. P. 11(c)(1)(C). The Defendant understands that, if the Court rejects this Agreement, the Court must: (a) inform the parties that the Court rejects the Agreement; (b) advise the Defendant's counsel that the Court is not required to follow the Agreement and afford the Defendant the opportunity to withdraw its plea; and (c) advise the Defendant that if the plea is not withdrawn, the Court may dispose of the case less favorably toward the Defendant than the Agreement contemplated. The Defendant further understands that if the Court refuses to accept any provision of this Agreement, neither party shall be bound by the provisions of the Agreement.

21. The Defendant and the Offices waive the preparation of a Pre-Sentence Investigation Report ("PSR") and intend to seek a sentencing by the Court immediately following the Rule 11 hearing in the absence of a PSR. The Defendant understands that the decision whether to proceed with the sentencing proceeding without a PSR is exclusively that of the Court. In the event the Court directs the preparation of a PSR, the Offices will fully inform the preparer of the PSR and the Court of the facts and law related to the Defendant's case.

Breach of Agreement

22. If, during the Term, the Defendant (a) commits any felony under U.S. federal law; (b) provides in connection with this Agreement deliberately false, incomplete, or misleading information; (c) fails to cooperate as set forth in Paragraphs 9 and 10 of this Agreement; (d) commits any acts that, had they occurred within the jurisdictional reach of the FCPA, would be a violation of the FCPA; or (e) otherwise fails specifically to perform or to fulfill completely each of the Defendant's obligations under the Agreement, regardless of whether the Offices become

aware of such a breach after the Term is complete, the Defendant shall thereafter be subject to prosecution for any federal criminal violation of which the Offices have knowledge, which may be pursued by the Offices or any other United States Attorney's Office. Determination of whether the Defendant has breached the Agreement and whether to pursue prosecution of the Defendant shall be in the Offices' sole discretion. Any such prosecution may be premised on information provided by the Defendant, the Parent Company, or their personnel. Any such prosecution relating to the conduct described in the Information and the attached Statement of Facts or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against the Defendant, notwithstanding the expiration of the statute of limitations, between the signing of this Agreement and the expiration of the Term plus one (1) year. Thus, by signing this Agreement, the Defendant agrees that the statute of limitations with respect to any such prosecution that is not time-barred on the date of the signing of this Agreement shall be tolled for the Term plus one (1) year. The Defendant gives up all defenses based on the statute of limitations, any claim of pre-indictment delay, or any speedy trial claim with respect to any such prosecution or action, except to the extent that such defenses existed as of the date of the signing of this Agreement. In addition, the Defendant agrees that the statute of limitations as to any violation of federal law that occurs during the Term will be tolled from the date upon which the violation occurs until the earlier of the date upon which the Offices are made aware of the violation or the duration of the Term plus five (5) years, and that this period shall be excluded from any calculation of time for purposes of the application of the statute of limitations.

23. In the event the Offices determine that the Defendant has breached this Agreement, the Offices agree to provide the Defendant with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, the Defendant shall have the opportunity to respond to the Offices in writing to explain the nature and circumstances of such breach, as well as the actions the Defendant has taken to address and remediate the situation, which explanation the Offices shall consider in determining whether to pursue prosecution of the Defendant.

24. In the event the Offices determine that the Defendant has breached this Agreement: (a) all statements made by or on behalf of the Defendant to the Offices or to the Court, including the Information and the attached Statement of Facts, and any testimony given by the Defendant before a grand jury, a court, or any tribunal, or at any legislative hearings, whether prior or subsequent to this Agreement, and any leads derived from such statements or testimony, shall be admissible in evidence in any and all criminal proceedings brought by the Offices against the Defendant; and (b) the Defendant shall not assert any claim under the United States Constitution, Rule 11(f) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule that any such statements or testimony made by or on behalf of the Defendant prior or subsequent to this Agreement, or any leads derived therefrom, should be suppressed or are otherwise inadmissible. The decision whether conduct or statements of any current director, officer or employee, or any person acting on behalf of, or at the direction of, the Defendant, will be imputed to the Defendant for the purpose of determining whether the Defendant has violated any provision of this Agreement shall be in the sole discretion of the Offices.

25. The Defendant acknowledges that the Offices have made no representations, assurances, or promises concerning what sentence may be imposed by the Court if the Defendant breaches this Agreement and this matter proceeds to judgment. The Defendant further acknowledges that any such sentence is solely within the discretion of the Court and that nothing in this Agreement binds or restricts the Court in the exercise of such discretion.

