

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

FORM 10-K

(MARK ONE)

- ☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2020

Commission file number 1-2189

Abbott Laboratories

An Illinois Corporation
100 Abbott Park Road
Abbott Park, Illinois 60064-6400

36-0698440
(I.R.S. employer identification number)
(224) 667-6100
(telephone number)

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Shares, Without Par Value	ABT	New York Stock Exchange Chicago Stock Exchange, Inc.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.

Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒

Accelerated Filer ☐

Non-Accelerated Filer ☐

Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ☐ No ☒

The aggregate market value of the 1,727,625,764 shares of voting stock held by nonaffiliates of the registrant, computed by reference to the closing price as reported on the New York Stock Exchange, as of the last business day of Abbott Laboratories' most recently completed second fiscal quarter (June 30, 2020), was \$157,956,823,602. Abbott has no non-voting common equity. Number of common shares outstanding as of January 31, 2021: 1,771,529,358

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the 2021 Abbott Laboratories Proxy Statement are incorporated by reference into Part III. The Definitive Proxy Statement will be filed on or about March 12, 2021.

PART I

ITEM 1. BUSINESS

GENERAL DEVELOPMENT OF BUSINESS

Abbott Laboratories is an Illinois corporation, incorporated in 1900. Abbott's* principal business is the discovery, development, manufacture, and sale of a broad and diversified line of health care products.

NARRATIVE DESCRIPTION OF BUSINESS

Abbott has four reportable segments: Established Pharmaceutical Products, Diagnostic Products, Nutritional Products, and Medical Devices.

Established Pharmaceutical Products

These products include a broad line of branded generic pharmaceuticals manufactured worldwide and marketed and sold outside the United States in emerging markets. These products are generally sold directly to wholesalers, distributors, government agencies, health care facilities, pharmacies, and independent retailers from Abbott-owned distribution centers and public warehouses, depending on the market served. Certain products are co-marketed or co-promoted with, or licensed from, other companies.

The principal products included in the broad therapeutic area portfolios of the Established Pharmaceutical Products segment are:

- gastroenterology products, including Creon™, for the treatment of pancreatic exocrine insufficiency associated with several underlying conditions, including cystic fibrosis and chronic pancreatitis; Duspatal™ and Dicetel™, for the treatment of irritable bowel syndrome or biliary spasm; Heptral™, Transmetil™, and Samyr™, for the treatment of intrahepatic cholestasis (associated with liver disease) or depressive symptoms; and Duphalac™, for regulation of the physiological rhythm of the colon;
- women's health products, including Duphaston™, for the treatment of many different gynecological disorders; and Femoston™, a hormone replacement therapy for postmenopausal women;
- cardiovascular and metabolic products, including Lipanthyl™ and TriCor™, for the treatment of dyslipidemia; Teveten™ and Teveten™ Plus, for the treatment of essential hypertension, and Physiotens™, for the treatment of hypertension; and Synthroid™, for the treatment of hypothyroidism;
- pain and central nervous system products, including Serc™, for the treatment of Ménière's disease and vestibular vertigo; Brufen™, for the treatment of pain, fever, and inflammation; and Sevedol™, for the treatment of severe migraines; and
- respiratory drugs and vaccines, including the anti-infective clarithromycin (sold under the trademarks Biaxin™, Klacid™, and Klaricid™); and Influvac™, an influenza vaccine.

The Established Pharmaceutical Products segment directs its primary marketing efforts toward building strong brands with key stakeholders, including consumers, pharmacists, physicians, and other healthcare providers. Government agencies are also important customers.

Competition in the Established Pharmaceutical Products segment is generally from other health care and pharmaceutical companies. In addition, the substitution of generic drugs for the brand prescribed and introduction of additional forms of already marketed established products by generic or branded competitors may increase competitive pressures.

* As used throughout the text of this report on Form 10-K, the term "Abbott" refers to Abbott Laboratories, an Illinois corporation, or Abbott Laboratories and its consolidated subsidiaries, as the context requires.

Diagnostic Products

These products include a broad line of diagnostic systems and tests manufactured, marketed, and sold worldwide. These products are generally marketed and sold directly to blood banks, hospitals, commercial laboratories, clinics, physicians' offices, retailers, government agencies, alternate care testing sites, and plasma protein therapeutic companies from Abbott owned distribution centers, public warehouses or third party distributors.

The principal products included in the Diagnostic Products segment are:

- core laboratory systems in the areas of immunoassay, clinical chemistry, hematology, and transfusion medicine, including the Alinity[®] family of instruments, ARCHITECT[®], ABBOTT PRISM[®], and Cell-Dyn[®], with assays used for screening and/or diagnosis for cancer, cardiac, metabolics, drugs of abuse, fertility, general chemistries, infectious diseases such as hepatitis and HIV, therapeutic drug monitoring, and a suite of SARS-CoV-2 serology assays;
- molecular diagnostics polymerase chain reaction (PCR) instrument systems, including Alinity[®] m and m2000[™] that automate the extraction, purification, and preparation of DNA and RNA from patient samples, and detect and measure infectious agents including HIV, hepatitis, HPV, sexually transmitted infections, and SARS-CoV-2; and products for oncology with the Vysis[®] FISH product line of genomic-based tests;
- point of care systems, including the i-STAT[®] and next-generation i-STAT[®] Alinity[®] and cartridges for testing blood gas, chemistry, electrolytes, coagulation and immunoassay;
- rapid diagnostics lateral flow testing products in the area of infectious diseases, including respiratory viruses such as SARS-CoV-2 and influenza, HIV, hepatitis, and tropical diseases such as malaria and dengue fever; molecular point-of-care testing for HIV, including the m-PIMA[®] HIV-1/2 Viral Load Test, and for SARS-CoV-2 and influenza A & B, RSV and strep A, including the ID NOW[®] rapid molecular system; cardiometabolic testing, including Afinion[®] and Cholestech[™] platforms and tests; a toxicology business for drug and alcohol testing; and remote patient monitoring and consumer self-testing; and
- informatics and automation solutions for use in laboratories, including laboratory automation systems, the RALS[®] point of care solution, and AlinIQ[®], a suite of informatics tools and professional services.

The Diagnostic Products segment's products are subject to competition in technological innovation, price, convenience of use, service, instrument warranty provisions, product performance, laboratory efficiency, long-term supply contracts, and product potential for overall cost-effectiveness and productivity gains. Some products in this segment can be subject to rapid product obsolescence or regulatory changes. Although Abbott has benefited from technological advantages of certain of its current products, these advantages may be reduced or eliminated as competitors introduce new products.

Nutritional Products

These products include a broad line of pediatric and adult nutritional products manufactured, marketed, and sold worldwide. These products are generally marketed and sold directly to consumers and to institutions, wholesalers, retailers, health care facilities, government agencies, and third-party distributors from Abbott-owned distribution centers or third-party distributors.

The principal products included in the Nutritional Products segment are:

- various forms of prepared infant formula and follow-on formula, including Similac[®]*, Similac Pro-Advance[®]*, Similac[®] Advance[®], Similac[®] Advance[®] Non-GMO, Similac Pro-Sensitive[®]*, Similac Sensitive[®], Similac Sensitive[®] Non-GMO, Go&Grow by Similac[®]*, Similac[®] NeoSure[®], Similac[®] Organic, Similac[®] Special Care[®], Similac Total Comfort[®]*, Similac[®] For Supplementation, Isomil[®] Advance[®], Isomil[®], Alimentum[®], Gain[™], Grow[™], Similac En Mei Li[™], and Eleva[™];
- adult and other pediatric nutritional products, including Ensure[®], Ensure Plus[®], Ensure[®] Enlive[®], Ensure[®] (with NutriVigor[®]), Ensure[®] Max Protein, Ensure[®] High Protein, Glucerna[®], Glucerna Hunger Smart[®], ProSure[™], PediaSure[®], PediaSure SideKicks[®], PediaSure[®] Peptide, EleCare[®], Juven[®], Abound[™], Pedialyte[®] and Zone Perfect[®]; and

- nutritional products used in enteral feeding in health care institutions, including Jevity[®], Glucerna[®] 1.2 Cal, Glucerna[®] 1.5 Cal, Osmolite[®], Oxepa[®], Freego[™] (Enteral Pump) and Freego[™] sets, Nepro[®], and Vital[®].

* These products are available with 2'-FL HMO (Human Milk Oligosaccharide) in several markets.

Primary marketing efforts for nutritional products are directed toward consumers or to securing the recommendation of Abbott's brand of products by physicians or other health care professionals. In addition, certain nutritional products sold as Similac[®], Gain[™], Grow[™], Eleva[™], PediaSure[®], PediaSure SideKicks[®], Pedialyte[®], Ensure[®], Zone Perfect[®], and Glucerna[®] are also promoted directly to the public by consumer marketing efforts in select markets where appropriate.

Competition for nutritional products in the segment is generally from other diversified consumer and health care manufacturers. Competitive factors include consumer advertising, formulation, packaging, scientific innovation, price, retail distribution, and availability of product forms. A significant aspect of competition is the search for ingredient innovations. The introduction of new products by competitors, changes in medical practices and procedures, and regulatory changes can result in product obsolescence. In addition, private label and local manufacturers' products may increase competitive pressure.

Medical Devices

These products include a broad line of rhythm management, electrophysiology, heart failure, vascular and structural heart devices for the treatment of cardiovascular diseases, and diabetes care products for people with diabetes, as well as neuromodulation devices for the management of chronic pain and movement disorders. Medical devices are manufactured, marketed and sold worldwide. In the United States, depending upon the product, medical devices are generally marketed and sold directly to wholesalers, hospitals, ambulatory surgery centers, physicians' offices, and distributors from Abbott-owned distribution centers and public warehouses. Outside the United States, sales are made either directly to customers or through distributors, depending on the market served.

The principal products included in the Medical Devices segment are:

- rhythm management products, including Assurity MRI[®] and Endurity MRI[®] pacemaker systems; Ellipse[®], Fortify Assura[®], and Gallant[™] implantable cardioverter defibrillators and Gallant and Quadra Assura MP[®] implantable cardioverter defibrillator with cardiac resynchronization therapy and MultiPoint[®] Pacing technology; and Confirm Rx[®] implantable cardiac monitor;
- electrophysiology products, including the TactiCath[®] family of ablation catheters and FlexAbility[®] irrigated ablation catheters; Ampere[®] RF ablation generator; EnSite[®] family of cardiac mapping systems; and the Advisor[®] HD Grid mapping catheter;
- heart failure related products, including the HeartMate[™] left ventricular device family and the CardioMEMS[®] HF System pulmonary artery sensor, a heart failure monitoring system;
- vascular products, including the XIENCETM family of drug-eluting coronary stent systems developed on the Multi-Link Vision[®] platform; StarClose SE[®] and Perclose ProGlide[®] vessel closure devices, TREK[®] coronary balloon dilatation products, Hi-Torque Balance Middleweight Universal II[®] guidewires, Supera[®] Peripheral Stent System, a peripheral vascular stent system; Acculink[®]/Accunet[®] and Xact[®]/Emboshield NAV6[®], carotid stent systems; and the OPTIS[®] integrated system with the Dragonfly OPTIS[®] imaging catheter and PressureWire[®] fractional flow reserve measurement systems;
- structural heart products, including MitraClip[®], a percutaneous mitral valve repair system; Trifecta[®] Valve with Glide[™] Technology, a surgical tissue heart valve; Portico[®] transcatheter aortic heart valve; Regent[™] mechanical heart valve; Amplatzer[®] PFO occluders; Amplatzer Amulet[®] occluder devices; the Tendyne[®] Transcatheter Mitral Valve Implantation (TMVI) system; and the TriClip[®] Transcatheter Tricuspid Valve Repair System;
- continuous glucose and blood glucose monitoring systems, including test strips, sensors, data management decision software, and accessories for people with diabetes, under the FreeStyle[®] brand such as the FreeStyle Libre[®] system; and

- neuromodulation products, including spinal cord stimulators Proclaim® Elite and Proclaim® XR Recharge-free implantable pulse generators (IPG) and Prodigy MRI® IPG, each with BurstDR® stimulation, and Proclaim® DRG IPG, a neurostimulation device designed for dorsal root ganglion therapy, for the treatment of chronic pain disorders; and the Infinity® Deep Brain Stimulation System with directional lead technology for the treatment of movement disorders.

These products are subject to competition in technological innovation, price, convenience of use, service, product performance, long-term supply contracts, and product potential for overall cost-effectiveness and productivity gains. Some products in this segment can be subject to rapid product obsolescence or regulatory changes. Although Abbott has benefited from technological advantages of certain of its current products, these advantages may be reduced or eliminated as competitors introduce new products.

INFORMATION WITH RESPECT TO ABBOTT'S BUSINESS IN GENERAL

Sources and Availability of Raw Materials

Abbott purchases, in the ordinary course of business, raw materials and supplies essential to Abbott's operations from numerous suppliers in the United States and around the world. There have been no recent significant availability problems or supply shortages for raw materials or supplies.

Patents, Trademarks, and Licenses

Abbott is aware of the desirability for patent and trademark protection for its products. Accordingly, where possible, patents and trademarks are sought and obtained for Abbott's products in the United States and countries of interest to Abbott. Abbott owns or has licenses under a substantial number of patents and patent applications. Principal trademarks and the products they cover are discussed in the Narrative Description of Business on pages 1 through 4. These, and various patents which expire during the period 2021 to 2041, in the aggregate, are believed to be of material importance in the operation of Abbott's business. Abbott believes that no single patent, license, or trademark is material in relation to Abbott's business as a whole.

Seasonal Aspects, Customers, and Renegotiation

There are no significant seasonal aspects to Abbott's business. Abbott has no single customer that, if the customer were lost, would have a material adverse effect on Abbott. No material portion of Abbott's business is subject to renegotiation of profits or termination of contracts at the election of a government.

Environmental Matters

Abbott believes that its operations comply in all material respects with applicable laws and regulations concerning environmental protection. Regulations under federal and state environmental laws impose stringent limitations on emissions and discharges to the environment from various manufacturing operations. Abbott's capital and operating expenditures for pollution control in 2020 were not material and are not expected to be material in 2021.

Abbott has been identified as one of many potentially responsible parties in investigations and/or remediations at several locations in the United States, including Puerto Rico, under the Comprehensive Environmental Response, Compensation, and Liability Act, commonly known as Superfund. Abbott is also engaged in remediation at several other sites, some of which are owned by Abbott, in cooperation with the Environmental Protection Agency or similar agencies. While it is not feasible to predict with certainty the final costs related to those investigations and remediation activities, Abbott believes that such costs, together with other expenditures to maintain compliance with applicable laws and regulations concerning environmental protection, should not have a material adverse effect on Abbott's financial position, cash flows, or results of operations.

Human Capital

The sustainability of Abbott's business depends on attracting, engaging and developing talented people with diverse backgrounds who share Abbott's mission to help people live their healthiest possible lives. Abbott provides its employees opportunities to grow and develop their careers, market competitive compensation and benefit programs, and the satisfaction of being part of a global company dedicated to improving health in more than 160 countries.

As of December 31, 2020, Abbott employed approximately 109,000 people, 70% of whom were employed outside of the U.S. Women represented 47% of Abbott's U.S. workforce, 45% of its global workforce, and 39% of its managers.

Health and Safety

The health, safety and wellness of its employees is an Abbott priority embedded at every level of its business. Abbott's integrated Environmental, Health and Safety organization governs health, safety and wellness at Abbott's facilities. Abbott also maintains global policies and standards for managing employee health and safety.

Abbott takes a holistic approach to employee well-being. Abbott's global wellness programs are designed to meet the unique needs of employees across businesses and geographies and offer a wide range of programs, including supporting the mental, financial and physical health of employees and their families. For example, for over 20 years, Abbott has annually offered Exercise Across Abbott, which is a four-week physical wellness program that encourages employees to team up with colleagues and track how many minutes they exercise each day. Over 22,000 Abbott employees across 72 countries took part in 2020.

During the COVID-19 pandemic, Abbott has taken aggressive steps to limit exposure and enhance the safety of facilities for its employees, including implementing mandatory temperature screening and social distancing, providing and requiring the use of personal protective equipment, and at most U.S. facilities, onsite COVID-19 testing.

Talent Management

Abbott has an integrated global talent management process that is designed to identify and assess talent across the organization and provide equal and consistent opportunities for employees to develop their skills. All levels of employees participate in Abbott's annual performance management process to create development plans that support their particular career objectives, and Abbott provides a broad range of training, mentoring and other development opportunities to help its employees meet these objectives. The board of directors conducts an annual Talent Management Review, focusing on development of talent, diversity, and succession planning for critical positions. Similar reviews take place at every level of Abbott to develop talent and diversity across the organization.

Diversity and Inclusion

Abbott is committed to developing a workplace that is inclusive for all. Abbott ties executive compensation to human capital management, including diversity outcomes, to sustain an inclusive culture and the fair and balanced treatment of Abbott's employees.

Abbott's employee networks play an important role in building an inclusive culture across all Abbott operations. A member of Abbott's senior management serves as a sponsor for each of these networks, helping to align their objectives with Abbott's business strategies. Abbott has ten such networks, which are: Advancing Professionals Network (supporting early career employees), Asian Leadership and Cultural Network, Black Business Network, Flex Network (employees with part-time and flexible schedules), LA VOICE Network (supporting Hispanic and Latino employees), People with Disabilities Network, PRIDE (supporting LGBTQ employees), Veterans Network, Women Leaders of Abbott, and Women in STEM.

Abbott offers professional development programs, which provide recent college graduates the opportunity to rotate through different areas of Abbott, often with the chance to work outside their home country. In 2020, 52% of the participants were women. Also, Abbott hosts hundreds of college students for paid internships. In 2020, 55% of the U.S. interns were women and 39% were minorities. Further, Abbott has operated a STEM internship program for high school students in the U.S. since 2012. The program's objective is to increase the number of students pursuing STEM-related careers and contribute to a more diverse talent pipeline for Abbott. In 2020, 58% of the STEM interns were women and 71% were minorities.

Abbott is committed to building, retaining, and motivating a diverse talent pipeline that can meet the current and future needs of its businesses. To that end, Abbott provides market competitive compensation, healthcare benefits, pension and/or retirement savings plans, and several programs to facilitate employees building an ownership stake in Abbott, including a global long-term incentive program for employees generally beginning at the manager level. Abbott also has procedures and processes focused on providing employees equitable compensation, regardless of race or gender or other personal characteristics.

Regulation

The development, manufacture, marketing, sale, promotion, and distribution of Abbott's products are subject to comprehensive government regulation by the U.S. Food and Drug Administration (FDA) and similar international regulatory agencies. Government regulation by various international, supranational, federal and state agencies addresses (among other matters) the development and approval to market Abbott's products, as well as the inspection of, and controls over, research and laboratory procedures, clinical investigations, product approvals and manufacturing, labeling, packaging, supply chains, marketing and promotion, pricing and reimbursement, sampling, distribution, quality control, post-market surveillance, record keeping, storage, and disposal practices. In addition, Abbott's clinical laboratories and associated testing services are subject to comprehensive government regulation, including registration, certification, and licensure, by federal, state, and local agencies, such as the Centers for Medicare & Medicaid Services, the Drug Enforcement Administration, the Substance Abuse and Mental Health Services Administration, and their respective foreign counterparts. Certain of these agencies require our clinical laboratories to meet quality assurance, quality control, and personnel standards and undergo inspections.

During the COVID-19 public health emergency, many pandemic-related products (including diagnostic tests) were authorized by regulators for emergency use solely during the pandemic. In addition, many governments enacted policies to expedite or promote access to health care in order to slow or stop the spread of the virus. Examples include expansion of telehealth coverages and increased reimbursements for diagnostic testing. It is uncertain when the public health emergency will end and to what extent these policies will continue or revert back to previous policies.

Abbott's international operations are also affected by trade and investment regulations in many countries. These may require local investment, restrict Abbott's investments, or limit the import of raw materials and finished products.

Abbott's laboratory facilities and home monitoring services, which provide services, related products and medical devices to consumers, are subject to additional laws and regulations applicable to health care providers and suppliers that submit claims for reimbursement to third-party payors. In the United States, Medicare, Medicaid, and other third-party payors may from time to time conduct inquiries, claims audits, investigations, and enforcement actions relating to the claims or enrollment criteria.

Abbott is subject to laws and regulations pertaining to health care fraud and abuse, including state and federal anti-kickback, anti-self-referral, and false claims laws in the United States. Prescription drug, nutrition, and medical device manufacturers such as Abbott are also subject to taxes, as well as application, product, user, establishment, and other fees. Governmental agencies can also invalidate intellectual property rights.

Compliance with these laws and regulations is costly and materially affects Abbott's business. Among other effects, health care regulations and significant changes thereto (such as the introduction of the Medical Device Regulation and the In Vitro Diagnostic Medical Device Regulation in the European Union) substantially increase the time, difficulty, and costs incurred in developing, obtaining and maintaining approval to market, and marketing newly developed and existing products. Abbott expects this regulatory environment will continue to require significant technical expertise and investment to ensure compliance. Failure to comply can delay the release of a new product or result in regulatory and enforcement actions, the seizure or recall of a product, the suspension or revocation of the authority necessary for a product's production and sale, suspension or revocation of billing privileges, and other civil or criminal sanctions, including fines and penalties. Similarly, compliance with the laws and regulations governing clinical laboratories and testing services requires specialized expertise. Failure to comply with these regulatory requirements can result in sanctions, including suspension, revocation, or limitation of a laboratory's certification, which is necessary to conduct business, as well as significant fines or criminal penalties.

Abbott's business can also be affected by ongoing studies of the utilization, safety, efficacy, and outcomes of health care products and their components that are regularly conducted by industry participants, government agencies, and others. These studies can call into question the utilization, safety, and efficacy of previously marketed products. In some cases, these studies have resulted, and may in the future result, in the discontinuation of marketing of such products in one or more countries, and may give rise to claims for damages from persons who believe they have been injured as a result of their use.

Access to human health care products continues to be a subject of investigation and action by governmental agencies, legislative bodies, and private organizations in many countries. A major focus is cost containment. Efforts to reduce health care costs are also being made in the private sector, notably by health care payors and providers, which have instituted various cost reduction and containment measures. Abbott expects insurers and providers will continue attempts to reduce the cost or utilization of health care products. Many countries control the price of health care products directly or indirectly, through reimbursement, payment, pricing, or coverage limitations. Budgetary pressures on health care payors may also heighten the scope and severity of pricing pressures on Abbott's products for the foreseeable future. In the United States, the federal government regularly evaluates reimbursement for medical devices, diagnostics, supplies, and other products, as well as the procedures in which these products may be used. The government follows a diagnosis-related group (DRG) payment system for certain institutional services provided under Medicare or Medicaid and has implemented a prospective payment system (PPS) for services delivered in hospital outpatient, nursing home, and home health settings. DRG and PPS entitle a health care facility to a fixed reimbursement based on the diagnosis and/or procedure rather than actual costs incurred in patient treatment, thereby increasing the incentive for the facility to limit or control expenditures for many health care products. Other payment methodology changes have been proposed and implemented from time to time. For example, Medicare implemented a competitive bidding system for certain durable medical equipment (including diabetes products), enteral nutrition products, and supplies. Additionally, the Protecting Access to Medicare Act established a new payment system for clinical laboratory tests in 2018.

The Patient Protection and Affordable Care Act (the Affordable Care Act) includes provisions known as the Physician Payments Sunshine Act, which requires manufacturers of drugs, devices, and medical supplies covered under Medicare and Medicaid to record any transfers of value to physicians and teaching hospitals and to report this data to the Centers for Medicare & Medicaid Services for subsequent public disclosure. In October 2018, the Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act significantly expanded the types of healthcare providers for which reporting is required, beginning with reports filed in 2022. Similar reporting requirements have also been enacted on the state level domestically, and an increasing number of governments worldwide either have adopted or are considering similar laws requiring transparency of interactions with health care professionals. Failure to report appropriate data may result in civil or criminal fines and/or penalties.

Policy changes or implementation of new health care legislation could result in significant changes to health care systems. In the United States, this could include potential modification, including expansion or repeal of all or parts of the Affordable Care Act.

The regulation of data privacy and security, and the protection of the confidentiality of certain personal information (including patient health information, financial information and other sensitive personal information), is increasing. For example, the European Union, various other countries, and various U.S. states (e.g., California) have enacted stricter data protection laws that contain enhanced financial penalties for noncompliance. Similarly, the U.S. Department of Health and Human Services has issued rules governing the use, disclosure, and security of protected health information, and the FDA has issued further guidance concerning cybersecurity for medical devices. In addition, certain countries have issued or are considering "data localization" laws, which limit companies' ability to transfer protected data across country borders. Failure to comply with data privacy and security laws and regulations can result in business disruption and enforcement actions, which could include civil or criminal penalties. Transferring and managing protected information will become more challenging as laws and regulations are enacted or amended, and Abbott expects there will be increasing complexity in this area.

Governmental cost containment efforts also affect Abbott's nutritional products business. In the United States, for example, under regulations governing the federally funded Special Supplemental Nutrition Program for Women, Infants, and Children, all states must have a cost containment program for infant formula. As a result, through competitive bidding states obtain rebates from manufacturers of infant formula whose products are used in the program.

Abbott expects debate to continue at all government levels worldwide over the manufacture, quality assurance requirements, marketing authorization processes, post-market surveillance requirements, availability, method of delivery, and payment for health care products and services, as well as data privacy and security. Abbott believes that future legislation and regulation in the markets it serves could affect the timing and expense associated with bringing health care products or services to market, access to health care products and services, increase rebates, reduce prices or reimbursements or the rate of price increases for health care products and services, change health care delivery systems, create new fees and obligations for the pharmaceutical, nutrition, diagnostic, and medical device industries, or require additional reporting and disclosure. It is not possible to predict the extent to which Abbott or the health care industry in general might be affected by the matters discussed above.

INTERNET INFORMATION

Copies of Abbott's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are available free of charge through Abbott's investor relations website (www.abbottinvestor.com) as soon as reasonably practicable after Abbott electronically files the material with, or furnishes it to, the Securities and Exchange Commission (the Commission). These reports and other information are also available, free of charge, at www.sec.gov.

Abbott's corporate governance guidelines, outline of directorship qualifications, code of business conduct and the charters of Abbott's audit committee, compensation committee, nominations and governance committee, and public policy committee are all available on Abbott's investor relations website (www.abbottinvestor.com).

ITEM 1A. RISK FACTORS

In addition to the other information in this report, the following risk factors should be considered before deciding to invest in any of Abbott's securities. Additional risks and uncertainties not presently known to Abbott, or risks Abbott currently considers immaterial, could also affect Abbott's actual results. Abbott's business, financial condition, results of operations, or prospects could be materially adversely affected by any of these risks.

Business and Operational Risks

Abbott may acquire other businesses, license rights to technologies or products, form alliances, or dispose of or spin-off businesses, which could cause it to incur significant expenses and could negatively affect profitability.

Abbott may pursue acquisitions, licensing arrangements, and strategic alliances, or dispose of or spin-off some of its businesses, as part of its business strategy. Abbott may not complete these transactions in a timely manner, on a cost-effective basis, or at all, and may not realize the expected benefits. If Abbott is successful in making an acquisition, the products and technologies that are acquired may not be successful or may require significantly greater resources and investments than originally anticipated. Abbott may not be able to integrate acquisitions successfully into its existing business or transition disposed businesses efficiently, and could incur or assume significant debt and unknown or contingent liabilities. Abbott could also experience negative effects on its reported results of operations from acquisition or disposition-related charges, amortization of expenses related to intangibles and charges for impairment of long-term assets. These effects could cause a deterioration of Abbott's credit rating, result in increased borrowing costs and interest expense, and decrease liquidity.

Abbott depends on sophisticated information technology systems and maintains protected personal data, and a cyber attack or other breach affecting these information technology systems or protected data could have a material adverse effect on Abbott's results of operations.

Similar to other large multi-national companies, the size and complexity of the information technology systems on which Abbott relies for both its infrastructure and products makes them susceptible to a cyber attack, malicious intrusion, breakdown, destruction, loss of data privacy, or other significant disruption. These systems have been and are expected to continue to be the target of malware and other cyber attacks. In addition, third party hacking attempts may cause Abbott's information technology systems and related products, protected data, or proprietary information to be compromised or stolen. A significant attack or other disruption could result in adverse consequences, including increased costs and expenses, manufacturing challenges or disruption, problems with product functionality, damage to customer relations, lost revenue, and legal or regulatory penalties.

Abbott also collects, manages and processes protected personal data, including protected health information, in connection with certain medical products and service offerings. Abbott is subject to certain regional and local data protection laws that prohibit or restrict the transfer of protected data across country borders. For additional information concerning data privacy and security regulation, see the discussion in "Regulation" under Item 1, "Business." A breach of protected personal information could result in adverse consequences, including regulatory inquiries or litigation, increased costs and expenses, reputational damage, lost revenue, and fines or penalties.

Abbott invests in its systems and technology and in the protection of its products and data to reduce the risk of an attack or other significant disruption, and monitors its systems on an ongoing basis for any current or potential threats and for changes in technology and the regulatory environment. There can be no assurance that these measures and efforts will prevent future attacks or other significant disruptions to any of the systems on which Abbott relies or that related product issues will not arise in the future. Similarly, there can be no assurance that third party information technology providers with whom Abbott contracts will not suffer a significant attack or disruption that impacts customers like Abbott. Any significant breach, attack or other disruption involving Abbott's systems or products could have a material adverse effect on Abbott's business.

Abbott's research and development efforts may not succeed in developing commercially successful products and technologies, which may cause Abbott's revenue and profitability to decline.

To remain competitive, Abbott must continue to launch new products and technologies. To accomplish this, Abbott commits substantial efforts, funds, and other resources to research and development. A risk of failure is inherent in the research and development of new products and technologies. Abbott must make ongoing substantial expenditures without any assurance that its efforts will be commercially successful. Failure can occur at any point in the process, including after significant funds have been invested.

Promising new products and technologies may fail to reach the market or may only have limited commercial success because of efficacy or safety concerns, failure to achieve positive clinical outcomes, inability to obtain necessary regulatory approvals, limited scope of approved uses, excessive costs to manufacture, failure to establish or maintain intellectual property rights, or infringement of the intellectual property rights of others. Even if Abbott successfully develops new products or enhancements or new generations of Abbott's existing products, they may be quickly rendered obsolete by changing customer preferences, changing industry or regulatory standards, or competitors' innovations. Innovations may not be accepted quickly in the marketplace because of, among other things, entrenched patterns of clinical practice or uncertainty over third-party reimbursement. Abbott cannot state with certainty when or whether any of its products under development will be launched, whether it will be able to develop, license, or otherwise acquire compounds or products, or whether any products will be commercially successful. Failure to launch successful new products or technologies, or new indications or uses for existing products, may cause Abbott's products or technologies to become obsolete, causing Abbott's revenues and operating results to suffer.

The manufacture of many of Abbott's products is a highly exacting and complex process, and if Abbott or one of its suppliers encounters problems manufacturing products, Abbott's business could suffer.

The manufacture of many of Abbott's products is a highly exacting and complex process, due in part to strict regulatory requirements. Problems may arise during manufacturing for a variety of reasons, including equipment malfunction, failure to follow specific protocols and procedures, problems with raw materials, natural disasters, and environmental factors. In addition, single suppliers are currently used for certain products and materials. If problems arise during the production of a lot or batch of product, those products may have to be discarded. If problems are not discovered before the product is released to the market, recall and product liability costs may also be incurred. Any of these events could, among other things, lead to increased costs, lost revenue, damage to customer relations, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other lots, batches or products. To the extent Abbott or one of its suppliers experiences significant manufacturing problems, this could have a material adverse effect on Abbott's revenues and profitability.

Abbott has significant indebtedness, which could adversely affect its business, including decreasing its business flexibility.

As of December 31, 2020, Abbott's consolidated indebtedness was approximately \$18.7 billion. This consolidated indebtedness could have the effect, among other things, of reducing Abbott's flexibility to respond to changing business and economic conditions, and reducing funds available for working capital, capital expenditures, acquisitions, and other general corporate purposes.

Further, Abbott may be required to raise additional financing for working capital, capital expenditures, future acquisitions or other general corporate purposes. Abbott's ability to arrange additional financing or refinancing will depend on, among other factors, Abbott's financial position and performance, as well as prevailing market conditions and other factors beyond Abbott's control. Consequently, Abbott cannot assure that it will be able to obtain additional financing or refinancing on terms acceptable to Abbott or at all, which could adversely impact Abbott's ability to make scheduled payments with respect to its consolidated indebtedness and its profitability and financial condition.

Additionally, further borrowing could cause a deterioration of Abbott's credit ratings. Abbott's credit ratings reflect each credit rating agency's then opinion of Abbott's financial strength, operating performance, and ability to meet its debt obligations. Adverse changes in Abbott's credit ratings may result in increased borrowing costs for future long-term debt or short-term borrowing facilities and may limit financing options, including access to the unsecured borrowing market. Abbott may also be subject to additional restrictive covenants that would reduce flexibility.

Legal and Regulatory Risks

Abbott is subject to numerous governmental regulations and it can be costly to comply with these regulations and to develop compliant products and processes.

Abbott's products are subject to rigorous regulation by the FDA and numerous international, supranational, federal, and state authorities. The process of obtaining regulatory approvals to market a drug, medical device, or diagnostic product can be costly and time-consuming, and approvals might not be granted for future products, or additional indications or uses of existing products, on a timely basis, if at all. Delays in the receipt of, or failure to obtain, approvals for future products, or new indications and uses, could result in delayed realization of product revenues, reduction in revenues, and substantial additional costs.

In addition, no assurance can be given that Abbott will remain in compliance with applicable FDA and other regulatory requirements once approval or marketing authorization has been obtained for a product. These requirements include, among other things, regulations regarding manufacturing practices, product labeling, and advertising and postmarketing reporting, including adverse event reports and field alerts. Many of Abbott's facilities and procedures and those of Abbott's suppliers are subject to ongoing regulation, including periodic inspection by the FDA and other regulatory authorities. Abbott must incur expense and spend time and effort to ensure compliance with these complex regulations. Possible regulatory actions for non-compliance could include warning letters, fines, damages, injunctions, civil penalties, recalls, seizures of Abbott's products, and criminal prosecution.

These actions could result in, among other things, substantial modifications to Abbott's business practices and operations; refunds, recalls, or seizures of Abbott's products; a total or partial shutdown of production in one or more facilities while Abbott or Abbott's suppliers remedy the alleged violation; the inability to obtain future pre-market approvals or marketing authorizations; and withdrawals or suspensions of current products from the market. Any of these events could disrupt Abbott's business and have a material adverse effect on Abbott's revenues, profitability and financial condition.

Laws and regulations affecting government benefit programs could impose new obligations on Abbott, require Abbott to change its business practices, and restrict its operations in the future.

Abbott's industry is subject to various international, supranational, federal, and state laws and regulations pertaining to government benefit program reimbursement, price reporting and regulation, and health care fraud and abuse, including anti-kickback and false claims laws, and international and individual state laws relating to pricing and sales and marketing practices. Violations of these laws may be punishable by criminal and/or civil sanctions, including, in some instances, substantial fines, imprisonment, and exclusion from participation in government health care programs, including Medicare, Medicaid, and Veterans Administration health programs in the U.S. These laws and regulations are broad in scope and they are subject to evolving interpretations, which could require Abbott to incur substantial costs associated with compliance or to alter one or more of its sales or marketing practices. In addition, violations of these laws, or allegations of such violations, could disrupt Abbott's business and result in a material adverse effect on Abbott's revenues, profitability, and financial condition.

Changes in the health care regulatory environment may adversely affect Abbott's business.

