

ABBOTT LABORATORIES  
Form DEF 14A  
March 16, 2018

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No.        )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**Abbott Laboratories**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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**Abbott Laboratories**  
**100 Abbott Park Road**  
**Abbott Park, Illinois 60064-6400 U.S.A.**

**On the Cover: *FreeStyle Libre System***

GABRIELLE WEMPE  
*FreeStyle Libre user*  
*The Netherlands*

*Since 2015, Gabrielle has relied on the revolutionary technology in Abbott's FreeStyle Libre system to monitor her glucose levels.*

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## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

### YOUR VOTE IS IMPORTANT

Please sign and promptly return your proxy in the enclosed envelope, or vote your shares by telephone or using the Internet.

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#### **Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on April 27, 2018**

The Annual Meeting of the Shareholders of Abbott Laboratories will be held at Abbott's headquarters, 100 Abbott Park Road, at the intersection of Route 137 and Waukegan Road, Lake County, Illinois, on Friday, April 27, 2018, at 9:00 a.m. for the following purposes:

To elect 12 directors to hold office until the next Annual Meeting or until their successors are elected (Item 1 on the proxy card),

To ratify the appointment of Ernst & Young LLP as auditors of Abbott for 2018 (Item 2 on the proxy card),

To vote on an advisory vote on the approval of executive compensation (Item 3 on the proxy card), and

To transact such other business as may properly come before the meeting, including consideration of a shareholder proposal, if presented at the meeting (Item 4 on the proxy card).

**The Board of Directors recommends that you vote FOR Items 1, 2, and 3.**

**The Board of Directors recommends that you vote AGAINST Item 4.**

The close of business on February 28, 2018, has been fixed as the record date for determining the shareholders entitled to receive notice of and to vote at the Annual Meeting.

**Abbott's 2018 Proxy Statement and 2017 Annual Report to Shareholders are available at [www.abbott.com/proxy](http://www.abbott.com/proxy).**

If you are a registered shareholder, you may access your proxy card by either:

Going to the following website: [www.investorvote.com/abt](http://www.investorvote.com/abt), entering the information requested on your computer screen and then following the simple instructions, or

Calling (in the United States, U.S. territories, and Canada) toll-free 1-800-652-VOTE (8683) on a touch-tone telephone, and following the simple instructions provided by the recorded message.

**Admission to the meeting will be by admission card only. If you plan to attend, please complete and return the reservation form on the back cover, and an admission card will be sent to you. Due to space limitations, reservation forms must be received before April 20, 2018. Each admission card, along with photo identification, admits one person. A shareholder may request two admission cards, but a guest must be accompanied by a shareholder.**

By order of the Board of Directors.

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Hubert L. Allen  
*Secretary*

March 16, 2018

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## PROXY SUMMARY

*This summary contains highlights about Abbott and the upcoming 2018 Annual Meeting of Shareholders. This summary does not contain all of the information that you should consider in advance of the meeting, and we encourage you to read the entire proxy statement carefully before voting.*

The accompanying proxy is solicited on behalf of the Board of Directors for use at the Annual Meeting of Shareholders. The meeting will be held on April 27, 2018, at Abbott's headquarters, 100 Abbott Park Road, at the intersection of Route 137 and Waukegan Road, Lake County, Illinois. This proxy statement and the accompanying proxy card are being mailed to shareholders on or about March 16, 2018.

### ACHIEVING LEADING RETURNS

**In 2017, Abbott achieved outstanding returns to shareholders, ranking #1 in our peer group.** Abbott's one-year total shareholder return (TSR) was 52.0%, which was 30.2 and 23.9 percentage points above the robust growth of both the Standard & Poor's 500 Index (S&P 500) and the Dow Jones Industrial Average (DJIA), respectively. Abbott continues to be recognized as a member of the S&P 500 Dividend Aristocrat Index, having increased the dividend payout for 46 consecutive years.

### WELL-POSITIONED FOR LONG-TERM GROWTH

In 2017, Abbott continued to strategically shape its business through the additions of St. Jude Medical and Alere Inc. The St. Jude Medical business expands Abbott's presence into multiple new areas of cardiovascular care, as well as neuromodulation, transforming Abbott into a broad-based leader in medical devices. Alere Inc. extends Abbott's long-established presence and leadership in diagnostics into rapid testing, an attractive and high growth area of testing in both developed and emerging markets. In addition, Abbott continues to have a strong organic pipeline of innovative new products across each of our major businesses, including novel technologies for glucose-monitoring, neuromodulation, cardiovascular care and fully-integrated diagnostic testing solutions. Together, this high level of R&D productivity and strategic shaping gives Abbott an exciting portfolio of businesses with the presence and capabilities in both developed and emerging markets to create new market opportunities for long-term growth.