Public Statements by the Defendant

26. The Defendant expressly agrees that it shall not, through present or future attorneys, officers, directors, employees, agents or any other person authorized to speak for the Defendant make any public statement, in litigation or otherwise, contradicting the acceptance of responsibility by the Defendant set forth above or the facts described in the Information and Statement of Facts. Any such contradictory statement shall, subject to cure rights of the Defendant described below, constitute a breach of this Agreement, and the Defendant thereafter shall be subject to prosecution as set forth in Paragraphs 22-25 of this Agreement. The decision whether any public statement by any such person contradicting a fact contained in the Information or Statement of Facts will be imputed to the Defendant for the purpose of determining whether it has breached this Agreement shall be at the sole discretion of the Offices. If the Offices determine that a public statement by any such person contradicts in whole or in part a statement contained in the Information or Statement of Facts, the Offices shall so notify the Defendant, and the Defendant may avoid a breach of this Agreement by publicly repudiating such statement(s) within five (5) business days after notification. The Defendant shall be permitted to raise defenses and to assert affirmative claims in other proceedings relating to the matters set forth in the Information and Statement of Facts provided that such defenses and claims do not contradict, in whole or in part, a statement contained in the Information or

Statement of Facts. This Paragraph does not apply to any statement made by any present or former officer, director, employee, or agent of the Defendant in the course of any criminal, regulatory, or civil case initiated against such individual, unless such individual is speaking on behalf of the Defendant.

27. The Defendant agrees that if it or any of its direct or indirect subsidiaries or affiliates over which the Defendant exercises control issues a press release or holds any press conference in connection with this Agreement, the Defendant shall first consult the Offices to determine (a) whether the text of the release or proposed statements at the press conference are true and accurate with respect to matters between the Offices and the Defendant; and (b) whether the Offices have any objection to the release or statement.

Complete Agreement

28. This document, including its attachments, states the full extent of the Agreement between the parties. There are no other promises or agreements, express or implied. Any modification of this Agreement shall be valid only if set forth in writing in a supplemental or revised plea agreement signed by all parties.

AGREED:

FOR ABB SOUTH AFRICA (PTY) LTD.:

Date: 2 Dec. 2022

Andrea Antonelli
General Counsel and Company Secretary
ABB Ltd.

Date: 2 Dec. 2022

Natalia Shehadeh
Chief Integrity Officer
ABB Ltd.

Date: 12/2/2022

Robert D. Luskin
John S. Darden
Paul Hastings LLP

FOR THE DEPARTMENT OF JUSTICE:

JESSICA D. ABER
United States Attorney
Eastern District of Virginia

Heidi Gesch, Assistant U.S. Attorney

GLENN S. LEON
Chief, Fraud Section
Criminal Division
United States Department of Justice

William E. Schurmann, Trial Attorney
Jonathan P. Robell, Assistant Deputy Chief

Date: 12/2/2022

COMPANY OFFICER'S CERTIFICATE

I have read this Agreement and carefully reviewed every part of it with outside counsel for ABB South Africa (Pty) Ltd. (the "Company"). I understand the terms of this Agreement and voluntarily agree, on behalf of the Company, to each of its terms. Before signing this Agreement, I consulted outside counsel for the Company. Counsel fully advised me of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into this Agreement.

I have carefully reviewed the terms of this Agreement with the Board of Directors of the Company. I have advised and caused outside counsel for the Company to advise the Board of Directors fully of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into the Agreement.

No promises or inducements have been made other than those contained in this Agreement. Furthermore, no one has threatened or forced me, or to my knowledge any person authorizing this Agreement on behalf of the Company, in any way to enter into this Agreement. I am also satisfied with outside counsel's representation in this matter. I certify that I am the General Counsel and Company Secretary for the ABB Ltd. and that I have been duly authorized by the Company to execute this Agreement on behalf of the Company.

Date: 2 Dec. 2022

ABB SOUTH AFRICA (PTY) LTD.

Andrea Antonelli
General Counsel and Company Secretary
ABB Ltd.

Natalia Shehadeh
Chief Integrity Officer
ABB Ltd.

CERTIFICATE OF COUNSEL

I am counsel for ABB South Africa (Pty) Ltd. (the "Company") in the matter covered by this Agreement. In connection with such representation, I have examined relevant Company documents and have discussed the terms of this Agreement with the Company Board of Directors. Based on our review of the foregoing materials and discussions, I am of the opinion that the representative of the Company has been duly authorized to enter into this Agreement on behalf of the Company and that this Agreement has been duly and validly authorized, executed, and delivered on behalf of the Company and is a valid and binding obligation of the Company. Further, I have carefully reviewed the terms of this Agreement with the Board of Directors and the General Counsel and Company Secretary of ABB Ltd. I have fully advised them of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions and of the consequences of entering into this Agreement. To my knowledge, the decision of the Company to enter into this Agreement, based on the authorization of the Board of Directors, is an informed and voluntary one.

Date: 12/2/2022

By: _____

Robert D. Luskin
John S. Darden
Jeffrey A. Pade
Paul Hastings LLP
Counsel for ABB South Africa (Pty) Ltd.