Both in the U.S. and internationally, government authorities may enact changes in regulatory requirements, make legislative or administrative reforms to existing reimbursement programs, make adverse decisions relating to Abbott's products' coverage or reimbursement, or make changes to patient access to health care, all of which could adversely impact the demand for and usage of Abbott's products or the prices that Abbott's customers are willing to pay for them.

Further, in the U.S., a number of the provisions of the Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 address access to health care products and services. These provisions may be modified, expanded, repealed, or otherwise invalidated, in whole or in part. Future rulemaking could affect rebates, prices or the rate of price increases for health care products and services, or required reporting and disclosure. Abbott cannot predict the timing or impact of any future rulemaking or changes in the law.

For additional information concerning health care regulation, see the discussion in "Regulation" under Item 1, "Business."

The expiration or loss of patent protection and licenses may affect Abbott's future revenues and operating income.

Many of Abbott's businesses rely on patent and trademark and other intellectual property protection. Although most of the challenges to Abbott's intellectual property have come from other companies, governments may also challenge intellectual property protections. To the extent Abbott's intellectual property is successfully challenged, invalidated, or circumvented or to the extent it does not allow Abbott to compete effectively, Abbott's businesses could suffer. To the extent that countries do not enforce Abbott's intellectual property rights, Abbott's future revenues and operating income could be reduced. Any material litigation regarding Abbott's patents and trademarks is described in the section captioned "Legal Proceedings."

Significant safety concerns could arise for Abbott's products, which could have a material adverse effect on Abbott's revenues and financial condition.

Health care products typically receive regulatory approval based on data obtained in controlled clinical trials of limited duration. Following regulatory approval, these products will be used over longer periods of time in many patients. Investigators may also conduct additional, and perhaps more extensive, studies. If new safety issues are reported, Abbott may be required to amend the conditions of use for a product. For example, Abbott may be required to provide additional warnings on a product's label or narrow its approved intended use, either of which could reduce the product's market acceptance. If serious safety issues arise with an Abbott product, sales of the product could be halted by Abbott or by regulatory authorities. Safety issues affecting suppliers' or competitors' products also may reduce the market acceptance of Abbott's products.

In addition, in the ordinary course of business, Abbott is the subject of product liability claims and lawsuits alleging that its products or the products of other companies that Abbott promotes have resulted or could result in an unsafe condition for, or injury to, patients. Product liability claims and lawsuits, safety alerts or product recalls, and other allegations of product safety or quality issues, regardless of their validity or ultimate outcome, may have a material adverse effect on Abbott's business and reputation and on Abbott's ability to attract and retain customers. Consequences may also include additional costs, a decrease in market share for the products, lower income or exposure to other claims. Product liability losses are self-insured. Product liability claims could have a material adverse effect on Abbott's profitability and financial condition.

Economic and Industry Risks

Abbott is subject to risks related to public health crises, such as widespread outbreaks of infectious diseases like the COVID-19 pandemic.

As a global healthcare company, public health crises, such as the widespread outbreaks of infectious diseases like the COVID-19 pandemic, may negatively impact Abbott's operations. Health concerns and significant changes in political or economic conditions caused by such outbreaks can cause significant reductions in demand for routine diagnostic testing and medical device procedures or increased difficulty in serving customers, disrupt manufacturing and supply chains, and negatively affect our operations as well as the operations of our suppliers, distributors and other third-party partners. Furthermore, such widespread outbreaks may impact the broader economies of affected countries, including negatively impacting economic growth, the proper functioning of financial and capital markets, foreign currency exchange rates, and interest rates.

With regard to the COVID-19 pandemic, the FDA issued Emergency Use Authorizations (EUAs) for several COVID-19 related products in 2020, including Abbott diagnostic tests. EUAs are authorized for the duration of the COVID-19 public health emergency unless sooner terminated or revoked. Abbott is actively pursuing the FDA's customary regulatory approval process for these diagnostic tests which has uncertainty as discussed in "*Abbott is subject to numerous governmental regulations and it can be costly to comply with these regulations and to develop compliant products and processes.*" in "Legal and Regulatory Risks" under "Item 1A. Risk Factors."

Due to the unpredictability of the duration and impact of the current COVID-19 pandemic, the extent to which the COVID-19 pandemic will have a material effect on Abbott's business, financial condition or results of operations is uncertain. A more detailed discussion on the impact of the COVID-19 pandemic on Abbott's business is contained in the "Financial Review" section in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations of this report.

Abbott is subject to cost containment efforts that could cause a reduction in future revenues and operating income.

In the United States and other countries, Abbott's businesses have experienced downward pressure on product pricing. Cost containment efforts by governments and private organizations are described in greater detail in the section captioned "Regulation." To the extent these cost containment efforts are not offset by greater patient access to health care or other factors, Abbott's future revenues and operating income will be reduced.

Competitors' intellectual property may prevent Abbott from selling its products or have a material adverse effect on Abbott's future profitability and financial condition.

Competitors may claim that an Abbott product infringes their intellectual property. Resolving an intellectual property infringement claim can be costly and time consuming and may require Abbott to enter into license agreements. Abbott cannot guarantee that it would be able to obtain license agreements on commercially reasonable terms. A successful claim of patent or other intellectual property infringement could subject Abbott to significant damages or an injunction preventing the manufacture, sale or use of affected Abbott products. Any of these events could have a material adverse effect on Abbott's profitability and financial condition.

New products and technological advances by Abbott's competitors may negatively affect Abbott's results of operations.

Abbott's products face intense competition from competitive products. Competitors' products may be safer, more effective, more effectively marketed or sold, or have lower prices or superior performance features than Abbott's products. Abbott cannot predict with certainty the timing or impact of the introduction of competitors' products.

Fluctuation in foreign currency exchange rates may adversely affect our financial statements and Abbott's ability to realize projected sales and earnings.

Although Abbott's financial statements are denominated in U.S. dollars, a significant portion of Abbott's revenues and costs are realized in other currencies. Sales outside of the United States in 2020 made up approximately 62 percent of Abbott's net sales. Abbott's profitability is affected by movement of the U.S. dollar against other currencies. Fluctuations in exchange rates between the U.S. dollar and other currencies may also affect the reported value of Abbott's assets and liabilities, as well as its cash flows. Some foreign currencies are subject to government exchange controls. While Abbott enters into hedging arrangements to mitigate some of its foreign currency exposure, Abbott cannot predict with any certainty changes in foreign currency exchange rates or its ability to mitigate these risks.

Information on the impact of foreign exchange rates on Abbott's financial results is contained in the "Financial Review — Results of Operations" section in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations of this report. A discussion of the steps taken to mitigate the impact of foreign exchange is contained in Item 7A, Quantitative and Qualitative Disclosures about Market Risk in Abbott's 2020 Form 10-K. Information on Abbott's hedging arrangements is contained in Note 12 to the consolidated financial statements in this report.

Deterioration in the economic condition and credit quality of certain countries may negatively affect Abbott's results of operations.

Unfavorable economic conditions in certain countries may increase the time it takes to collect outstanding trade receivables. Financial instability and fiscal deficits in these countries may result in additional austerity measures to reduce costs, including health care. Deterioration in the quality of sovereign debt, including credit downgrades, could increase Abbott's collection risk where a significant amount of Abbott's receivables in these countries are with governmental health care systems or where Abbott's customers depend on payment by government health care systems.

The international nature of Abbott's business subjects it to additional business risks that may cause its revenue and profitability to decline.

Abbott's business is subject to risks associated with managing a global supply chain and doing business internationally. Sales outside of the United States in 2020 made up approximately 62 percent of Abbott's net sales. Additional risks associated with Abbott's international operations include:

- differing local product preferences and product requirements;

- trade protection measures, including tariffs, import or export licensing requirements, and changes to international trade agreements;
- difficulty in establishing, staffing, and managing operations;
- differing labor regulations;
- potentially negative consequences from changes in or interpretations of tax laws;
- political and economic instability, including sovereign debt issues;
- restrictions on local currency conversion and/or cash extraction;
- price controls, limitations on participation in local enterprises, expropriation, nationalization, and other governmental action;
- inflation, recession, and fluctuations in interest rates;
- diminished protection of intellectual property; and
- potential penalties or other adverse consequences for violations of anti-corruption, anti-bribery, and other similar laws and regulations, including the Foreign Corrupt Practices Act and the U.K. Bribery Act.

Events contemplated by these risks may, individually or in the aggregate, have a material adverse effect on Abbott's revenues and profitability.

Other factors can have a material adverse effect on Abbott's future profitability and financial condition.

Many other factors can affect Abbott's profitability and its financial condition, including:

- changes in or interpretations of laws and regulations, including changes in accounting standards, taxation requirements, product marketing application standards, product labeling standards, source and use laws, and environmental laws;
- differences between the fair value measurement of assets and liabilities and their actual value, particularly for pensions, retiree health care, stock compensation, intangibles, goodwill, and contingent consideration; and for contingent liabilities such as litigation, the absence of a recorded amount, or an amount recorded at the minimum, compared to the actual amount;
- changes in the rate of inflation (including the cost of raw materials, commodities, and supplies), interest rates, market value of Abbott's equity investments, and the performance of investments held by Abbott or Abbott's employee benefit trusts;
- changes in the creditworthiness of counterparties that transact business with or provide services to Abbott or Abbott's employee benefit trusts;
- changes in business, economic, and political conditions, including: war, political instability, terrorist attacks, the threat of future terrorist activity and related military action; global climate, extreme weather and natural disasters; the cost and availability of insurance due to any of the foregoing events; labor disputes, strikes, slow-downs, or other forms of labor or union activity; and pressure from third-party interest groups;
- changes in Abbott's business units and investments and changes in the relative and absolute contribution of each to earnings and cash flow resulting from evolving business strategies, changing product mix, changes in tax laws or tax rates both in the U.S. and abroad and opportunities existing now or in the future;
- changes in the buying patterns of a major distributor, retailer, or wholesale customer resulting from buyer purchasing decisions, pricing, seasonality, or other factors, or other problems with licensors, suppliers, distributors, and business partners; and
- legal difficulties, any of which could preclude or delay commercialization of products or adversely affect profitability, including claims asserting statutory or regulatory violations, and adverse litigation decisions.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Form 10-K contains forward-looking statements that are based on management's current expectations, estimates, and projections. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "forecasts," variations of these words, and similar expressions are intended to identify these forward-looking statements. Certain factors, including but not limited to those identified under "Item 1A. Risk Factors" of this Form 10-K, may cause actual results to differ materially from current expectations, estimates, projections, forecasts, and from past results. No assurance can be made that any expectation, estimate, or projection contained in a forward-looking statement will be achieved or will not be affected by the factors cited above or other unknown or future events. Abbott undertakes no obligation to release publicly any revisions to forward-looking statements as the result of subsequent events or developments, except as required by law.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

As of December 31, 2020, Abbott owned or leased properties totaling approximately 43 million square feet, of which approximately 65% is owned by Abbott. Abbott's principal corporate offices are located in Illinois and are owned by Abbott.

Abbott operates 93 manufacturing facilities globally. Abbott's facilities are deemed suitable and provide adequate productive capacity. The manufacturing facilities are used by Abbott's reportable segments as follows:

Reportable Segments	Manufacturing Sites
Medical Devices	27
Diagnostic Products	24
Established Pharmaceutical Products	28
Nutritional Products	14
Worldwide Total	93

Abbott's research and development facilities in the United States are primarily located in California, Illinois, Minnesota, New Jersey, and Ohio. Abbott also has research and development facilities in various other countries, including China, Colombia, India, Singapore, Spain, and the United Kingdom.

There are no material encumbrances on the properties.

ITEM 3. LEGAL PROCEEDINGS

Abbott is involved in various claims, legal proceedings and investigations. While it is not feasible to predict the outcome of such pending claims, proceedings and investigations with certainty, management is of the opinion that their ultimate resolution should not have a material adverse effect on Abbott's financial position, cash flows, or results of operations.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Executive officers of Abbott are elected annually by the board of directors. Each executive officer holds office until a successor has been duly elected or appointed and qualified or until the officer's death, resignation, or removal. Vacancies may be filled at any time by the board. Any executive officer may be removed by the board of directors when, in its judgment, removal would serve the best interests of Abbott.

Abbott's executive officers, their ages as of February 19, 2021, and the dates of their first election as officers of Abbott are listed below. The executive officers' principal occupations and employment for the past five years and the year of appointment to the earliest reported office are also shown. Unless otherwise stated, employment was by Abbott. There are no family relationships between any executive officers or directors.

Miles D. White, 65

2020 to present — Executive Chairman and Director.

1999 to 2020 — Chairman of the Board and Chief Executive Officer, and Director.

Elected Corporate Officer — 1993.

Robert B. Ford, 47

2020 to present — President and Chief Executive Officer, and Director.

2018 to 2020 — President and Chief Operating Officer, and Director since 2019.

2015 to 2018 — Executive Vice President, Medical Devices.

Elected Corporate Officer — 2008.

Hubert L. Allen, 55

2013 to present — Executive Vice President, General Counsel and Secretary.

Elected Corporate Officer — 2012.

John M. Capek, 59

2015 to present — Executive Vice President, Ventures.

Elected Corporate Officer — 2006.

Lisa D. Earnhardt, 51

2019 to present — Executive Vice President, Medical Devices.

2008 to 2019 — President, CEO, and Director, Intersect ENT (a medical technology company focused on developing treatments for ear, nose and throat conditions).

Elected Corporate Officer — 2019.

Robert E. Funck, Jr., 59

2020 to present — Executive Vice President, Finance and Chief Financial Officer.

2018 to 2020 — Senior Vice President, Finance and Controller.

2013 to 2018 — Vice President, Controller.

Elected Corporate Officer — 2005.

John F. Ginascol, 62

2019 to present — Executive Vice President, Core Diagnostics.

2008 to 2019 — Vice President, Nutrition, Supply Chain.

Elected Corporate Officer — 2008.

Andrew H. Lane, 50

2017 to present — Executive Vice President, Established Pharmaceuticals.

2015 to 2017 — Senior Vice President, Established Pharmaceuticals, Emerging Markets.

Elected Corporate Officer — 2015.

Mary K. Moreland, 54

2019 to present — Executive Vice President, Human Resources.

2013 to 2019 — Divisional Vice President, Compensation, Benefits and HR M&A.

Elected Corporate Officer — 2019.

Daniel Salvadori, 42

2017 to present — Executive Vice President, Nutritional Products.

2014 to 2017 — Senior Vice President, Established Pharmaceuticals, Latin America.

Elected Corporate Officer — 2014.

Andrea Wainer, 52

2019 to present — Executive Vice President, Rapid and Molecular Diagnostics.

2015 to 2019 — Vice President, Molecular Diagnostics.

Elected Corporate Officer — 2015.

Gregory A. Ahlberg, 54

2020 to present — Senior Vice President, Core Laboratory Diagnostics, Commercial Operations.

2017 to 2020 — Vice President, Diagnostics, Commercial Operations, Europe, Middle East and Africa.

2012 to 2017 — Divisional Vice President, USA, Abbott Diagnostics Division.

Elected Corporate Officer — 2017.

Roger M. Bird, 64

2015 to present — Senior Vice President, U.S. Nutrition.

Elected Corporate Officer — 2015.

Charles R. Brynensen, 64

2017 to present — Senior Vice President, Abbott Vascular.

2016 to 2017 — Managing Director, CB Business Advisors, Inc. (a medical device consulting firm).

2015 to 2016 — Senior Vice President and President, Medtronic Early Technologies, Medtronic plc (a global medical device company).

Elected Corporate Officer — 2017.

Michael D. Dale, 61

2019 to present — Senior Vice President, Structural Heart.

2017 to 2019 — Vice President, Structural Heart.

2016 to 2017 — Divisional Vice President and General Manager, Structural Heart.

2014 to 2016 — President and Chief Executive Officer, GI Dynamics, Inc. (a medical device company focused on developing gastrointestinal therapies).

Elected Corporate Officer — 2017.

Sammy Karam, 59

2019 to present — Senior Vice President, Established Pharmaceuticals, Emerging Markets.

2014 to 2019 — Divisional Vice President, Global Marketing Commercial Execution, Established Pharmaceuticals.

Elected Corporate Officer — 2019.

Joseph Manning, 52

2017 to present — Senior Vice President, International Nutrition.

2015 to 2017 — Vice President, Nutrition, Asia Pacific.

Elected Corporate Officer — 2015.

Michael J. Pederson, 59

2019 to present — Senior Vice President, Electrophysiology and Heart Failure.

2017 to 2019 — Senior Vice President, Cardiac Arrhythmias and Heart Failure.

2015 to 2017 — Divisional Vice President and General Manager, Abbott Electrophysiology.

Elected Corporate Officer — 2017.

Christopher J. Scoggins, 51

2019 to present — Senior Vice President, Rapid Diagnostics.

2015 to 2019 — Vice President, Diabetes Care, Commercial Operations.

Elected Corporate Officer — 2015.

Jared L. Watkin, 53

2015 to present — Senior Vice President, Diabetes Care.

Elected Corporate Officer — 2015.

Alejandro D. Wellisch, 46

2017 to present — Senior Vice President, Established Pharmaceuticals, Latin America.

2014 to 2017 — General Manager, Argentina, Bolivia, Paraguay and Uruguay, Established Pharmaceuticals.

Elected Corporate Officer — 2017.

Randel W. Woodgrift, 59

2019 to present — Senior Vice President, CRM.

2017 to 2019 — Vice President, Global Operations, Cardiovascular and Neuromodulation.

2015 to 2017 — Vice President, Operations and R&D, Abbott Vascular.

Elected Corporate Officer — 2015.

Philip P. Boudreau, 48

2020 to present — Vice President, Finance and Controller.

2017 to 2020 — Divisional Vice President, Controller, Medical Devices.

2012 to 2017 — Divisional Vice President, Controller and Commercial Support, Point of Care.

Elected Corporate Officer — 2020.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Principal Market

The principal market for Abbott's common shares is the New York Stock Exchange under the symbol "ABT." Shares are also listed on the Chicago Stock Exchange and traded on various regional and electronic exchanges. Outside the United States, Abbott's shares are listed on the SIX Swiss Exchange.

Shareholders

There were 37,450 shareholders of record of Abbott common shares as of December 31, 2020.

Tax Information for Shareholders

In 2001, the Illinois Department of Commerce and Economic Opportunity (DCEO) designated Abbott as an Illinois High Impact Business (HIB) for a period not to exceed twenty years. In 2020, the DCEO granted a two year extension for Abbott's HIB designation. Dividends paid by a corporation that is designated as a HIB and conducts business in a foreign trade zone may be eligible for a subtraction from base income for Illinois income tax purposes. Abbott certified that the HIB requirements were met for the calendar year ending December 31, 2020.

If you have any questions, please contact your tax advisor.

Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
October 1, 2020 — October 31, 2020	0 (1)	\$ 0	0	\$ 3,270,234,923 (2)
November 1, 2020 — November 30, 2020	0 (1)	\$ 0	0	\$ 3,270,234,923 (2)
December 1, 2020 — December 31, 2020	1,600,411 (1)	\$ 107.999	1,600,411	\$ 3,097,391,913 (2)
Total	1,600,411 (1)	\$ 107.999	1,600,411	\$ 3,097,391,913 (2)

- (1) These shares do not include the shares surrendered to Abbott to satisfy tax withholding obligations in connection with the vesting of restricted stock or restricted stock units.
- (2) On September 11, 2014, the board of directors authorized the repurchase of up to \$3 billion of its common shares, from time to time (the "2014 Plan"). On October 11, 2019, the board of directors authorized the repurchase of up to \$3 billion of Abbott common shares, from time to time (the "2019 Plan"). The 2019 Plan is in addition to the unused portion of the 2014 Plan.

Financial Review

Abbott's revenues are derived primarily from the sale of a broad line of health care products under short-term receivable arrangements. Patent protection and licenses, technological and performance features, and inclusion of Abbott's products under a contract most impact which products are sold; price controls, competition and rebates most impact the net selling prices of products; and foreign currency translation impacts the measurement of net sales and costs. Abbott's primary products are medical devices, diagnostic testing products, nutritional products and branded generic pharmaceuticals. Sales in international markets comprise approximately 62 percent of consolidated net sales.

In 2020, the coronavirus (COVID-19) pandemic affected Abbott's diversified health care businesses in various ways. As is further described below, some businesses have performed at the levels required to successfully meet new demands, others have faced challenges, and still others have been relatively less impacted by the pandemic.

Abbott's Diagnostics business experienced the most significant change in sales from 2019 to 2020 as sales from new tests and other related products to detect COVID-19 more than outweighed the negative impact of COVID-19 on routine diagnostic testing volumes. Abbott mobilized its teams across multiple fronts to develop and launch the following new diagnostic tests for COVID-19 in 2020:

- In March, Abbott launched a molecular test using polymerase chain reaction (PCR) methods on its *m2000*[™] RealTime lab-based platform to detect COVID-19 pursuant to an Emergency Use Authorization (EUA) in the U.S. and CE Mark.
- In March, Abbott also launched a molecular test to detect COVID-19 on its ID NOW[™] rapid point-of-care platform in the U.S. pursuant to an EUA.
- In April, Abbott launched an IgG (Immunoglobulin G) lab-based serology blood test on its ARCHITECT[®] i1000SR and i2000SR[®] laboratory instruments for the detection of an antibody to determine if someone was previously infected with the virus. The serology test was granted an EUA in the U.S. and CE Mark in April.
- In May, Abbott launched a lab-based serology blood test on its Alinity[®] i system pursuant to an EUA in the U.S. and CE Mark.
- In May, Abbott also launched a molecular PCR test on its Alinity m system to detect COVID-19 pursuant to an EUA in the U.S. Abbott received CE Mark for this test in June.
- In June, Abbott launched a lateral flow COVID-19 rapid antibody test on its Panbio[™] system in select countries pursuant to a CE Mark. This serology test detects an antibody to determine if someone was previously infected with the virus.
- In August, Abbott launched its AdviseDx SARS-CoV-2 IgM (Immunoglobulin M) lab-based serology test for use on its ARCHITECT and Alinity platforms pursuant to a CE Mark. Abbott was granted an EUA in the U.S. for this test in October.
- In August, Abbott launched its BinaxNOW[™] COVID-19 Ag Card test, a portable, lateral flow rapid test to detect COVID-19 pursuant to an EUA in the U.S.
- In September, Abbott launched its Panbio rapid antigen test to detect COVID-19 pursuant to a CE Mark. In October, Abbott received approval by the World Health Organization for emergency use listing for the Panbio antigen test.
- In December, Abbott received CE Mark and launched its SARS-CoV-2-IgG II quantitative lab-based serology blood test for use on its ARCHITECT and Alinity i platforms.
- In December, Abbott received an EUA in the U.S. for virtually guided at-home use of its BinaxNOW COVID-19 Ag Card rapid test to detect COVID-19 and launched the product for at-home use.
- In December, Abbott launched its multiplex molecular test on its Alinity m system to detect COVID-19, flu A, flu B, and respiratory syncytial virus (RSV) pursuant to a CE Mark.

In 2020, Abbott's COVID-19 testing related sales totaled approximately \$3.884 billion, led by sales related to Abbott's BinaxNOW, Panbio and ID NOW rapid testing platforms.

In addition to negatively impacting routine core diagnostic testing volumes, the pandemic negatively affected the number of cardiovascular and neuromodulation procedures performed by health care providers globally, thereby reducing the demand for Abbott's cardiovascular and neuromodulation devices and routine diagnostic tests in 2020. The decrease began in February in China as that country implemented quarantine restrictions and postponed non-emergency health care activities. The negative impact on cardiovascular and neuromodulation procedures and routine diagnostic tests expanded to other countries and geographic regions as COVID-19 spread geographically in the first half of 2020 and health care systems in these countries shifted their focus to fighting COVID-19.

The extent of the impact and the timing of a recovery in the number of procedures and routine testing in a particular country or geographic region depended upon the progression of COVID-19 cases in the country or region. The recovery in procedures and routine testing volumes in China began in March. In other parts of the world, such as the U.S. and Europe, volumes improved across Abbott's hospital-based businesses as the second quarter progressed and the improvement continued in the third quarter. However, in the fourth quarter, the improving trends in the demand for procedures and routine testing flattened or were negatively impacted depending upon the business and the region as many countries experienced an increase in the number of COVID-19 cases and hospitalizations.

Abbott's branded generic pharmaceuticals business was also negatively affected by the pandemic in 2020 as COVID-19 spread across emerging market countries in the second and third quarters of 2020. Abbott's nutritional and diabetes care businesses were the least affected by the pandemic as is further discussed below.

Abbott is continually implementing business continuity plans in the face of the pandemic. Due to the critical nature of its products and services, Abbott was generally exempt from governmental orders issued during the first quarter of 2020 in the U.S. and other countries requiring businesses to cease operations. The majority of its office-based work was conducted remotely during the period of such governmental orders and the company implemented strict travel restrictions. As some governmental orders were lifted in May and June 2020, Abbott entered a new phase in its operations whereby some office-based employees started working at Abbott's offices on a rotational basis. As various governmental orders and guidelines were modified in the fourth quarter to put in place new restrictions, Abbott continued to ensure that its guidance was aligned with such restrictions. Abbott has taken aggressive steps to limit exposure and enhance the safety of facilities for its employees.

Due to the unpredictability of the duration and impact of the current COVID-19 pandemic, the extent to which the COVID-19 pandemic will have a material effect on its business, financial condition or results of operations is uncertain.

While Abbott's 2020 sales were most significantly affected by the COVID-19 pandemic, the increase in total sales over the last three years also reflects volume growth due to the introduction of new products across various businesses as well as higher sales of various existing products. Sales in emerging markets, which represent approximately 37 percent of total company sales, increased 2.0 percent in 2020 and 8.2 percent in 2019, excluding the impact of foreign exchange. (Emerging markets include all countries except the United States, Western Europe, Japan, Canada, Australia and New Zealand.)

Over the last three years, Abbott's operating margin as a percentage of sales increased from 11.9 percent in 2018 to 14.2 percent in 2019 and 15.5 percent in 2020. The increase in 2020 reflects the sales volume increases in the rapid and molecular diagnostics businesses, partially offset by lower Medical Devices sales due to the impact of the pandemic and the unfavorable effect of foreign exchange. In addition, a reduction in the costs associated with business acquisitions and restructuring activities drove an improvement in operating margins from 2018 to 2020. In 2019, the increase in Abbott's operating margin also reflects margin improvement in various businesses and lower intangible amortization expense compared to 2018.

With respect to the performance of each reportable segment over the last three years, sales in the Medical Devices segment excluding the impact of foreign exchange decreased 3.8 percent in 2020 and increased 10.5 percent in 2019. The sales decrease in 2020 was driven by Abbott's cardiovascular and neuromodulation businesses due primarily to reduced procedure volumes as a result of the COVID-19 pandemic. These decreases were partially offset by double-digit growth in Diabetes Care. The sales increase in 2019 was driven primarily by higher Diabetes Care, Structural Heart, Electrophysiology and Heart Failure sales.

In 2020, operating earnings for the Medical Devices segment decreased 19.4 percent. The operating margin profile decreased from 30.8 percent of sales in 2019 to 25.8 percent in 2020 primarily due to lower sales and manufacturing volumes as a result of the pandemic and pricing pressures on drug eluting stents (DES) as a result of market competition in the U.S. and other major markets.

In 2020, key product approvals in the Medical Devices segment included:

- CE Mark for Abbott's Tendyne™ Transcatheter Mitral Valve Implantation system for the treatment of significant mitral regurgitation (MR) in patients requiring a heart valve replacement who are not candidates for open-heart surgery or transcatheter mitral valve repair,
- CE Mark for Abbott's TriClip® heart valve repair system, the world's first minimally invasive, clip-based device for repair of a leaky tricuspid heart valve,
- U.S. Food and Drug Administration (FDA) clearance of FreeStyle® Libre 2 as an integrated continuous glucose monitoring (iCGM) system for adults and children ages 4 and older with diabetes,
- CE Mark for Abbott's FreeStyle Libre 3 system, which automatically delivers real time, up-to-the-minute glucose readings, 14-day accuracy and real-time glucose alarms,
- CE Mark for the Libre Sense™ Glucose Sport Biosensor that provides continuous glucose monitoring to help athletes better understand the efficacy of their nutrition choices on training and athletic performance,
- U.S. FDA approval of the next-generation Gallant™ implantable cardioverter defibrillator and cardiac resynchronization therapy defibrillator devices which help manage heart rhythm disorders and offer Bluetooth technology and a new patient smartphone app for improved remote monitoring and enhanced patient-physician engagement,
- CE Mark for MitraClip® G4, Abbott's next-generation MitraClip mitral valve repair device,
- CE Mark of EnSite™ X EP System, a next-generation 3D cardiac mapping platform used for ablation therapy to treat abnormal heart rhythms,
- U.S. FDA clearance and CE Mark of the IonicRF™ Generator, a non-surgical, minimally invasive device that uses heat to target specific nerves for the management of chronic pain, and
- U.S. FDA approval of updated labeling to allow Abbott's HeartMate 3™ heart pump to be used in pediatric patients with advanced refractory left ventricular heart failure.

In Abbott's worldwide diagnostics business, sales increased 40.6 percent in 2020 and 5.9 percent in 2019, excluding the impact of foreign exchange. As was discussed above, sales growth in 2020 was driven by demand for Abbott's portfolio of COVID-19 diagnostics tests across its rapid and lab-based platforms, partially offset by lower volumes of routine laboratory testing due to the pandemic. Growth in 2019 reflected continued market penetration by the core laboratory business in the U.S. and internationally. The 2019 growth included the continued adoption by customers of Alinity, which is Abbott's integrated family of next-generation diagnostic systems and solutions that are designed to increase efficiency by running more tests in less space, generating test results faster and minimizing human errors while continuing to provide quality results.

Abbott has regulatory approvals in the U.S., Europe, China, and other markets for the "Alinity c" and "Alinity i" instruments and has continued to build out its test menu for clinical chemistry and immunoassay diagnostics. Abbott has obtained regulatory approval for the "Alinity h" instrument for hematology in Europe and Japan. Abbott has also obtained regulatory approvals in the U.S. and Europe for the "Alinity s" (blood screening) and "Alinity m" (molecular) instruments and several testing assays.

In 2020, operating earnings for the Diagnostics segment increased 94.8 percent. The operating margin profile increased from 24.9 percent of sales in 2018 to 34.5 percent in 2020 primarily due to higher sales in 2020 in Rapid Diagnostics and Molecular Diagnostics, partially offset by lower volumes of routine testing in Core Laboratory.

In Abbott's worldwide nutritional products business, sales over the last three years were positively impacted by numerous new product introductions, including the roll-outs of human milk oligosaccharide, or HMO, in infant formula and of high-protein Ensure[®], that leveraged Abbott's strong brands. Sales were also positively affected by demographics such as an aging population and an increasing rate of chronic disease in developed markets and the rise of a middle class in many emerging markets. Excluding the impact of foreign exchange, total adult nutrition sales increased 10.3 percent in 2020 and 6.6 percent in 2019 led by the continued growth of Ensure, Abbott's market-leading complete and balanced nutrition brand, and Glucerna[®], Abbott's market-leading diabetes-specific nutrition brand, across several countries. The 2019 sales growth was partially offset by the unfavorable impact of the discontinuation of a non-core product line in the U.S. Excluding the impact of foreign exchange, total pediatric nutrition sales increased 0.3 percent in 2020 and 3.4 percent in 2019 driven by the PediaSure[®] and Pedialyte[®] brands in the U.S. as well as infant and toddler product growth across several markets in Asia and Latin America, partially offset by challenging market dynamics in the infant category in Greater China. The 2020 increase was also driven by higher Similac[®] sales in the U.S.

The Established Pharmaceutical Products segment focuses on the sale of its products in emerging markets. Excluding the impact of foreign exchange, Established Pharmaceutical sales increased 1.9 percent in 2020 and 7.3 percent in 2019. The sales increases in 2020 and 2019 reflect higher sales in several geographies including India, China, Brazil and Russia. Operating margins decreased from 20.2 percent of sales in 2018 to 18.5 percent in 2020 primarily due to the unfavorable impact of foreign exchange, product mix and lower gross margins.

With respect to Abbott's financial position, at December 31, 2020, Abbott's cash and cash equivalents and short-term investments total approximately \$7.1 billion compared to \$4.1 billion at December 31, 2019. Abbott's long-term debt and short-term borrowings total \$18.7 billion and \$18.1 billion at December 31, 2020 and 2019, respectively.

Abbott declared dividends of \$1.53 per share in 2020 compared to \$1.32 per share in 2019, an increase of approximately 16 percent. Dividends paid totaled \$2.560 billion in 2020 compared to \$2.270 billion in 2019. The year-over-year change in the amount of dividends paid primarily reflects the increase in the dividend rate. In December 2020, Abbott increased the company's quarterly dividend by 25 percent to \$0.45 per share from \$0.36 per share, effective with the dividend paid in February 2021.

In 2021, Abbott will focus on continuing to meet the demand for COVID-19 tests and will continue to invest in product development areas that provide the opportunity for strong sustainable growth over the next several years. In its diagnostics business, Abbott will continue to focus on driving market adoption and geographic expansion of its Alinity suite of diagnostics instruments. In the medical devices business, Abbott will continue to focus on expanding its market position in various areas including diabetes care, structural heart, electrophysiology, and heart failure. In its nutritionals business, Abbott will continue to focus on driving growth globally and further enhancing its portfolio with the introduction of line extensions of its science-based products. In the established pharmaceuticals business, Abbott will continue to focus on growing its business with the depth and breadth of its portfolio in emerging markets.

Sales Rebates — In 2020, approximately 41 percent of Abbott's consolidated gross revenues were subject to various forms of rebates and allowances that Abbott recorded as reductions of revenues at the time of sale. Most of these rebates and allowances in 2020 are in the Nutritional Products and Diabetes Care businesses. Abbott provides rebates to state agencies that administer the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), wholesalers, group purchasing organizations, and other government agencies and private entities. Rebate amounts are usually based upon the volume of purchases using contractual or statutory prices for a product. Factors used in the rebate calculations include the identification of which products have been sold subject to a rebate, which customer or government agency price terms apply, and the estimated lag time between sale and payment of a rebate. Using historical trends, adjusted for current changes, Abbott estimates the amount of the rebate that will be paid, and records the liability as a reduction of gross sales when Abbott records its sale of the product. Settlement of the rebate generally occurs from one to six months after sale. Abbott regularly analyzes the historical rebate trends and makes adjustments to reserves for changes in trends and terms of rebate programs. Rebates and chargebacks charged against gross sales in 2020, 2019 and 2018 amounted to approximately \$3.3 billion, \$3.1 billion and \$3.0 billion, respectively, or 20.1 percent, 19.1 percent and 19.0 percent of gross sales, respectively, based on gross sales of approximately \$16.6 billion, \$16.3 billion and \$16.0 billion, respectively, subject to rebate. A one-percentage point increase in the percentage of rebates to related gross sales would decrease net sales by approximately \$166 million in 2020. Abbott considers a one-percentage point increase to be a reasonably likely increase in the percentage of rebates to related gross sales. Other allowances charged against gross sales were approximately \$207 million, \$169 million and \$175 million for cash discounts in 2020, 2019 and 2018, respectively, and \$232 million, \$192 million and \$191 million for returns in 2020, 2019 and 2018, respectively. Cash discounts are known within 15 to 30 days of sale, and therefore can be reliably estimated. Returns can be reliably estimated because Abbott's historical returns are low, and because sales returns terms and other sales terms have remained relatively unchanged for several periods.

