

ABBVIE: GENDER PAY GAP REPORT 2020

At AbbVie, we are committed to building talent and we strive to ensure that all colleagues reach their full potential. As a global organisation, we continuously benchmark our total rewards practices internally and externally to ensure fairness and equality.

We believe that Gender Pay Gap reporting is important as it provides an opportunity for greater transparency and more meaningful conversations regarding equality across the organisation.

WHAT IS ALLERGAN'S GENDER PAY GAP?

| | | MEDIAN (middle) | MEAN (average) |
|------------------|------|--------------------|-------------------|
| GENDER PAY GAP | 2020 | 17.0% | 5.3% |
| GENDER BONUS GAP | 2020 | 31.7% | 20.1% |

IN FAVOUR OF MEN.



% OF MEN AND OF WOMEN WHO RECEIVED A BONUS

| | MEN | WOMEN |
|------|-------|-------|
| 2020 | 96.0% | 95.0% |

HOW IS THE GENDER PAY GAP CALCULATED?

This analysis is based on data from Allergan Limited an AbbVie company including employees as of 5 April, 2020. Companies need to provide a report on both ordinary and bonus pay, there is specific guidance from government on what is in scope. The gender pay gap is calculated using ordinary pay and bonus pay gap using bonus pay.

ORDINARY PAY includes salary plus other types of pay such as allowances and long service awards. Car allowances are included in this calculation, but company fleet vehicles are not.

BONUS PAY includes any additional pay outside of the above, for example annual bonus, sales commission and Long-Term Incentives.

THE DIFFERENCE IN BONUS PAY

We are proud that every colleague in Allergan Limited is eligible to receive a bonus each year and we are pleased to see a continued high proportion of both female and male employees receiving a bonus. Proportionally more women started with the organization in the period where they were not entitled to 2020 annual bonus payout.

Our reward practices are related to achievement against targets and are aligned with a scaled bonus plan based on seniority of role.

Our demographic with more women than men in the lower paid quartiles creates a bonus gap.

UNDERSTANDING THE GAP

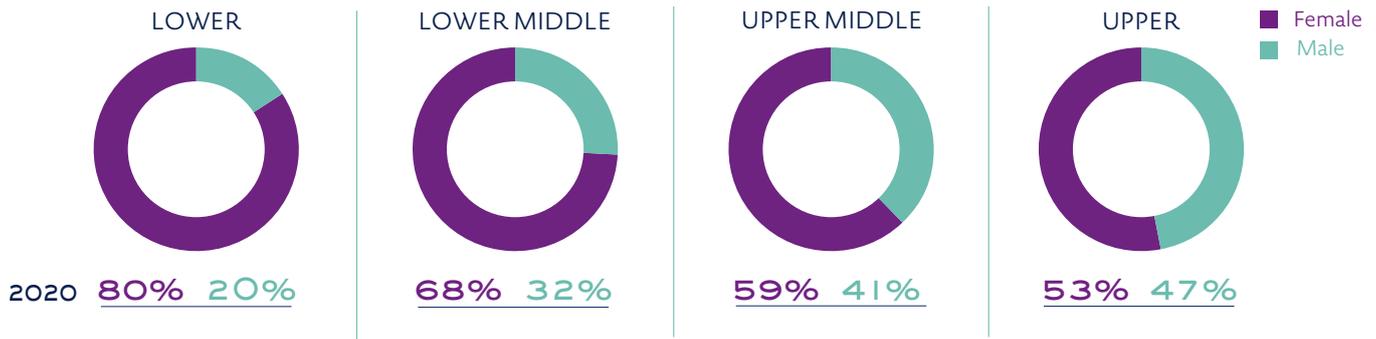
We are pleased to see the gap moving in the right direction. As in previous years, there are more women at every level of the organization. The shortage of male employees at the lower levels is a key driver to Allergan Limited's pay gap.

Men and women are broadly, equally represented in Allergan Limited's upper and upper middle pay quartile. The lower middle quartile aligns to the overall company gender split (M 35% and F 65%) and women are more strongly represented in the lower pay quartile (M 20% and F 80%). The high proportion of women in the lower pay quartile delivers a gap under the official Gender Pay Reporting methodology.

65%

OF ALLERGAN'S
UK WORKFORCE
ARE FEMALE

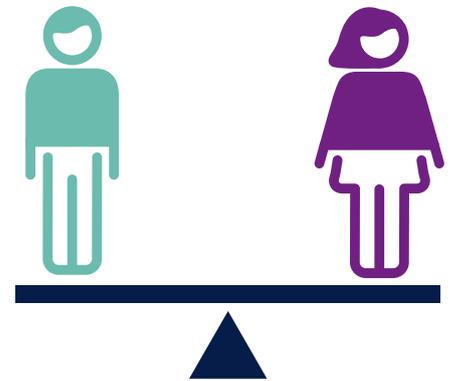
WHAT IS THE GENDER SPLIT AT EACH QUARTER OF ALLERGAN'S PAYROLL?



At every level of the organisation, Allergan has more women than men.

“GENDER PAY GAP” REPORTING AND “EQUAL PAY” REFER TO TWO DISTINCT ISSUES:

- GENDER PAY GAP** is the difference in average (mean and median) pay of men and women, regardless of role, across an organization. From April 2017 it became a legal requirement for UK employers with more than 250 staff to publish this data annually. It is expressed as a percentage difference between the mean or median figures for each gender.
- EQUAL PAY** means that men and women in the same employment performing equal work must receive equal pay. It is a legal requirement as set out in the Equality Act 2010.



OUR COMMITMENTS

AbbVie is committed to equality of opportunity in all areas of its work. All individuals will be treated in a fair and equal manner and in accordance with the law regardless of gender, marital status, race, religion, colour, age, disability or sexual orientation.

We are confident that any variation in pay across genders at AbbVie is based on the distribution of our demographic rather than any underlying issues regarding equal pay. We are committed to continuing to actively monitor and manage our payment practices to ensure that this remains fair and equitable by:

- CONTINUING TO MONITOR OUR ANNUAL REWARD PROCESS TO ENSURE IT REMAINS BIAS-FREE
- TALKING ABOUT GENDER PAY OPENLY AND TRANSPARENTLY, WHILE CONTINUING TO REVIEW AND BENCHMARK OUR PEOPLE PRACTICES ENSURING SYSTEMIC INTEGRITY
- OUR BUSINESS LEADERS FOR ALL UK-BASED STAFF WILL FORMALLY ADDRESS GENDER PAY EVERY SIX MONTHS TO ENSURE THE GAP IS FULLY UNDERSTOOD AND APPROPRIATELY MANAGED

The data contained in this gender pay gap report is calculated based on a snap-shot of our UK payroll employees on 5 April 2020. It includes analyses required by HM Government and further analyses we have undertaken to better understand the issue.

FERNANDO ALVAREZ,
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