ATTACHMENT A

STATEMENT OF FACTS

The following Statement of Facts is incorporated by reference as part of the Deferred Prosecution Agreement (the "Agreement") between the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the Eastern District of Virginia (together, the "Offices") and ABB Ltd. ("ABB" or the "Company"), as well as the plea agreements between ABB Management Services Ltd. ("ABB Management Services") and ABB South Africa (Pty) Ltd. ("ABB South Africa") and the Offices. Certain of the facts herein are based on information obtained from third parties by the United States through its investigation and described to ABB. ABB hereby agrees and stipulates that the following information is true and accurate. ABB admits, accepts, and acknowledges that it is responsible for the acts of its officers, directors, employees, and agents as set forth below. Should the United States pursue the prosecution that is deferred by this Agreement, ABB agrees that it will neither contest the admissibility of, nor contradict, this Statement of Facts in any such proceeding. The following facts took place during the relevant time period and establish beyond a reasonable doubt the charges set forth in the criminal Information attached to the Agreement:

Relevant Entities and Individuals

1. ABB was a company with core businesses focused on electrification, automation, motion, and robotics technologies, organized under the laws of Switzerland and headquartered in Switzerland. ABB had subsidiaries in multiple countries around the world, including in South Africa, Germany, Italy, and the United States. ABB had a class of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 (Title 15, United States Code, Section 78*l*) and was required to file periodic reports with the U.S. Securities and Exchange Commission

("SEC"). Accordingly, during the relevant time period, ABB was an "issuer" as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1.

2. ABB Management Services was a wholly owned and controlled subsidiary of ABB, located in Zurich, Switzerland, that provided internal management services to local ABB operating entities. ABB Management Services was an agent of an issuer, ABB, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(a).

3. ABB South Africa was a majority-owned and wholly controlled subsidiary of ABB, located in Longmeadow, South Africa. ABB South Africa was an agent of an issuer, ABB, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(a).

4. ABB AG ("ABB Germany") was a wholly owned and controlled subsidiary of ABB, located in Mannheim, Germany. ABB Germany was an agent of an issuer, ABB, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(a).

5. "ABB Manager 1," a German citizen whose identity is known to the United States and the Company, was an employee of ABB Germany and an agent of an issuer, ABB, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(a).

6. "ABB Manager 2," a German citizen whose identity is known to the United States and the Company, was an employee of ABB Management Services and an agent of an issuer, ABB, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(a).

7. "ABB Manager 3," a German citizen whose identity is known to the United States and the Company, was an employee of ABB Germany and ABB South Africa, and an agent of an issuer, ABB, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(a).

8. "ABB Manager 4," a German citizen whose identity is known to the United States and the Company, was an employee of ABB Management Services and an agent of an issuer, ABB, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(a).

9. Eskom Holdings Limited ("Eskom") was a South African state-owned and state-controlled energy company headquartered in Sunninghill, South Africa, that operated to generate and transmit electricity in South Africa. The South African government was the sole owner of Eskom shares. Eskom was controlled by the government of South Africa and performed functions that South Africa treated as its own. Eskom was an "instrumentality" of a foreign government, and Eskom's officers and employees were "foreign officials," as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-1(f)(1)(A).

10. "South African Official," a South African citizen whose identity is known to the United States and the Company, was a high-ranking executive of Eskom. South African Official was a "foreign official" as that term is defined in the FCPA, Title 15, United States Code, Section 78dd-1(f)(1)(A).

11. "Subcontractor 1," an entity the identity of which is known to the United States and the Company, was a South African company owned by Subcontractor 1 Executive.

12. "Subcontractor 1 Executive," a South African citizen whose identity is known to the United States and the Company, was an executive of Subcontractor 1.

13. "Subcontractor 2," an entity the identity of which is known to the United States and the Company, was a South African company 65 percent owned by a director of Subcontractor 2 and 35 percent owned by a South African trust entity, the identity of which is known to the United States and the Company.

Overview of the Scheme

14. In or about and between 2014 and 2017, ABB, through certain of its agents, knowingly and willfully conspired and agreed with others to corruptly provide payments and things of value to, and for the benefit of, a foreign official to influence acts and decisions of the foreign official in his or her official capacity, to induce the foreign official to improperly influence the decisions of Eskom, and to secure an improper advantage in order to obtain and retain business for ABB.

15. In furtherance of the scheme, ABB and its co-conspirators made bribe payments intended for the benefit of South African Official, funneled money to unqualified subcontractors that ABB understood to be providing benefits to South African Official, and inflated the cost of work to be performed by ABB for Eskom. ABB and its co-conspirators also produced false and misleading accounting documents and engaged in sham negotiations to reach pre-agreed prices on transactions in order to generate and conceal the funds used to provide benefits to South African Official. In carrying out the scheme, ABB and its co-conspirators used the means and instrumentalities of interstate commerce.

A. Hiring Subcontractor 1 to Help ABB Win the Kusile Contract

16. In or around June 2007, the South African government approved the construction of a large coal-fired power plant at Kusile, in Witbank, South Africa (the "Kusile Project"). Eskom awarded the first engineering contracts for the Kusile Project in or around February 2008.

17. In or around July 2013, ABB learned that Eskom was planning to cancel certain previously issued engineering contracts for control and instrumentation ("C&I") work on the Kusile Project and to consider other contractors. In or around March 2014, in an effort to win

the C&I contract and other Eskom projects, ABB created a "Capture Team" led by ABB Manager 1 and also including ABB Manager 2, ABB Manager 3, and ABB Manager 4.