Management analyzes the adequacy of ending rebate accrual balances each quarter. In the domestic nutritional business, management uses both internal and external data available to estimate the accruals. In the WIC business, estimates are required for the amount of WIC sales within each state where Abbott holds the WIC contract. The state where the sale is made, which is the determining factor for the applicable rebated price, is reliably determinable. Rebated prices are based on contractually obligated agreements generally lasting a period of two to four years. Except for a change in contract price or a transition period before or after a change in the supplier for the WIC business in a state, accruals are based on historical redemption rates and data from the U.S. Department of Agriculture (USDA) and the states submitting rebate claims. The USDA, which administers the WIC program, has been making its data available for many years. Management also estimates the states' processing lag time based on sales and claims data. Inventory in the retail distribution channel does not vary substantially. Management has access to several large customers' inventory management data, which allows management to make reliable estimates of inventory in the retail distribution channel. At December 31, 2020, Abbott had WIC business in 27 states.

Historically, adjustments to prior years' rebate accruals have not been material to net income. Abbott employs various techniques to verify the accuracy of claims submitted to it, and where possible, works with the organizations submitting claims to gain insight into changes that might affect the rebate amounts. For government agency programs, the calculation of a rebate involves interpretations of relevant regulations, which are subject to challenge or change in interpretation.

Income Taxes — Abbott operates in numerous countries where its income tax returns are subject to audits and adjustments. Because Abbott operates globally, the nature of the audit items is often very complex, and the objectives of the government auditors can result in a tax on the same income in more than one country. Abbott employs internal and external tax professionals to minimize audit adjustment amounts where possible. In accordance with the accounting rules relating to the measurement of tax contingencies, in order to recognize an uncertain tax benefit, the taxpayer must be more likely than not of sustaining the position, and the measurement of the benefit is calculated as the largest amount that is more than 50 percent likely to be realized upon resolution of the benefit. Application of these rules requires a significant amount of judgment. In the U.S., Abbott's federal income tax returns through 2016 are settled. Undistributed foreign earnings remain indefinitely reinvested in foreign operations. Determining the amount of unrecognized deferred tax liability related to any remaining undistributed foreign earnings not subject to the transition tax and additional outside basis difference in its foreign entities is not practicable.

Pension and Post-Employment Benefits — Abbott offers pension benefits and post-employment health care to many of its employees. Abbott engages outside actuaries to assist in the determination of the obligations and costs under these programs. Abbott must develop long-term assumptions, the most significant of which are the health care cost trend rates, discount rates and the expected return on plan assets. The discount rates used to measure liabilities were determined based on high-quality fixed income securities that match the duration of the expected retiree benefits. The health care cost trend rates represent Abbott's expected annual rates of change in the cost of health care benefits and are a forward projection of health care costs as of the measurement date. A difference between the assumed rates and the actual rates, which will not be known for years, can be significant in relation to the obligations and the annual cost recorded for these programs. Low interest rates have significantly increased actuarial losses for these plans. At December 31, 2020, pretax net actuarial losses and prior service costs and (credits) recognized in Accumulated other comprehensive income (loss) were net losses of \$4.6 billion for Abbott's defined benefit plans and net losses of \$419 million for Abbott's medical and dental plans. Actuarial losses and gains are amortized over the remaining service attribution periods of the employees under the corridor method, in accordance with the rules for accounting for post-employment benefits. Differences between the expected long-term return on plan assets and the actual annual return are amortized over a five-year period.

Valuation of Intangible Assets — Abbott has acquired and continues to acquire significant intangible assets that Abbott records at fair value at the acquisition date. Transactions involving the purchase or sale of intangible assets occur with some frequency between companies in the health care field and valuations are usually based on a discounted cash flow analysis. The discounted cash flow model requires assumptions about the timing and amount of future net cash flows, risk, cost of capital, terminal values and market participants. Each of these factors can significantly affect the value of the intangible asset. Abbott engages independent valuation experts who review Abbott's critical assumptions and calculations for acquisitions of significant intangibles. Abbott reviews definite-lived intangible assets for impairment each quarter using an undiscounted net cash flows approach. If the undiscounted cash flows of an intangible asset are less than the carrying value of an intangible asset, the intangible asset is written down to its fair value, which is usually the discounted cash flow amount. Where cash flows cannot be identified for an individual asset, the review is applied at the lowest group level for which cash flows are identifiable. Goodwill and indefinite-lived intangible assets, which relate to in-process research and development acquired in a business combination, are reviewed for impairment annually or when an event that could result in impairment occurs. At December 31, 2020, goodwill amounted to \$23.7 billion and net intangibles amounted to \$14.8 billion. Amortization expense in continuing operations for intangible assets amounted to \$2.1 billion in 2020, \$1.9 billion in 2019 and \$2.2 billion in 2018. There was no reduction of goodwill relating to impairments in 2020, 2019 and 2018.

Litigation — Abbott accounts for litigation losses in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 450, "Contingencies." Under ASC No. 450, loss contingency provisions are recorded for probable losses at management's best estimate of a loss, or when a best estimate cannot be made, a minimum loss contingency amount is recorded. These estimates are often initially developed substantially earlier than the ultimate loss is known, and the estimates are refined each accounting period as additional information becomes known. Accordingly, Abbott is often initially unable to develop a best estimate of loss, and therefore the minimum amount, which could be zero, is recorded. As information becomes known, either the minimum loss amount is increased, resulting in additional loss provisions, or a best estimate can be made, also resulting in additional loss provisions. Occasionally, a best estimate amount is changed to a lower amount when events result in an expectation of a more favorable outcome than previously expected. Abbott estimates the range of possible loss to be from approximately \$90 million to \$120 million for its legal proceedings and environmental exposures. Accruals of approximately \$105 million have been recorded at December 31, 2020 for these proceedings and exposures. These accruals represent management's best estimate of probable loss, as defined by FASB ASC No. 450, "Contingencies."

Results of Operations

Sales

The following table details the components of sales growth by reportable segment for the last two years:

	Total % Change	Components of % Change		
		Price	Volume	Exchange
Total Net Sales				
2020 vs. 2019	8.5	(0.4)	10.2	(1.3)
2019 vs. 2018	4.3	0.2	7.3	(3.2)
Total U.S.				
2020 vs. 2019	14.2	(1.1)	15.3	—
2019 vs. 2018	5.2	(0.4)	5.6	—
Total International				
2020 vs. 2019	5.3	0.1	7.2	(2.0)
2019 vs. 2018	3.9	0.5	8.3	(4.9)
Established Pharmaceutical Products Segment				
2020 vs. 2019	(4.1)	2.7	(0.8)	(6.0)
2019 vs. 2018	1.4	3.0	4.3	(5.9)
Nutritional Products Segment				
2020 vs. 2019	3.2	0.8	3.9	(1.5)
2019 vs. 2018	2.5	0.9	3.9	(2.3)
Diagnostic Products Segment				
2020 vs. 2019	40.1	(0.8)	41.4	(0.5)
2019 vs. 2018	2.9	(0.5)	6.4	(3.0)
Medical Devices Segment				
2020 vs. 2019	(3.7)	(1.9)	(1.9)	0.1
2019 vs. 2018	7.6	(0.9)	11.4	(2.9)

The increase in Total Net Sales in 2020 reflects volume growth in the Diagnostics and Nutritional Products segments. In Medical Devices, the impact of COVID-19 on Abbott's cardiovascular and neuromodulation businesses was partially offset by double-digit volume growth in Diabetes Care. The increase in Total Net Sales in 2019 reflects volume growth across all of Abbott's segments. The price declines related to the Medical Devices segment in 2020 and 2019 primarily reflect DES pricing pressures as a result of market competition in the U.S. and other major markets.

A comparison of significant product and product group sales is as follows. Percent changes are versus the prior year and are based on unrounded numbers.

	<u>2020</u>	<u>2019</u>	<u>Total Change</u>	<u>Impact of Exchange</u>	<u>Total Change Excl. Exchange</u>
(dollars in millions)					
Total Established Pharmaceuticals —					
Key Emerging Markets	\$ 3,209	\$ 3,392	(5)%	(8)%	3 %
Other	1,094	1,094	—	1	(1)
Nutritionals —					
International Pediatric Nutritionals	2,140	2,282	(6)	(2)	(4)
U.S. Pediatric Nutritionals	1,987	1,879	6	—	6
International Adult Nutritionals	2,228	2,017	11	(3)	14
U.S. Adult Nutritionals	1,292	1,231	5	—	5
Diagnostics —					
Core Laboratory	4,475	4,656	(4)	(1)	(3)
Molecular	1,438	442	225	(1)	226
Point of Care	516	561	(8)	—	(8)
Rapid Diagnostics	4,376	2,054	113	1	112
Medical Devices —					
Rhythm Management	1,914	2,144	(11)	—	(11)
Electrophysiology	1,578	1,721	(8)	1	(9)
Heart Failure	740	769	(4)	—	(4)
Vascular (a)	2,339	2,850	(18)	—	(18)
Structural Heart	1,247	1,400	(11)	—	(11)
Neuromodulation	702	831	(16)	—	(16)
Diabetes Care	3,267	2,524	29	—	29
(a) Vascular Product Lines:					
Coronary and Endovascular	2,263	2,740	(17)	—	(17)

(dollars in millions)	2019	2018	Total Change	Impact of Exchange	Total Change Excl. Exchange
Total Established Pharmaceuticals —					
Key Emerging Markets	\$ 3,392	\$ 3,363	1 %	(7)%	8 %
Other	1,094	1,059	3	(3)	6
Nutritionals —					
International Pediatric Nutritionals	2,282	2,254	1	(4)	5
U.S. Pediatric Nutritionals	1,879	1,843	2	—	2
International Adult Nutritionals	2,017	1,900	6	(5)	11
U.S. Adult Nutritionals	1,231	1,232	—	—	—
Diagnostics —					
Core Laboratory	4,656	4,386	6	(4)	10
Molecular	442	484	(9)	(3)	(6)
Point of Care	561	553	2	—	2
Rapid Diagnostics	2,054	2,072	(1)	(2)	1
Medical Devices —					
Rhythm Management	2,144	2,198	(3)	(3)	—
Electrophysiology	1,721	1,561	10	(3)	13
Heart Failure	769	646	19	(1)	20
Vascular (a)	2,850	2,929	(3)	(3)	—
Structural Heart	1,400	1,239	13	(3)	16
Neuromodulation	831	864	(4)	(2)	(2)
Diabetes Care	2,524	1,933	31	(5)	36
(a) Vascular Product Lines:					
Coronary and Endovascular	2,740	2,778	(1)	(2)	1

In order to compute results excluding the impact of exchange rates, current year U.S. dollar sales are multiplied or divided, as appropriate, by the current year average foreign exchange rates and then those amounts are multiplied or divided, as appropriate, by the prior year average foreign exchange rates.

Total Established Pharmaceutical Products sales increased 1.9 percent in 2020 and 7.3 percent in 2019, excluding the unfavorable impact of foreign exchange. The Established Pharmaceutical Products segment is focused on several key emerging markets including India, Russia, China and Brazil. Excluding the impact of foreign exchange, total sales in these key emerging markets increased 2.6 percent in 2020 and 7.9 percent in 2019 due to higher sales in several geographies including China, Brazil, India and Russia. Excluding the impact of foreign exchange, sales in Established Pharmaceuticals' other emerging markets decreased 0.5 percent in 2020 and increased 5.6 percent in 2019.

Total Nutritional Products sales increased 4.7 percent in 2020 and 4.8 percent in 2019, excluding the impact of foreign exchange. In 2020, International Pediatric Nutritional sales, excluding the effect of foreign exchange, decreased 4.1 percent as growth across Abbott's pediatric products in various countries in Southeast Asia was more than offset by challenging market dynamics in the infant category in Greater China. The 4.6 percent increase in 2019 International Pediatric Nutritional sales, excluding the effect of foreign exchange, was driven by growth across Abbott's portfolio, including Similac and PediaSure in various countries in Asia and Latin America and Pedialyte in Latin America. This growth was partially offset by challenging market dynamics in the infant category in Greater China. In the U.S. Pediatric Nutritional business, sales increased 5.8 percent in 2020 and 1.9 percent in 2019, reflecting growth in Similac in 2020 and growth in PediaSure and Pedialyte in both years.

In the International Adult Nutritional business, sales increased 13.6 percent and 10.9 percent in 2020 and 2019, respectively, excluding the effect of foreign exchange, due to continued growth of Ensure and Glucerna in several countries. In 2020 U.S. Adult Nutritional sales increased 4.9 percent, primarily due to growth of Ensure. In 2019, U.S. Adult Nutritional sales were unchanged from 2018 due to the impact of Abbott's discontinuation of a non-core product line during the third quarter of 2018 that was offset by growth in other areas of the business.

In the Diagnostics segment, Core Laboratory sales decreased 2.8 percent in 2020, excluding the effect of foreign exchange, as the lower volume of routine testing performed in hospital and other laboratories due to COVID-19 was partially offset by sales of Abbott's COVID-19 laboratory-based tests for the detection of the IgG and IgM antibodies, which determine if someone was previously infected with the virus. Core Laboratory antibody testing-related sales on Abbott's ARCHITECT and Alinity i platforms were \$268 million in 2020. The 225.7 percent increase in Molecular Diagnostics sales in 2020, excluding the effect of foreign exchange, reflects higher volumes due to demand for Abbott's laboratory-based molecular tests for COVID-19 on its m2000 and Alinity m platforms. Abbott received U.S. FDA approval in March 2020 for its Alinity m molecular diagnostics system. Molecular Diagnostics COVID-19 testing-related sales were \$1.023 billion in 2020.

In Rapid Diagnostics, sales increased 112.3 percent in 2020, excluding the effect of foreign exchange, due to strong demand for Abbott's point-of-care COVID-19 molecular test on its ID NOW platform and its BinaxNOW COVID-19 Ag Card test in the U.S. as well as international demand for COVID-19 rapid tests on its Panbio system and increased testing in the first quarter for the flu in the U.S. These increases were partially offset by the unfavorable impact of COVID-19 on routine diagnostic testing. Rapid Diagnostics COVID-19 testing-related sales were \$2.593 billion in 2020.

In the Diagnostics segment, the sales increase in 2019 was driven by above-market growth in Core Laboratory in the U.S. and internationally, where Abbott achieved continued adoption of its Alinity family of diagnostic instruments. The 6.3 percent decrease in 2019 Molecular sales, excluding the effect of foreign exchange, reflects the negative impact of lower non-governmental organization purchases in Africa. In Rapid Diagnostics, sales growth in 2019 in various areas, including infectious disease testing in developed markets and cardio-metabolic testing, was mostly offset by lower than expected infectious disease testing sales in Africa.

Excluding the effect of foreign exchange, total Medical Devices sales decreased 3.8 percent and increased 10.5 percent in 2020 and 2019, respectively. In 2020, double-digit growth in Diabetes Care was more than offset by decreases in Abbott's cardiovascular and neuromodulation businesses due to the impact of COVID-19 and lower vascular sales in China in the fourth quarter of 2020 as a result of a new national tender program. The 2019 sales increase was driven by double-digit growth in Diabetes Care, Structural Heart, Electrophysiology and Heart Failure.

The 2020 and 2019 growth in Diabetes Care revenue was driven by continued growth of FreeStyle Libre, Abbott's continuous glucose monitoring system, internationally and in the U.S. In 2020, FreeStyle Libre sales totaled \$2.635 billion, which reflected a 42.6 percent increase over 2019, excluding the effect of foreign exchange. FreeStyle Libre sales in 2019 were \$1.842 billion, which reflected a 69.8 percent increase, excluding the effect of foreign exchange, over 2018 when sales totaled \$1.128 billion.

In 2019, growth in Structural Heart revenue was broad-based across several areas of the business, including MitraClip, Abbott's market-leading device for the minimally invasive treatment of mitral regurgitation (MR), a leaky heart valve. 2019 growth in Electrophysiology revenue reflects higher sales of cardiac diagnostic and ablation catheters in both the U.S. and internationally. The growth in Heart Failure revenue in 2019 was driven by rapid market adoption in the U.S. of Abbott's HeartMate 3[®] Left Ventricular Assist Device (LVAD) following FDA approval in October 2018 as a destination (long-term use) therapy for people living with advanced heart failure as well as higher sales of Abbott's CardioMEMS[®] heart failure monitoring system. In Vascular, excluding the effect of foreign exchange, sales in 2019 were flat as the 1.3 percent increase in coronary and endovascular product sales, which includes drug-eluting stents, balloon catheters, guidewires, vascular imaging/diagnostics products, vessel closure, carotid and other coronary and peripheral products, was offset by reductions in royalty and contract manufacturing revenue. In Rhythm Management, higher 2019 international sales, excluding the effect of foreign exchange, were offset by a 4.4 percent decrease in U.S. revenue. In 2019, the 2.4 percent decline in Neuromodulation sales, excluding the effect of foreign exchange, reflects a 4.2 percent decline in U.S. sales.

Abbott has periodically sold product rights to non-strategic products and has recorded the related gains in net sales in accordance with Abbott's revenue recognition policies as discussed in Note 1 to the consolidated financial statements. Related net sales were not significant in 2020, 2019 and 2018.

The expiration of licenses and patent protection can affect the future revenues and operating income of Abbott. There are no significant patent or license expirations in the next three years that are expected to materially affect Abbott.

In April 2017, Abbott received a warning letter from the U.S. FDA related to its manufacturing facility in Sylmar, CA which was acquired by Abbott on January 4, 2017 as part of the acquisition of St. Jude Medical, Inc. (St. Jude Medical).

This facility manufactures implantable cardioverter defibrillators, cardiac resynchronization therapy defibrillators, and monitors. Abbott prepared and executed a comprehensive plan of corrective actions. On April 28, 2020, Abbott received a letter from the FDA indicating that, based on the FDA's evaluation, it appeared that Abbott had addressed the items in the warning letter. As a result, the warning letter is considered closed.

Operating Earnings

Gross profit margins were 50.5 percent of net sales in 2020, 52.5 percent in 2019 and 51.3 percent in 2018. In 2020, the decrease primarily reflects the mix of sales across Abbott's various businesses and operational inefficiencies due to the impact of COVID-19, as well as the increase in intangible asset amortization, the impairment of intangible assets and the unfavorable effect of foreign exchange on gross margin in 2020. In 2019, the increase primarily reflects lower intangible amortization expense and lower integration and restructuring costs.

Research and development (R&D) expenses were \$2.4 billion in 2020 and 2019, and \$2.3 billion in 2018. R&D spending in 2020 was relatively flat compared to 2019 as the impact of the immediate expensing in 2019 of an R&D asset valued at \$102 million that was acquired in conjunction with the acquisition of Cephea Valve Technologies, Inc. (Cephea) was partially offset by the \$55 million impairment of an in-process R&D intangible asset in 2020. R&D expense in 2020 also reflects lower integration and restructuring costs in 2020 related to R&D, partially offset by higher spending on various projects. R&D expenses in 2019 increased 6.1 percent, primarily reflecting the immediate expensing of the Cephea R&D asset as well as higher R&D spending in various businesses, primarily in Medical Devices, partially offset by the favorable effect of foreign exchange. In 2020, R&D expenditures totaled \$1.3 billion for the Medical Devices segment, \$608 million for the Diagnostic Products segment, \$189 million for the Nutritional Products segment and \$177 million for the Established Pharmaceutical Products segment.

Selling, general and administrative (SG&A) expenses were basically flat in 2020 and 2019 versus the respective prior years. In 2020, the favorable effect of foreign exchange, income of approximately \$100 million from a litigation settlement in 2020, lower spending due to COVID-19 travel restrictions, and the impact of various cost saving initiatives were offset by higher spending to drive growth in various businesses. In 2019, the favorable effect of foreign exchange and lower acquisition-related integration costs offset higher selling and marketing costs to drive continued growth across various businesses.

Restructurings

From 2017 to 2020, Abbott management approved restructuring plans as part of the integration of the acquisitions of St. Jude Medical into the Medical Devices segment, and Alere Inc. (Alere) into the Diagnostic Products segment, in order to leverage economies of scale and reduce costs. As of December 31, 2017, the accrued balance associated with these actions was \$68 million. From 2018 to 2020, Abbott recorded employee related severance and other charges totaling approximately \$137 million, comprised of \$13 million in 2020, \$72 million in 2019 and \$52 million in 2018. Approximately \$30 million was recorded in Cost of products sold, approximately \$15 million was recorded in Research and development, and approximately \$92 million was recorded in Selling, general and administrative expense over the last three years. As of December 31, 2020, the accrued liabilities remaining in the Consolidated Balance Sheet related to these actions total \$25 million and primarily represent severance obligations.

From 2016 to 2020, Abbott management approved plans to streamline operations in order to reduce costs and improve efficiencies in various Abbott businesses including the nutritional, established pharmaceuticals and vascular businesses. Abbott recorded employee related severance and other charges of approximately \$36 million in 2020, \$66 million in 2019 and \$28 million in 2018. Approximately \$6 million in 2020, \$16 million in 2019 and \$10 million in 2018 are recorded in Cost of products sold, approximately \$2 million in 2020, \$28 million in 2019 and \$2 million in 2018 are recorded in Research and development, and approximately \$28 million in 2020, \$22 million in 2019 and \$16 million in 2018 are recorded in Selling, general and administrative expense.

Interest Expense and Interest (Income)

Interest expense, net decreased \$76 million in 2020 due to a reduction in interest expense resulting from the favorable impact of the euro debt financing in November 2019, the repayment of debt in December 2019 and a lower interest rate environment in 2020. In 2019, interest expense, net decreased \$145 million due to the favorable impact of the euro debt financing in September 2018, as well as the repayment of debt in 2018 and the first quarter of 2019.

Debt Extinguishment Costs

On December 19, 2019, Abbott redeemed the \$2.850 billion principal amount of its 2.9% Notes due 2021. Abbott incurred a charge of \$63 million related to the early repayment of this debt.

On October 28, 2018, Abbott redeemed approximately \$4 billion of debt, which included \$750 million principal amount of its 2.00% Notes due 2020; \$597 million principal amount of its 4.125% Notes due 2020; \$900 million principal amount of its 3.25% Notes due 2023; \$450 million principal amount of its 3.4% Notes due 2023; and \$1.300 billion principal amount of its 3.75% Notes due 2026. Abbott incurred a net charge of \$153 million related to the early repayment of this debt and the unwinding of related interest rate swaps.

On March 22, 2018, Abbott redeemed all of the \$947 million principal amount of its 5.125% Notes due 2019, as well as \$1.055 billion of the \$2.850 billion principal amount of its 2.35% Notes due 2019. Abbott incurred a net charge of \$14 million related to the early repayment of this debt.

Other (Income) Expense, net

Other (income) expense, net, for 2020, 2019 and 2018 includes approximately \$205 million, \$225 million, and \$160 million of income in each year, respectively, related to the non-service cost components of the net periodic benefit costs associated with the pension and post-retirement medical plans. Other (income) expense, net for 2020 also includes equity investment impairments that totaled approximately \$115 million.

Taxes on Earnings

The income tax rates on earnings from continuing operations were 10.0 percent in 2020, 9.6 percent in 2019 and 18.8 percent in 2018.

In 2020, taxes on earnings from continuing operations include the recognition of approximately \$170 million of tax benefits associated with the impairment of certain assets, approximately \$140 million of net tax benefits as a result of the resolution of various tax positions related to prior years, and approximately \$100 million in excess tax benefits associated with share-based compensation. In 2020, taxes on earnings from continuing operations also include a \$26 million increase to the transition tax associated with the 2017 Tax Cuts and Jobs Act (TCJA). The \$26 million increase to the transition tax liability was the result of the resolution of various tax positions related to prior years. This adjustment increased the cumulative net tax expense related to the TCJA to \$1.53 billion.

In 2019, taxes on earnings from continuing operations included approximately \$100 million in excess tax benefits associated with share-based compensation, an \$86 million reduction of the transition tax and \$68 million of tax expense resulting from tax legislation enacted in the fourth quarter of 2019 in India. The \$86 million reduction to the transition tax liability was the result of the issuance of final transition tax regulations by the U.S. Department of Treasury in 2019. In 2018, taxes on earnings from continuing operations included \$98 million of net tax expense related to the settlement of Abbott's 2014-2016 federal income tax audit in the U.S., partial settlement of the former St. Jude Medical consolidated group's 2014 and 2015 federal income tax returns in the U.S. and audit settlements in various countries as well as approximately \$90 million in excess tax benefits associated with share-based compensation. In 2018, Abbott also recorded \$130 million of additional tax expense related to the TCJA; the \$130 million reflected a \$120 million increase in the transition tax from \$2.89 billion to \$3.01 billion and a \$10 million reduction in the net benefit related to the remeasurement of deferred tax assets and liabilities.

Exclusive of these discrete items, tax expense was favorably impacted by lower tax rates and tax exemptions on foreign income primarily derived from operations in Puerto Rico, Switzerland, Ireland, the Netherlands, Costa Rica, Singapore, and Malta. Abbott benefits from a combination of favorable statutory tax rules, tax rulings, grants, and exemptions in these tax jurisdictions. See Note 15 to the consolidated financial statements for a full reconciliation of the effective tax rate to the U.S. federal statutory rate.

Discontinued Operations

The net earnings of discontinued operations include income tax benefits of \$24 million in 2020 and \$39 million in 2018. The 2020 tax benefits primarily relate to the resolution of various tax positions related to Abbott's developed markets branded generic pharmaceuticals business which was sold to Mylan Inc. (Mylan) in 2015. The tax positions relate to years prior to the sale to Mylan. The 2018 tax benefits primarily relate to the resolution of various tax positions related to the operations of AbbVie Inc. (AbbVie) for years prior to the separation. Abbott completed the separation of AbbVie, which was formed to hold Abbott's research-based proprietary pharmaceuticals business, in January 2013. Abbott retained all liabilities for all U.S. federal and foreign income taxes on income prior to the separation.

Research and Development Programs

Abbott currently has numerous pharmaceutical, medical devices, diagnostic and nutritional products in development.

Research and Development Process

In the Established Pharmaceuticals segment, the development process focuses on the geographic expansion and continuous improvement of the segment's existing products to provide benefits to patients and customers. As Established Pharmaceuticals does not actively pursue primary research, development usually begins with work on existing products or after the acquisition of an advanced stage licensing opportunity.

Depending upon the product, the phases of development may include:

- Drug product development.
- Phase I bioequivalence studies to compare a future Established Pharmaceutical's brand with an already marketed compound with the same active pharmaceutical ingredient (API).
- Phase II studies to test the efficacy of benefits in a small group of patients.
- Phase III studies to broaden the testing to a wider population that reflects the actual medical use.
- Phase IV and other post-marketing studies to obtain new clinical use data on existing products within approved indications.

The specific requirements (e.g., scope of clinical trials) for obtaining regulatory approval vary across different countries and geographic regions. The process may range from one year for a bioequivalence study project to 6 or more years for complex formulations, new indications, or geographic expansion in specific countries, such as China.

In the Diagnostics segment, the phases of the research and development process include:

- Discovery which focuses on identification of a product that will address a specific therapeutic area, platform, or unmet clinical need.
- Concept/Feasibility during which the materials and manufacturing processes are evaluated, testing may include product characterization and analysis is performed to confirm clinical utility.
- Development during which extensive testing is performed to demonstrate that the product meets specified design requirements and that the design specifications conform to user needs and intended uses.

The regulatory requirements for diagnostic products vary across different countries and geographic regions. In the U.S., the FDA classifies diagnostic products into classes (I, II, or III) and the classification determines the regulatory process for approval. While the Diagnostics segment has products in all three classes, the vast majority of its products are categorized as Class I or Class II. Submission of a separate regulatory filing is not required for Class I products. Class II devices typically require pre-market notification to the FDA through a regulatory filing known as a 510(k) submission. Most Class III products are subject to the FDA's Premarket Approval (PMA) requirements. Other Class III products, such as those used to screen blood, require the submission and approval of a Biological License Application (BLA).

In the European Union (EU), diagnostic products are also categorized into different categories and the regulatory process, which has been governed by the European In Vitro Diagnostic Medical Device Directive, depends upon the category, with certain product categories requiring review and approval by an independent company, known as a Notified Body, before the manufacturer can affix a CE mark to the product to declare conformity to the Directive. Other products only require a self-certification process. In the second quarter of 2017, the EU adopted the new In Vitro Diagnostic Regulation (IVDR) which replaces the existing directive in the EU for in vitro diagnostic products. The IVDR will apply after a five-year transition period and imposes additional premarket and postmarket regulatory requirements on manufacturers of such products.

In the Medical Devices segment, the research and development process begins with research on a specific technology that is evaluated for feasibility and commercial viability. If the research program passes that hurdle, it moves forward into development. The development process includes evaluation, selection and qualification of a product design, completion of applicable clinical trials to test the product's safety and efficacy, and validation of the manufacturing process to demonstrate its repeatability and ability to consistently meet pre-determined specifications.

Similar to the diagnostic products discussed above, in the U.S., medical devices are classified as Class I, II, or III. Most of Abbott's medical device products are classified as Class II devices that follow the 510(k) regulatory process or Class III devices that are subject to the PMA process.

In the EU, medical devices are also categorized into different classes and the regulatory process, which has been governed by the European Medical Device Directive and the Active Implantable Medical Device Directive, varies by class. Each product must bear a CE mark to show compliance with the Directive. In the second quarter of 2017, the EU adopted the new Medical Devices Regulation (MDR) which replaces the existing directives in the EU for medical devices and imposes additional premarket and postmarket regulatory requirements on manufacturers of such products. While the MDR was previously adopted to apply after a three year transition period, in 2020 the European Parliament postponed the date of application by one year.

Some products require submission of a design dossier to the appropriate regulatory authority for review and approval prior to CE marking of the device. For other products, the company is required to prepare a technical file which includes testing results and clinical evaluations but can self-certify its ability to apply the CE mark to the product. Outside the U.S. and the EU, the regulatory requirements vary across different countries and regions.

After approval and commercial launch of some medical devices, post-market trials may be conducted either due to a conditional requirement of the regulatory market approval or with the objective of proving product superiority.

In the Nutritional segment, the research and development process generally focuses on identifying and developing ingredients and products that address the nutritional needs of particular populations (e.g., infants and adults) or patients (e.g., people with diabetes). Depending upon the country and/or region, if claims regarding a product's efficacy will be made, clinical studies typically must be conducted.

In the U.S., the FDA requires that it be notified of proposed new formulations and formulation or packaging changes related to infant formula products. Prior to the launch of an infant formula or product packaging change, the company is required to obtain the FDA's confirmation that it has no objections to the proposed product or packaging. For other nutritional products, notification or pre-approval from the FDA is not required unless the product includes a new food additive. In some countries, regulatory approval may be required for certain nutritional products, including infant formula and medical nutritional products.

Areas of Focus

In 2021 and beyond, Abbott's significant areas of therapeutic focus will include the following:

Established Pharmaceuticals — Abbott focuses on building country-specific portfolios made up of high-quality medicines that meet the needs of people in emerging markets. Over the next several years, Abbott plans to expand its product portfolio in key therapeutic areas with the aim of being among the first to launch new off-patent and differentiated medicines. In addition, Abbott continues to expand existing brands into new markets, implement product enhancements that provide value to patients and acquire strategic products and technology through licensing activities. Abbott is also actively working on the further development of several key brands such as Creon™, Duphaston™, Duphalac™ and Influvac™. Depending on the product, the activities focus on development of new data, markets, formulations, delivery systems, or indications. One example includes the launch of Abbott's quadrivalent influenza vaccination Influvac® Tetra in 12 markets and an expanded indication in 16 markets to cover children, adolescents and young adults from 3 to 17 years old.

Medical Devices — Abbott's research and development programs focus on:

- Cardiac Rhythm Management – Development of next-generation rhythm management technologies, including advanced communication capabilities and leadless pacing therapies.
- Heart Failure – Continued enhancements to Abbott's mechanical circulatory support and pulmonary artery pressure systems, including enhanced clinical performance and usability.
- Electrophysiology – Development of next-generation technologies in the areas of ablation, diagnostic, mapping, and visualization and recording.
- Vascular – Development of next-generation technologies for use in coronary and peripheral vascular procedures.
- Structural Heart – Development of minimally-invasive transcatheter and surgical devices for the repair and replacement of heart valves and other structural heart conditions.
- Neuromodulation – Development of additional clinical evidence and next-generation technologies leveraging digital health to improve patient and physician engagement to treat chronic pain, movement disorders and other indications.
- Diabetes Care – Develop enhancements and additional indications for the FreeStyle Libre platform of continuous glucose monitoring products to help patients improve their ability to manage diabetes and for use beyond diabetes.

Nutritionals — Abbott is focusing its research and development spend on platforms that span the pediatric and adult nutrition areas: gastro intestinal/immunity health, brain health, mobility and metabolism, and user experience platforms. Numerous new products that build on advances in these platforms are currently under development, including clinical outcome testing, and are expected to be launched over the coming years.

Core Laboratory Diagnostics — Abbott continues to commercialize its next-generation blood screening, immunoassay, clinical chemistry and hematology systems, along with assays, including a focus on unmet medical need, in various areas including infectious disease, cardiac care, metabolics, and oncology, as well as informatics solutions to help optimize diagnostics laboratory performance and automation solutions to increase efficiency in laboratories.

Molecular Diagnostics — Several new molecular in vitro diagnostic (IVD) tests are in various stages of development and launch.

Rapid Diagnostics — Abbott's research and development programs focus on the development of diagnostic products for infectious disease, cardiometabolic disease and toxicology.

In addition, the Diagnostics Divisions are pursuing the FDA's customary regulatory process for various COVID-19 tests for which an EUA was obtained in 2020.

Given the diversity of Abbott's business, its intention to remain a broad-based health care company and the numerous sources for potential future growth, no individual project is expected to be material to cash flows or results of operations over the next five years. Factors considered included research and development expenses projected to be incurred for the project over the next year relative to Abbott's total research and development expenses, as well as qualitative factors, such as marketplace perceptions and impact of a new product on Abbott's overall market position. There were no delays in Abbott's 2020 research and development activities that are expected to have a material impact on operations.

While the aggregate cost to complete the numerous projects currently in development is expected to be material, the total cost to complete will depend upon Abbott's ability to successfully finish each project, the rate at which each project advances, and the ultimate timing for completion. Given the potential for significant delays and the risk of failure inherent in the development of medical device, diagnostic and pharmaceutical products and technologies, it is not possible to accurately estimate the total cost to complete all projects currently in development. Abbott plans to manage its portfolio of projects to achieve research and development spending that will be competitive in each of the businesses in which it participates, and such spending is expected to approximate 7.0 percent of total Abbott sales in 2021. Abbott does not regularly accumulate or make management decisions based on the total expenses incurred for a particular development phase in a given period.

Goodwill

At December 31, 2020, goodwill recorded as a result of business combinations totaled \$23.7 billion. Goodwill is reviewed for impairment annually in the third quarter or when an event that could result in an impairment occurs, using a quantitative assessment to determine whether it is more likely than not that the fair value of any reporting unit is less than its carrying amount. The income and market approaches are used to calculate the fair value of each reporting unit. The results of the last impairment test indicated that the fair value of each reporting unit was substantially in excess of its carrying value.

Financial Condition

Cash Flow

Net cash from operating activities amounted to \$7.9 billion, \$6.1 billion and \$6.3 billion in 2020, 2019 and 2018, respectively. The increase in Net cash from operating activities in 2020 was primarily due to the favorable cash flow impact of higher segment operating earnings, lower payments related to interest, integration expenses, and restructuring actions, and the proceeds from a litigation settlement partially offset by an increased investment in working capital and higher income tax payments. The decrease in Net cash from operating activities in 2019 was primarily due to an increased investment in working capital, timing of pension contributions relative to 2018 and higher income tax payments, partially offset by the favorable cash flow impact of improved segment operating earnings and lower interest and acquisition-related expenses.

While a significant portion of Abbott's cash and cash equivalents at December 31, 2020, are reinvested in foreign subsidiaries, Abbott does not expect such reinvestment to affect its liquidity and capital resources. Due to the enactment of the TCJA, if these funds were needed for operations in the U.S., Abbott does not expect to incur significant additional income taxes in the future to repatriate these funds.