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**STAYING CURRENT AND RELEVANT - 130 YEARS LATER**

**Abbott is celebrating an important milestone in 2018: the company's 130<sup>th</sup> anniversary.** A key element of our longevity and success has been the ability to adapt and change continually to ensure Abbott remains current and relevant. Today, Abbott operates a diverse and balanced portfolio of businesses that are all leaders in large, attractive markets and aligned with favorable, long-term healthcare trends. The strategic actions we've taken over the last several years have created leading positions in the segments of healthcare where we compete.

**MEDICAL DEVICES**

**Leading positions in cardiovascular, neuromodulation and diabetes care.** In cardiovascular devices, Abbott holds **#1 or #2 positions** across several large market segments, including coronary stents, cardiac rhythm management, atrial fibrillation, and heart failure.

**NUTRITION**

Portfolio of science-based products addressing the unique nutrition needs for people of all ages. **Abbott is the worldwide leader in Adult nutrition and the leading Pediatric nutrition company in the United States.**

**DIAGNOSTICS**

**A global leader in *in vitro* diagnostics** offering a broad portfolio spanning immunoassay, clinical chemistry, hematology, blood screening, molecular and point of care diagnostics.

**ESTABLISHED PHARMACEUTICALS**

High-quality, branded generic pharmaceuticals business that is focused on emerging geographies, with significant scale and **leading positions in India, Russia and Latin America.**

**PEER GROUP**

Our shareholders compare us to other global multinational companies, only some of which are in healthcare. These companies share similar investment identities and operating characteristics aligned with diversified growth, returns to shareholders, and capital structure.

The peer group used for performance and compensation benchmarking prior to 2017 was established at the time of the AbbVie separation in 2013. That group has been used without change from 2013 through 2016. Due to the acquisitions of St. Jude Medical and Alere Inc. and significant changes in several peers due to corporate transactions, the Compensation Committee (the Committee) and its consultant reviewed the peer group to be used for 2017 benchmarking. Based on that review, the Committee approved an update to the peer group to better align to our current size, scope, and global footprint.

In determining changes to our peer group for 2017 performance and compensation benchmarking, as in prior years, we considered:

Globally diverse manufacturing-driven organizations with significant international operations

Consumer-facing organizations

Similar financial and operating measures, including market capitalization, revenue, and number of employees

Similar return of cash profiles, including dividends and share repurchases

Similar geographic mix of revenues and profits

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3M Company  
Becton Dickinson  
Bristol-Myers Squibb  
Coca-Cola

Danaher  
Eaton  
Emerson Electric  
Honeywell International

Johnson & Johnson  
Johnson Controls  
Kimberly-Clark  
Medtronic

Mondelēz  
Procter & Gamble  
Thermo Fisher Scientific  
United Technologies

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**Over the past four years, we have averaged 95% shareholder support for our annual advisory vote on "Say on Pay", demonstrating strong support for our approach to executive compensation.** Our compensation program provides an appropriate and competitive mix of elements to incentivize our executives to achieve the Company's business strategies and goals, while also aligning executive performance and awards with shareholder interests.

**COMPENSATION ALIGNED WITH PERFORMANCE**

The vast majority of compensation for our executive officers is performance-based and objectively determined. Long Term Incentives (LTI), which comprise the largest percentage of compensation for our executive officers, are directly linked to shareholder returns. Each year, LTI award guidelines are determined based on relative TSR performance compared to our peer group. The Compensation Committee looks at 1-, 3-, and 5-year TSR in making these determinations. The table below illustrates the relative TSR and award guidelines since 2013 for executive officers at Abbott.

<b>1-Year</b>	26 <sup>th</sup>	89 <sup>th</sup>	61 <sup>st</sup>	0 <sup>th</sup>	100 <sup>th</sup>
<b>3-Year</b>	84 <sup>th</sup>	53 <sup>rd</sup>	44 <sup>th</sup>	17 <sup>th</sup>	63 <sup>rd</sup>
<b>5-Year</b>	11 <sup>th</sup>	47 <sup>th</sup>	83 <sup>rd</sup>	28 <sup>th</sup>	50 <sup>th</sup>