18. In or around October 2014, ABB formed an internal consortium consisting of ABB South Africa, ABB Germany, and ABB's Italian subsidiary, with business oversight provided by ABB Management Services, to bid for the C&I contract and, if successful, to manage ABB's work on the Kusile Project. During the relevant period, and in connection with the conduct described herein, ABB Managers 1, 2, 3, and 4 acted on behalf of the internal consortium and managed its activities in South Africa.

19. ABB was aware that, pursuant to South Africa's Broad-based Black Economic Empowerment Act of 2003 and the South African government policies implementing it, and other subsequently promulgated policies, including the Supplier Development & Localization Plan (collectively, the "BEE program"), ABB's ability to obtain contracts with Eskom depended, in part, on the engagement of certain local South African subcontractors.

20. In or around April 2014, South African Official introduced ABB Manager 2 to Subcontractor 1 Executive, describing Subcontractor 1 Executive as a "friend" of South African Official, and stating that Subcontractor 1 ran a company that would be "interesting" for ABB to work with in South Africa. In response, ABB Manager 2 asked ABB Manager 3 and another ABB employee to investigate Subcontractor 1 as a partner, including its "political network," and to get Subcontractor 1's bank account information to establish Subcontractor 1 as an ABB subcontractor.

21. On or about June 3, 2014, when preparing to bid on the Kusile Project, ABB Manager 2 emailed ABB Manager 3, asking him about "local sponsors," which ABB Manager 2 described as "the ones who don't do anything for us but cash in because they are [members of a

South African political party] etc.?" The next day, on or about June 4, 2014, ABB Manager 3 invited Subcontractor 1 Executive to a meeting to discuss Subcontractor 1's potential work with ABB as a BEE partner.

22. Despite Subcontractor 1's poor technical qualifications and lack of experience, ABB accepted a proposal from Subcontractor 1 to become an ABB subcontractor in or around June 2014.

23. In or around October 2014, Subcontractor 1 submitted a proposal for subcontracting work on the Kusile Project to ABB, which increased ABB's costs on the Kusile Project by approximately 100 million South African rand, the equivalent of approximately $9 million at the time.

24. On or about October 15, 2014, ABB submitted its bid for the C&I contract, including an "early works" order for preparatory work. After learning that ABB's bid was approximately 500 million South African rand (the equivalent of approximately $45 million at the time) higher than the closest competing bid, ABB Manager 3 told ABB Manager 1 that Subcontractor 1 Executive should "prove he is worthwhile" to ABB.

25. On or about December 8, 2014, ABB Manager 1 received confidential, internal Eskom information from South African Official and Subcontractor 1 Executive regarding the process and schedule Eskom would follow in awarding the C&I contract, and included that information in a December 8, 2014 email to ABB Managers 2, 3, 4, and others.

26. In or around January 2015, while ABB was engaged in final negotiations with Eskom for award of the C&I contract, Subcontractor 1 Executive on multiple occasions provided ABB Manager 1 and ABB Manager 3 with confidential Eskom information to provide an improper advantage to ABB in obtaining the C&I contract. For example, Subcontractor 1

Executive sent an email to ABB Manager 3's personal email address, attaching a confidential memorandum from a law firm advising Eskom during the negotiations, reporting on the status of those negotiations and the parties' respective positions. To conceal the receipt of confidential Eskom information, ABB Manager 3 deleted the email received from Subcontractor 1 Executive. ABB also received confidential Eskom pricing information from Subcontractor 1 Executive during the contract negotiations

27. On or about February 24, 2015, the Eskom board approved ABB's selection for the C&I contract, and on or about March 10, 2015, Eskom announced that ABB had been awarded the C&I contract. The next day, on or about March 11, 2015, Eskom announced that certain top Eskom officials, including South African Official, had been suspended from their positions at Eskom. ABB learned that, notwithstanding the suspension of South African Official, the prior arrangements would continue to be honored, including the award of the C&I contract to ABB and the use of Subcontractor 1 as ABB's subcontractor, with the understanding that South African Official would receive a portion of the money paid by ABB to Subcontractor 1.

28. ABB and Eskom formally entered into the C&I contract on or about March 13, 2015.

29. On or about May 13, 2015, ABB South Africa entered into a subcontract with Subcontractor 1 to handle "site services skills development" and "industrialization" for the C&I contract. The agreement with Subcontractor 1 required ABB South Africa to advance 10 percent of the value of the subcontract to Subcontractor 1, upon completion of certain specified prerequisites. Despite the payment having not yet become due under the subcontract, ABB Manager 2 advised that making an advance payment quickly was "important for our relationship to No. 1," which was a reference to South African Official.

30. In response, ABB Manager 3 ensured that the advance payment—in the amount of approximately 9.6 million South African rand, the equivalent of approximately $798,000 at the time—was made to Subcontractor 1, while knowing that the funds were intended, at least in part, as a bribe for South African Official. ABB South Africa falsely recorded the payment in its books and records as an "advanced payment" for services to be performed by Subcontractor 1 under the subcontract when, in reality, a portion of the payment was intended to be used as a bribe for South African Official.