Abbott funded \$400 million in 2020, \$382 million in 2019 and \$114 million in 2018 to defined benefit pension plans. Abbott expects pension funding of approximately \$410 million in 2021 for its pension plans. Abbott expects annual cash flow from operating activities to continue to exceed Abbott's capital expenditures and cash dividends.

Debt and Capital

At December 31, 2020, Abbott's long-term debt rating was A by Standard & Poor's Corporation and A3 by Moody's. Abbott expects to maintain an investment grade rating.

Abbott has readily available financial resources, including unused lines of credit that support commercial paper borrowing arrangements and provide Abbott with the ability to borrow up to \$5 billion on an unsecured basis. The lines of credit are part of a Five Year Credit Agreement (Revolving Credit Agreement) that Abbott entered into on November 12, 2020. At that time, Abbott also terminated its 2018 revolving credit agreement. There were no outstanding borrowings under the 2018 revolving credit agreement at the time of its termination. Any borrowings under the Revolving Credit Agreement will mature and be payable on November 12, 2025. Any borrowings under the Revolving Credit Agreement will bear interest, at Abbott's option, based on either a base rate or Eurodollar rate, plus an applicable margin based on Abbott's credit ratings.

In 2020, financing activities related to the issuance and repayment of long-term debt included the following:

- On June 24, 2020, Abbott completed the issuance of \$1.3 billion aggregate principal amount of senior notes, consisting of \$650 million of its 1.15% Notes due 2028 and \$650 million of its 1.40% Notes due 2030.
- On September 28, 2020, Abbott repaid the €1.140 billion outstanding principal amount of its 0.00% Notes due 2020 upon maturity. The repayment equated to approximately \$1.3 billion.

As of December 31, 2020, Abbott's total debt is \$18.7 billion.

In 2018 and 2019, Abbott committed to reducing its debt levels which had increased as part of the acquisitions of St. Jude Medical and Alere in 2017. In 2018, net repayments totaled approximately \$8.3 billion of debt.

On February 24, 2019, Abbott redeemed the \$500 million outstanding principal amount of its 2.80% Notes due 2020.

In September 2019, the board of directors authorized the early redemption of up to \$5 billion of outstanding long-term notes. This bond redemption authorization superseded the board's previous authorization under which \$700 million had not yet been redeemed. On December 19, 2019, Abbott redeemed the \$2.850 billion outstanding principal amount of its 2.90% Notes due 2021. \$2.15 billion of the 2019 \$5 billion redemption authorization remains available as of December 31, 2020.

On November 19, 2019, Abbott's wholly owned subsidiary, Abbott Ireland Financing DAC, completed a euro debt offering of €1.180 billion of long-term debt. The proceeds equated to approximately \$1.3 billion. The Notes are guaranteed by Abbott.

On November 21, 2019, Abbott borrowed ¥59.8 billion under a 5-year term loan and designated the yen-denominated loan as a hedge of its net investment in certain foreign subsidiaries. The term loan bears interest at TIBOR plus a fixed spread, and the interest rate is reset quarterly. The proceeds equated to approximately \$550 million.

In total, these 2019 transactions resulted in the repayment of approximately of \$1.6 billion of debt, net of borrowings.

In September 2014, the board of directors authorized the repurchase of up to \$3.0 billion of Abbott's common shares from time to time. Under the program authorized in 2014, Abbott repurchased 36.2 million shares at a cost of \$1.666 billion in 2015, 10.4 million shares at a cost of \$408 million in 2016, 1.9 million shares at a cost of \$130 million in 2018, 6.3 million shares at a cost of \$525 million in 2019, and 1.6 million shares at a cost of \$173 million in 2020 for a total of approximately \$2.9 billion. In October 2019, the board of directors authorized the repurchase of up to \$3 billion of Abbott's common shares from time to time. The 2019 authorization is in addition to the approximately \$100 million unused portion of the share repurchase program authorized in 2014.

On April 27, 2016, the board of directors authorized the issuance and sale for general corporate purposes of up to 75 million common shares that would result in proceeds of up to \$3 billion. No shares have been issued under this authorization.

Abbott declared dividends of \$1.53 per share in 2020 compared to \$1.32 per share in 2019, an increase of approximately 16 percent. Dividends paid were \$2.560 billion in 2020 compared to \$2.270 billion in 2019. The year-over-year change in dividends paid primarily reflects the impact of the increase in the dividend rate.

Working Capital

Working capital was \$8.5 billion at December 31, 2020 and \$4.8 billion at December 31, 2019. The increase was due in large part to the higher level of cash and cash equivalents, which was due primarily to the increase in cash generated from operating activities, and the repayment of the current portion of long term debt after the issuance of new long term notes in 2020. Working capital also increased due to the higher levels of accounts receivable and inventory partially offset by an increase in accounts payable associated with the growth of the business.

Abbott monitors the credit worthiness of customers and establishes an allowance that reflects the current estimate of credit losses expected to be incurred over the life of the financial asset. Abbott considers various factors in establishing, monitoring, and adjusting its allowance for doubtful accounts, including the aging of the accounts and aging trends, the historical level of charge-offs, and specific exposures related to particular customers. Abbott also monitors other risk factors and forward-looking information, such as country risk, when determining credit limits for customers and establishing adequate allowances.

Capital Expenditures

Capital expenditures of \$2.2 billion in 2020, \$1.6 billion in 2019 and \$1.4 billion in 2018 were principally for upgrading and expanding manufacturing and research and development facilities and equipment in various segments, investments in information technology, and laboratory instruments placed with customers. The 2020 increase in capital expenditures primarily reflects the building of capacity for the manufacture of COVID-19 diagnostics tests.

Contractual Obligations

The table below summarizes Abbott's estimated contractual obligations as of December 31, 2020.

(in millions)	Payments Due By Period				
	Total	2021	2022-2023	2024-2025	2026 and Thereafter
Long-term debt, including current maturities	\$ 18,490	\$ 7	\$ 3,203	\$ 2,802	\$ 12,478
Interest on debt obligations	9,011	596	1,152	1,024	6,239
Operating lease obligations	1,315	272	405	231	407
Purchase commitments (a)	4,757	4,192	478	77	10
Other long-term liabilities (b)	3,845	—	1,959	1,266	620
Total (c)	<u>\$ 37,418</u>	<u>\$ 5,067</u>	<u>\$ 7,197</u>	<u>\$ 5,400</u>	<u>\$ 19,754</u>

- (a) Purchase commitments are for purchases made in the normal course of business to meet operational and capital expenditure requirements.
- (b) Other long-term liabilities include estimated payments for the transition tax under the TCJA, net of applicable credits.
- (c) Net unrecognized tax benefits totaling approximately \$740 million are excluded from the table above as Abbott is unable to reasonably estimate the period of cash settlement with the respective taxing authorities on such items. See Note 15 — Taxes on Earnings from Continuing Operations for further details. The company has employee benefit obligations consisting of pensions and other post-employment benefits, including medical and life, which have been excluded from the table. A discussion of the company's pension and post-retirement plans, including funding matters is included in Note 14 — Post-employment Benefits.

Contingent Obligations

Abbott periodically acquires a business or product rights in which Abbott agrees to pay contingent consideration based on attaining certain thresholds or based on the occurrence of certain events.

Legislative Issues

Abbott's primary markets are highly competitive and subject to substantial government regulations throughout the world. Abbott expects debate to continue over the availability, method of delivery, and payment for health care products and services. It is not possible to predict the extent to which Abbott or the health care industry in general might be adversely affected by these factors in the future. A more complete discussion of these factors is contained in Item 1, Business, and Item 1A, Risk Factors.

Recently Issued Accounting Standards

In December 2019, the FASB issued Accounting Standards Update (ASU) 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, which among other things, eliminates certain exceptions in the current rules regarding the approach for intraperiod tax allocations and the methodology for calculating income taxes in an interim period, and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. The standard becomes effective for Abbott in the first quarter of 2021. Adoption of this new standard will not have a material impact on Abbott's consolidated financial statements.

In February 2018, the FASB issued ASU 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*, which allows companies to reclassify stranded tax effects resulting from the 2017 Tax Cuts and Jobs Act, from Accumulated other comprehensive income (loss) to retained earnings (Earnings employed in the business). Abbott adopted the new standard at the beginning of the fourth quarter of 2018. As a result of the adoption of the new standard, approximately \$337 million of stranded tax effects were reclassified from Accumulated other comprehensive income (loss) to Earnings employed in the business.

In October 2016, the FASB issued ASU 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory*, which requires the recognition of the income tax effects of intercompany sales and transfers of assets, other than inventory, in the period in which the transfer occurs. Abbott adopted the standard on January 1, 2018, using a modified retrospective approach and recorded a cumulative catch-up adjustment to Earnings employed in the business in the Consolidated Balance Sheet that was not significant.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses*, which changes the methodology to be used to measure credit losses for certain financial instruments and financial assets, including trade receivables. The new methodology requires the recognition of an allowance that reflects the current estimate of credit losses expected to be incurred over the life of the financial asset. Abbott adopted the standard on January 1, 2020 and recorded a cumulative adjustment that was not significant to Earnings employed in the business in the Consolidated Balance Sheet.

Private Securities Litigation Reform Act of 1995 — A Caution Concerning Forward-Looking Statements

Under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Abbott cautions investors that any forward-looking statements or projections made by Abbott, including those made in this document, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Economic, competitive, governmental, technological and other factors that may affect Abbott's operations are discussed in Item 1A, Risk Factors.

Financial Instruments and Risk Management**Market Price Sensitive Investments**

The fair value of equity securities held by Abbott with a readily determinable fair value was approximately \$20 million and \$11 million as of December 31, 2020 and 2019, respectively. These equity securities are subject to potential changes in fair value. A hypothetical 20 percent decrease in the share prices of these investments would decrease their fair value at December 31, 2020 by approximately \$4 million. Changes in the fair value of these securities are recorded in earnings.

The fair value of investments in mutual funds that are held in a rabbi trust for the purpose of paying benefits under a deferred compensation plan was approximately \$366 million and \$346 million as of December 31, 2020 and 2019, respectively. Changes in the fair value of these investments, as well as an offsetting change in the benefit obligation, are recorded in earnings.

Non-Publicly Traded Equity Securities

Abbott holds equity securities that are not traded on public stock exchanges. The carrying value of these investments was \$113 million and \$158 million as of December 31, 2020 and 2019, respectively. No individual investment is recorded at a value in excess of \$15 million. Abbott measures these investments at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer.

Interest Rate Sensitive Financial Instruments

At December 31, 2020 and 2019, Abbott had interest rate hedge contracts totaling \$2.9 billion to manage its exposure to changes in the fair value of debt. The effect of these hedges is to change the fixed interest rate to a variable rate for the portion of the debt that is hedged. Abbott does not use derivative financial instruments, such as interest rate swaps, to manage its exposure to changes in interest rates for its investment securities. The fair value of long-term debt at December 31, 2020 and 2019 amounted to \$22.8 billion and \$20.8 billion, respectively (average interest rates of 3.3% as of December 31, 2020 and 2019) with maturities through 2046. At December 31, 2020 and 2019, the fair value of current and long-term investment securities amounted to approximately \$1.1 billion and \$1.2 billion, respectively. A hypothetical 100-basis point change in the interest rates would not have a material effect on cash flows, income or fair values.

Foreign Currency Sensitive Financial Instruments

Certain Abbott foreign subsidiaries enter into foreign currency forward exchange contracts to manage exposures to changes in foreign exchange rates for anticipated intercompany purchases by those subsidiaries whose functional currencies are not the U.S. dollar. These contracts are designated as cash flow hedges of the variability of the cash flows due to changes in foreign currency exchange rates and are marked-to-market with the resulting gains or losses reflected in Accumulated other comprehensive income (loss). Gains or losses will be included in Cost of products sold at the time the products are sold, generally within the next twelve to eighteen months. At December 31, 2020 and 2019, Abbott held \$8.1 billion and \$6.8 billion, respectively, of such contracts. Contracts held at December 31, 2020 will mature in 2021 or 2022 depending upon the contract. Contracts held at December 31, 2019 matured in 2020 or will mature in 2021 depending upon the contract.

Abbott enters into foreign currency forward exchange contracts to manage its exposure to foreign currency denominated intercompany loans and trade payables and third-party trade payables and receivables. The contracts are marked-to-market, and resulting gains or losses are reflected in income and are generally offset by losses or gains on the foreign currency exposure being managed. At December 31, 2020 and 2019, Abbott held \$11.0 billion and \$9.1 billion, respectively, of such contracts, which mature in the next 13 months.

In November 2019, Abbott borrowed ¥59.8 billion under a 5-year term loan and designated the yen-denominated loan as a hedge of the net investment in certain foreign subsidiaries. The proceeds equated to approximately \$550 million. The value of this long-term debt was approximately \$577 million and \$546 million as of December 31, 2020 and December 31, 2019, respectively. The change in the value of the debt, which is due to changes in foreign exchange rates, was recorded in Accumulated other comprehensive income (loss), net of tax.

The following table reflects the total foreign currency forward exchange contracts outstanding at December 31, 2020 and 2019:

	2020			2019		
	Contract Amount	Weighted Average Exchange Rate	Fair and Carrying Value Receivable/ (Payable)	Contract Amount	Weighted Average Exchange Rate	Fair and Carrying Value Receivable/ (Payable)
(dollars in millions)						
Primarily U.S. Dollars to be exchanged for the following currencies:						
Euro	\$ 7,781	1.1821	\$ (91)	\$ 7,085	1.1189	\$ 65
Chinese Yuan	2,401	6.4900	(99)	2,177	7.0216	4
Japanese Yen	1,589	105.3861	(20)	1,092	106.8530	13
All other currencies	7,369	n/a	(198)	5,532	n/a	(23)
Total	<u>\$ 19,140</u>		<u>\$ (408)</u>	<u>\$ 15,886</u>		<u>\$ 59</u>

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Abbott Laboratories and Subsidiaries

Consolidated Statement of Earnings
(in millions except per share data)

	Year Ended December 31		
	2020	2019	2018
Net Sales	\$ 34,608	\$ 31,904	\$ 30,578
Cost of products sold, excluding amortization of intangible assets	15,003	13,231	12,706
Amortization of intangible assets	2,132	1,936	2,178
Research and development	2,420	2,440	2,300
Selling, general and administrative	9,696	9,765	9,744
Total Operating Cost and Expenses	29,251	27,372	26,928
Operating Earnings	5,357	4,532	3,650
Interest expense	546	670	826
Interest income	(46)	(94)	(105)
Net foreign exchange (gain) loss	(8)	7	28
Debt extinguishment costs	—	63	167
Other (income) expense, net	(103)	(191)	(139)
Earnings from Continuing Operations Before Taxes	4,968	4,077	2,873
Taxes on Earnings from Continuing Operations	497	390	539
Earnings from Continuing Operations	4,471	3,687	2,334
Net Earnings from Discontinued Operations, net of taxes	24	—	34
Net Earnings	\$ 4,495	\$ 3,687	\$ 2,368
Basic Earnings Per Common Share --			
Continuing Operations	\$ 2.51	\$ 2.07	\$ 1.32
Discontinued Operations	0.01	—	0.02
Net Earnings	\$ 2.52	\$ 2.07	\$ 1.34
Diluted Earnings Per Common Share --			
Continuing Operations	\$ 2.49	\$ 2.06	\$ 1.31
Discontinued Operations	0.01	—	0.02
Net Earnings	\$ 2.50	\$ 2.06	\$ 1.33
Average Number of Common Shares Outstanding Used for Basic Earnings Per Common Share	1,773	1,768	1,758
Dilutive Common Stock Options	13	13	12
Average Number of Common Shares Outstanding Plus Dilutive Common Stock Options	1,786	1,781	1,770
Outstanding Common Stock Options Having No Dilutive Effect	9	61	—

The accompanying notes to consolidated financial statements are an integral part of this statement.

Abbott Laboratories and Subsidiaries

Consolidated Statement of Comprehensive Income
(in millions)

	Year Ended December 31		
	2020	2019	2018
Net Earnings	\$ 4,495	\$ 3,687	\$ 2,368
Foreign currency translation gain (loss) adjustments	65	(12)	(1,460)
Net actuarial gains (losses) and prior service cost and credits and amortization of net actuarial losses and prior service cost and credits, net of taxes of \$(79) in 2020, \$(238) in 2019 and \$47 in 2018	(331)	(814)	132
Net (losses) gains on derivative instruments designated as cash flow hedges, net of taxes of \$(87) in 2020, \$(17) in 2019 and \$50 in 2018	(215)	(53)	136
Other Comprehensive Income (Loss)	(481)	(879)	(1,192)
Comprehensive Income	\$ 4,014	\$ 2,808	\$ 1,176
Supplemental Accumulated Other Comprehensive Income (Loss) Information, net of tax as of December 31:			
Cumulative foreign currency translation (loss) adjustments	\$ (4,859)	\$ (4,924)	\$ (4,912)
Net actuarial (losses) and prior service (cost) and credits	(3,871)	(3,540)	(2,726)
Cumulative (losses) gains on derivative instruments designated as cash flow hedges	(216)	(1)	52
Accumulated other comprehensive income (loss)	\$ (8,946)	\$ (8,465)	\$ (7,586)

The accompanying notes to consolidated financial statements are an integral part of this statement.

Abbott Laboratories and Subsidiaries
Consolidated Statement of Cash Flows
(in millions)

	Year Ended December 31		
	2020	2019	2018
Cash Flow From (Used in) Operating Activities:			
Net earnings	\$ 4,495	\$ 3,687	\$ 2,368
Adjustments to reconcile earnings to net cash from operating activities -			
Depreciation	1,195	1,078	1,100
Amortization of intangible assets	2,132	1,936	2,178
Share-based compensation	546	519	477
Amortization of inventory step-up	—	—	32
Investing and financing losses, net	425	184	126
Loss on extinguishment of debt	—	63	167
Trade receivables	(924)	(275)	(190)
Inventories	(493)	(593)	(514)
Prepaid expenses and other assets	(627)	(138)	23
Trade accounts payable and other liabilities	1,766	220	747
Income taxes	(614)	(545)	(214)
Net Cash From Operating Activities	7,901	6,136	6,300
Cash Flow From (Used in) Investing Activities:			
Acquisitions of property and equipment	(2,177)	(1,638)	(1,394)
Acquisitions of businesses and technologies, net of cash acquired	(42)	(170)	(54)
Proceeds from business dispositions	58	48	48
Purchases of investment securities	(83)	(103)	(131)
Proceeds from sales of investment securities	10	21	73
Other	19	27	102
Net Cash From (Used in) Investing Activities	(2,215)	(1,815)	(1,356)
Cash Flow From (Used in) Financing Activities:			
Proceeds from issuance of (repayments of) short-term debt, net and other	2	—	(26)
Proceeds from issuance of long-term debt and debt with maturities over 3 months	1,281	1,842	4,009
Repayments of long-term debt and debt with maturities over 3 months	(1,333)	(3,441)	(12,433)
Purchases of common shares	(403)	(718)	(238)
Proceeds from stock options exercised	245	298	271
Dividends paid	(2,560)	(2,270)	(1,974)
Other	(11)	—	—
Net Cash From (Used in) Financing Activities	(2,779)	(4,289)	(10,391)
Effect of exchange rate changes on cash and cash equivalents	71	(16)	(116)
Net Increase (Decrease) in Cash and Cash Equivalents	2,978	16	(5,563)
Cash and Cash Equivalents, Beginning of Year	3,860	3,844	9,407
Cash and Cash Equivalents, End of Year	\$ 6,838	\$ 3,860	\$ 3,844
Supplemental Cash Flow Information:			
Income taxes paid	\$ 970	\$ 930	\$ 740
Interest paid	549	677	845

The accompanying notes to consolidated financial statements are an integral part of this statement.

Abbott Laboratories and Subsidiaries

Consolidated Balance Sheet
(dollars in millions)

	December 31	
	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,838	\$ 3,860
Investments, primarily bank time deposits and U.S. treasury bills	310	280
Trade receivables, less allowances of — 2020: \$460; 2019: \$384	6,414	5,425
Inventories:		
Finished products	3,030	2,784
Work in process	712	560
Materials	1,270	972
Total inventories	5,012	4,316
Other prepaid expenses and receivables	1,867	1,786
Total current assets	20,441	15,667
Investments	821	883
Property and equipment, at cost:		
Land	538	519
Buildings	4,014	3,702
Equipment	12,884	11,468
Construction in progress	1,357	1,110
	18,793	16,799
Less: accumulated depreciation and amortization	9,764	8,761
Net property and equipment	9,029	8,038
Intangible assets, net of amortization	14,784	17,025
Goodwill	23,744	23,195
Deferred income taxes and other assets	3,729	3,079
	<u>\$ 72,548</u>	<u>\$ 67,887</u>

Abbott Laboratories and Subsidiaries

Consolidated Balance Sheet
(dollars in millions)

	December 31	
	2020	2019
Liabilities and Shareholders' Investment		
Current liabilities:		
Short-term borrowings	\$ 213	\$ 201
Trade accounts payable	3,946	3,252
Salaries, wages and commissions	1,416	1,237
Other accrued liabilities	5,165	4,035
Dividends payable	798	635
Income taxes payable	362	226
Current portion of long-term debt	7	1,277
Total current liabilities	11,907	10,863
Long-term debt	18,527	16,661
Post-employment obligations and other long-term liabilities	9,111	9,062
Commitments and contingencies		
Shareholders' investment:		
Preferred shares, one dollar par value Authorized — 1,000,000 shares, none issued	—	—
Common shares, without par value Authorized — 2,400,000,000 shares		
Issued at stated capital amount — Shares: 2020: 1,981,156,896; 2019: 1,976,855,085	24,145	23,853
Common shares held in treasury, at cost — Shares: 2020: 209,926,622; 2019: 214,351,838	(10,042)	(10,147)
Earnings employed in the business	27,627	25,847
Accumulated other comprehensive income (loss)	(8,946)	(8,465)
Total Abbott Shareholders' Investment	32,784	31,088
Noncontrolling interests in subsidiaries	219	213
Total Shareholders' Investment	33,003	31,301
	<u>\$ 72,548</u>	<u>\$ 67,887</u>

The accompanying notes to consolidated financial statements are an integral part of this statement.

Abbott Laboratories and Subsidiaries

Consolidated Statement of Shareholders' Investment
(in millions except shares and per share data)

	Year Ended December 31		
	2020	2019	2018
Common Shares:			
Beginning of Year			
Shares: 2020: 1,976,855,085; 2019: 1,971,189,465; 2018: 1,965,908,188	\$ 23,853	\$ 23,512	\$ 23,206
Issued under incentive stock programs			
Shares: 2020: 4,301,811; 2019: 5,665,620; 2018: 5,281,277	181	209	163
Share-based compensation	548	521	479
Issuance of restricted stock awards	(437)	(389)	(336)
End of Year			
Shares: 2020: 1,981,156,896; 2019: 1,976,855,085; 2018: 1,971,189,465	<u>\$ 24,145</u>	<u>\$ 23,853</u>	<u>\$ 23,512</u>
Common Shares Held in Treasury:			
Beginning of Year			
Shares: 2020: 214,351,838; 2019: 215,570,043; 2018: 222,305,719	\$ (10,147)	\$ (9,962)	\$ (10,225)
Issued under incentive stock programs			
Shares: 2020: 6,290,757; 2019: 7,796,030; 2018: 8,870,735	298	361	408
Purchased			
Shares: 2020: 1,865,541; 2019: 6,577,825; 2018: 2,135,059	(193)	(546)	(145)
End of Year			
Shares: 2020: 209,926,622; 2019: 214,351,838; 2018: 215,570,043	<u>\$ (10,042)</u>	<u>\$ (10,147)</u>	<u>\$ (9,962)</u>
Earnings Employed in the Business:			
Beginning of Year	\$ 25,847	\$ 24,560	\$ 23,978
Impact of adoption of new accounting standards	(5)	—	351
Net earnings	4,495	3,687	2,368
Cash dividends declared on common shares (per share — 2020: \$1.53; 2019: \$1.32; 2018: \$1.16)	(2,722)	(2,343)	(2,047)
Effect of common and treasury share transactions	12	(57)	(90)
End of Year	<u>\$ 27,627</u>	<u>\$ 25,847</u>	<u>\$ 24,560</u>
Accumulated Other Comprehensive Income (Loss):			
Beginning of Year	\$ (8,465)	\$ (7,586)	\$ (6,062)
Impact of adoption of new accounting standards	—	—	(332)
Other comprehensive income (loss)	(481)	(879)	(1,192)
End of Year	<u>\$ (8,946)</u>	<u>\$ (8,465)</u>	<u>\$ (7,586)</u>
Noncontrolling Interests in Subsidiaries:			
Beginning of Year	\$ 213	\$ 198	\$ 201
Noncontrolling Interests' share of income, business combinations, net of distributions and share repurchases	6	15	(3)
End of Year	<u>\$ 219</u>	<u>\$ 213</u>	<u>\$ 198</u>

The accompanying notes to consolidated financial statements are an integral part of this statement.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 — Summary of Significant Accounting Policies

NATURE OF BUSINESS — Abbott's principal business is the discovery, development, manufacture and sale of a broad line of health care products.

BASIS OF CONSOLIDATION — The consolidated financial statements include the accounts of the parent company and subsidiaries, after elimination of intercompany transactions.

USE OF ESTIMATES — The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States and necessarily include amounts based on estimates and assumptions by management. Actual results could differ from those amounts. Significant estimates include amounts for sales rebates, income taxes, pension and other post-employment benefits, valuation of intangible assets, litigation, derivative financial instruments, and inventory and accounts receivable exposures.

FOREIGN CURRENCY TRANSLATION — The statements of earnings of foreign subsidiaries whose functional currencies are other than the U.S. dollar are translated into U.S. dollars using average exchange rates for the period. The net assets of foreign subsidiaries whose functional currencies are other than the U.S. dollar are translated into U.S. dollars using exchange rates as of the balance sheet date. The U.S. dollar effects that arise from translating the net assets of these subsidiaries at changing rates are recorded in the foreign currency translation adjustment account, which is included in equity as a component of Accumulated other comprehensive income (loss). Transaction gains and losses are recorded on the Net foreign exchange (gain) loss line of the Consolidated Statement of Earnings.

REVENUE RECOGNITION — Revenue from product sales is recognized upon the transfer of control, which is generally upon shipment or delivery, depending on the delivery terms set forth in the customer contract. Provisions for discounts, rebates and sales incentives to customers, and returns and other adjustments are provided for in the period the related sales are recorded. Sales incentives to customers are not material. Historical data is readily available and reliable, and is used for estimating the amount of the reduction in gross sales. Revenue from the launch of a new product, from an improved version of an existing product, or for shipments in excess of a customer's normal requirements are recorded when the conditions noted above are met. In those situations, management records a returns reserve for such revenue, if necessary. In certain of Abbott's businesses, primarily within diagnostics, Abbott participates in selling arrangements that include multiple performance obligations (e.g., instruments, reagents, procedures, and service agreements). The total transaction price of the contract is allocated to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. Sales of product rights for marketable products are recorded as revenue upon disposition of the rights.

INCOME TAXES — Deferred income taxes are provided for the tax effect of differences between the tax bases of assets and liabilities and their reported amounts in the financial statements at the enacted statutory rate to be in effect when the taxes are paid. No additional income taxes have been provided for any remaining undistributed foreign earnings not subject to the transition tax related to the U.S. Tax Cuts and Jobs Act (TCJA), or any additional outside basis differences that exist, as these amounts continue to be indefinitely reinvested in foreign operations. Effective for fiscal years beginning after December 31, 2017, the TCJA subjects taxpayers to tax on global intangible low-taxed income (GILTI) earned by certain foreign subsidiaries. Abbott treats the GILTI tax as a period expense and provides for the tax in the year that the tax is incurred. Interest and penalties on income tax obligations are included in taxes on earnings.

EARNINGS PER SHARE — Unvested restricted stock units and awards that contain non-forfeitable rights to dividends are treated as participating securities and are included in the computation of earnings per share under the two-class method. Under the two-class method, net earnings are allocated between common shares and participating securities. Earnings from Continuing Operations allocated to common shares in 2020, 2019 and 2018 were \$4.449 billion, \$3.666 billion and \$2.320 billion, respectively. Net earnings allocated to common shares in 2020, 2019 and 2018 were \$4.473 billion, \$3.666 billion and \$2.353 billion, respectively.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 1 — Summary of Significant Accounting Policies (Continued)

PENSION AND POST-EMPLOYMENT BENEFITS — Abbott accrues for the actuarially determined cost of pension and post-employment benefits over the service attribution periods of the employees. Abbott must develop long-term assumptions, the most significant of which are the health care cost trend rates, discount rates and the expected return on plan assets. Differences between the expected long-term return on plan assets and the actual return are amortized over a five-year period. Actuarial losses and gains are amortized over the remaining service attribution periods of the employees under the corridor method.

FAIR VALUE MEASUREMENTS — For assets and liabilities that are measured using quoted prices in active markets, total fair value is the published market price per unit multiplied by the number of units held without consideration of transaction costs. Assets and liabilities that are measured using significant other observable inputs are valued by reference to similar assets or liabilities, adjusted for contract restrictions and other terms specific to that asset or liability. For these items, a significant portion of fair value is derived by reference to quoted prices of similar assets or liabilities in active markets. For all remaining assets and liabilities, fair value is derived using a fair value model, such as a discounted cash flow model or Black-Scholes model. Purchased intangible assets are recorded at fair value. The fair value of significant purchased intangible assets is based on independent appraisals. Abbott uses a discounted cash flow model to value intangible assets. The discounted cash flow model requires assumptions about the timing and amount of future net cash flows, risk, the cost of capital, terminal values and market participants. Intangible assets are reviewed for impairment on a quarterly basis. Goodwill and indefinite-lived intangible assets are tested for impairment at least annually.

SHARE-BASED COMPENSATION — The fair value of stock options and restricted stock awards and units are amortized over their requisite service period, which could be shorter than the vesting period if an employee is retirement eligible, with a charge to compensation expense.

LITIGATION — Abbott accounts for litigation losses in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 450, "Contingencies." Under ASC No. 450, loss contingency provisions are recorded for probable losses at management's best estimate of a loss, or when a best estimate cannot be made, a minimum loss contingency amount is recorded. Legal fees are recorded as incurred.

CASH, CASH EQUIVALENTS AND INVESTMENTS — Cash equivalents consist of bank time deposits, U.S. government securities money market funds and U.S. treasury bills with original maturities of three months or less. Abbott holds certain investments with a carrying value of \$277 million that are accounted for under the equity method of accounting. Investments held in a rabbi trust and investments in publicly traded equity securities are recorded at fair value and changes in fair value are recorded in earnings. Investments in equity securities that are not traded on public stock exchanges are recorded at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for identical or similar investments of the same issuer. Investments in debt securities are classified as held-to-maturity, as management has both the intent and ability to hold these securities to maturity, and are reported at cost, net of any unamortized premium or discount. Income relating to these securities is reported as interest income.

TRADE RECEIVABLE VALUATIONS — Accounts receivable are stated at the net amount expected to be collected. The allowance for doubtful accounts reflects the current estimate of credit losses expected to be incurred over the life of the accounts receivable. Abbott considers various factors in establishing, monitoring, and adjusting its allowance for doubtful accounts, including the aging of the accounts and aging trends, the historical level of charge-offs, and specific exposures related to particular customers. Abbott also monitors other risk factors and forward-looking information, such as country risk, when determining credit limits for customers and establishing adequate allowances. Accounts receivable are charged off after all reasonable means to collect the full amount (including litigation, where appropriate) have been exhausted.

INVENTORIES — Inventories are stated at the lower of cost (first-in, first-out basis) or net realizable value. Cost includes material and conversion costs.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 1 — Summary of Significant Accounting Policies (Continued)

PROPERTY AND EQUIPMENT — Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets. The following table shows estimated useful lives of property and equipment:

Classification	Estimated Useful Lives
Buildings	10 to 50 years
Equipment	2 to 20 years

PRODUCT LIABILITY — Abbott accrues for product liability claims when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on existing information. The liabilities are adjusted quarterly as additional information becomes available. Product liability losses are self-insured.

RESEARCH AND DEVELOPMENT COSTS — Internal research and development costs are expensed as incurred. Clinical trial costs incurred by third parties are expensed as the contracted work is performed. Where contingent milestone payments are due to third parties under research and development arrangements, the milestone payment obligations are expensed when the milestone results are achieved.

ACQUIRED IN-PROCESS AND COLLABORATIONS RESEARCH AND DEVELOPMENT (IPR&D) — The initial costs of rights to IPR&D projects obtained in an asset acquisition are expensed as IPR&D unless the project has an alternative future use. These costs include initial payments incurred prior to regulatory approval in connection with research and development collaboration agreements that provide rights to develop, manufacture, market and/or sell pharmaceutical or medical device products. The fair value of IPR&D projects acquired in a business combination are capitalized and accounted for as indefinite-lived intangible assets until completed and are then amortized over the remaining useful life. Collaborations are not significant.

CONCENTRATION OF RISK AND GUARANTEES — Due to the nature of its operations, Abbott is not subject to significant concentration risks relating to customers, products or geographic locations. Product warranties are not significant.

Abbott has no material exposures to off-balance sheet arrangements; no special purpose entities; nor activities that include non-exchange-traded contracts accounted for at fair value. Abbott periodically acquires a business or product rights in which Abbott agrees to pay contingent consideration based on attaining certain thresholds or based on the occurrence of certain events.

Note 2 – New Accounting Standards

Recently Adopted Accounting Standards

In February 2018, the FASB issued Accounting Standards Update (ASU) 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*, which allows companies to reclassify stranded tax effects resulting from the 2017 Tax Cuts and Jobs Act, from Accumulated other comprehensive income (loss) to retained earnings (Earnings employed in the business). Abbott adopted the new standard at the beginning of the fourth quarter of 2018. As a result of the adoption of the new standard, approximately \$337 million of stranded tax effects were reclassified from Accumulated other comprehensive income (loss) to Earnings employed in the business.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 2 — New Accounting Standards (Continued)

In October 2016, the FASB issued ASU 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory*, which requires the recognition of the income tax effects of intercompany sales and transfers of assets, other than inventory, in the period in which the transfer occurs. Abbott adopted the standard on January 1, 2018, using a modified retrospective approach and recorded a cumulative catch-up adjustment to Earnings employed in the business in the Consolidated Balance Sheet that was not significant.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses*, which changes the methodology to be used to measure credit losses for certain financial instruments and financial assets, including trade receivables. The new methodology requires the recognition of an allowance that reflects the current estimate of credit losses expected to be incurred over the life of the financial asset. Abbott adopted the standard on January 1, 2020 and recorded a cumulative adjustment that was not significant to Earnings employed in the business in the Consolidated Balance Sheet.

Recent Accounting Standards Not Yet Adopted

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, which among other things, eliminates certain exceptions in the current rules regarding the approach for intraperiod tax allocations and the methodology for calculating income taxes in an interim period, and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. The standard becomes effective for Abbott in the first quarter of 2021. Adoption of this new standard will not have a material impact on Abbott's consolidated financial statements.

