Abbott And LISC Team Up To Address Diversity And Equity Gaps In The Healthcare Industry Supply Chain

- Abbott and LISC invest more than $37 million to empower and grow diverse small businesses that provide manufacturing and essential products for healthcare companies

- Initiative supports Abbott and LISC's commitment to increase diversity in healthcare and generate jobs and strengthen economies in underinvested communities

ABBOTT PARK, Ill., and NEW YORK, March 30, 2022 /PRNewswire/ -- Abbott (NYSE: ABT) and the Local Initiatives Support Corporation (LISC) announced a $37.5 million initiative to provide diverse small businesses with the tailored growth capital, loans and support they need to compete, grow and create jobs. The initiative will support greater diversity in the healthcare industry by advancing a more inclusive supply chain for Abbott and other healthcare companies, while contributing to broader economic and health equity.

In the healthcare supply chain, the small businesses that help produce diagnostics, nutrition products, medical devices and other health technologies do not reflect the diversity of the communities they serve – which reflects a broader diversity gap in businesses across America. According to the U.S. Census Bureau, only 19% of U.S. businesses are owned by people of color and 21% are owned by women, despite representing 40% and more than half the population, respectively. Owners of diverse small businesses – including people of color and women – can help drive change, but many face challenges, with 50% unable to access loans to grow their business.

The Abbott-LISC Initiative to Support Diverse Businesses in Health aims to break down barriers that prevent diverse small businesses from providing manufacturing and essential products in healthcare. By providing targeted support, Abbott and LISC are working to build a stronger, more diverse healthcare supply chain, as well as healthier local economies and communities.

"We're committed to tearing down the barriers that diverse small-business owners often face, and to building a more inclusive supply chain in healthcare," said Robert B. Ford, chairman and chief executive officer, Abbott. "Our new initiative with LISC takes real, pragmatic steps to make that happen."

"This partnership is a shared investment in the future of our communities and the strength of our supply chains," said LISC CEO Lisa L. Glover. "We're proud to partner with Abbott to deliver capital and technical services that enhance the infrastructure for small business growth, so owners from diverse backgrounds are better able to compete for contracts, hire more staff, and fuel economic opportunity in the communities where they operate."

Targeted Support for Diverse Small Businesses
Abbott is contributing $25 million for the initiative, including $12.5 million in loan capital and $12.5 million in grants to LISC to provide investment funding and targeted support. LISC is matching the investment with an additional $12.5 million in loan capital. This funding will support diverse small businesses in three ways:

1. **Growth capital:** With Abbott grant support, LISC will provide interest-free capital to help businesses overcome hurdles to expansion, such as investing in management systems to comply with regulatory and environmental requirements. Businesses will repay LISC if and when they meet certain growth targets.
2. **Business loans:** Abbott and LISC funding will provide flexible, affordable loans with terms that would not typically be available through conventional lenders.
3. **Technical assistance:** An Abbott grant will support LISC in providing customized support to businesses accessing capital and loans through the initiative, including help with fulfilling investment and loan requirements and identifying and addressing specific business barriers to growth.

Eligible small businesses are those that are majority owned by people of color (including Black, Latino, Asian and Native American business owners), women, veterans, people with disabilities, people who identify as LGBTQ and other historically underrepresented groups in the U.S. with more than two years in operation and an ability to deploy capital toward business improvements and growth. To qualify, businesses should focus on manufacturing and essential business-to-business products that support the production of diagnostics, nutrition products, medical devices and other health technologies.

Collaboration Part of Broader Work to Advance Diversity, Equity, Opportunity
This joint initiative supports Abbott's 2030 Sustainability Plan, which aims to advance health access and equity through partnership and build a diverse, resilient and responsible supply chain – with specific targets to increase overall spending with diverse and small businesses 50% by 2030 and with Black- and women-owned businesses 150% by 2025. This work complements Abbott's ongoing commitment to address broader health equity challenges, including increasing diversity in clinical trials, creating opportunities in STEM for women and underrepresented groups, and empowering communities to break down social and economic barriers to better health.

The work also supports LISC's Project 10X, which bridges racial health, wealth and opportunity gaps throughout the country. The initiative helps break down historical and systemic barriers by investing in businesses, community organizations, developers and projects that are driven by and for communities of color.

To learn more about this initiative, funding eligibility and opportunities, see Abbott'ssite and LISC's site.

About LISC
LISC is one of the country's largest community development organizations, helping forge vibrant, resilient communities across America. We work with residents and partners to close systemic gaps in health, wealth and opportunity and advance racial equity so that people and places can thrive. Since our founding in 1979, LISC has invested $24 billion to create more than 436,320 affordable homes and apartments and develop 74.4 million square feet of retail, community and educational space.

About Abbott
Abbott is a global healthcare leader that helps people live more fully at all stages of life. Our portfolio of life-changing technologies spans the spectrum of healthcare, with leading businesses and products in diagnostics, medical devices, nutritionals and branded generic medicines. Our 113,000 colleagues serve people in more than 160 countries.

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For further information: Abbott Media: Angela Duff, 224-668-6894; Abbott Financial: Laura Dauer, 224-667-2299; LISC Media: Colleen Mulcahy, 312-342-8244

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