31. Following ABB's advance payment to Subcontractor 1, ABB learned of a dispute between Subcontractor 1 and South African Official, suggesting that the advance payment had not been delivered to South African Official, as ABB intended. In or around May 2015, ABB Manager 1 unsuccessfully attempted to mediate the dispute at a meeting of Subcontractor 1 Executive, South African Official, and ABB Manager 1.

32. Soon after entering into the subcontract with Subcontractor 1, ABB began to experience problems with Subcontractor 1's work, in part due to the inexperience of the personnel Subcontractor 1 provided for work on the Kusile Project.

B. Use of Variation Orders to Drive Work and Pay Money to Subcontractor 2

33. In or around July 2015, South African Official returned from suspension and resumed a senior position at Eskom with authority and influence over the Kusile project.

34. Shortly thereafter, in or around October 2015, ABB Manager 1 instructed ABB Manager 3 to contact Subcontractor 2 so that ABB could establish Subcontractor 2 as an ABB subcontractor for the Kusile Project.

35. Between in or about November 2015 and in or about February 2016, ABB Manager 3 and ABB Manager 4 sought to onboard Subcontractor 2 as an approved ABB

subcontractor, requiring Subcontractor 2 to undergo ABB's due diligence process. Subcontractor 2 failed multiple aspects of ABB's routine due diligence, raising questions among ABB personnel based in South Africa and the United States about Subcontractor 2's qualifications and financial stability.

36. On or about February 2, 2016, ABB Manager 3 emailed an ABB South Africa project manager and multiple other ABB personnel, directing that Subcontractor 2 be established as an approved subcontractor "as fast as possible." This required ABB procurement and compliance-related employees in the United States to draft a waiver of ABB's standard subcontractor qualification requirements. On or about February 15, 2016, ABB Manager 4 emailed comments on the waiver to other ABB personnel in an effort to have Subcontractor 2 approved as an ABB subcontractor. On or about February 16, 2016, ABB Manager 4's comments were forwarded by email to ABB personnel in the United States for additional follow-up and approval.

37. Despite concerns about Subcontractor 2's qualifications, ABB subsequently granted the requested waiver with respect to Subcontractor 2 premised on Subcontractor 2 working through other subcontractors who were qualified for the job.

38. In furtherance of the scheme, ABB Manager 1 and South African Official agreed to inflate the cost of ABB's work on the Kusile Project via contract "variation orders." The scheme worked as follows:

a. At South African Official's direction, Eskom proposed a variation order for the Kusile Project.

b. Prior to ABB South Africa quoting a price for the variation order, ABB Manager 1 agreed with South African Official on a target price for the variation order.

As a precondition to winning the variation order contract, South African Official required ABB South Africa to agree to hire Subcontractor 2.

c. To conceal the scheme, ABB and Eskom engaged in sham negotiations, the result of which was a contract for the variation order at or near the target price upon which ABB Manager 1 and South African Official had previously agreed.

d. As required by South African Official, ABB South Africa employed Subcontractor 2 for its work on each variation order.

e. Payments to Subcontractor 2 were intended, at least in part, to ultimately benefit South African Official (including via South African Official's close relative, who served as a director of Subcontractor 2 and also held an ownership interest in Subcontractor 2 through a trust soon after ABB engaged Subcontractor 2 to work on the Kusile Project).

39. ABB South Africa carried out four variation orders on the Kusile Project: a variation order to accelerate ABB's work on Unit 1 of the Kusile Project (the "Unit 1 acceleration variation order") and three additional variation orders focusing on multiple aspects of work at the Kusile Project.

40. In connection with the Unit 1 acceleration variation order, ABB approved a payment by ABB South Africa in or around March 2016 to Subcontractor 2 of approximately 11.6 million South African rand, the equivalent of approximately $754,000 at the time. ABB South Africa falsely recorded the payment in its books and records as a payment for "work done" by Subcontractor 2 under the subcontract when, in reality, a portion of the payment was intended to be used as a bribe for the benefit of South African Official.

41. On or about March 8, 2016, Eskom approved the Unit 1 acceleration variation order for approximately 249 million South African rand, the equivalent of approximately $12.5 million at the time, just below the target price ABB had agreed upon with South African Official. The Unit 1 acceleration variation order specifically required ABB to hire Subcontractor 2.

42. ABB South Africa entered into three other variation orders with Eskom, which were valued at approximately 769 million South African rand, the equivalent of approximately $44 million at the time. After entering into these variation orders, on or about March 3, 2017, ABB Manager 1 explained to another ABB employee that ABB Manager 1 and South African Official pre-agreed on prices before any official variation order negotiations occurred, and that the prices reflected what Eskom was willing to pay. ABB Manager 1 further explained that ABB could secure additional, potentially lucrative contracts with Eskom provided that ABB worked with Eskom's "preferred supplier," Subcontractor 2.

False Books and Records

43. In connection with the scheme detailed above to pay bribes to a foreign official in South Africa, and in order to conceal the corrupt payments, between in or about 2014 and 2017, ABB, acting through its employees and agents, knowingly and willfully conspired and agreed with others to maintain false books, records, and accounts that did not accurately and fairly reflect the transactions and dispositions of its assets.