Note 3 — Revenue

Abbott's revenues are derived primarily from the sale of a broad line of health care products under short-term receivable arrangements. Patent protection and licenses, technological and performance features, and inclusion of Abbott's products under a contract most impact which products are sold; price controls, competition and rebates most impact the net selling prices of products; and foreign currency translation impacts the measurement of net sales and costs. Abbott's products are generally sold directly to retailers, wholesalers, distributors, hospitals, health care facilities, laboratories, physicians' offices and government agencies throughout the world. Abbott has four reportable segments: Established Pharmaceutical Products, Diagnostic Products, Nutritional Products, and Medical Devices.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 3 — Revenue (Continued)

The following tables provide detail by sales category:

(in millions)	2020			2019			2018		
	U.S.	Int'l	Total	U.S.	Int'l	Total	U.S.	Int'l	Total
Established Pharmaceutical Products —									
Key Emerging Markets	\$ —	\$ 3,209	\$ 3,209	\$ —	\$ 3,392	\$ 3,392	\$ —	\$ 3,363	\$ 3,363
Other	—	1,094	1,094	—	1,094	1,094	—	1,059	1,059
Total	—	4,303	4,303	—	4,486	4,486	—	4,422	4,422
Nutritionals —									
Pediatric Nutritionals	1,987	2,140	4,127	1,879	2,282	4,161	1,843	2,254	4,097
Adult Nutritionals	1,292	2,228	3,520	1,231	2,017	3,248	1,232	1,900	3,132
Total	3,279	4,368	7,647	3,110	4,299	7,409	3,075	4,154	7,229
Diagnostics —									
Core Laboratory	1,166	3,309	4,475	1,086	3,570	4,656	985	3,401	4,386
Molecular	621	817	1,438	149	293	442	152	332	484
Point of Care	369	147	516	438	123	561	432	121	553
Rapid Diagnostics	2,618	1,758	4,376	1,214	840	2,054	1,148	924	2,072
Total	4,774	6,031	10,805	2,887	4,826	7,713	2,717	4,778	7,495
Medical Devices —									
Rhythm Management	903	1,011	1,914	1,057	1,087	2,144	1,105	1,093	2,198
Electrophysiology	660	918	1,578	742	979	1,721	678	883	1,561
Heart Failure	547	193	740	574	195	769	467	179	646
Vascular	853	1,486	2,339	1,047	1,803	2,850	1,126	1,803	2,929
Structural Heart	540	707	1,247	616	784	1,400	488	751	1,239
Neuromodulation	564	138	702	660	171	831	690	174	864
Diabetes Care	864	2,403	3,267	678	1,846	2,524	457	1,476	1,933
Total	4,931	6,856	11,787	5,374	6,865	12,239	5,011	6,359	11,370
Other	38	28	66	27	30	57	36	26	62
Total	<u>\$ 13,022</u>	<u>\$ 21,586</u>	<u>\$ 34,608</u>	<u>\$ 11,398</u>	<u>\$ 20,506</u>	<u>\$ 31,904</u>	<u>\$ 10,839</u>	<u>\$ 19,739</u>	<u>\$ 30,578</u>

Abbott recognizes revenue from product sales upon the transfer of control, which is generally upon shipment or delivery, depending on the delivery terms set forth in the customer contract. For maintenance agreements that provide service beyond Abbott's standard warranty and other service agreements, revenue is recognized ratably over the contract term. A time-based measure of progress appropriately reflects the transfer of services to the customer. Payment terms between Abbott and its customers vary by the type of customer, country of sale, and the products or services offered. The term between invoicing and the payment due date is not significant.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 3 — Revenue (Continued)

Management exercises judgment in estimating variable consideration. Provisions for discounts, rebates and sales incentives to customers, and returns and other adjustments are provided for in the period the related sales are recorded. Sales incentives to customers are not material. Historical data is readily available and reliable, and is used for estimating the amount of the reduction in gross sales. Abbott provides rebates to government agencies, wholesalers, group purchasing organizations and other private entities.

Rebate amounts are usually based upon the volume of purchases using contractual or statutory prices for a product. Factors used in the rebate calculations include the identification of which products have been sold subject to a rebate, which customer or government agency price terms apply, and the estimated lag time between sale and payment of a rebate. Using historical trends, adjusted for current changes, Abbott estimates the amount of the rebate that will be paid, and records the liability as a reduction of gross sales when Abbott records its sale of the product. Settlement of the rebate generally occurs from one to six months after sale. Abbott regularly analyzes the historical rebate trends and makes adjustments to reserves for changes in trends and terms of rebate programs. Historically, adjustments to prior years' rebate accruals have not been material to net income.

Other allowances charged against gross sales include cash discounts and returns, which are not significant. Cash discounts are known within 15 to 30 days of sale, and therefore can be reliably estimated. Returns can be reliably estimated because Abbott's historical returns are low, and because sales return terms and other sales terms have remained relatively unchanged for several periods. Product warranties are also not significant.

Abbott also applies judgment in determining the timing of revenue recognition related to contracts that include multiple performance obligations. The total transaction price of the contract is allocated to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. For goods or services for which observable standalone selling prices are not available, Abbott uses an expected cost plus a margin approach to estimate the standalone selling price of each performance obligation.

Remaining Performance Obligations

As of December 31, 2020, the estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) was approximately \$3.8 billion in the Diagnostic Products segment and approximately \$430 million in the Medical Devices segment. Abbott expects to recognize revenue on approximately 60 percent of these remaining performance obligations over the next 24 months, approximately 17 percent over the subsequent 12 months and the remainder thereafter.

These performance obligations primarily reflect the future sale of reagents/consumables in contracts with minimum purchase obligations, extended warranty or service obligations related to previously sold equipment, and remote monitoring services related to previously implanted devices. Abbott has applied the practical expedient described in ASC 606-10-50-14 and has not included remaining performance obligations related to contracts with original expected durations of one year or less in the amounts above.

Assets Recognized for Costs to Obtain a Contract with a Customer

Abbott has applied the practical expedient in ASC 340-40-25-4 and records as an expense the incremental costs of obtaining contracts with customers in the period of occurrence when the amortization period of the asset that Abbott otherwise would have recognized is one year or less. Upfront commission fees paid to sales personnel as a result of obtaining or renewing contracts with customers are incremental to obtaining the contract. Abbott capitalizes these amounts as contract costs. Capitalized commission fees are amortized based on the contract duration to which the assets relate which ranges from two to ten years. The amounts as of December 31, 2020 and 2019 were not significant.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 3 — Revenue (Continued)

Additionally, the cost of transmitters provided to customers that use Abbott's remote monitoring service with respect to certain medical devices are capitalized as contract costs. Capitalized transmitter costs are amortized based on the timing of the transfer of services to which the assets relate, which typically ranges from eight to ten years. The amounts as of December 31, 2020 and 2019 were not significant.

Other Contract Assets and Liabilities

Abbott discloses Trade receivables separately in the Consolidated Balance Sheet at the net amount expected to be collected. Contract assets primarily relate to Abbott's conditional right to consideration for work completed but not billed at the reporting date. Contract assets at the beginning and end of the period, as well as the changes in the balance, were not significant.

Contract liabilities primarily relate to payments received from customers in advance of performance under the contract. Abbott's contract liabilities arise primarily in the Medical Devices reportable segment when payment is received upfront for various multi-period extended service arrangements. Changes in the contract liabilities during the period are as follows:

<u>(in millions)</u>	
Contract Liabilities	
Balance at December 31, 2018	\$ 259
Unearned revenue from cash received during the period	411
Revenue recognized related to contract liability balance	(376)
Balance at December 31, 2019	294
Unearned revenue from cash received during the period	505
Revenue recognized related to contract liability balance	(394)
Balance at December 31, 2020	<u>\$ 405</u>

Note 4 — Discontinued Operations and Business Dispositions

The net earnings of discontinued operations include income tax benefits of \$24 million in 2020 and \$39 million in 2018. The 2020 tax benefits primarily relate to the resolution of various tax positions related to Abbott's developed markets branded generic pharmaceuticals business which was sold to Mylan Inc. (Mylan) in 2015. The tax positions relate to years prior to the sale to Mylan. The 2018 tax benefits primarily relate to the resolution of various tax positions related to the operations of AbbVie Inc. (AbbVie) for years prior to the separation. Abbott completed the separation of AbbVie, which was formed to hold Abbott's research-based proprietary pharmaceuticals business, in January 2013. Abbott retained all liabilities for all U.S. federal and foreign income taxes on income prior to the separation.

Note 5 — Supplemental Financial Information

Other (income) expense, net, for 2020, 2019 and 2018 includes approximately \$205 million, \$225 million and \$160 million of income, respectively, related to the non-service cost components of the net periodic benefit costs associated with the pension and post-retirement medical plans.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 5 — Supplemental Financial Information (Continued)

The following summarizes the activity for 2020 related to the allowance for doubtful accounts as of December 31, 2020:

<u>(in millions)</u>	
<u>Allowance for Doubtful Accounts</u>	
Balance at December 31, 2019	\$ 228
Impact of adopting ASU 2016-13	7
Provisions/charges to income	88
Amounts charged off and other deductions	(35)
Balance at December 31, 2020	<u>\$ 288</u>

The allowance for doubtful accounts reflects the current estimate of credit losses expected to be incurred over the life of the accounts receivable. Abbott considers various factors in establishing, monitoring, and adjusting its allowance for doubtful accounts, including the aging of the accounts and aging trends, the historical level of charge-offs, and specific exposures related to particular customers. Abbott also monitors other risk factors and forward-looking information, such as country risk, when determining credit limits for customers and establishing adequate allowances.

The detail of various balance sheet components is as follows:

<u>(in millions)</u>	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
<u>Long-term Investments:</u>		
Equity securities	\$ 776	\$ 836
Other	45	47
Total	<u>\$ 821</u>	<u>\$ 883</u>

Abbott's long-term investments as of December 31, 2020 declined versus the balance as of December 31, 2019 due primarily to investment impairments totaling approximately \$115 million, recorded in Other (income) expense, net within the Consolidated Statement of Earnings, which was partially offset by approximately \$35 million of additional investments during 2020.

Abbott's equity securities as of December 31, 2020 and December 31, 2019, include \$366 million and \$346 million, respectively, of investments in mutual funds that are held in a rabbi trust acquired as part of the St. Jude Medical, Inc. (St. Jude Medical) business acquisition. These investments, which are specifically designated as available for the purpose of paying benefits under a deferred compensation plan, are not available for general corporate purposes and are subject to creditor claims in the event of insolvency.

Abbott also holds certain investments as of December 31, 2020 with a carrying value of \$277 million that are accounted for under the equity method of accounting and other equity investments with a carrying value of \$113 million that do not have a readily determinable fair value. The \$113 million carrying value is net of an approximately \$60 million impairment of an investment in 2020 for which Abbott had previously recorded an unrealized gain of approximately \$50 million in 2018.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 5 — Supplemental Financial Information (Continued)

In 2019, in conjunction with the acquisition of Cephea Valve Technologies, Inc., Abbott acquired a research & development (R&D) asset valued at \$102 million, which was immediately expensed. The \$102 million of expense was recorded in the R&D line of Abbott's Consolidated Statement of Earnings.

(in millions)	December 31, 2020	December 31, 2019
Other Accrued Liabilities:		
Accrued rebates payable to government agencies	\$ 316	\$ 212
Accrued other rebates (a)	805	655
All other	4,044	3,168
Total	<u>\$ 5,165</u>	<u>\$ 4,035</u>

- (a) Accrued wholesaler chargeback rebates of \$178 million and \$175 million at December 31, 2020 and 2019, respectively, are netted in trade receivables because Abbott's customers are invoiced at a higher catalog price but only remit to Abbott their contract price for the products.

(in millions)	December 31, 2020	December 31, 2019
Post-employment Obligations and Other Long-term Liabilities:		
Defined benefit pension plans and post-employment medical and dental plans for significant plans	\$ 3,119	\$ 2,817
Deferred income taxes	1,406	1,546
Operating lease liabilities	902	755
All other (b)	3,684	3,944
Total	<u>\$ 9,111</u>	<u>\$ 9,062</u>

- (b) Includes approximately \$740 million and \$580 million of net unrecognized tax benefits in 2020 and 2019, respectively.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 6 — Accumulated Other Comprehensive Income (Loss)

The components of the changes in accumulated other comprehensive income (loss) from continuing operations, net of income taxes, are as follows:

(in millions)	Cumulative Foreign Currency Translation Adjustments	Net Actuarial (Losses) and Prior Service (Costs) and Credits	Cumulative Gains (Losses) on Derivative Instruments Designated as Cash Flow Hedges	Total
Balance at December 31, 2018	\$ (4,912)	\$ (2,726)	\$ 52	\$ (7,586)
Other comprehensive income (loss) before reclassifications	(12)	(719)	2	(729)
(Income) loss amounts reclassified from accumulated other comprehensive income (a)	—	(95)	(55)	(150)
Net current period other comprehensive income (loss)	(12)	(814)	(53)	(879)
Balance at December 31, 2019	(4,924)	(3,540)	(1)	(8,465)
Other comprehensive income (loss) before reclassifications	65	(523)	(140)	(598)
(Income) loss amounts reclassified from accumulated other comprehensive income (a)	—	192	(75)	117
Net current period other comprehensive income (loss)	65	(331)	(215)	(481)
Balance at December 31, 2020	\$ (4,859)	\$ (3,871)	\$ (216)	\$ (8,946)

(a) (Income) loss amounts reclassified from accumulated other comprehensive income related to cash flow hedges are recorded as Cost of products sold. Net actuarial losses and prior service cost is included as a component of net periodic benefit cost – see Note 14 for additional information.

Note 7 — Goodwill and Intangible Assets

The total amount of goodwill reported was \$23.7 billion at December 31, 2020 and \$23.2 billion at December 31, 2019. Foreign currency translation adjustments increased goodwill by approximately \$550 million in 2020 and decreased goodwill \$103 million in 2019. The amount of goodwill related to reportable segments at December 31, 2020 was \$3.0 billion for the Established Pharmaceutical Products segment, \$286 million for the Nutritional Products segment, \$3.8 billion for the Diagnostic Products segment, and \$16.6 billion for the Medical Devices segment. There was no reduction of goodwill relating to impairments in 2020 and 2019.

The gross amount of amortizable intangible assets, primarily product rights and technology, was \$27.8 billion and \$27.6 billion as of December 31, 2020 and 2019, respectively, and accumulated amortization was \$14.2 billion and \$11.9 billion as of December 31, 2020 and 2019, respectively. Foreign currency translation adjustments increased intangible assets by approximately \$67 million in 2020 and decreased intangible assets by \$71 million in 2019. In 2020, asset impairments related to the Medical Devices segment decreased intangible assets by \$148 million. The impairment was recorded in the Cost of products sold, excluding amortization of intangible assets line of Abbott's Consolidated Statement of Earnings. The estimated annual amortization expense for intangible assets recorded at December 31, 2020 is approximately \$2.0 billion in 2021, \$2.0 billion in 2022, \$1.9 billion in 2023, \$1.9 billion in 2024 and \$1.9 billion in 2025. Amortizable intangible assets are amortized over 2 to 20 years.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 7 — Goodwill and Intangible Assets (Continued)

Indefinite-lived intangible assets, which relate to IPR&D acquired in a business combination, were approximately \$1.2 billion and \$1.3 billion at December 31, 2020 and 2019, respectively. The decrease is due to an IPR&D intangible asset related to the Medical Devices segment that became amortizable in 2020 and a \$55 million impairment of an IPR&D intangible asset related to the Medical Devices segment that was recorded in the Research and development line of Abbott's Consolidated Statement of Earnings in 2020.

Note 8 — Restructuring Plans

From 2017 to 2020, Abbott management approved restructuring plans as part of the integration of the acquisitions of St. Jude Medical into the Medical Devices segment, and Alere Inc. (Alere) into the Diagnostic Products segment, in order to leverage economies of scale and reduce costs. As of December 31, 2017, the accrued balance associated with these actions was \$68 million. From 2018 to 2020, Abbott recorded employee related severance and other charges totaling approximately \$137 million, comprised of \$13 million in 2020, \$72 million in 2019 and \$52 million in 2018. Approximately \$30 million was recorded in Cost of products sold, approximately \$15 million was recorded in Research and development, and approximately \$92 million was recorded in Selling, general and administrative expense over the last three years. As of December 31, 2020, the accrued liabilities remaining in the Consolidated Balance Sheet related to these actions total \$25 million and primarily represent severance obligations.

From 2016 to 2020, Abbott management approved plans to streamline operations in order to reduce costs and improve efficiencies in various Abbott businesses including the nutritional, established pharmaceuticals and vascular businesses. Abbott recorded employee related severance and other charges of approximately \$36 million in 2020, \$66 million in 2019 and \$28 million in 2018. Approximately \$6 million in 2020, \$16 million in 2019 and \$10 million in 2018 are recorded in Cost of products sold, approximately \$2 million in 2020, \$28 million in 2019 and \$2 million in 2018 are recorded in Research and development, and approximately \$28 million in 2020, \$22 million in 2019 and \$16 million in 2018 are recorded in Selling, general and administrative expense.

The following summarizes the activity for these restructurings:

(in millions)	
Accrued balance at December 31, 2017	\$ 119
Restructuring charges	28
Payments and other adjustments	(77)
Accrued balance at December 31, 2018	70
Restructuring charges	66
Payments and other adjustments	(57)
Accrued balance at December 31, 2019	79
Restructuring charges	36
Payments and other adjustments	(45)
Accrued balance at December 31, 2020	<u>\$ 70</u>

Note 9 — Incentive Stock Program

The 2017 Incentive Stock Program authorizes the granting of nonqualified stock options, restricted stock awards, restricted stock units, performance awards, foreign benefits and other share-based awards. Stock options and restricted stock awards and units comprise the majority of benefits that have been granted and are currently outstanding under this program and a prior program. In 2020, Abbott granted 4,015,420 stock options, 569,961 restricted stock awards and 5,239,575 restricted stock units under this program.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 9 — Incentive Stock Program (Continued)

Under Abbott's stock incentive programs, the purchase price of shares under option must be at least equal to the fair market value of the common stock on the date of grant, and the maximum term of an option is 10 years. Options generally vest equally over three years. Restricted stock awards generally vest over 3 years, with no more than one-third of the award vesting in any one year upon Abbott reaching a minimum return on equity target. Restricted stock units vest over three years and upon vesting, the recipient receives one share of Abbott stock for each vested restricted stock unit. The aggregate fair market value of options and restricted stock awards and units is recognized as expense over the requisite service period, which may be shorter than the vesting period if an employee is retirement eligible. Forfeitures are estimated at the time of grant. Restricted stock awards and settlement of vested restricted stock units are issued out of treasury shares. Abbott generally issues new shares for exercises of stock options. As a policy, Abbott does not purchase its shares relating to its share-based programs.

In April 2017, Abbott's shareholders authorized the 2017 Incentive Stock Program under which a maximum of 170 million shares were available for issuance. At December 31, 2020, approximately 113 million shares remained available for future issuance.

The following table summarizes stock option activity for the year ended December 31, 2020 and the outstanding stock options as of December 31, 2020.

(intrinsic values in millions)	Options	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2019	29,877,915	\$ 48.78	6.2	\$ 1,138
Granted	4,015,420	87.84		
Exercised	(4,872,830)	39.62		
Lapsed	(100,619)	75.22		
Outstanding at December 31, 2020	28,919,886	\$ 55.65	6.0	\$ 1,557
Exercisable at December 31, 2020	20,390,745	\$ 46.16	5.0	\$ 1,291

The following table summarizes restricted stock awards and units activity for the year ended December 31, 2020.

	Share Units	Weighted Average Grant-Date Fair Value
Outstanding at December 31, 2019	14,463,314	\$ 65.51
Granted	5,809,536	87.83
Vested	(7,167,631)	60.67
Forfeited	(612,351)	75.16
Outstanding at December 31, 2020	12,492,868	\$ 78.19

The fair market value of restricted stock awards and units vested in 2020, 2019 and 2018 was \$631 million, \$588 million and \$458 million, respectively.

The total intrinsic value of options exercised in 2020, 2019 and 2018 was \$279 million, \$315 million and \$249 million, respectively. The total unrecognized compensation cost related to all share-based compensation plans at December 31, 2020 amounted to approximately \$407 million, which is expected to be recognized over the next three years.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 9 — Incentive Stock Program (Continued)

Total non-cash stock compensation expense charged against income from continuing operations in 2020, 2019 and 2018 for share-based plans totaled approximately \$546 million, \$519 million and \$477 million, respectively, and the tax benefit recognized was approximately \$200 million, \$197 million and \$185 million, respectively. Stock compensation cost capitalized as part of inventory is not significant.

The table below summarizes the fair value of an option granted in 2020, 2019 and 2018 and the assumptions included in the Black-Scholes option-pricing model used to estimate the fair value:

	2020	2019	2018
Fair value	\$ 14.39	\$ 14.50	\$ 10.93
Risk-free interest rate	1.3 %	2.5 %	2.7 %
Average life of options (years)	6.0	6.0	6.0
Volatility	19.4 %	19.8 %	19.0 %
Dividend yield	1.6 %	1.7 %	1.9 %

The risk-free interest rate is based on the rates available at the time of the grant for zero-coupon U.S. government issues with a remaining term equal to the option's expected life. The average life of an option is based on both historical and projected exercise and lapsing data. Expected volatility is based on implied volatilities from traded options on Abbott's stock and historical volatility of Abbott's stock over the expected life of the option. Dividend yield is based on the option's exercise price and annual dividend rate at the time of grant.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 10 — Debt and Lines of Credit

The following is a summary of long-term debt at December 31:

(in millions)	2020	2019
0.00% Notes, due 2020	\$ —	\$ 1,272
2.55% Notes, due 2022	750	750
0.875% Notes, due 2023	1,398	1,272
3.40% Notes, due 2023	1,050	1,050
5-year term loan due 2024	577	546
0.10% Notes, due 2024	724	658
3.875% Notes, due 2025	500	500
2.95% Notes, due 2025	1,000	1,000
1.50% Notes, due 2026	1,398	1,272
3.75% Notes, due 2026	1,700	1,700
0.375% Notes, due 2027	724	658
1.15% Notes, due 2028	650	—
1.40% Notes, due 2030	650	—
4.75% Notes, due 2036	1,650	1,650
6.15% Notes, due 2037	547	547
6.00% Notes, due 2039	515	515
5.30% Notes, due 2040	694	694
4.75% Notes, due 2043	700	700
4.90% Notes, due 2046	3,250	3,250
Unamortized debt issuance costs	(87)	(90)
Other, including fair value adjustments relating to interest rate hedge contracts designated as fair value hedges	144	(6)
Total carrying amount of long-term debt	18,534	17,938
Less: Current portion	7	1,277
Total long-term portion	<u>\$ 18,527</u>	<u>\$ 16,661</u>

On June 24, 2020, Abbott completed the issuance of \$1.3 billion aggregate principal amount of senior notes, consisting of \$650 million of its 1.15% Notes due 2028 and \$650 million of its 1.40% Notes due 2030.

On September 28, 2020, Abbott repaid the €1.140 billion outstanding principal amount of its 0.00% Notes due 2020 upon maturity. The repayment equated to approximately \$1.3 billion.

Abbott has readily available financial resources, including unused lines of credit that support commercial paper borrowing arrangements and provide Abbott with the ability to borrow up to \$5 billion on an unsecured basis. The lines of credit are part of a Five Year Credit Agreement (Revolving Credit Agreement) that Abbott entered into on November 12, 2020. At that time, Abbott also terminated its 2018 revolving credit agreement. There were no outstanding borrowings under the 2018 revolving credit agreement at the time of its termination. Any borrowings under the Revolving Credit Agreement will mature and be payable on November 12, 2025. Any borrowings under the Revolving Credit Agreement will bear interest, at Abbott's option, based on either a base rate or Eurodollar rate, plus an applicable margin based on Abbott's credit ratings.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 10 — Debt and Lines of Credit (Continued)

In 2019, Abbott's long-term borrowings and debt issuance included the following:

- On November 19, 2019, Abbott's wholly owned subsidiary, Abbott Ireland Financing DAC, completed an offering of €1.180 billion of long-term debt consisting of €590 million of 0.10% Notes due 2024 and €590 million of 0.375% Notes due 2027. The proceeds equated to approximately \$1.3 billion. The Notes are guaranteed by Abbott.
- On November 21, 2019, Abbott borrowed ¥59.8 billion under a 5-year term loan and designated the yen-denominated loan as a hedge of its net investment in certain foreign subsidiaries. The term loan bears interest at TIBOR plus a fixed spread, and the interest rate is reset quarterly. The proceeds equated to approximately \$550 million.

In 2019, Abbott's repayment of long-term debt included the following:

- \$0.500 billion outstanding principal amount of its 2.80% Notes due 2020 – redeemed on February 24, 2019
- \$2.850 billion principal amount of its 2.9% Notes due 2021 – redeemed on December 19, 2019. Abbott incurred a charge of \$63 million related to the early repayment of this debt.

The 2.80% Notes were redeemed under the board of directors' 2018 bond redemption authorization discussed below. The 2.9% Notes were redeemed under a bond redemption authorization approved by the board of directors in September 2019 for the early redemption of up to \$5 billion of outstanding long-term notes. The 2019 bond redemption authorization superseded the board's 2018 authorization. \$2.15 billion of the \$5 billion authorization remains available as of December 31, 2020.

On January 5, 2018, Abbott repaid \$2.8 billion under a 5-year term loan agreement and \$1.15 billion of borrowings under its lines of credit.

On February 16, 2018, the board of directors authorized the early redemption of up to \$5 billion of outstanding long-term notes. 2018 redemptions under this authorization include the following:

- \$0.947 billion principal amount of its 5.125% Notes due 2019 – redeemed on March 22, 2018
- \$1.055 billion of the \$2.850 billion principal amount of its 2.35% Notes due 2019 – redeemed on March 22, 2018
- \$1.300 billion of the \$1.795 billion outstanding principal amount of its 2.35% Notes due 2019 – redeemed on June 22, 2018
- \$0.495 billion outstanding principal amount of its 2.35% Notes due 2019 – redeemed on September 28, 2018

Abbott incurred a net charge of \$14 million related to the March 22, 2018 early repayment of debt.

On September 17, 2018, Abbott repaid upon maturity the \$500 million aggregate principal amount outstanding of the 2.00% Senior Notes due 2018.

On September 27, 2018, Abbott's wholly owned subsidiary, Abbott Ireland Financing DAC, completed a euro debt offering of €3.420 billion of long-term debt consisting of €1.140 billion of non-interest bearing Senior Notes due 2020 at 99.727% of par value; €1.140 billion of 0.875% Senior Notes due 2023 at 99.912% of par value; and €1.140 billion of 1.50% Senior Notes due 2026 at 99.723% of par value. The proceeds equated to approximately \$4 billion. The notes are guaranteed by Abbott.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 10 — Debt and Lines of Credit (Continued)

On October 28, 2018, Abbott redeemed approximately \$4 billion of debt, which included \$750 million principal amount of its 2.00% Notes due 2020; \$597 million principal amount of its 4.125% Notes due 2020; \$900 million principal amount of its 3.25% Notes due 2023; \$450 million principal amount of its 3.4% Notes due 2023; and \$1.300 billion principal amount of its 3.75% Notes due 2026. These amounts were in addition to the \$5 billion authorization in 2018 discussed above. In conjunction with the redemption, Abbott unwound approximately \$1.1 billion in interest rate swaps relating to the 3.40% Note due in 2023 and the 3.75% Note due in 2026. Abbott incurred a net charge of \$153 million related to the early repayment of this debt and the unwinding of related interest rate swaps.

Principal payments required on long-term debt outstanding at December 31, 2020 are \$7 million in 2021, \$753 million in 2022, \$2.4 billion in 2023, \$1.3 billion in 2024, \$1.5 billion in 2025 and \$12.5 billion in 2026 and thereafter.

At December 31, 2020, Abbott's long-term debt rating was A by Standard & Poor's Corporation and A3 by Moody's. Abbott's weighted-average interest rate on short-term borrowings was 0.4% at December 31, 2020, 2019 and 2018.

Note 11 — Leases

Leases where Abbott is the Lessee

Abbott has entered into operating leases as the lessee for office space, manufacturing facilities, R&D laboratories, warehouses, vehicles and equipment. Finance leases are not significant. Abbott's operating leases generally have remaining lease terms of 1 to 10 years. Some leases include options to extend beyond the original lease term, generally up to 10 years and some include options to terminate early. These options have been included in the determination of the lease liability when it is reasonably certain that the option will be exercised.

For all of its asset classes, Abbott elected the practical expedient allowed under FASB ASC No. 842, "Leases" to account for each lease component (e.g., the right to use office space) and the associated non-lease components (e.g., maintenance services) as a single lease component. Abbott also elected the short-term lease accounting policy for all asset classes; therefore, Abbott is not recognizing a lease liability or right of use (ROU) asset for any lease that, at the commencement date, has a lease term of 12 months or less and does not include an option to purchase the underlying asset that Abbott is reasonably certain to exercise.

As Abbott's leases typically do not provide an implicit rate, the interest rate used to determine the present value of the payments under each lease typically reflects Abbott's incremental borrowing rate based on information available at the lease commencement date. Abbott's incremental borrowing rates at January 1, 2019 were used for operating leases that commenced prior to January 1, 2019 when ASC 842 was adopted.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 11 — Leases (Continued)

The following table provides information related to Abbott's operating leases:

(in millions, except weighted averages)	2020	2019
Operating lease cost (a)	\$ 329	\$ 314
Cash paid for amounts included in the measurement of operating lease liabilities	264	253
ROU assets arising from entering into new operating lease obligations	396	310
Weighted average remaining lease term at December 31 (in years)	8	8
Weighted average discount rate at December 31	3.2 %	3.9 %

(a) Includes short-term lease expense and variable lease costs, which were immaterial in the years ended December 31, 2020 and 2019.

Future minimum lease payments under non-cancellable operating leases as of December 31, 2020 were as follows:

(in millions)	
2021	\$ 272
2022	228
2023	177
2024	131
2025	100
Thereafter	407
Total future minimum lease payments – undiscounted	1,315
Less: imputed interest	(172)
Present value of lease liabilities	<u>\$ 1,143</u>

The following table summarizes the amounts and location of operating lease ROU assets and lease liabilities:

(in millions)	December 31, 2020	December 31, 2019	Balance Sheet Caption
Operating Lease - ROU Asset	<u>\$ 1,101</u>	<u>\$ 934</u>	Deferred income taxes and other assets
Operating Lease Liability:			
Current	\$ 241	\$ 205	Other accrued liabilities
Non-current	902	755	Post-employment obligations and other long-term liabilities
Total Liability	<u>\$ 1,143</u>	<u>\$ 960</u>	

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 11 — Leases (Continued)

Leases where Abbott is the Lessor

Certain assets, primarily diagnostics instruments, are leased to customers under contractual arrangements that typically include an operating or sales-type lease as well as performance obligations for reagents and other consumables. Sales-type leases are not significant. Contract terms vary by customer and may include options to terminate the contract or options to extend the contract. Where instruments are provided under operating lease arrangements, some portion or the entire lease revenue may be variable and subject to subsequent non-lease component (e.g., reagent) sales. The allocation of revenue between the lease and non-lease components is based on stand-alone selling prices. Operating lease revenue represented less than 3 percent of Abbott's total net sales in the years ended December 31, 2020 and 2019.

Assets related to operating leases are reported within Net property and equipment on the Consolidated Balance Sheet. The original cost and the net book value of such assets were \$3.3 billion and \$1.4 billion, respectively, as of December 31, 2020 and \$2.8 billion and \$1.2 billion, respectively, as of December 31, 2019.

Note 12 — Financial Instruments, Derivatives and Fair Value Measures

Certain Abbott foreign subsidiaries enter into foreign currency forward exchange contracts to manage exposures to changes in foreign exchange rates primarily for anticipated intercompany purchases by those subsidiaries whose functional currencies are not the U.S. dollar. These contracts, with gross notional amounts totaling \$8.1 billion at December 31, 2020, and \$6.8 billion at December 31, 2019, are designated as cash flow hedges of the variability of the cash flows due to changes in foreign exchange rates and are recorded at fair value. Accumulated gains and losses as of December 31, 2020 will be included in Cost of products sold at the time the products are sold, generally through the next twelve to eighteen months.

Abbott enters into foreign currency forward exchange contracts to manage currency exposures for foreign currency denominated third-party trade payables and receivables, and for intercompany loans and trade accounts payable where the receivable or payable is denominated in a currency other than the functional currency of the entity. For intercompany loans, the contracts require Abbott to sell or buy foreign currencies, primarily European currencies, in exchange for primarily U.S. dollars and European currencies. For intercompany and trade payables and receivables, the currency exposures are primarily the U.S. dollar and European currencies. At December 31, 2020 and 2019, Abbott held gross notional amounts of \$11.0 billion and \$9.1 billion, respectively, of such foreign currency forward exchange contracts.

In November 2019, Abbott borrowed ¥59.8 billion under a 5-year term loan and designated the yen-denominated loan as a hedge of the net investment in certain foreign subsidiaries. The proceeds equated to approximately \$550 million. The value of this long-term debt was approximately \$577 million and \$546 million as of December 31, 2020 and December 31, 2019, respectively. The change in the value of the debt, which is due to changes in foreign exchange rates, was recorded in Accumulated other comprehensive income (loss), net of tax.

Abbott is a party to interest rate hedge contracts totaling approximately \$2.9 billion at December 31, 2020 and 2019, to manage its exposure to changes in the fair value of fixed-rate debt. These contracts are designated as fair value hedges of the variability of the fair value of fixed-rate debt due to changes in the long-term benchmark interest rates. The effect of the hedge is to change a fixed-rate interest obligation to a variable rate for that portion of the debt. Abbott records the contracts at fair value and adjusts the carrying amount of the fixed-rate debt by an offsetting amount.

In October 2018, Abbott unwound approximately \$1.1 billion in interest rate swaps relating to the 3.40% Note due in 2023 and the 3.75% Note due in 2026. As a part of the unwinding, Abbott paid approximately \$90 million in cash, which was included in the Financing Activities section of the Consolidated Statement of Cash Flows in 2018.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 12 — Financial Instruments, Derivatives and Fair Value Measures (Continued)

The following table summarizes the amounts and location of certain derivative financial instruments as of December 31:

(in millions)	Fair Value — Assets			Fair Value — Liabilities		
	2020	2019	Balance Sheet Caption	2020	2019	Balance Sheet Caption
Interest rate swaps designated as fair value hedges	\$ 210	\$ 48	Deferred income taxes and other assets	\$ —	\$ —	Post-employment obligations and other long-term liabilities
Foreign currency forward exchange contracts:						
Hedging instruments	30	110	Other prepaid expenses and receivables	433	56	Other accrued liabilities
Others not designated as hedges	60	38	Other prepaid expenses and receivables	65	33	Other accrued liabilities
Debt designated as a hedge of net investment in a foreign subsidiary	—	—	n/a	577	546	Long-term debt
	<u>\$ 300</u>	<u>\$ 196</u>		<u>\$1,075</u>	<u>\$ 635</u>	

The following table summarizes the activity for foreign currency forward exchange contracts designated as cash flow hedges, debt designated as a hedge of net investment in a foreign subsidiary and certain other derivative financial instruments, as well as the amounts and location of income (expense) and gain (loss) reclassified into income.

(in millions)	Gain (loss) Recognized in Other Comprehensive Income (loss)			Income (expense) and Gain (loss) Reclassified into Income			Income Statement Caption
	2020	2019	2018	2020	2019	2018	
Foreign currency forward exchange contracts designated as cash flow hedges	\$ (207)	\$ 9	\$ 73	\$ 102	\$ 79	\$ (114)	Cost of products sold
Debt designated as a hedge of net investment in a foreign subsidiary	(31)	4	—	n/a	n/a	n/a	n/a
Interest rate swaps designated as fair value hedges	n/a	n/a	n/a	162	148	(97)	Interest expense

A loss of \$171 million, a gain of \$75 million and a loss of \$100 million were recognized in 2020, 2019 and 2018, respectively, related to foreign currency forward exchange contracts not designated as hedges. These amounts are reported in the Consolidated Statement of Earnings on the Net foreign exchange (gain) loss line.

The interest rate swaps are designated as fair value hedges of the variability of the fair value of fixed-rate debt due to changes in the long-term benchmark interest rates. The hedged debt is marked to market, offsetting the effect of marking the interest rate swaps to market.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 12 — Financial Instruments, Derivatives and Fair Value Measures (Continued)

The carrying values and fair values of certain financial instruments as of December 31 are shown in the table below. The carrying values of all other financial instruments approximate their estimated fair values. The counterparties to financial instruments consist of select major international financial institutions. Abbott does not expect any losses from nonperformance by these counterparties.

(in millions)	2020		2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term Investment Securities:				
Equity securities	\$ 776	\$ 776	\$ 836	\$ 836
Other	45	45	47	47
Total Long-term debt	(18,534)	(22,809)	(17,938)	(20,772)
Foreign Currency Forward Exchange Contracts:				
Receivable position	90	90	148	148
(Payable) position	(498)	(498)	(89)	(89)
Interest Rate Hedge Contracts:				
Receivable position	210	210	48	48
(Payable) position	—	—	—	—

The fair value of the debt was determined based on significant other observable inputs, including current interest rates.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 12 — Financial Instruments, Derivatives and Fair Value Measures (Continued)

The following table summarizes the bases used to measure certain assets and liabilities at fair value on a recurring basis in the balance sheet:

(in millions)	Outstanding Balances	Basis of Fair Value Measurement		
		Quoted Prices in Active Markets	Significant Other Observable Inputs	Significant Unobservable Inputs
December 31, 2020:				
Equity securities	\$ 386	\$ 386	\$ —	\$ —
Interest rate swap derivative financial instruments	210	—	210	—
Foreign currency forward exchange contracts	90	—	90	—
Total Assets	<u>\$ 686</u>	<u>\$ 386</u>	<u>\$ 300</u>	<u>\$ —</u>
Fair value of hedged long-term debt	\$ 3,049	\$ —	\$ 3,049	\$ —
Foreign currency forward exchange contracts	498	—	498	—
Contingent consideration related to business combinations	68	—	—	68
Total Liabilities	<u>\$ 3,615</u>	<u>\$ —</u>	<u>\$ 3,547</u>	<u>\$ 68</u>
December 31, 2019:				
Equity securities	\$ 357	\$ 357	\$ —	\$ —
Interest rate swap derivative financial instruments	48	—	48	—
Foreign currency forward exchange contracts	148	—	148	—
Total Assets	<u>\$ 553</u>	<u>\$ 357</u>	<u>\$ 196</u>	<u>\$ —</u>
Fair value of hedged long-term debt	\$ 2,890	\$ —	\$ 2,890	\$ —
Foreign currency forward exchange contracts	89	—	89	—
Contingent consideration related to business combinations	68	—	—	68
Total Liabilities	<u>\$ 3,047</u>	<u>\$ —</u>	<u>\$ 2,979</u>	<u>\$ 68</u>

The fair value of foreign currency forward exchange contracts is determined using a market approach, which utilizes values for comparable derivative instruments. The fair value of the debt was determined based on the face value of the debt adjusted for the fair value of the interest rate swaps, which is based on a discounted cash flow analysis using significant other observable inputs.

Contingent consideration relates to businesses acquired by Abbott. The fair value of the contingent consideration was determined based on an independent appraisal adjusted for the time value of money and other changes in fair value. The maximum amount for certain contingent consideration is not determinable as it is based on a percent of certain sales.

Excluding such contingent consideration, the maximum amount estimated to be due is approximately \$200 million, which is dependent upon attaining certain sales thresholds or based on the occurrence of certain events, such as regulatory approvals.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 13 — Litigation and Environmental Matters

Abbott has been identified as a potentially responsible party for investigation and cleanup costs at a number of locations in the United States and Puerto Rico under federal and state remediation laws and is investigating potential contamination at a number of company-owned locations. Abbott has recorded an estimated cleanup cost for each site for which management believes Abbott has a probable loss exposure. No individual site cleanup exposure is expected to exceed \$4 million, and the aggregate cleanup exposure is not expected to exceed \$10 million.

Abbott is involved in various claims and legal proceedings, and Abbott estimates the range of possible loss for its legal proceedings and environmental exposures to be from approximately \$90 million to \$120 million. The recorded accrual balance at December 31, 2020 for these proceedings and exposures was approximately \$105 million. This accrual represents management's best estimate of probable loss, as defined by FASB ASC No. 450, "Contingencies." Within the next year, legal proceedings may occur that may result in a change in the estimated loss accrued by Abbott. While it is not feasible to predict the outcome of all such proceedings and exposures with certainty, management believes that their ultimate disposition should not have a material adverse effect on Abbott's financial position, cash flows, or results of operations.

Note 14 — Post-Employment Benefits

Retirement plans consist of defined benefit, defined contribution and medical and dental plans. Information for Abbott's major defined benefit plans and post-employment medical and dental benefit plans is as follows:

(in millions)	Defined Benefit Plans		Medical and Dental Plans	
	2020	2019	2020	2019
Projected benefit obligations, January 1	\$ 11,238	\$ 9,093	\$ 1,556	\$ 1,292
Service cost — benefits earned during the year	336	250	46	23
Interest cost on projected benefit obligations	300	337	42	52
(Gains) losses, primarily changes in discount rates, plan design changes, law changes and differences between actual and estimated health care costs	1,305	1,856	(5)	228
Benefits paid	(327)	(302)	(73)	(76)
Other, including foreign currency translation	277	4	1	37
Projected benefit obligations, December 31	\$ 13,129	\$ 11,238	\$ 1,567	\$ 1,556
Plan assets at fair value, January 1	\$ 10,277	\$ 8,553	\$ 360	\$ 351
Actual return (loss) on plan assets	1,463	1,622	46	65
Company contributions	400	382	12	12
Benefits paid	(327)	(302)	(65)	(68)
Other, including foreign currency translation	205	22	—	—
Plan assets at fair value, December 31	\$ 12,018	\$ 10,277	\$ 353	\$ 360
Projected benefit obligations greater than plan assets, December 31	\$ (1,111)	\$ (961)	\$ (1,214)	\$ (1,196)
Long-term assets	\$ 824	\$ 687	\$ —	\$ —
Short-term liabilities	(29)	(26)	(1)	(1)
Long-term liabilities	(1,906)	(1,622)	(1,213)	(1,195)
Net liability	\$ (1,111)	\$ (961)	\$ (1,214)	\$ (1,196)
Amounts Recognized in Accumulated Other Comprehensive Income (loss):				
Actuarial losses, net	\$ 4,559	\$ 4,131	\$ 486	\$ 529
Prior service cost (credits)	(5)	(2)	(67)	(95)
Total	\$ 4,554	\$ 4,129	\$ 419	\$ 434

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 14 — Post-Employment Benefits (Continued)

The \$1.3 billion and \$1.9 billion of defined benefit plan losses in 2020 and 2019, respectively, that increased the projected benefit obligations in those years, primarily reflect the year-over-year decline in the discount rates used to measure the obligations. The projected benefit obligations for non-U.S. defined benefit plans were \$4.1 billion and \$3.3 billion at December 31, 2020 and 2019, respectively. The accumulated benefit obligations for all defined benefit plans were \$11.9 billion and \$10.2 billion at December 31, 2020 and 2019, respectively.

For plans where the projected benefit obligations exceeded plan assets at December 31, 2020 and 2019, the projected benefit obligations and the aggregate plan assets were as follows:

(in millions)	2020	2019
Projected benefit obligation	\$ 8,946	\$ 7,585
Fair value of plan assets	7,010	5,936

For plans where the accumulated benefit obligations exceeded plan assets at December 31, 2020 and 2019, the aggregate accumulated benefit obligations, the projected benefit obligations and the aggregate plan assets were as follows:

(in millions)	2020	2019
Accumulated benefit obligation	\$ 2,459	\$ 1,985
Projected benefit obligation	2,773	2,266
Fair value of plan assets	965	821

The components of the net periodic benefit cost were as follows:

(in millions)	Defined Benefit Plans			Medical and Dental Plans		
	2020	2019	2018	2020	2019	2018
Service cost — benefits earned during the year	\$ 336	\$ 250	\$ 293	\$ 46	\$ 23	\$ 26
Interest cost on projected benefit obligations	300	337	308	42	52	48
Expected return on plans' assets	(770)	(710)	(680)	(28)	(27)	(33)
Amortization of actuarial losses	255	132	205	21	22	33
Amortization of prior service cost (credits)	1	1	1	(28)	(32)	(45)
Total net cost	<u>\$ 122</u>	<u>\$ 10</u>	<u>\$ 127</u>	<u>\$ 53</u>	<u>\$ 38</u>	<u>\$ 29</u>

Other comprehensive income (loss) for each respective year includes the amortization of actuarial losses and prior service costs (credits) as noted in the previous table. Other comprehensive income (loss) for each respective year also includes: net actuarial losses of \$611 million for defined benefit plans and a gain of \$23 million for medical and dental plans in 2020, net actuarial losses of \$944 million for defined benefit plans and a loss of \$190 million for medical and dental plans in 2019; net actuarial losses of \$86 million for defined benefit plans and a gain of \$53 million for medical and dental plans in 2018. The net actuarial losses in 2020 and 2019 are primarily due to the year-over-year decline in discount rates partially offset by the impact of actual asset returns in excess of expected returns in each of the period.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 14 — Post-Employment Benefits (Continued)

The weighted average assumptions used to determine benefit obligations for defined benefit plans and medical and dental plans are as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Discount rate	2.3 %	3.0 %	4.0 %
Expected aggregate average long-term change in compensation	4.3 %	4.3 %	4.3 %

The weighted average assumptions used to determine the net cost for defined benefit plans and medical and dental plans are as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Discount rate	3.0 %	4.0 %	3.4 %
Expected return on plan assets	7.5 %	7.5 %	7.7 %
Expected aggregate average long-term change in compensation	4.3 %	4.3 %	4.4 %

The assumed health care cost trend rates for medical and dental plans at December 31 were as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Health care cost trend rate assumed for the next year	8 %	9 %	9 %
Rate that the cost trend rate gradually declines to	5 %	5 %	5 %
Year that rate reaches the assumed ultimate rate	2025	2025	2025

The discount rates used to measure liabilities were determined based on high-quality fixed income securities that match the duration of the expected retiree benefits. The health care cost trend rates represent Abbott's expected annual rates of change in the cost of health care benefits and are forward projections of health care costs as of the measurement date.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 14 — Post-Employment Benefits (Continued)

The following table summarizes the bases used to measure the defined benefit and medical and dental plan assets at fair value:

(in millions)	Outstanding Balances	Basis of Fair Value Measurement			
		Quoted Prices in Active Markets	Significant Other Observable Inputs	Significant Unobservable Inputs	Measured at NAV (j)
December 31, 2020:					
Equities:					
U.S. large cap (a)	\$ 3,410	\$ 2,202	\$ —	\$ —	\$ 1,208
U.S. mid and small cap (b)	775	721	—	3	51
International (c)	2,654	542	—	—	2,112
Fixed income securities:					
U.S. government securities (d)	475	23	289	—	163
Corporate debt instruments (e)	1,408	425	908	—	75
Non-U.S. government securities (f)	523	16	—	—	507
Other (g)	503	159	72	—	272
Absolute return funds (h)	1,618	462	—	—	1,156
Cash and Cash Equivalents	281	77	—	—	204
Other (i)	724	9	—	—	715
	<u>\$ 12,371</u>	<u>\$ 4,636</u>	<u>\$ 1,269</u>	<u>\$ 3</u>	<u>\$ 6,463</u>
December 31, 2019:					
Equities:					
U.S. large cap (a)	\$ 2,873	\$ 1,647	\$ —	\$ —	\$ 1,226
U.S. mid and small cap (b)	648	548	4	2	94
International (c)	2,202	464	—	—	1,738
Fixed income securities:					
U.S. government securities (d)	562	52	357	—	153
Corporate debt instruments (e)	1,266	362	724	—	180
Non-U.S. government securities (f)	445	3	2	—	440
Other (g)	320	69	27	—	224
Absolute return funds (h)	1,557	424	—	—	1,133
Cash and Cash Equivalents	182	84	—	—	98
Other (i)	582	8	—	1	573
	<u>\$ 10,637</u>	<u>\$ 3,661</u>	<u>\$ 1,114</u>	<u>\$ 3</u>	<u>\$ 5,859</u>

- (a) A mix of index funds and actively managed equity accounts that are benchmarked to various large cap indices.
- (b) A mix of index funds and actively managed equity accounts that are benchmarked to various mid and small cap indices.
- (c) A mix of index funds and actively managed pooled investment funds that are benchmarked to various non-U.S. equity indices in both developed and emerging markets.
- (d) A mix of index funds and actively managed accounts that are benchmarked to various U.S. government bond indices.
- (e) A mix of index funds and actively managed accounts that are benchmarked to various corporate bond indices.
- (f) Primarily United Kingdom, Japan and Eurozone government bonds.
- (g) Primarily asset backed securities and an actively managed, diversified fixed income vehicle benchmarked to the one-month Libor / Euribor.
- (h) Primarily funds invested by managers that have a global mandate with the flexibility to allocate capital broadly across a wide range of asset classes and strategies including, but not limited to equities, fixed income, commodities, interest rate futures, currencies and other securities to outperform an agreed upon benchmark with specific return and volatility targets.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 14 — Post-Employment Benefits (Continued)

- (i) Primarily investments in private funds, such as private equity, private credit, private real estate and private energy funds.
- (j) Investments measured at fair value using the net asset value (NAV) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

Equities that are valued using quoted prices are valued at the published market prices. Equities in a common collective trust or a registered investment company are valued at the NAV provided by the fund administrator. The NAV is based on the value of the underlying assets owned by the fund minus its liabilities. For approximately half of these funds, investments may be redeemed once per month, with a required 7 to 30 day notice period. For the remaining funds, daily redemption of an investment is allowed. Fixed income securities that are valued using significant other observable inputs are valued at prices obtained from independent financial service industry recognized vendors. Abbott did not have any unfunded commitments related to fixed income funds at December 31, 2020 and 2019. Fixed income securities in a common collective trust or a registered investment company are valued at the NAV provided by the fund administrator. For the majority of these funds, investments may be redeemed either weekly or monthly, with a required 2 to 14 day notice period. For the remaining funds, investments may be generally redeemed daily.

Absolute return funds are valued at the NAV provided by the fund administrator. All private funds are valued at the NAV provided by the fund on a one-quarter lag adjusted for known cash flows and significant events through the reporting date. Abbott did not have any unfunded commitments related to absolute return funds at December 31, 2020 and 2019. Investments in these funds may be generally redeemed monthly or quarterly with required notice periods ranging from 5 to 90 days. For approximately \$245 million and \$110 million of the absolute return funds, redemptions are subject to a 33 percent gate and a 25 percent gate, respectively, and \$60 million is subject to a lock until 2022. Investments in the private funds cannot be redeemed but the funds will make distributions through liquidation. The estimate of the liquidation period for each fund ranges from 2021 to 2030. Abbott's unfunded commitment in these funds was \$523 million and \$579 million as of December 31, 2020 and 2019, respectively.

The investment mix of equity securities, fixed income and other asset allocation strategies is based upon achieving a desired return, as well as balancing higher return, more volatile equity securities with lower return, less volatile fixed income securities. Investment allocations are made across a range of markets, industry sectors, capitalization sizes, and in the case of fixed income securities, maturities and credit quality. The plans do not directly hold any securities of Abbott. There are no known significant concentrations of risk in the plans' assets. Abbott's medical and dental plans' assets are invested in a similar mix as the pension plan assets. The actual asset allocation percentages at year end are consistent with the company's targeted asset allocation percentages.

The plans' expected return on assets, as shown above is based on management's expectations of long-term average rates of return to be achieved by the underlying investment portfolios. In establishing this assumption, management considers historical and expected returns for the asset classes in which the plans are invested, as well as current economic and capital market conditions.

Abbott funds its domestic pension plans according to IRS funding limitations. International pension plans are funded according to similar regulations. Abbott funded \$400 million in 2020 and \$382 million in 2019 to defined pension plans. Abbott expects to contribute approximately \$410 million to its pension plans in 2021.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 14 — Post-Employment Benefits (Continued)

Total benefit payments expected to be paid to participants, which includes payments funded from company assets, as well as paid from the plans, are as follows:

(in millions)	Defined Benefit Plans	Medical and Dental Plans
2021	\$ 340	\$ 72
2022	355	73
2023	373	74
2024	395	75
2025	415	76
2026 to 2030	2,410	394

The Abbott Stock Retirement Plan is the principal defined contribution plan. Abbott's contributions to this plan were \$164 million in 2020, \$158 million in 2019 and \$146 million in 2018. The 2018 contributions include amounts related to participants of the St. Jude Medical Retirement Plan which was terminated in January 2018.

Note 15 — Taxes on Earnings from Continuing Operations

Taxes on earnings from continuing operations reflect the annual effective rates, including charges for interest and penalties. Deferred income taxes reflect the tax consequences on future years of differences between the tax bases of assets and liabilities and their financial reporting amounts.

In 2020, taxes on earnings from continuing operations include the recognition of approximately \$170 million of tax benefits associated with the impairment of certain assets, approximately \$140 million of net tax benefits as a result of the resolution of various tax positions related to prior years, and approximately \$100 million in excess tax benefits associated with share-based compensation. In 2020, taxes on earnings from continuing operations also include a \$26 million increase to the transition tax associated with the 2017 TCJA. The \$26 million increase to the transition tax liability was the result of the resolution of various tax positions related to prior years. This adjustment increased the cumulative net tax expense related to the TCJA to \$1.53 billion. The one-time transition tax is based on Abbott's total post-1986 earnings and profits (E&P) that were previously deferred from U.S. income taxes. The tax computation also requires the determination of the amount of post-1986 E&P considered held in cash and other specified assets. As of December 31, 2020, the remaining balance of Abbott's transition tax obligation is approximately \$805 million, which will be paid over the next six years as allowed by the TCJA.

In 2019, taxes on earnings from continuing operations included an \$86 million reduction of the transition tax and \$68 million of tax expense resulting from tax legislation enacted in the fourth quarter of 2019 in India. The \$86 million reduction to the transition tax liability was the result of the issuance of final transition tax regulations by the U.S. Department of Treasury in 2019. In 2018, taxes on earnings from continuing operations included \$98 million of net tax expense related to the settlement of Abbott's 2014-2016 federal income tax audit in the U.S., partial settlement of the former St. Jude Medical consolidated group's 2014 and 2015 federal income tax returns in the U.S. and audit settlements in various countries. In 2018, Abbott also recorded \$130 million of additional tax expense related to the TCJA; the \$130 million reflected a \$120 million increase in the transition tax from \$2.89 billion to \$3.01 billion and a \$10 million reduction in the net benefit related to the remeasurement of deferred tax assets and liabilities.

Undistributed foreign earnings remain indefinitely reinvested in foreign operations. Determining the amount of unrecognized deferred tax liability related to any remaining undistributed foreign earnings not subject to the transition tax and additional outside basis difference in its foreign entities is not practicable. In the U.S., Abbott's federal income tax returns through 2016 are settled. There are numerous other income tax jurisdictions for which tax returns are not yet settled, none of which are individually significant. Reserves for interest and penalties are not significant.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 15 — Taxes on Earnings from Continuing Operations (Continued)

Earnings from continuing operations before taxes, and the related provisions for taxes on earnings from continuing operations, were as follows:

(in millions)	2020	2019	2018
Earnings From Continuing Operations Before Taxes:			
Domestic	\$ 1,588	\$ 889	\$ (430)
Foreign	3,380	3,188	3,303
Total	<u>\$ 4,968</u>	<u>\$ 4,077</u>	<u>\$ 2,873</u>
(in millions)	2020	2019	2018
Taxes on Earnings From Continuing Operations:			
Current:			
Domestic	\$ 39	\$ 291	\$ (812)
Foreign	566	590	606
Total current	<u>605</u>	<u>881</u>	<u>(206)</u>
Deferred:			
Domestic	(18)	(305)	832
Foreign	(90)	(186)	(87)
Total deferred	<u>(108)</u>	<u>(491)</u>	<u>745</u>
Total	<u>\$ 497</u>	<u>\$ 390</u>	<u>\$ 539</u>

Differences between the effective income tax rate and the U.S. statutory tax rate were as follows:

	2020	2019	2018
Statutory tax rate on earnings from continuing operations	21.0 %	21.0 %	21.0 %
Impact of foreign operations	(3.3)	(5.0)	(5.4)
Impact of TCJA and other related items	0.5	(2.1)	6.3
Foreign-derived intangible income benefit	(1.0)	(2.0)	(1.9)
Domestic impairment loss	(2.7)	—	(2.1)
Excess tax benefits related to stock compensation	(1.9)	(2.5)	(3.1)
Research tax credit	(1.0)	(1.2)	(1.8)
Resolution of certain tax positions pertaining to prior years	(2.8)	—	3.4
Intercompany restructurings and integration	0.5	—	—
State taxes, net of federal benefit	0.5	0.8	0.4
All other, net	0.2	0.6	2.0
Effective tax rate on earnings from continuing operations	<u>10.0 %</u>	<u>9.6 %</u>	<u>18.8 %</u>

Impact of foreign operations is primarily derived from operations in Puerto Rico, Switzerland, Ireland, the Netherlands, Costa Rica, Singapore, and Malta.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 15 — Taxes on Earnings from Continuing Operations (Continued)

The tax effect of the differences that give rise to deferred tax assets and liabilities were as follows:

(in millions)	2020	2019
Deferred tax assets:		
Compensation and employee benefits	\$ 1,003	\$ 982
Other, primarily reserves not currently deductible, and NOL's and credit carryforwards	2,383	2,378
Trade receivable reserves	196	190
Inventory reserves	146	110
Lease liabilities	259	209
Deferred intercompany profit	254	259
Total deferred tax assets before valuation allowance	4,241	4,128
Valuation allowance	(1,060)	(978)
Total deferred tax assets	3,181	3,150
Deferred tax liabilities:		
Depreciation	(297)	(219)
Right of Use lease assets	(251)	(209)
Other, primarily the excess of book basis over tax basis of intangible assets	(2,876)	(3,258)
Total deferred tax liabilities	(3,424)	(3,686)
Total net deferred tax assets (liabilities)	<u>\$ (243)</u>	<u>\$ (536)</u>

Abbott has incurred losses in a foreign jurisdiction where realization of the future economic benefit is so remote that the benefit is not reflected as a deferred tax asset.

The following table summarizes the gross amounts of unrecognized tax benefits without regard to reduction in tax liabilities or additions to deferred tax assets and liabilities if such unrecognized tax benefits were settled:

(in millions)	2020	2019
January 1	\$ 1,175	\$ 1,120
Increase due to current year tax positions	190	137
Increase due to prior year tax positions	97	75
Decrease due to prior year tax positions	(144)	(117)
Settlements	(27)	(32)
Lapse of statute	(81)	(8)
December 31	<u>\$ 1,210</u>	<u>\$ 1,175</u>

The total amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate is approximately \$1.08 billion. Abbott believes that it is reasonably possible that the recorded amount of gross unrecognized tax benefits may decrease within a range of \$70 million to \$430 million, including cash adjustments, within the next twelve months as a result of concluding various domestic and international tax matters.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 16 — Segment and Geographic Area Information

Abbott's principal business is the discovery, development, manufacture and sale of a broad line of health care products. Abbott's products are generally sold directly to retailers, wholesalers, hospitals, health care facilities, laboratories, physicians' offices and government agencies throughout the world.

Abbott's reportable segments are as follows:

Established Pharmaceutical Products—International sales of a broad line of branded generic pharmaceutical products.

Nutritional Products—Worldwide sales of a broad line of adult and pediatric nutritional products.

Diagnostic Products—Worldwide sales of diagnostic systems and tests for blood banks, hospitals, commercial laboratories and alternate-care testing sites. For segment reporting purposes, the Core Laboratories Diagnostics, Rapid Diagnostics, Molecular Diagnostics and Point of Care divisions are aggregated and reported as the Diagnostic Products segment.

Medical Devices — Worldwide sales of rhythm management, electrophysiology, heart failure, vascular, structural heart, neuromodulation and diabetes care products. For segment reporting purposes, the Cardiac Rhythm Management, Electrophysiology and Heart Failure, Vascular, Neuromodulation, Structural Heart and Diabetes Care divisions are aggregated and reported as the Medical Devices segment.

Abbott's underlying accounting records are maintained on a legal entity basis for government and public reporting requirements. Segment disclosures are on a performance basis consistent with internal management reporting. The cost of some corporate functions and the cost of certain employee benefits are charged to segments at predetermined rates that approximate cost. Remaining costs, if any, are not allocated to segments. In addition, intangible asset amortization is not allocated to operating segments, and intangible assets and goodwill are not included in the measure of each segment's assets.

The following segment information has been prepared in accordance with the internal accounting policies of Abbott, as described above, and are not presented in accordance with generally accepted accounting principles applied to the consolidated financial statements.

(in millions)	Net Sales to External Customers (a)			Operating Earnings (a)		
	2020	2019	2018	2020	2019	2018
Established Pharmaceutical Products	\$ 4,303	\$ 4,486	\$ 4,422	\$ 794	\$ 904	\$ 894
Nutritional Products	7,647	7,409	7,229	1,751	1,705	1,652
Diagnostic Products	10,805	7,713	7,495	3,725	1,912	1,868
Medical Devices	11,787	12,239	11,370	3,038	3,769	3,500
Total Reportable Segments	34,542	31,847	30,516	\$ 9,308	\$ 8,290	\$ 7,914
Other	66	57	62			
Total	\$ 34,608	\$ 31,904	\$ 30,578			

(a) Net sales and operating earnings were unfavorably affected by the impact of foreign exchange in 2020, 2019 and 2018.

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 16 — Segment and Geographic Area Information (Continued)

(in millions)	2020	2019	2018
Total Reportable Segment Operating Earnings	\$ 9,308	\$ 8,290	\$ 7,914
Corporate functions and benefit plan costs	(518)	(468)	(618)
Net interest expense	(500)	(576)	(721)
Loss on extinguishment of debt	—	(63)	(167)
Share-based compensation	(546)	(519)	(477)
Amortization of intangible assets	(2,132)	(1,936)	(2,178)
Other, net (b)	(644)	(651)	(880)
Earnings from Continuing Operations Before Taxes	<u>\$ 4,968</u>	<u>\$ 4,077</u>	<u>\$ 2,873</u>

(b) Other, net includes integration costs associated with the acquisition of St. Jude Medical and Alere and restructuring charges in 2020, 2019 and 2018. Other, net in 2020 also includes costs related to asset impairments, partially offset by income from the settlement of litigation. Other, net in 2018 also includes inventory step-up amortization associated with the acquisition of Alere. Charges for restructuring actions and other cost reduction initiatives were approximately \$125 million in 2020, \$215 million in 2019 and \$153 million in 2018.

(in millions)	Depreciation			Additions to Property and Equipment			Total Assets		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Established									
Pharmaceuticals	\$ 88	\$ 98	\$ 92	\$ 109	\$ 109	\$ 131	\$ 2,888	\$ 2,858	\$ 2,664
Nutritionals	143	139	150	201	141	86	3,478	3,274	3,071
Diagnostics	488	403	397	1,263	726	609	7,696	5,235	4,464
Medical Devices	281	266	294	402	532	408	6,893	6,640	5,886
Total Reportable									
Segments	1,000	906	933	1,975	1,508	1,234	<u>\$ 20,955</u>	<u>\$ 18,007</u>	<u>\$ 16,085</u>
Other	195	172	167	218	160	160			
Total	<u>\$ 1,195</u>	<u>\$ 1,078</u>	<u>\$ 1,100</u>	<u>\$ 2,193</u>	<u>\$ 1,668</u>	<u>\$ 1,394</u>			

(in millions)	2020	2019	2018
Total Reportable Segment Assets	\$ 20,955	\$ 18,007	\$ 16,085
Cash and investments	7,969	5,023	4,983
Goodwill and intangible assets	38,528	40,220	42,196
All other	5,096	4,637	3,909
Total Assets	<u>\$ 72,548</u>	<u>\$ 67,887</u>	<u>\$ 67,173</u>

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements (Continued)

Note 16 — Segment and Geographic Area Information (Continued)

(in millions)	Net Sales to External Customers (c)		
	2020	2019	2018
United States	\$ 13,022	\$ 11,398	\$ 10,839
Germany	2,108	1,751	1,619
China	1,965	2,346	2,311
Japan	1,386	1,435	1,326
India	1,323	1,397	1,333
Switzerland	1,140	1,068	1,005
The Netherlands	1,084	975	930
All Other Countries	12,580	11,534	11,215
Consolidated	<u>\$ 34,608</u>	<u>\$ 31,904</u>	<u>\$ 30,578</u>

(c) Sales by country are based on the country that sold the product.

Long-lived assets on a geographic basis primarily include property and equipment. It excludes goodwill, intangible assets, deferred tax assets, and financial instruments. At December 31, 2020 and 2019, long-lived assets totaled \$11.7 billion and \$10.2 billion, respectively, and in the United States such assets totaled \$6.1 billion and \$5.1 billion, respectively. Long-lived asset balances associated with other countries were not material on an individual country basis in either of the two years.

Management Report on Internal Control Over Financial Reporting

The management of Abbott Laboratories is responsible for establishing and maintaining adequate internal control over financial reporting. Abbott's internal control system was designed to provide reasonable assurance to the company's management and board of directors regarding the preparation and fair presentation of published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Abbott's management assessed the effectiveness of the company's internal control over financial reporting as of December 31, 2020. In making this assessment, it used the criteria set forth in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment, we believe that, as of December 31, 2020, the company's internal control over financial reporting was effective based on those criteria.

Abbott's independent registered public accounting firm has issued an audit report on their assessment of the effectiveness of the company's internal control over financial reporting. This report appears on page 84.

Robert B. Ford
President and Chief Executive Officer

Robert E. Funck, Jr.
Executive Vice President, Finance and Chief Financial Officer

Philip P. Boudreau
Vice President, Finance and Controller

February 19, 2021

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Abbott Laboratories

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Abbott Laboratories and subsidiaries (the Company) as of December 31, 2020 and 2019, the related consolidated statements of earnings, comprehensive income, shareholders' investment and cash flows for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 19, 2021 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Description of the Matter	Income taxes – Unrecognized tax benefits As described in Note 15 to the consolidated financial statements, unrecognized tax benefits were approximately \$1.2 billion at December 31, 2020. Unrecognized tax benefits are assessed by management quarterly for identification and measurement, or more frequently if there are any indicators suggesting change in unrecognized tax benefits. Assessing tax positions involves judgement including interpreting tax laws of multiple jurisdictions and assumptions relevant to the measurement of an unrecognized tax benefit, including the estimated amount of tax liability that may be incurred should the tax position not be sustained upon inspection by a tax authority. These judgements and assumptions can significantly affect unrecognized tax benefits.
How We Addressed the Matter in our Audit	<p>We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company’s identification and measurement of unrecognized tax benefits, as well as its process for the assessment of events that may indicate a change in unrecognized tax benefits is warranted. For example, we tested controls over management’s review of the completeness of identified unrecognized tax benefits, as well as controls over management’s review of significant assumptions used within the measurement of unrecognized tax benefits.</p> <p>With the support of our tax professionals, among other audit procedures performed, we evaluated the reasonableness of management’s judgement with respect to the interpretation of tax laws of multiple jurisdictions by reading and evaluating management’s documentation, including relevant accounting policies, and by considering how tax law, including statutes, regulations and case law, affected management’s judgments. We tested the completeness of management’s assessment of the identification of unrecognized tax benefits and possible outcomes related to it including evaluation of technical merits of the unrecognized tax benefits. We also tested, with the support of our valuation specialists, appropriateness and consistency of management’s methods and significant assumptions associated with the measurement of unrecognized tax benefits, including assessing the estimated amount of tax liability that may be incurred should the tax position not be sustained upon inspection by a tax authority.</p>

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2013.

Chicago, Illinois
February 19, 2021

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Abbott Laboratories

Opinion on Internal Control over Financial Reporting

We have audited Abbott Laboratories and subsidiaries' internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Abbott Laboratories and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2020 and 2019, the related consolidated statements of earnings, comprehensive income, shareholders' investment and cash flows for each of the three years in the period ended December 31, 2020, and the related notes and our report dated February 19, 2021 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Chicago, Illinois
February 19, 2021

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Evaluation of disclosure controls and procedures. The Chief Executive Officer, Robert B. Ford, and the Chief Financial Officer, Robert E. Funck, Jr., evaluated the effectiveness of Abbott Laboratories' disclosure controls and procedures as of the end of the period covered by this report, and concluded that Abbott Laboratories' disclosure controls and procedures were effective to ensure that information Abbott is required to disclose in the reports that it files or submits with the Commission under the Securities Exchange Act of 1934 (the Exchange Act) is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and to ensure that information required to be disclosed by Abbott in the reports that it files or submits under the Exchange Act is accumulated and communicated to Abbott's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

Management's annual report on internal control over financial reporting. Management's report on Abbott's internal control over financial reporting is included on page 81 hereof. The report of Abbott's independent registered public accounting firm related to their assessment of the effectiveness of internal control over financial reporting is included on page 84 hereof.

Changes in internal control over financial reporting. During the quarter ended December 31, 2020, there were no changes in Abbott's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, Abbott's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Incorporated herein by reference are “Nominees for Election as Directors,” “Committees of the Board of Directors,” and “Procedure for Recommendation and Nomination of Directors and Transaction of Business at Annual Meeting” to be included in the 2021 Abbott Laboratories Proxy Statement. The 2021 Definitive Proxy Statement will be filed on or about March 12, 2021. Also incorporated herein by reference is the text found under the caption, “Information About Our Executive Officers” on pages 16 through 19 hereof.

Abbott has adopted a code of ethics that applies to its principal executive officer, principal financial officer, and principal accounting officer and controller. That code is part of Abbott’s code of business conduct which is available free of charge through Abbott’s investor relations website (www.abbottinvestor.com). Abbott intends to include on its website any amendment to, or waiver from, a provision of its code of ethics that applies to Abbott’s principal executive officer, principal financial officer, and principal accounting officer and controller that relates to any element of the code of ethics definition enumerated in Item 406(b) of Regulation S-K.

ITEM 11. EXECUTIVE COMPENSATION

The material to be included in the 2021 Proxy Statement under the headings “2020 Director Compensation” and “Executive Compensation” is incorporated herein by reference. The 2021 Definitive Proxy Statement will be filed on or about March 12, 2021.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

(a) *Equity Compensation Plan Information.*

The following table presents information as of December 31, 2020 about our compensation plans under which Abbott common shares have been authorized for issuance.

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders (1)	28,034,365	\$ 56.45	124,762,755
Equity compensation plans not approved by security holders	0	—	0
Total (1)(2)	28,034,365	\$ 56.45	124,762,755

- (1) (i) *Abbott Laboratories 2009 Incentive Stock Program.* Benefits under the Abbott Laboratories 2009 Incentive Stock Program (the “2009 Program”) include non-qualified stock options, restricted stock, restricted stock units, performance awards, other share-based awards (including stock appreciation rights, dividend equivalents and recognition awards), awards to non-employee directors, and foreign benefits. The shares that remain available for issuance under the 2009 Program may be issued in connection with any one of these benefits and may be either authorized but unissued shares or treasury shares (except that restricted stock awards are satisfied from treasury shares).