44. ABB, as an issuer of securities, was required to make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflected the transactions and dispositions of its assets. 15 U.S.C. § 78m(b)(2). ABB South Africa's books, records, and accounts were consolidated into ABB's financial statements, including the financial statements ABB filed with the SEC. ABB, through ABB Managers 1, 2, 3, and 4 and others, knowingly and

willfully conspired and agreed with others to falsely record in the Company's internal accounting records payment of invoices from Subcontractor 1 and Subcontractor 2, which did not reflect ABB's knowledge that portions of ABB South Africa's payments to Subcontractor 1 and Subcontractor 2 were intended as bribes for the benefit of South African Official. By recording these payments as legitimate expenses, ABB concealed the true nature of these payments and maintained false books, records, and accounts that did not accurately and fairly reflect the transactions and dispositions of its assets.

45. On or about February 25, 2016, ABB filed Form 20-F with the SEC for the fiscal year ending December 31, 2015. This filing included ABB's consolidated financial statements, which incorporated the accounts of ABB and its subsidiaries, including ABB South Africa. The consolidated financial statements in ABB's filing falsely included as a legitimate business expense for products and services ABB South Africa's corrupt "advanced payment" to Subcontractor 1.

46. On or about March 10, 2017, ABB filed Form 20-F with the SEC for the fiscal year ending on December 31, 2016. This filing included ABB's consolidated financial statements, which incorporated the accounts of ABB and its subsidiaries, including ABB South Africa. The consolidated financial statements in ABB's filing falsely included as a legitimate business expense for products and services ABB South Africa's corrupt variation order payments to Subcontractor 2.

ATTACHMENT B

CERTIFICATE OF CORPORATE RESOLUTIONS

WHEREAS, ABB South Africa (Pty) Ltd. (the "Company") has been engaged in discussions with the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the Eastern District of Virginia (together, the "Offices") regarding issues arising in relation to certain improper payments to foreign officials to facilitate the award of contracts and assist in obtaining business for the Company; and

WHEREAS, in order to resolve such discussions, it is proposed that the Company enter into a certain agreement with the Offices; and

WHEREAS, ABB Ltd.'s General Counsel and Company Secretary, Andrea Antonelli, together with outside counsel for the Company, have advised the Board of Directors of the Company of its rights, possible defenses, the United States Sentencing Guidelines provisions, and the consequences of entering into such agreement with the Offices;

Therefore, the Board of Directors has RESOLVED that:

1. The Company (a) acknowledges the filing of the one-count criminal Information charging the Defendant with violation of Title 18, United States Code, Section 371; (b) waives indictment on such charges and enters into a plea agreement with the Offices; and (c) agrees to accept a monetary penalty against the Company totaling $500,000, and to pay such penalty to the United States Treasury with respect to the conduct described in the Information;

2. The Company accepts the terms and conditions of this Agreement, including, but not limited to, (a) a knowing waiver of its rights to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, Title 18, United States Code, Section 3161, and Federal Rule of Criminal Procedure 48(b); and (b) a knowing waiver for purposes of this Agreement and any

charges by the United States arising out of the conduct described in the attached Statement of Facts of any objection with respect to venue and consents to the filing of the Information, as provided under the terms of this Agreement, in the United States District Court for the Eastern District of Virginia; and (c) a knowing waiver of any defenses based on the statute of limitations for any prosecution relating to the conduct described in the attached Statement of Facts or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement;

3. ABB Ltd.'s General Counsel and Company Secretary, Andrea Antonelli, and ABB Ltd.'s Chief Integrity Officer, Natalia Shehadeh, are hereby authorized, empowered and directed, on behalf of the Company, to execute the plea agreement substantially in such form as reviewed by this Board of Directors at this meeting with such changes as ABB Ltd.'s General Counsel and Company Secretary, Andrea Antonelli, and ABB Ltd.'s Chief Integrity Officer, Natalia Shehadeh, may approve;

4. ABB Ltd.'s General Counsel and Company Secretary, Andrea Antonelli, and ABB Ltd.'s Chief Integrity Officer, Natalia Shehadeh, are hereby authorized, empowered and directed to take any and all actions as may be necessary or appropriate and to approve the forms, terms or provisions of any agreement or other documents as may be necessary or appropriate, to carry out and effectuate the purpose and intent of the foregoing resolutions; and

5. All of the actions of ABB Ltd.'s General Counsel and Company Secretary, Andrea Antonelli, and ABB Ltd.'s Chief Integrity Officer, Natalia Shehadeh, which actions would have been authorized by the foregoing resolutions except

that such actions were taken prior to the adoption of such resolutions, are hereby severally ratified, confirmed, approved, and adopted as actions on behalf of the Company.

Date: 2 DEC. 2022 By: _____

Andrea Antonelli
General Counsel and Company Secretary
ABB Ltd.

Date: 2 DEC. 2022 By: _____

Natalia Shehadeh
Chief Integrity Officer
ABB Ltd.