If there is a lapse, expiration, termination, forfeiture or cancellation of any benefit granted under the 2009 Program without the issuance of shares or payment of cash thereunder, the shares subject to or reserved for that benefit, or so reacquired, may again be used for new stock options, rights, or awards of any type authorized under the Abbott Laboratories 2017 Incentive Stock Program (the “2017 Program”). If shares are issued under any benefit under the 2009 Program and thereafter are reacquired by Abbott pursuant to rights reserved upon their issuance, or pursuant to the payment of the purchase price of shares under stock options by delivery of other common shares of Abbott, the shares subject to or reserved for that benefit, or so reacquired, may not again be used for new stock options, rights, or awards of any type authorized under the 2009 Program.

In April 2017, the 2009 Program was replaced by the 2017 Program. No further awards will be granted under the 2009 Program.

- (ii) *Abbott Laboratories 2017 Incentive Stock Program.* Benefits under the 2017 Program include non-qualified stock options, restricted stock, restricted stock units, performance awards, other share-based awards (including stock appreciation rights, dividend equivalents and recognition awards), awards to non-employee directors, and foreign benefits. The shares that remain available for issuance under the 2017 Program may be issued in connection with any one of these benefits and may be either authorized but unissued shares or treasury shares (except that restricted stock awards are satisfied from treasury shares).

If there is a lapse, expiration, termination, forfeiture or cancellation of any benefit granted under the 2017 Program without the issuance of shares or payment of cash thereunder, the shares subject to or reserved for that benefit, or so reacquired, may again be used for new stock options, rights, or awards of any type authorized under the 2017 Program. If shares are issued under any benefit under the 2017 Program and thereafter are reacquired by Abbott pursuant to rights reserved upon their issuance, or pursuant to the payment of the purchase price of shares under stock options by delivery of other common shares of Abbott, the shares subject to or reserved for that benefit, or so reacquired, may not again be used for new stock options, rights, or awards of any type authorized under the 2017 Program.

- (iii) *Abbott Laboratories Employee Stock Purchase Plan for Non-U.S. Employees.* Eligible employees of participating non-U.S. affiliates of Abbott may participate in this plan. An eligible employee may authorize payroll deductions at the rate of 1% to 10% of eligible compensation (in multiples of one percent) subject to a limit of US \$12,500 during any purchase cycle.

Purchase cycles are generally six months long and usually begin on August 1 and February 1. On the last day of each purchase cycle, Abbott uses participant contributions to acquire Abbott common shares. The shares may be either authorized but unissued shares, treasury shares, or shares acquired on the open market. The purchase price is typically 85% of the lower of the fair market value of the shares on the purchase date or on the first day of that purchase cycle. As the number of shares subject to outstanding options is indeterminable, columns (a) and (b) of the above table do not include information on the Employee Stock Purchase Plan. As of December 31, 2020, an aggregate of 11,611,818 common shares were available for future issuance under the Employee Stock Purchase Plan, including shares subject to purchase during the current purchase cycle.

In April 2017, the 2009 Employee Stock Purchase Plan for Non-U.S. Employees was amended and restated as the Abbott Laboratories 2017 Employee Stock Purchase Plan for Non-U.S. Employees.

- (2) Not included in the table: *St. Jude Medical, Inc. Plans.* In 2017, in connection with the acquisition of St. Jude Medical, Inc., options outstanding under the St. Jude Medical, Inc. 2007 Stock Incentive Plan, as Amended and Restated (2014) were assumed by Abbott and converted into Abbott options of substantially equivalent value. As of December 31, 2020, 885,521 options remained outstanding under these plans. These options have a weighted average purchase price of \$30.46. No further awards will be granted under these plans.

For additional information concerning the Abbott Laboratories 2009 Incentive Stock Program, the Abbott Laboratories 2017 Incentive Stock Program, and the Abbott Laboratories 2017 Employee Stock Purchase Plan for Non-U.S. Employees, see the discussion in Note 9 entitled “Incentive Stock Program” of the Notes to Consolidated Financial Statements included under Item 8, “Financial Statements and Supplementary Data.”

- (b) *Information Concerning Security Ownership.* Incorporated herein by reference is the material under the heading “Security Ownership of Executive Officers and Directors” and “Information Concerning Security Ownership” in the 2021 Proxy Statement. The 2021 Definitive Proxy Statement will be filed on or about March 12, 2021.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The material to be included in the 2021 Proxy Statement under the headings “The Board of Directors,” “Committees of the Board of Directors,” and “Approval Process for Related Person Transactions” is incorporated herein by reference. The 2021 Definitive Proxy Statement will be filed on or about March 12, 2021.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The material to be included in the 2021 Proxy Statement under the headings “Audit Fees and Non-Audit Fees” and “Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of the Independent Auditor” is incorporated herein by reference. The 2021 Definitive Proxy Statement will be filed on or about March 12, 2021.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) Documents filed as part of this Form 10-K.

- (1) *Financial Statements:* See Item 8, “Financial Statements and Supplementary Data,” on page 42 hereof, for a list of financial statements.
- (2) *Financial Statement Schedules:* The required financial statement schedules are found on the pages indicated below. These schedules should be read in conjunction with the Consolidated Financial Statements of Abbott Laboratories:

<u>Abbott Laboratories Financial Statement Schedules</u>	<u>Page No.</u>
<u>Valuation and Qualifying Accounts (Schedule II)</u>	101
Schedules I, III, IV, and V are not submitted because they are not applicable or not required	
<u>Report of Independent Registered Public Accounting Firm</u>	102
Individual Financial Statements of businesses acquired by the registrant have been omitted pursuant to Rule 3.05 of Regulation S-X	

- (3) *Exhibits Required by Item 601 of Regulation S-K:* The information called for by this paragraph is set forth in Item 15(b) below.

(b) Exhibits filed.

<u>10-K Exhibit Table Item No.</u>	
3.1	* <u>Articles of Incorporation, Abbott Laboratories, filed as Exhibit 3.1 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended March 31, 1998.</u>
3.2	* <u>By-Laws of Abbott Laboratories, as amended and restated effective April 24, 2020, filed as Exhibit 3.1 to the Abbott Laboratories Current Report on Form 8-K dated February 21, 2020.</u>
4.1	* <u>Indenture dated as of February 9, 2001, between Abbott Laboratories and The Bank of New York Mellon Trust Company, N.A. (as successor to J.P. Morgan Trust Company, National Association, successor to Bank One Trust Company, N.A.) (including form of Security), filed as Exhibit 4.1 to the Abbott Laboratories Registration Statement on Form S-3 dated February 12, 2001.</u>
4.2	* <u>Supplemental Indenture dated as of February 27, 2006, between Abbott Laboratories and The Bank of New York Mellon Trust Company, N.A. (as successor to J.P. Morgan Trust Company, National Association), filed as Exhibit 4.2 to the Abbott Laboratories Registration Statement on Form S-3 dated February 28, 2006.</u>
4.3	* <u>Form of \$1,000,000,000 6.150% Note due 2037, filed as Exhibit 99.6 to the Abbott Laboratories Current Report on Form 8-K dated November 6, 2007.</u>
4.4	* <u>Actions of the Authorized Officers with respect to Abbott’s 5.150% Notes due 2012, 5.600% Notes due 2017 and 6.150% Notes due 2037, filed as Exhibit 99.3 to the Abbott Laboratories Current Report on Form 8-K dated November 6, 2007.</u>
4.5	* <u>Form of \$1,000,000,000 6.000% Note due 2039, filed as Exhibit 99.5 to the Abbott Laboratories Current Report on Form 8-K dated February 26, 2009.</u>
4.6	* <u>Actions of the Authorized Officers with respect to Abbott’s 5.125% Note due 2019 and 6.000% Note due 2039, filed as Exhibit 99.3 to the Abbott Laboratories Current Report on Form 8-K dated February 26, 2009.</u>

**10-K
Exhibit
Table
Item No.**

- 4.7 * [Form of 2040 Note, filed as Exhibit 99.6 to the Abbott Laboratories Current Report on Form 8-K dated May 27, 2010.](#)
- 4.8 * [Actions of the Authorized Officers with respect to Abbott's 2.70% Notes, 4.125% Notes and 5.30% Notes, filed as Exhibit 99.3 to the Abbott Laboratories Current Report on Form 8-K dated May 27, 2010.](#)
- 4.9 * [Indenture, dated as of March 10, 2015, between Abbott Laboratories and U.S. Bank National Association \(including form of Security\), filed as Exhibit 4.1 to the Abbott Laboratories Current Report on Form 8-K dated March 5, 2015.](#)
- 4.10 * [Form of 2.550% Note due 2022, filed as Exhibit 99.5 to the Abbott Laboratories Current Report on Form 8-K dated March 5, 2015.](#)
- 4.11 * [Form of 2.950% Note due 2025, filed as Exhibit 99.6 to the Abbott Laboratories Current Report on Form 8-K dated March 5, 2015.](#)
- 4.12 * [Actions of the Authorized Officers with respect to Abbott's 2.000% Notes, 2.550% Notes and 2.950% Notes, filed as Exhibit 99.3 to the Abbott Laboratories Current Report on Form 8-K dated March 5, 2015.](#)
- 4.13 * [Form of 3.400% Notes due 2023, filed as Exhibit 4.4 to the Abbott Laboratories Current Report on Form 8-K dated November 22, 2016.](#)
- 4.14 * [Form of 3.750% Notes due 2026, filed as Exhibit 4.5 to the Abbott Laboratories Current Report on Form 8-K dated November 22, 2016.](#)
- 4.15 * [Form of 4.750% Notes due 2036, filed as Exhibit 4.6 to the Abbott Laboratories Current Report on Form 8-K dated November 22, 2016.](#)
- 4.16 * [Form of 4.900% Notes due 2046, filed as Exhibit 4.7 to the Abbott Laboratories Current Report on Form 8-K dated November 22, 2016.](#)
- 4.17 * [Officers' Certificate Pursuant to Sections 3.1 and 3.3 of the Indenture with respect to 2.350% Notes due 2019, 2.900% Notes due 2021, 3.400% Notes due 2023, 3.750% Notes due 2026, 4.750% Notes due 2036 and 4.900% Notes due 2046 \(including forms of notes\), filed as Exhibit 4.22 to the Abbott Laboratories 2016 Annual Report on Form 10-K.](#)
- 4.18 * [Form of 3.875% Notes due 2025, filed as Exhibit 4.5 to the Abbott Laboratories Current Report on Form 8-K dated March 22, 2017.](#)
- 4.19 * [Form of 4.75% Notes due 2043, filed as Exhibit 4.6 to the Abbott Laboratories Current Report on Form 8-K dated March 22, 2017.](#)
- 4.20 * [Officers' Certificate Pursuant to Sections 3.1 and 3.3 of the Indenture with respect to 2.000% Notes due 2018, 2.800% Notes due 2020, 3.25% Notes due 2023, 3.875% Notes due 2025, and 4.75% Notes due 2043 \(including form of notes\), filed as Exhibit 4.7 to the Abbott Laboratories Quarterly Report on Form 10-Q for the period ended March 31, 2017.](#)

- 4.21 † [Indenture, dated as of July 28, 2009, between St. Jude Medical, LLC \(successor to St. Jude Medical, Inc.\) and U.S. Bank National Association, as trustee, filed as Exhibit 4.1 to the St. Jude Medical, Inc. Current Report on Form 8-K dated July 28, 2009.](#)
- 4.22 † [Fourth Supplemental Indenture, dated as of April 2, 2013, between St. Jude Medical, LLC \(successor to St. Jude Medical, Inc.\) and U.S. Bank National Association, as trustee, relating to St. Jude Medical, LLC's 3.25% Senior Notes due 2023 and 4.75% Senior Notes due 2043 \(including forms of notes\), filed as Exhibit 4.1 to the St. Jude Medical, Inc. Current Report on Form 8-K dated April 2, 2013.](#)
- 4.23 † [Fifth Supplemental Indenture, dated as of September 23, 2015, between St. Jude Medical, LLC \(successor to St. Jude Medical, Inc.\) and U.S. Bank National Association, as trustee, relating to St. Jude Medical, LLC's 2.000% Senior Notes due 2018, 2.800% Senior Notes due 2020 and 3.875% Senior Notes due 2025, filed as Exhibit 4.1 to the St. Jude Medical, Inc. Current Report on Form 8-K dated September 23, 2015.](#)
- 4.24 † [Sixth Supplemental Indenture, dated as of January 4, 2017, among St. Jude Medical, Inc., St. Jude Medical, LLC and U.S. Bank National Association, as trustee, filed as Exhibit 4.1 to the St. Jude Medical, LLC Current Report on Form 8-K dated January 4, 2017.](#)
- 4.25 * [Form of Seventh Supplemental Indenture between St. Jude Medical, LLC and U.S. Bank National Association, as trustee, filed as Exhibit 4.3 to the Abbott Laboratories Registration Statement on Form S-4 dated February 21, 2017.](#)
- 4.26 * [Indenture dated September 27, 2018, among Abbott Ireland Financing DAC, as issuer, Abbott Laboratories, as guarantor and U.S. Bank National Association, as trustee, filed as Exhibit 4.1 to the Abbott Laboratories Current Report on Form 8-K dated September 27, 2018.](#)
- 4.27 * [First Supplemental Indenture dated September 27, 2018, among Abbott Ireland Financing DAC, as issuer, Abbott Laboratories, as guarantor, U.S. Bank National Association, as trustee, Elavon Financial Services DAC, U.K. Branch, as paying agent and transfer agent, and Elavon Financial Services DAC, as registrar, filed as Exhibit 4.2 to the Abbott Laboratories Current Report on Form 8-K dated September 27, 2018.](#)
- 4.28 * [Second Supplemental Indenture dated November 19, 2019, among Abbott Ireland Financing DAC, as issuer, Abbott Laboratories, as guarantor, U.S. Bank National Association, as trustee, and Elavon Financial Services DAC, as paying agent, transfer agent and registrar, filed as Exhibit 4.2 to the Abbott Laboratories Current Report on Form 8-K dated November 19, 2019.](#)
- 4.29 * [Form of 0.875% Note due 2023 \(included in Exhibit 4.2 to the Abbott Laboratories Current Report on Form 8-K dated September 27, 2018\).](#)
- 4.30 * [Form of 1.500% Note due 2026 \(included in Exhibit 4.2 to the Abbott Laboratories Current Report on Form 8-K dated September 27, 2018\).](#)
- 4.31 * [Form of 0.100% Note due 2024 \(included in Exhibit 4.2 to the Abbott Laboratories Current Report on Form 8-K dated November 19, 2019\).](#)
- 4.32 * [Form of 0.375% Note due 2027 \(included in Exhibit 4.2 to the Abbott Laboratories Current Report on Form 8-K dated November 19, 2019\).](#)

- 4.33 * [Officers' Certificate Pursuant to Sections 3.1 and 3.3 of the Indenture with respect to 1.150% Notes due 2028 and 1.400% Notes due 2030, filed as Exhibit 4.2 to the Abbott Laboratories Current Report on Form 8-K dated June 22, 2020.](#)
- 4.34 * [Form of 1.150% Notes due 2028, filed as Exhibit 4.3 to the Abbott Laboratories Current Report on Form 8-K filed on June 24, 2020 \(included in Exhibit 4.2 to the Abbott Laboratories Current Report on Form 8-K dated June 22, 2020\).](#)
- 4.35 * [Form of 1.400% Notes due 2030, filed as Exhibit 4.4 to the Abbott Laboratories Current Report on Form 8-K filed on June 24, 2020 \(included in Exhibit 4.2 to the Abbott Laboratories Current Report on Form 8-K dated June 22, 2020\).](#)
- Other debt instruments are omitted in accordance with Item 601(b)(4)(iii)(A) of Regulation S-K. Copies of such agreements will be furnished to the Securities and Exchange Commission upon request.
- 4.36 * [Description of Registrant's Securities, filed as Exhibit 4.34 to the 2019 Abbott Laboratories Annual Report on Form 10-K\).](#)
- 10.1 * Supplemental Plan Abbott Laboratories Extended Disability Plan, filed as an exhibit (pages 50-51) to the 1992 Abbott Laboratories Annual Report on Form 10-K.**
- 10.2 [Abbott Laboratories Deferred Compensation Plan, as amended.**](#)
- 10.3 * [Abbott Laboratories 401\(k\) Supplemental Plan, as amended and restated, filed as Exhibit 10.3 to the 2012 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.4 * [Abbott Laboratories Supplemental Pension Plan, as amended and restated, filed as Exhibit 10.4 to the 2014 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.5 * [1986 Abbott Laboratories Management Incentive Plan, as amended and restated, filed as Exhibit 10.5 to the 2014 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.6 * [1998 Abbott Laboratories Performance Incentive Plan, as amended, filed as Exhibit 10.6 to the 2014 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.7 * [Rules for the 1998 Abbott Laboratories Performance Incentive Plan, as amended and restated, filed as Exhibit 10.7 to the 2012 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.8 * [Abbott Laboratories 2009 Incentive Stock Program, as amended and restated, filed as Exhibit 10.9 to the 2014 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.9 * [Abbott Laboratories 2017 Incentive Stock Program \(incorporated by reference to Exhibit B of Abbott's Definitive Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on March 17, 2017\).**](#)
- 10.10 * [Abbott Laboratories Non-Employee Directors' Fee Plan, as amended and restated, filed as Exhibit 10.10 to the 2016 Abbott Laboratories Annual Report on Form 10-K.**](#)

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- 10.11 * [Form of Non-Employee Director Restricted Stock Unit Agreement under Abbott Laboratories 1996 Incentive Stock Program, filed as Exhibit 10.2 to the Abbott Laboratories Current Report on Form 8-K dated December 10, 2004.**](#)
- 10.12 * [Form of Non-Employee Director Non-Qualified Stock Option Agreement, filed as Exhibit 10.2 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**](#)
- 10.13 * [Form of Non-Employee Director Restricted Stock Unit Agreement, filed as Exhibit 10.3 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**](#)
- 10.14 * [Form of Non-Qualified Stock Option Agreement \(ratably vested\), filed as Exhibit 10.5 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**](#)
- 10.15 * [Form of Performance Restricted Stock Unit Agreement for foreign executive officers \(annual performance based\), filed as Exhibit 10.40 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.16 * [Form of Performance Restricted Stock Unit Agreement for foreign executive officers \(interim performance based\), filed as Exhibit 10.42 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.17 * [Form of Restricted Stock Unit Agreement for executive officers \(cliff vested\), filed as Exhibit 10.44 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.18 * [Form of Restricted Stock Unit Agreement for foreign executive officers \(cliff vested\), filed as Exhibit 10.46 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.19 * [Form of Non-Employee Director Restricted Stock Unit Agreement, filed as Exhibit 10.47 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.20 * [Form of Non-Employee Director Restricted Stock Unit Agreement for foreign non-employee directors, filed as Exhibit 10.48 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.21 * [Form of Performance Restricted Stock Agreement for executive officers \(annual performance based\), filed as Exhibit 10.53 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.22 * [Form of Performance Restricted Stock Agreement for executive officers \(interim performance based\), filed as Exhibit 10.55 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.23 * [Form of Restricted Stock Agreement for executive officers \(cliff vested\), filed as Exhibit 10.57 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.24 * [Form of Non-Qualified Stock Option Agreement, filed as Exhibit 10.58 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.25 * [Form of Non-Qualified Stock Option Agreement for executive officers, filed as Exhibit 10.59 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.26 * [Form of Non-Qualified Stock Option Agreement for foreign employees, filed as Exhibit 10.60 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)

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- 10.27 * [Form of Non-Qualified Stock Option Agreement for foreign executive officers, filed as Exhibit 10.61 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.28 * [Form of Non-Employee Director Non-Qualified Stock Option Agreement, filed as Exhibit 10.64 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.29 * [Form of Non-Employee Director Non-Qualified Stock Option Agreement for foreign non-employee directors, filed as Exhibit 10.65 to the 2013 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.30 * [Form of Restricted Stock Unit Agreement \(ratably vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.2 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.31 * [Form of Restricted Stock Unit Agreement for foreign employees \(ratably vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.3 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.32 * [Form of Restricted Stock Unit Agreement \(cliff vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.4 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.33 * [Form of Restricted Stock Unit Agreement for foreign employees \(cliff vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.5 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.34 * [Form of Performance Restricted Stock Unit Agreement for foreign employees \(annual performance based\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.6 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.35 * [Form of Performance Restricted Stock Unit Agreement for foreign employees \(interim performance based\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.7 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.36 * [Form of Restricted Stock Agreement \(ratably vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.8 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.37 * [Form of Restricted Stock Agreement \(cliff vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.9 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.38 * [Form of Performance Restricted Stock Agreement \(annual performance based\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.10 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.39 * [Form of Performance Restricted Stock Agreement \(interim performance based\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.11 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.40 * [Form of Non-Qualified Stock Option Agreement under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.12 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)

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- 10.41 * [Form of Non-Qualified Stock Option Agreement for foreign employees under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.13 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.42 * [Form of Restricted Stock Unit Agreement for executive officers \(cliff vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.14 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.43 * [Form of Restricted Stock Unit Agreement for foreign executive officers \(cliff vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.15 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.44 * [Form of Performance Restricted Stock Unit Agreement for foreign executive officers \(annual performance based\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.16 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.45 * [Form of Performance Restricted Stock Unit Agreement for foreign executive officers \(interim performance based\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.17 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.46 * [Form of Restricted Stock Agreement for executive officers \(ratably vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.18 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.47 * [Form of Restricted Stock Agreement for executive officers \(cliff vested\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.19 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.48 * [Form of Performance Restricted Stock Agreement for executive officers \(annual performance based\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.20 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.49 * [Form of Performance Restricted Stock Agreement for executive officers \(interim performance based\) under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.21 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.50 * [Form of Non-Qualified Stock Option Agreement for executive officers under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.22 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.51 * [Form of Non-Qualified Stock Option Agreement for foreign executive officers under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.23 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.52 * [Form of Non-Employee Director Restricted Stock Unit Agreement under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.24 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)

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- 10.53 * [Form of Non-Employee Director Restricted Stock Unit Agreement for foreign non-employee directors under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.25 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.54 * [Form of Non-Employee Director Non-Qualified Stock Option Agreement under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.26 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.55 * [Form of Non-Employee Director Non-Qualified Stock Option Agreement for foreign non-employee directors under the Abbott Laboratories 2017 Incentive Stock Program, filed as Exhibit 10.27 to the Abbott Laboratories Current Report on Form 8-K dated April 28, 2017.**](#)
- 10.56 [Form of Performance Restricted Stock Unit Agreement for foreign employees \(annual performance based\) under the Abbott Laboratories 2017 Incentive Stock Program.**](#)
- 10.57 [Form of Performance Restricted Stock Unit Agreement for foreign employees \(interim performance based\) under the Abbott Laboratories 2017 Incentive Stock Program.**](#)
- 10.58 [Form of Performance Restricted Stock Agreement \(annual performance based\) under the Abbott Laboratories 2017 Incentive Stock Program.**](#)
- 10.59 [Form of Performance Restricted Stock Agreement \(interim performance based\) under the Abbott Laboratories 2017 Incentive Stock Program.**](#)
- 10.60 [Form of Performance Restricted Stock Unit Agreement for foreign executive officers \(annual performance based\) under the Abbott Laboratories 2017 Incentive Stock Program.**](#)
- 10.61 [Form of Performance Restricted Stock Unit Agreement for foreign executive officers \(interim performance based\) under the Abbott Laboratories 2017 Incentive Stock Program.**](#)
- 10.62 [Form of Performance Restricted Stock Agreement for executive officers \(annual performance based\) under the Abbott Laboratories 2017 Incentive Stock Program.**](#)
- 10.63 [Form of Performance Restricted Stock Agreement for executive officers \(interim performance based\) under the Abbott Laboratories 2017 Incentive Stock Program.**](#)
- 10.64 * [Form of Agreement Regarding Change in Control by and between Abbott Laboratories and its named executive officers \(other than Mr. White\), filed as Exhibit 10.1 to the Abbott Laboratories Current Report on Form 8-K dated November 30, 2012.**](#)
- 10.65 * [Form of Extension of Agreement Regarding Change in Control by and between Abbott Laboratories and its named executive officers \(other than Mr. White\), extending the agreement term to December 31, 2020, filed as Exhibit 10.74 to the 2018 Abbott Laboratories Annual Report on Form 10-K.**](#)
- 10.66 [Form of Extension of Agreement Regarding Change in Control by and between Abbott Laboratories and its named executive officers \(other than Mr. White\), extending the agreement term to December 31, 2022.**](#)
- 10.67 * [Form of Time Sharing Agreement between Abbott Laboratories Inc. and M.D. White, filed as Exhibit 10.6 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended June 30, 2006.**](#)

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- 10.68 [Form of Time Sharing Agreement between Abbott Laboratories Inc. and Robert B. Ford.**](#)
- 10.69 † [St. Jude Medical, Inc. 2007 Stock Incentive Plan, as amended and restated \(2014\), filed as Exhibit 10.22 to St. Jude Medical, Inc. Annual Report on Form 10-K for the year ended January 3, 2015 dated February 26, 2015.**](#)
- 10.70 † [Form of Non-Qualified Stock Option Agreement \(Global\) and related Notice of Non-Qualified Stock Option Grant for stock options granted on or after December 10, 2012 under the St. Jude Medical, Inc. 2007 Stock Incentive Plan, filed as Exhibit 10.24 to the St. Jude Medical, Inc. Annual Report on Form 10-K for the year ended December 29, 2012 dated February 26, 2013.**](#)
- 10.71 † [Form of Non-Qualified Stock Option Agreement for Non-Employee Directors and related Notice of Non-Qualified Stock Option Grant for stock options granted on or after December 10, 2012 under the St. Jude Medical, Inc. 2007 Stock Incentive Plan, filed as Exhibit 10.25 to the St. Jude Medical, Inc. Annual Report on Form 10-K for the year ended December 29, 2012, dated February 26, 2013.**](#)
- 10.72 † [Form of Restricted Stock Units Award Agreement \(Global\) and related Restricted Stock Units Award Certificate for restricted stock units granted on or after December 10, 2012 under the St. Jude Medical, Inc. 2007 Stock Incentive Plan, filed as Exhibit 10.27 to the St. Jude Medical, Inc. Annual Report on Form 10-K for the year ended December 29, 2012, dated February 26, 2013.**](#)
- 10.73 * [Management Savings Plan, as amended and restated, filed as Exhibit 10.75 to the 2019 Abbott Laboratories Annual Report on Form 10-K\).**](#)
- 10.74 [Abbott Overseas Managers Pension Plan, as amended and restated.**](#)
- 10.75 [Five Year Credit Agreement, dated as of November 12, 2020, among Abbott Laboratories, as borrower, various financial institutions, as lenders, and JPMorgan Chase Bank, N.A., as administrative agent.](#)
- 21 [Subsidiaries of Abbott Laboratories.](#)
- 23.1 [Consent of Independent Registered Public Accounting Firm.](#)
- 31.1 [Certification of Chief Executive Officer Required by Rule 13a-14\(a\) \(17 CFR 240.13a-14\(a\)\).](#)
- 31.2 [Certification of Chief Financial Officer Required by Rule 13a-14\(a\) \(17 CFR 240.13a-14\(a\)\).](#)
- Exhibits 32.1 and 32.2 are furnished herewith and should not be deemed to be “filed” under the Securities Exchange Act of 1934.
- 32.1 [Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)
- 32.2 [Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)

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- | | |
|-----|--|
| 101 | The following financial statements and notes from the Abbott Laboratories Annual Report on Form 10-K for the year ended December 31, 2020 filed on February 19, 2021, formatted in Inline XBRL: (i) Consolidated Statement of Earnings; (ii) Consolidated Statement of Comprehensive Income; (iii) Consolidated Statement of Cash Flows; (iv) Consolidated Balance Sheet; (v) Consolidated Statement of Shareholders' Investment; and (vi) the notes to the consolidated financial statements. |
| 104 | Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document and included in Exhibit 101). |

* Incorporated herein by reference. Commission file number 1-2189.

** Denotes management contract or compensatory plan or arrangement required to be filed as an exhibit hereto.

† Incorporated herein by reference. Commission file number 1-12441.

Abbott will furnish copies of any of the above exhibits to a shareholder upon written request to the Secretary, Abbott Laboratories, 100 Abbott Park Road, Abbott Park, Illinois 60064-6400.

(c) Financial Statement Schedule filed (page 101).

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Abbott Laboratories has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ABBOTT LABORATORIES

By /s/ ROBERT B. FORD

Robert B. Ford
President and Chief Executive Officer

Date: February 19, 2021

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Abbott Laboratories on February 19, 2021 in the capacities indicated below.

/s/ ROBERT B. FORD

Robert B. Ford
President and Chief Executive Officer,
and Director of Abbott Laboratories
(principal executive officer)

/s/ ROBERT E. FUNCK, JR.

Robert E. Funck, Jr.
Executive Vice President, Finance
and Chief Financial Officer
(principal financial officer)

/s/ PHILIP P. BOUDREAU

Philip P. Boudreau
Vice President, Finance and Controller
(principal accounting officer)

/s/ MILES D. WHITE

Miles D. White
Executive Chairman of the Board

/s/ ROBERT J. ALPERN

Robert J. Alpern, M.D.
Director of Abbott Laboratories

/s/ ROXANNE S. AUSTIN

Roxanne S. Austin
Director of Abbott Laboratories

/s/ SALLY E. BLOUNT

Sally E. Blount, Ph.D.
Director of Abbott Laboratories

/s/ MICHELLE A. KUMBIER

Michelle A. Kumbier
Director of Abbott Laboratories

/s/ EDWARD M. LIDDY

Edward M. Liddy
Director of Abbott Laboratories

/s/ DARREN W. MCDEW

Darren W. McDew
Director of Abbott Laboratories

/s/ NANCY MCKINSTRY

Nancy McKinstry
Director of Abbott Laboratories

/s/ PHEBE N. NOVAKOVIC

Phebe N. Novakovic
Director of Abbott Laboratories

/s/ WILLIAM A. OSBORN

William A. Osborn
Director of Abbott Laboratories

/s/ DANIEL J. STARKS

Daniel J. Starks
Director of Abbott Laboratories

/s/ JOHN G. STRATTON

John G. Stratton

Director of Abbott Laboratories

/s/ GLENN F. TILTON

Glenn F. Tilton

Director of Abbott Laboratories

ABBOTT LABORATORIES AND SUBSIDIARIES
SCHEDULE II VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018
(in millions of dollars)

Allowances for Doubtful Accounts and Product Returns	Balance at Beginning of Year	Provisions/ Charges to Income	Amounts Charged Off and Other Deductions	Balance at End of Year
2020	\$ 384	\$ 187	\$ (111)	\$ 460
2019	314	137	(68)	384
2018	294	110	(90)	314

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Abbott Laboratories

Opinion on the Financial Statement Schedule

We have audited the consolidated financial statements of Abbott Laboratories and subsidiaries (the Company) as of December 31, 2020 and 2019, for each of the three years in the period ended December 31, 2020, and have issued our report thereon dated February 19, 2021 (included elsewhere in this Annual Report on Form 10-K). Our audits of the consolidated financial statements included the financial statement schedule listed in Item 15(a)(2) of this Annual Report on Form 10-K (the “schedule”). This schedule is the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s schedule, based on our audits.

In our opinion, the schedule presents fairly, in all material respects, the information set forth therein when considered in conjunction with the consolidated financial statements.

/s/ Ernst & Young LLP

Chicago, Illinois
February 19, 2021

ABBOTT LABORATORIES
DEFERRED COMPENSATION PLAN

ARTICLE I

Introduction

Section 1.1 Purpose. The Plan is designed to assist the Employers in attracting and retaining key employees by providing those employees with the opportunity to defer the receipt of a portion of their compensation and to have that deferred compensation treated as if it were invested pending its distribution by the Plan.

Section 1.2 ERISA. The Plan is intended to be exempt from Parts 2, 3, and 4 of Title I of ERISA and, therefore, participation in the Plan is limited to a select group of management and highly compensated employees, within the meaning of Sections 201(2), 301(a)3 and 401(a)(1) of ERISA.

Section 1.3 Employers.

(a) After the Effective Date, any Subsidiary of the Company that is not then an Employer may adopt the Plan with the Company's consent as described in **Section 13.12**.

(b) Each Employer shall be liable to the Company for an amount equal to the Plan benefits earned by its Eligible Employees. Where an Eligible Employee has been employed by more than one Employer, the Plan Administrator shall allocate the liability to the Company associated with that Eligible Employee's Plan benefits among his or her Employers. The Plan Administrator shall establish procedures for determining the time at which and manner in which the Employers shall pay this liability to the Company.

Section 1.4 Grandfathered Amounts. Notwithstanding anything in this Plan to the contrary, any amounts under this Plan that were earned and vested before January 1, 2005 (as determined in accordance with Code Section 409A) ("Grandfathered Amounts") shall be subject to the terms and conditions of the Plan as administered and as in effect on October 3, 2004. Amendments made to the Plan pursuant to this amendment and restatement or otherwise shall not affect the Grandfathered Amounts unless expressly provided for in the amendment. The terms and conditions applicable to the Grandfathered Amounts are set forth in Appendix A attached hereto.

Section 1.5 Effective Date. The Plan has been amended and restated, effective as of January 1, 2021.

ARTICLE II

Definitions

When used in this Plan, unless the context clearly requires a different meaning, the following words and terms shall have the meanings set forth below. Whenever appropriate, words used in the singular shall be deemed to include the plural, and *vice versa*, and the masculine gender shall be deemed to include the feminine gender.

Section 2.1 Account. "Account(s)" means the account(s) established for record keeping purposes for each Participant pursuant to **Article VI**.

Section 2.2 Base Compensation. "Base Compensation" means the Participant's total compensation earned in a Plan Year for personal service actually rendered to an Employer, including sales bonuses, sales incentives and sales commissions (excluding Eligible Bonuses, all other bonuses, commissions, relocation expenses, reimbursements, expense allowances, fringe benefits (cash or noncash), welfare benefits (whether or not those amounts are includible in gross income) and other non-regular forms of compensation) before deductions for (i) Deferral Elections made pursuant to **Section 4.1** or (ii) contributions made on the Participant's behalf to any Employer 401(k) Plan or to any cafeteria plan under Section 125 of the Internal Revenue Code of 1986, as amended (the "Code") maintained by an Employer. Notwithstanding the foregoing, the Plan Administrator or its delegate may designate amounts to be included in or excluded from Base Compensation.

Section 2.3 Beneficiary. “Beneficiary” means the person, persons or entity designated by the Participant to receive any benefits payable under the Plan pursuant to **Article IX**.

Section 2.4 Board of Review. “Board of Review” means the Abbott Laboratories Employee Benefit Board of Review appointed and acting under the Abbott Laboratories Annuity Retirement Plan and having the powers and duties described in this Plan.

Section 2.5 Company. “Company” means Abbott Laboratories, its successors, any organization into which or with which Abbott Laboratories may merge or consolidate or to which all or substantially all of its assets may be transferred.

Section 2.6 Deferral Election. “Deferral Election” means an election under the Plan by a Participant to defer the receipt of a portion of his or her Eligible Compensation made on a Deferral Election Form.

Section 2.7 Deferral Election Form. “Deferral Election Form” means the form provided to the Participant by the Plan pursuant to **Section 4.1** on which the Participant makes his or her Deferral Election.

Section 2.8 Deferral Account. “Deferral Account(s)” means the account(s) established for record keeping purposes for each Participant’s Deferral Election pursuant to **Section 6.1**.

Section 2.9 Disability. The date of “Disability” of a Participant means that, the date on which the Participant is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, eligible to receive income replacement benefits under the terms of the Abbott Laboratories Extended Disability Plan (“EDP”) or, for a Participant whose Employer does not participate in the EDP, such similar accident and health plan, providing income replacement benefits, in which his or her Employer participates, for a period of six months.

Section 2.10 Distribution Election. “Distribution Election” is defined in **Section 4.3(a)**.

Section 2.11 Distribution Election Form. “Distribution Election Form” means the form provided to the Participant by the Plan pursuant to **Section 4.3** on which the Participant specifies the time at which the amounts credited to one of the Participant’s Account(s) are to be distributed and their method of payment.