ABB South Africa (Pty) Ltd ("Company")

Board Resolution

PASSED 25th NOVEMBER 2022 AT JOHANNESBURG VIA ROUND ROBIN

We, the undersigned, being members of the Board of Directors of the Company (the "Board"), hereby declare that upon signature of the resolution or a counterpart thereof, the following resolutions are consented to, approved and adopted to the same extent and have the same force and effect as if adopted at a meeting of the Board, duly called and held for the purposes of action upon proposals to adopt such resolutions.

The Board hereby resolves:

- To delegate to ABB General Counsel (Andrea Antonelli) and the ABB Chief Integrity Officer (Natalia Shehadeh), acting jointly, the authority to act on behalf of the Company, in connection with the settlement of the Kusile investigations with the United States Department of Justice and the South African National Prosecution Authority (the "Authorities") and in their discretion:
  - (i) to negotiate, approve, and make the offers of settlement of the Company to the Authorities, provided they are substantially in the form attached hereto,
  - (ii) to finalize the written documents reflecting the agreed upon terms,
  - (iii) to execute the written agreements, and
  - (iv) to take any other procedurally necessary steps to finalize the settlements with the Authorities.

- Further, each of the above-named individuals is also authorized to appear in court or before any Authority on behalf of the Company to effectuate the foregoing.

- To do and/or take all other ancillary related actions necessary in respect items mentioned.

The authority of such persons shall expire on the earlier of adjudication of the tender or 25 May 2023.

SIGNED BY THE DIRECTORS OF THE BOARD

Mervin Munsamy
Digitally signed by Mervin Munsamy
DN: cn=Mervin Munsamy, c=CH, o=ABB Asea Brown Boveri Ltd, ou=ZA
Date: 2022.11.25 10:44:23 +02'00'

Mr. Mervin Munsamy

Vilashika de la Guerre
Digitally signed by Vilashika de la Guerre
DN: cn=Vilashika de la Guerre, c=CH, o=ABB Asea Brown Boveri Ltd, ou=ZA
Date: 2022.11.25 09:35:08 +02'00'

Mrs. Vilashika de la Guerre

Digitally signed by Natalie Venter
DN: cn=Natalie Venter, c=CH, o=ABB Asea Brown Boveri Ltd, ou=ZA
Date: 2022.11.25 10:10:48 +02'00'

Ms. Natalie Venter

ATTACHMENT C

CORPORATE COMPLIANCE PROGRAM

In order to address any deficiencies in its internal controls, compliance code, policies, and procedures regarding compliance with the Foreign Corrupt Practices Act ("FCPA"), 15 U.S.C. §§ 78dd-1, *et seq.*, and other applicable anti-corruption laws, ABB South Africa (Pty) Ltd. (the "Company") agrees to continue to conduct, in a manner consistent with all of its obligations under this Agreement, appropriate reviews of its existing internal controls, policies, and procedures.

Where necessary and appropriate, the Company agrees to modify its compliance program, including internal controls, compliance policies, and procedures in order to ensure that it maintains: (a) an effective system of internal accounting controls designed to ensure the making and keeping of fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance program that incorporates relevant internal accounting controls, as well as policies and procedures designed to effectively detect and deter violations of the FCPA and other applicable anti-corruption laws. At a minimum, this should include, but not be limited to, the following elements to the extent they are not already part of the Company's existing internal controls, compliance code, policies, and procedures:

High-Level Commitment

1. The Company will ensure that its directors and senior management provide strong, explicit, and visible support and commitment to its corporate policy against violations of the anti-corruption laws, its compliance policies, and its Code of Conduct.

Policies and Procedures

2. The Company will develop and promulgate a clearly articulated and visible corporate policy against violations of the FCPA and other applicable anti-corruption laws (collectively, the "anti-corruption laws,"), which shall be memorialized in a written compliance policy or policies.

3. The Company will develop and promulgate compliance policies and procedures designed to reduce the prospect of violations of the anti-corruption laws and the Company's compliance policies and Code of Conduct, and the Company will take appropriate measures to encourage and support the observance of ethics and compliance policies and procedures against violation of the anti-corruption laws by personnel at all levels of the Company. These anti-corruption policies and procedures shall apply to all directors, officers, and employees and, where necessary and appropriate, outside parties acting on behalf of the Company in a foreign jurisdiction, including but not limited to, agents and intermediaries, consultants, representatives, distributors, teaming partners, contractors and suppliers, consortia, and joint venture partners (collectively, "agents and business partners"). The Company shall notify all employees that compliance with the policies and procedures is the duty of individuals at all levels of the company. Such policies and procedures shall address:

a. gifts;

b. hospitality, entertainment, and expenses;

c. customer travel;

d. political contributions;

e. charitable donations and sponsorships;

f. facilitation payments; and

g. solicitation and extortion.

4. The Company will ensure that it has a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts. This system should be designed to provide reasonable assurances that:

a. transactions are executed in accordance with management's general or specific authorization;

b. transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets;

c. access to assets is permitted only in accordance with management's general or specific authorization; and

d. the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Periodic Risk-Based Review

5. The Company will develop these compliance policies and procedures on the basis of a periodic risk assessment addressing the individual circumstances of the Company, in particular the foreign bribery risks facing the Company, including, but not limited to, its geographical organization, interactions with various types and levels of government officials,

industrial sectors of operation, involvement in joint venture arrangements, importance of licenses and permits in the Company's operations, degree of governmental oversight and inspection, and volume and importance of goods and personnel clearing through customs and immigration.

6. The Company shall review its anti-corruption compliance policies and procedures no less than annually and update them as appropriate to ensure their continued effectiveness, taking into account relevant developments in the field and evolving international and industry standards.

Proper Oversight and Independence

7. The Company will assign responsibility to one or more senior corporate executives of the Company for the implementation and oversight of the Company's anti-corruption compliance policies and procedures. Such corporate official(s) shall have the authority to report directly to independent monitoring bodies, including internal audit, the Company's Board of Directors, or any appropriate committee of the Company's Board of Directors, and shall have an adequate level of autonomy from management as well as sufficient resources and authority to maintain such autonomy.

Training and Guidance

8. The Company will implement mechanisms designed to ensure that its Code of Conduct and anti-corruption compliance policies and procedures are effectively communicated to all directors, officers, employees, and, where necessary and appropriate, agents and business partners. These mechanisms shall include: (a) periodic training for all directors and officers, all employees in positions of leadership or trust, positions that require such training (*e.g.*, internal

audit, sales, legal, compliance, finance), or positions that otherwise pose a corruption risk to the Company, and, where necessary and appropriate, agents and business partners; and (b) corresponding certifications by all such directors, officers, employees, agents, and business partners, certifying compliance with the training requirements.

9. The Company will maintain, or where necessary establish, an effective system for providing guidance and advice to directors, officers, employees, and, where necessary and appropriate, agents and business partners, on complying with the Company's anti-corruption compliance policies and procedures, including when they need advice on an urgent basis or in any foreign jurisdiction in which the Company operates.

Internal Reporting and Investigation

10. The Company will maintain, or where necessary establish, an effective system for internal and, where possible, confidential reporting by, and protection of, directors, officers, employees, and, where appropriate, agents and business partners concerning violations of the anti-corruption laws or the Company's Code of Conduct or anti-corruption compliance policies and procedures.

11. The Company will maintain, or where necessary establish, an effective and reliable process with sufficient resources for responding to, investigating, and documenting allegations of violations of the anti-corruption laws or the Company's anti-corruption compliance policies and procedures.

Enforcement and Discipline

12. The Company will implement mechanisms designed to effectively enforce its Code of Conduct and anti-corruption compliance policies and procedures, including appropriately incentivizing compliance and disciplining violations.

13. The Company will institute appropriate disciplinary procedures to address, among other things, violations of the anti-corruption laws and the Company's Code of Conduct and anti-corruption compliance policies and procedures by the Company's directors, officers, and employees. Such procedures should be applied consistently and fairly, regardless of the position held by, or perceived importance of, the director, officer, or employee. The Company shall implement procedures to ensure that where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, and to ensure that appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls, Code of Conduct, and compliance policies and procedures and making modifications necessary to ensure the overall anti-corruption compliance program is effective.

Third-Party Relationships

14. The Company will institute appropriate risk-based due diligence and compliance requirements pertaining to the retention and oversight of all agents and business partners, including:

a. properly documented due diligence pertaining to the hiring and appropriate and regular oversight of agents and business partners;

b. informing agents and business partners of the Company's commitment to abiding by the anti-corruption laws, and of the Company's Code of Conduct and anti-corruption compliance policies and procedures; and

c. seeking a reciprocal commitment from agents and business partners.

15. Where necessary and appropriate, the Company will include standard provisions in agreements, contracts, and renewals thereof with all agents and business partners that are reasonably calculated to prevent violations of the anti-corruption laws, which may, depending upon the circumstances, include: (a) anti-corruption representations and undertakings relating to compliance with the anti-corruption laws; (b) rights to conduct audits of the books and records of the agent or business partner to ensure compliance with the foregoing; and (c) rights to terminate an agent or business partner as a result of any breach of the anti-corruption laws, the Company's Code of Conduct or compliance policies, or procedures, or the representations and undertakings related to such matters.

Mergers and Acquisitions

16. The Company will develop and implement policies and procedures for mergers and acquisitions requiring that the Company conduct appropriate risk-based due diligence on potential new business entities, including appropriate FCPA and anti-corruption due diligence by legal, accounting, and compliance personnel.

17. The Company will ensure that the Company's Code of Conduct and compliance policies and procedures regarding the anti-corruption laws apply as quickly as is practicable to newly acquired businesses or entities merged with the Company and will promptly:

a. train the directors, officers, employees, agents, and business partners consistent with Paragraph 8 above on the anti-corruption laws and the Company's compliance policies and procedures regarding anti-corruption laws; and

b. where warranted, conduct an FCPA-specific audit of all newly acquired or merged businesses as quickly as practicable.

Monitoring and Testing

18. The Company will conduct periodic reviews and testing of its Code of Conduct and anti-corruption compliance policies and procedures designed to evaluate and improve their effectiveness in preventing and detecting violations of anti-corruption laws and the Company's Code of Conduct and anti-corruption compliance policies and procedures, taking into account relevant developments in the field and evolving international and industry standards.