Section 2.12 Effective Date. “Effective Date” is defined in **Section 1.5**.

Section 2.13 Eligibility Date. “Eligibility Date” is defined in **Section 3.1(b)**.

Section 2.14 Eligible Bonus. “Eligible Bonus” means an annual cash incentive bonus for a Plan Year that the Plan Administrator, or its delegate, has designated as being eligible for deferral under the Plan. As of the Effective Date, cash bonuses paid under the Abbott Laboratories Cash Profit Sharing Plan or any Employer’s annual incentive bonus plan with a performance period commencing on January 1 and ending on December 31 of the applicable Plan Year are eligible for deferral under the Plan.

Section 2.15 Eligible Compensation. “Eligible Compensation” means the Participant’s Base Compensation and Eligible Bonuses.

Section 2.16 Eligible Employee. “Eligible Employee” means any person employed by an Employer who is both

- (i) a United States employee or an expatriate who is based and paid in the United States, and
- (ii) shown as having a grade level of 20 (or equivalent level of compensation if on a different pay grade system) or higher on his or her Employer’s Human Resource System

and who is not (a) both an officer of the Company and eligible to participate in the Abbott Laboratories 401(k) Supplemental Plan, except as contemplated by **Section 3.1** hereof for the Plan Year in which the person is first named an officer, (b) an individual who provides services to an Employer under a contract, arrangement or understanding with either the individual directly or with an agency or leasing organization that treats the individual as either an independent contractor or an employee of such agency or leasing organization, even if such individual is subsequently determined (by an Employer, the Internal Revenue Service, any other governmental agency, judicial action, or otherwise) to have been a common law employee of an Employer rather than an independent contractor or employee of such agency or leasing organization, or (c) any Employee who is employed by an Employer located in Puerto Rico, other than any person designated as a "U.S. Expatriate" on the records of an Employer.

For all Plan purposes, an individual shall be an "Eligible Employee" for any Plan Year only if during that Plan Year an Employer treats that individual as its employee for purposes of employment taxes and wage withholding for Federal income taxes, even if such individual is subsequently determined (by an Employer, the Internal Revenue Service, any other governmental agency, judicial action, or otherwise) to have been a common law employee of an Employer in that Plan Year.

Section 2.17 Employer. "Employer" shall mean the Company, the participating Employers on the Effective Date, and any Subsidiary of the Company that subsequently adopts the Plan in the manner provided in **Section 13.12**.

Section 2.18 Employer Contribution. "Employer Contribution" means the contribution deemed to have been made by an Employer pursuant to **Section 5.1**.

Section 2.19 Employer Contribution Account. "Employer Contribution Account(s)" means the account(s) established for record keeping purposes for each Participant's Employer Contributions pursuant to **Section 6.1**.

Section 2.20 Employer 401(k) Plan. "Employer 401(k) Plan" means any defined contribution retirement plan that is maintained by an Employer, qualified under Code Section 401(a), and includes a cash or deferred arrangement under Code Section 401(k). The term shall specifically include, but not be limited to, the Abbott Laboratories 401(k) Plan and the Abbott Laboratories Stock Retirement Plan.

Section 2.21 ERISA. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

Section 2.22 Hardship Distribution. "Hardship Distribution" is defined in **Section 8.5(a)**.

Section 2.23 In-Service Distribution. "In-Service Distribution" is defined in **Section 4.3**.

Section 2.24 Initial Election. "Initial Election" is defined in **Section 4.3(a)**.

Section 2.25 Investment Election. "Investment Election" is defined in **Section 4.2(a)**.

Section 2.26 Investment Election Form. "Investment Election Form" means the form provided to the Participant by the Plan pursuant to **Section 4.2** on which the Participant specifies the Investment Funds in which the Participant's Account(s) are to be deemed to be invested.

Section 2.27 Investment Fund(s). "Investment Fund(s)" means one or more of the funds selected by the Plan Administrator pursuant to **Section 4.2**.

Section 2.28 Investment Fund Subaccounts. "Investment Fund Subaccounts" is defined in **Section 6.1(b)**.

Section 2.29 Matching DCP Deferral. "Matching DCP Deferral" for a Participant for a Plan Year is an amount equal to the total dollar amount of the Participant's deferrals for the Plan Year pursuant to Employee Deferral Elections under Section 4.1(b), but in no event shall a Participant's Matching DCP Deferral for a Plan Year

exceed the amount by which (a) the Participant's Base Compensation for the Plan Year up to the limit on compensation as defined in Code Section 401(a)(17) exceeds (b) the Participant's Base Compensation for the Plan Year less the total dollar amount deferred pursuant to Employee Deferral Elections under Section 4.1(b) for the Plan Year.

Section 2.30 Participant. "Participant" means any Eligible Employee who elects to participate in this Plan by filing a Deferral Election, Investment Fund Election, and Distribution Election as provided in **Article IV**.

Section 2.31 Plan. "Plan" means the Abbott Laboratories Deferred Compensation Plan.

Section 2.32 Plan Administrator. "Plan Administrator" means the Board of Review.

Section 2.33 Plan Year. "Plan Year" means a twelve-month period beginning January 1 and ending the following December 31.

Section 2.34 Rate of Return. "Rate of Return" means, for each Investment Fund, an amount equal to the net gain or net loss (expressed as a percentage) on the assets of that Investment Fund.

Section 2.35 Retirement. "Retirement" means a Termination of Employment after having satisfied the age and service requirements of (a), (b), or (c) below, as applicable:

(a) for the Participant hired before 2004, the date on which the Participant attains age 50 and completes 10 years of vesting service; or

(b) for the Participant hired after 2003, the date on which the Participant attains age 55 and completes 10 years of vesting service; or age 65; or

(c) with respect to a Participant covered by Supplement I of the Abbott Laboratories Annuity Retirement Plan ("ARP") as Abbott Retained Employees (as such term is defined in the ARP), the date on which the Participant attains age 55 and completes 5 years of vesting service (as such term is described in the AbbVie Pension Plan for Former BASF and Former Solvay Employees).

For purposes of this Section 2.35, "vesting service" shall have the meaning set forth in the ARP for a Participant who is covered by the ARP, and shall have the meaning set forth in the Employer 401(k) Plan in which the Participant is eligible to participate for a Participant who is not covered by the ARP. Except as otherwise provided by the Administrator, for purposes of this Section 2.35, the hire date of any employee of a business entity, part or all of which is or was acquired by or becomes a part of, a participating employer, will be considered the date that the business entity was acquired by or became a part of the participating employer, and vesting service prior to such date shall be credited only to the extent provided by the Administrator.

Section 2.36 Subsequent Election. "Subsequent Election" is defined in **Section 4.2(a)**.

Section 2.37 Subsidiary. "Subsidiary" shall mean any corporation, limited liability company, partnership, joint venture, or business trust organized in the United States 50 percent or more of the voting stock of which is owned, directly or indirectly, by the Company.

Section 2.38 Termination of Employment. "Termination of Employment" means the cessation of a Participant's services as an employee, whether voluntary or involuntary, for any reason other than death; provided, that the Participant shall not be considered to have terminated employment for purposes of the Plan until he or she would be considered to have incurred a "separation from service" from the Employer within the meaning of Code Section 409A.

Section 2.39 Unforeseeable Emergency. "Unforeseeable Emergency" means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse or a dependent of the Participant, loss of the Participant's property due to casualty (including the need to rebuild a home

following damage to a home not otherwise covered by insurance, for example, not as a result of a natural disaster), or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant as determined by the Plan Administrator.

ARTICLE III

Participation

Section 3.1 Participation.

(a) Except as provided in **Sections 3.1(b) and (c)**, an Eligible Employee may become a Participant by making a Deferral Election, Investment Fund Election, and Distribution Election pursuant to **Article IV** on or before the deadline set by the Plan Administrator pursuant to **Section 4.4**.

(b) A newly hired individual who is an Eligible Employee shall become eligible to participate in the Plan on the first day of the month next following the month after the individual's date of hire (the "Eligibility Date"); provided, that in no event shall such individual begin to participate in the plan later than 90 days following his or her date of hire. Notwithstanding the election requirements of Section 3.1(a), a newly Eligible Employee who was not eligible to participate in any other plan that would be aggregated with the Plan under Treasury Regulation §1.409A-1(c) may make a Deferral Election, Investment Fund Election and Distribution Election pursuant to **Article IV** within the thirty (30) day period immediately following the Eligibility Date and in accordance with applicable law and the rules and procedures set by the Plan Administrator. Any such election shall become irrevocable for the remainder of the Plan Year as of the end of the thirty (30) day period immediately following the Eligibility Date, and shall be effective as of the first payroll period commencing after the end of such 30-day period.

(c) An individual who becomes an Eligible Employee as a result of a job promotion or transfer may only make a Deferral Election, Investment Fund Election and Distribution Election pursuant to **Article IV** with respect to Eligible Compensation to be earned in the Plan Year next following the year of such promotion or transfer. Any such election shall be made in accordance with **Article IV** and shall become effective for Eligible Compensation earned in the Plan Year following the year in which the election is made.

(d) An Eligible Employee of the Rapid Diagnostics division on the Effective Date may make a Deferral Election, Investment Fund Election and Distribution Election pursuant to **Article IV** within the thirty (30) day period immediately following the Effective Date. Any such election shall become irrevocable as of the end of such thirty (30) day period for the rest of the Plan Year, and shall become effective for Base Compensation as of the first payroll period commencing after the end of such thirty (30) day period, and shall be effective for the Eligible Employee's Eligible Bonus earned for such Plan Year.

Section 3.2 Termination of Participation. A Participant who ceases to be an Eligible Employee due to a Termination of Employment will remain a Participant but (i) may no longer make Deferral Elections with respect to any Plan Year following the year of such termination and (ii) all deferrals under the Plan shall cease as of the date of the Participant's Termination of Employment. A Participant who ceases to be an Eligible Employee due to a job promotion (or demotion) may no longer make Deferral Elections with respect to any Plan Year following the year of such promotion or demotion but the Participant's Deferral Elections for the Plan Year in which such promotion or demotion occurs shall remain irrevocable. A Participant shall remain a Participant until (i) his or her death or (ii) his or her Accounts have been distributed.

Election FormsSection 4.1 Deferral Elections.

- (a) Participants shall make their Deferral Elections annually on a form provided by the Plan Administrator (a “Deferral Election Form”). Each Deferral Election shall apply to only a single Plan Year.
- (b) On his or her Deferral Election Form, the Participant shall specify the amount (expressed as a percentage) of his or her Base Compensation and the amount (also expressed as a percentage) of his or her Eligible Bonuses that the Participant elects to defer for that Plan Year together with such other information as the Plan Administrator may, in its sole and absolute discretion, require.
- (c) For any Plan Year, a Participant may elect to defer:
- (i) between five percent (5%) and seventy-five percent (75%) of his or her Base Compensation (in whole percentage increments), and
 - (ii) between five percent (5%) and one hundred percent (100%) of his or her Eligible Bonus (in whole percentage increments);

provided, however, that in no event may a Participant elect to defer his or her Eligible Compensation to the extent that his or her remaining compensation would be insufficient to satisfy all applicable withholding taxes and contributions required under Employer sponsored benefit plans in which the Participant participates.

(d) A Participant may revoke his or her Deferral Election and file a subsequent Deferral Election at any time prior to the deadline for the receipt of election forms set by the Plan Administrator pursuant to **Section 4.4**. The latest Deferral Election filed prior to such deadline shall take effect for the applicable Plan Year, and all prior Deferral Elections shall be considered null and void. A Participant may not revoke his or her Deferral Election at any time after the deadline for making such Deferral Election set by the Plan Administrator pursuant to **Section 4.4**. Notwithstanding the foregoing, an Eligible Employee who submits a deferral election for the same Plan Year under any other nonqualified deferred compensation plan maintained by the Company or any Subsidiary shall be deemed to have revoked any Deferral Election previously filed under the Plan, and all prior Deferral Elections shall be considered null and void; provided, that such other deferral election must be submitted in accordance with the rules of such other plan and in any event no later than December 31 immediately preceding the Plan Year for which it is to be effective, and any Deferral Election filed under the Plan subsequent to such other plan deferral election shall render such other plan deferral election null and void.

Section 4.2 Investment Elections. The Plan Administrator shall, from time to time, make available investment options (the “Investment Funds”) that serve as benchmark funds for the amounts a Participant defers under the Plan. A Participant’s Plan deferrals shall not actually be invested in the Investment Funds and the Participant shall not be considered a shareholder of any of the Investment Funds he or she selects by virtue of participation in the Plan. Instead, the Participant’s Plan deferrals shall be considered invested in, and his or her Plan Account shall reflect such Investment Fund’s Rate of Return. A Participant’s election of investments shall be subject to the following rules:

- (a) Participants shall make their investment elections on an Investment Election Form provided by the Plan Administrator (an “Investment Election”).
- (b) The Investment Election Form completed by the Participant shall apply only to the Eligible Compensation being deferred in a single Plan Year and shall specify the Investment Funds in which the deferrals for each such Plan Year are to be deemed to be invested, and the portion (expressed in whole percentage increments) of the deferrals for such Plan Year that are to be deemed to be invested in each such Investment Fund, and shall continue in effect until revoked or changed as permitted by the Plan Administrator.

(a) Participants shall make their distribution elections in accordance with the Distribution Election Form provided by the Plan Administrator (a "Distribution Election") as permitted or required by such form. Each Distribution Election (the "Initial Election") shall apply only to the Eligible Compensation being deferred in a single Plan Year and must be made by the deadline set by the Plan Administrator pursuant to **Section 4.4**, at which time the Initial Election shall be irrevocable, subject to **Section 4.3(c)**.

(b) On the Distribution Election Form:

- (i) Mandatory Retirement Election. In all cases, the Participant shall select the method of payment from among the methods of payment described in **Section 8.3(a)** to apply in the event payment is made upon Retirement pursuant to this Distribution Election in accordance with **Sections 8.3 or 8.4** or upon Disability in accordance with **Section 8.7**.
- (ii) Optional In-Service Distribution Election. The Participant shall also have the option to elect that the Eligible Compensation being deferred for that Plan Year shall be paid to the Participant while he or she is still employed by an Employer (an "In-Service Distribution"). If the Participant elects to receive an In-Service Distribution of the Eligible Compensation being deferred, then the Participant shall also select the year in which the payments are to be made. A Participant may not elect to receive an In-Service Distribution in a Plan Year that is less than two (2) years after the end of the Plan Year in which the Eligible Compensation is earned.

(c) Notwithstanding anything to the contrary in **Section 4.3**, a Participant may change the form of distribution or his or her Distribution Election (a "Subsequent Election") to the extent permitted by the Plan Administrator and Code Section 409A(a)(4)(C), including the requirements that such Subsequent Election:

- (i) shall not take effect until at least 12 months after the date on which the Subsequent Election is filed with the Plan Administrator;
- (ii) shall result in the first distribution subject to such Subsequent Election being made at least five years after the date such distribution would otherwise have been paid pursuant to the previous election; and
- (iii) shall be filed with the Plan Administrator at least 12 months before the date the first scheduled distribution is to be paid pursuant to the previous election.

Section 4.4 Deadline for Submitting Election Forms. The Plan Administrator may set a deadline or deadlines for the receipt of the election forms required under the Plan; provided, however, that, except as provided in **Section 3.1(b) or (d)**, such forms must be filed on or before the end of the year immediately preceding the Plan Year for which it is to be effective.

ARTICLE V

Employer Contributions

Section 5.1 Employer Contributions. Each Participant who makes a Deferral Election will be credited with an Employer Contribution equal to 5% of the Participant's Matching DCP Deferral. The Plan Administrator may, however, in his or her discretion, otherwise set the amount of the Employer Contribution, subject to and not in excess of applicable limits imposed by the Internal Revenue Service.

Section 5.2 Allocation of Employer Contributions. A Participant's Employer Contribution for a Plan Year shall be allocated among the same Investment Funds and in the same proportion as the Participant has elected for his or her deferrals for that Plan Year.

Section 5.3 Distribution of Employer Contributions. An Employer Contribution for a Plan Year shall be distributed to the Participant according to the election made by the Participant governing his or her deferrals for that same Plan Year.

ARTICLE VI

Maintenance and Crediting of Accounts

Section 6.1 Maintenance of Accounts.

(a) The Plan shall maintain a separate Account for each Deferral Election (a “Deferral Account”) made by and each Employer Contribution (an “Employer Contribution Account”) made for a Participant. A Participant’s Accounts shall reflect the Participant’s Investment Fund Elections and Distribution Elections made pursuant to **Article IV**, any Employer Contributions made on behalf of the Participant pursuant to **Article V**, adjustments to the Account made pursuant to this **Article VI**, and distributions made with respect to the Account pursuant to **Article VIII**. The Accounts shall be used solely as a device for the measurement and determination of the amounts to be paid to the Participants pursuant to this Plan and shall not constitute or be treated as a trust fund of any kind.

(b) Each Account shall be divided into separate subaccounts (“Investment Fund Subaccounts”), each of which corresponds to the Investment Fund selected by the Participant pursuant to **Section 4.2(b)**.

Section 6.2 Crediting of Accounts.

(a) No later than five (5) business days following the end of each pay period, the Plan shall credit each Participant’s Investment Fund Subaccounts to reflect amounts deferred from the Participant’s Eligible Compensation during that pay period and the Investment Fund Election made by the Participant with respect to that Eligible Compensation.

(b) At the end of each Plan Year, the Plan shall credit each Participant’s Investment Fund Subaccounts to reflect any Employer Contribution deemed to have been made on behalf of the Participant for that Plan Year and the allocation of that contribution among the Investment Funds pursuant to **Section 4.2**.

(c) The Plan Administrator shall adjust each Investment Fund Subaccount to reflect any transfers under the Plan to or from that Investment Fund Subaccount, as of the end of each business day to reflect any distributions under the Plan made with respect to that Investment Fund Subaccount, and the Rate of Return on the related Investment Fund.

Section 6.3 Statement of Accounts. Each Participant shall be issued quarterly statements of his or her Account(s) in such form as the Plan Administrator deems desirable, setting forth the balance to the credit of such Participant in his or her Account(s) as of the end of the most recently completed quarter.

ARTICLE VII

Vesting and Forfeitures

Section 7.1 Deferral Accounts. A Participant’s Deferral Accounts shall be one hundred percent (100%) vested and non-forfeitable at all times.

Section 7.2 Employer Contribution Account.

(a) A Participant’s Employer Contribution Account shall become vested according to the same vesting schedule that applies to the matching contributions made by the Participant’s Employer on behalf of the Participant under the Employer 401(k) Plan in which the Participant participates.

(b) If a Participant's employment with the Employers terminates (whether voluntarily or involuntarily) before the Participant's Employer Contribution Account becomes one hundred percent (100%) vested and non-forfeitable, then the Participant shall forfeit that portion of his or her Employer Contribution Account that is not fully vested and non-forfeitable.

ARTICLE VIII

Distribution of Benefits

Section 8.1 Distribution of Benefits in the Event of a Termination of Employment. If a Participant elects to receive his or her Plan benefits as an In-Service Distribution, then in the event of that Participant's Termination of Employment (other than due to Retirement) prior to receiving that In-Service Distribution, the Company shall pay that Participant's Plan benefits in a lump-sum to the Participant within 90 days following his or her Termination of Employment. If a Participant elects to receive his or her Plan benefits upon Retirement, then in the event of that Participant's Termination of Employment prior to the date the Participant attains eligibility for Retirement, the Company shall pay that Participant's Plan benefits in a lump-sum to the Participant within 90 days following his or her Termination of Employment.

Section 8.2 In-Service Distributions. Subject to the provisions of **Section 8.6**, the Company shall pay In-Service Distributions in a lump-sum to the Participant on the first business day in February of the year designated by the Participant on his or her Distribution Election Form.

Section 8.3 Distribution of Benefits in the Event of Retirement.

(a) If, pursuant to **Section 4.3**, a Participant has elected to receive his or her Plan benefits for a Plan Year upon his or her Retirement, then the Company shall pay the Participant his or her Plan benefits commencing on the first business day in February next following the date of the Participant's Retirement in any of the following forms pursuant to the Participant's Initial Election or Subsequent Election, as applicable:

- (i) in substantially equal quarterly or annual installments to the Participant over fifteen (15) years; or
- (ii) in substantially equal quarterly or annual installments to the Participant over ten (10) years; or
- (iii) in substantially equal quarterly or annual installments to the Participant over five (5) years; or
- (iv) in a lump-sum; or
- (v) if no such election is on file with the Plan Administrator, in substantially equal quarterly installments to the Participant over ten (10) years.

Quarterly installments shall be paid on the first business day of each calendar quarter and annual installments shall be paid on the first business day of each calendar year.

(b) Notwithstanding the foregoing, if the total sum of (i) a Participant's Deferral Accounts (as adjusted for amounts accrued but not yet credited) in this Plan and (ii) deferrals of compensation under any other agreement, method, program or arrangement which must be aggregated with this Plan under Treasury Regulations section 1.409A-1(c)(2), is less than the applicable dollar amount under Code Section 402(g)(1)(B) in effect for the Plan Year in which such date occurs (\$19,500 for the 2021 Plan Year), the balance of such Participant's Deferral Accounts in this Plan shall be paid in a single lump sum as soon as administratively practicable following such date. Payment shall terminate and liquidate the Participant's interest in the Plan and any other aggregated agreement, method, program or arrangement.

If a Participant has elected to receive his or her Plan benefits on a specified date pursuant to **Section 4.3(b)(ii)**, if the Participant's Retirement occurs prior to such specified date,

- (a) For amounts deferred with respect to Plan Years beginning prior to January 1, 2008, the Company shall pay the Participant his or her Plan benefits in a lump sum on the first business day in February next following the Participant's Retirement; and
- (b) For amounts deferred with respect to Plan Years beginning on or after January 1, 2008, the Company shall pay the Participant his or her Plan benefits in accordance with **Section 8.3(a)**, subject to **Section 8.3(b)**.

Section 8.5

Distributions Due to Unforeseeable Emergency.

(a) A Participant may receive the early payment of all or part of the balance in his or her Account(s) in the event of an Unforeseeable Emergency (a "Hardship Distribution") subject to the following restrictions:

- (i) The Participant has requested the Hardship Distribution from the Plan Administrator on a form provided by or in the format requested by the Plan Administrator;
- (ii) The Plan Administrator has determined that an Unforeseeable Emergency has occurred;
- (iii) The Plan Administrator determines the amount of the Hardship Distribution, which amount will be limited to the amount reasonably necessary to satisfy the emergency need (including any amounts necessary to pay any Federal, state, local or foreign income taxes or penalties reasonably anticipated to result from the Hardship Distribution); and
- (iv) The Hardship Distribution shall be distributed in a lump-sum within 30 days following determination by the Plan Administrator of the amount of the Hardship Distribution.

(b) The circumstances that would constitute a Unforeseeable Emergency will depend on the facts and circumstances of each case, but, in any case, a Hardship Distribution may not be made to the extent that such hardship may be relieved through (i) reimbursement or compensation by insurance or otherwise, (ii) liquidation of the Participant's assets, to the extent that liquidation of the Participant's assets would not itself cause severe financial hardship, or (iii) by cessation of deferrals under this Plan in compliance with Code Section 409A.

Section 8.6

Distribution of Benefits in the Event of Death.

In the event of a Participant's death prior to the complete distribution of his or her Accounts, the Company shall distribute his or her total Plan benefits to his or her Beneficiary in a lump sum within 90 days after the date of the Participant's death.

Section 8.7

Distribution of Benefits in the Event of Disability.

In the event of a Participant's Disability, the Company shall pay the Participant his or her Plan benefits commencing on the first business day in February next following the date of the Participant's Disability in the form set forth below:

- (a) For any Participant who has elected to receive his or her Plan benefits upon Retirement, pursuant to the Participant's Distribution Election to receive his or her Plan benefits in one of the Retirement forms permitted under **Section 8.3(a)**, subject to **Section 8.3(b)**.
- (b) For a Participant who has elected to receive his or her Plan benefits as an In-Service Distribution, if the Participant's Disability occurs prior to the date specified in such Distribution Election:

- (i) For amounts deferred with respect to Plan Years beginning on or subsequent to January 1, 2008, pursuant to the Participant's Distribution Election to receive his or her Plan benefits in one of the Retirement forms permitted under **Section 8.3(a)**, subject to **Section 8.3(b)**.
- (ii) For amounts deferred with respect to all Plan Years beginning prior to January 1, 2008, pursuant to the Participant's Distribution Election to receive his or her Plan benefits in a lump sum under **Section 4.3(b)(ii)**.

Section 8.8 Postponing or Amending Distributions. A Participant may postpone a scheduled distribution or amend the form of distribution specified in **Section 8.2**, **Section 8.3(a)** or **Section 8.4** only by making a Subsequent Election pursuant to the terms of **Section 4.3(c)**.

Section 8.9 Distribution of Benefits Pursuant to a Domestic Relations Order. The Company shall pay all or a portion of a Participant's Plan benefits in a lump sum to any person other than the Participant pursuant to the terms of a domestic relations order. For this purpose, a domestic relations order means a judgment, decree or order (including approval of a property settlement agreement) which relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child or other dependent of the Participant and which is made pursuant to a state domestic relations law (including a community property law).

ARTICLE IX

Beneficiary Designation

Section 9.1 Beneficiary Designation. Each Participant shall have the right, at any time, to designate any person, persons or entity as his or her Beneficiary or Beneficiaries. A Beneficiary designation shall be made, and may be amended, by the Participant by filing a designation with the Plan Administrator, on such form and in accordance with such procedures as the Plan Administrator may establish from time to time.

Section 9.2 Failure to Designate a Beneficiary. If a Participant or Beneficiary fails to designate a Beneficiary as provided above, or if all designated Beneficiaries predecease the Participant or his or her Beneficiary, then the Participant's Beneficiary shall be deemed to be, in the following order:

- (i) to the spouse of such person, if any; or
- (ii) to the deceased person's estate.

Section 9.3 Facility of Payment. When, in the Plan Administrator's opinion, a Participant or Beneficiary is under a legal disability or is incapacitated in any way so as to be unable to manage his or her financial affairs, the Plan Administrator may make any benefit payments to the Participant or Beneficiary's legal representative, or spouse, or the Plan Administrator may apply the payment for the benefit of the Participant or Beneficiary in any way the Plan Administrator considers advisable, in each case, without subjecting the Participant or Beneficiary to accelerated taxation and/or tax penalties under Code Section 409A.

ARTICLE X

Administration of Plan

Section 10.1 Plan Administrator. The Board of Review, or such person as the Board of Review shall designate pursuant to **Section 10.3**, shall serve as the Plan Administrator of the Plan. The administration of the Plan shall be under the supervision of the Plan Administrator. It shall be a principal duty of the Plan Administrator to see that the Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Plan without discrimination among them. Benefits under the Plan shall be paid only if the Plan Administrator decides, in his or her discretion, that the applicant is entitled to them. The Plan Administrator will have full power to administer the Plan in all of its details, subject to applicable requirements of law. For this purpose, the Plan

Administrator's powers will include but will not be limited to, the following authority, in addition to all other powers provided by this Plan:

- (i) To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan, including the establishment of any claims procedures that may be required by applicable provisions of law;
- (ii) To exercise discretion in interpreting the Plan, any interpretation to be reviewed under the arbitrary and capricious standard;
- (iii) To exercise discretion in deciding all questions concerning the Plan and the eligibility of any person to participate in the Plan; such decision to be reviewed under the arbitrary and capricious standard;
- (iv) To appoint such agents, counsel, accountants, consultants and other persons as may be required to assist in administering the Plan;
- (v) To allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, any such allocations, delegation or designation to be in writing;
- (vi) To determine the amount and type of benefits to which any Participant or Beneficiary shall be entitled hereunder, including the method and date for all valuations under the Plan;
- (vii) To receive from the Employers and from Participants such information as shall be necessary for the proper administration of the Plan or any of its programs;
- (viii) To maintain or cause to be maintained all the necessary records for the administration of the Plan;
- (ix) To receive, review and keep on file (as it deems convenient and proper) reports of benefit payments made by the Plan;
- (x) To determine and allocate among the Employers the liability to the Company associated with Plan benefits in accordance with **Section 1.3** and to determine the time at which and manner in which that liability shall be paid to the Company;
- (xi) To make, or cause to be made, equitable adjustments for any mistakes or errors made in the administration of the Plan; and
- (xii) To do all other acts which the Plan Administrator deems necessary or proper to accomplish and implement its responsibilities under the Plan.

Section 10.2 Reliance on Tables, etc. In administering the Plan, the Plan Administrator will be entitled to the extent permitted by law to rely conclusively on all tables, valuations, certificates, opinions and reports which are furnished by, or in accordance with the instructions of accountants, counsel, or other experts employed or engaged by the Plan Administrator.

Section 10.3 Delegation. The Board of Review shall have the authority to appoint another corporation or one or more other persons to serve as the Plan Administrator hereunder, in which event such corporation or person (or persons) shall exercise all of the powers, duties, responsibilities, and obligations of the Plan Administrator hereunder.

Section 10.4 Operations. The day to day operation of the Plan will be handled by the person or persons designated by the Plan Administrator.

Section 10.5 Uniform Rules. The Plan Administrator shall administer the Plan on a reasonable and nondiscriminatory basis and shall apply uniform rules to all similarly situated Participants.

Section 10.6 Plan Administrator's Decisions Final. Any interpretation of the provisions of the Plan (including but not limited to the provisions of any of its Programs) and any decision on any matter within the discretion of the Plan Administrator made by the Plan Administrator in good faith shall be binding on all persons. A misstatement or other mistake of fact shall be corrected when it becomes known and the Plan Administrator shall make such adjustment on account thereof as it considers equitable and practicable. Neither the Plan Administrator nor any Employer shall be liable in any manner for any determination of fact made in good faith.

ARTICLE XI

Claims for Benefits

Section 11.1 Claims and Review Procedures. The Plan Administrator shall adopt procedures for the filing and review of claims in accordance with Section 503 of ERISA.

ARTICLE XII

Amendment and Termination of Plan

Section 12.1 Amendment. The Company may amend this Plan, in whole or in part, at any time provided, however, that no amendment shall be effective to decrease the balance in any Account as accrued at the time of such amendment. Any amendment which would allow officers of the Company to participate in the Plan shall require the approval of the Abbott Laboratories Board of Directors. Any amendment which increases the total cost of the Plan to the Employers in excess of \$250,000 in each of the three full calendar years next following the date of the amendment shall be approved by the Board of Review. The Executive Vice President, Human Resources of the Company shall approve all other amendments to the Plan and the extension of the Plan to any division or Subsidiary of the Company.

Section 12.2 Termination. The Board of Review may at any time terminate the Plan with respect to future Deferral Elections. The Board of Review may also terminate and liquidate the Plan in its entirety; provided that such termination and liquidation are consistent with the provisions of Code Section 409A. Upon any such termination, the Company shall pay to the Participant the benefits the Participant is entitled to receive under the Plan, determined as of the termination date, in compliance with Code Section 409A.

ARTICLE XIII

Miscellaneous

Section 13.1 Unfunded Plan. This Plan is intended to be an unfunded plan maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees, within the meaning of Sections 201, 301 and 401 of ERISA and therefore meant to be exempt from Parts 2, 3 and 4 of Title I of ERISA. All payments pursuant to the Plan shall be made from the general funds of the Company and no special or separate fund shall be established or other segregation of assets made to assure payment. No Participant or other person shall have under any circumstances any interest in any particular property or assets of the Company as a result of participating in the Plan.

Section 13.2 Nonassignability. Except as specifically set forth in the Plan with respect to the designation of Beneficiaries, neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are, expressly declared to be unassignable and non-transferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed

by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency.

Section 13.3 Validity and Severability. The invalidity or unenforceability of any provision of this Plan shall not affect the validity or enforceability of any other provision of this Plan, which shall remain in full force and effect, and any prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 13.4 Governing Law. The validity, interpretation, construction and performance of this Plan shall in all respects be governed by the laws of the State of Illinois, without reference to principles of conflict of law, except to the extent preempted by federal law.

Section 13.5 Employment Status. This Plan does not constitute a contract of employment or impose on the Participant or the Company any obligation for the Participant to remain an employee of the Company or change the status of the Participant's employment or the policies of the Company and its affiliates regarding termination of employment.

Section 13.6 Underlying Incentive Plans and Programs. Nothing in this Plan shall prevent the Company from modifying, amending or terminating the compensation or the incentive plans and programs pursuant to which Eligible Bonuses or Eligible Compensation are earned and which are deferred under this Plan.

Section 13.7 Successors of the Company. The rights and obligations of the Company under the Plan shall inure to the benefit of, and shall be binding upon, the successors and assigns of the Company.

Section 13.8 Waiver of Breach. The waiver by the Company of any breach of any provision of the Plan by the Participant shall not operate or be construed as a waiver of any subsequent breach by the Participant.

Section 13.9 Notice. Any notice or filing required or permitted to be given to the Company under the Plan shall be sufficient if in writing and hand-delivered, or sent by first class mail to the principal office of the Company, directed to the attention of the Plan Administrator. Such notice shall be deemed given as of the date of delivery, or, if delivery is made by mail, as of the date shown on the postmark.

Section 13.10 Waiver of Notice. Any notice required under the Plan may be waived by the person entitled to such notice.

Section 13.11 Evidence. Evidence required of anyone under the Plan may be by certificate, affidavit, document or other information which the person acting on it considers pertinent and reliable, and signed, made or presented by the proper party or parties.

Section 13.12 Additional Employers. Subject to the consent of the Board of Review, any Subsidiary of the Company may adopt the Plan by filing a written instrument to that effect with the Company.

Section 13.13 Separation and Distribution Agreement of 2004. The provisions of this **Section 13.13** shall apply to an Eligible Employee who is a Participant in the Plan and who transfers from employment with the Company or an Employer to Hospira, Inc. or to a subsidiary of Hospira, Inc. (collectively, the "Hospira Companies") as a result of the transactions contemplated by that certain Separation and Distribution Agreement by and between Abbott Laboratories and Hospira, Inc., dated as of April 12, 2004 (the "Distribution Agreement"), and such transfer of employment is made in accordance with and subject to the terms of the Employee Benefits Agreement as described in the Distribution Agreement (each such transferred Participant referred to herein as a "Transferred Hospira Participant").

(a) A Transferred Hospira Participant's transfer of employment to the Hospira Companies will not be considered as a termination of employment as a result of Termination of Employment, Retirement or Disability for purposes of determining eligibility for distributions under **Article VII** of the Plan. Such Transferred Hospira Participant's termination of employment resulting from Termination of Employment, Retirement or Disability shall occur only upon his or her subsequent termination of employment from the Hospira Companies (and Termination of

Employment, Retirement and Disability with respect to such Transferred Hospira Participants shall mean such events in relation to the Hospira Companies rather than in relation to the Company and the Employers);

(b) Following his or her transfer to employment with the Hospira Companies, a Transferred Hospira Participant will remain a participant but will not be eligible to make Deferral Elections. A Transferred Hospira Participant shall remain a Participant until (i) his or her death or (ii) his or her Accounts have been distributed in accordance with the Plan and in accordance with the Transferred Hospira Participant's elections regarding the manner of distribution of such Accounts.

Section 13.14 Section 409A. To the extent applicable, it is intended that the Plan comply with the provisions of Code Section 409A. The Plan will be administered and interpreted in a manner consistent with this intent, and any provision that would cause the Plan to fail to satisfy Code Section 409A will have no force and effect until amended to comply therewith (which amendment may be retroactive to the extent permitted by Code Section 409A). Notwithstanding anything contained herein to the contrary, to the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, amounts that would otherwise be payable pursuant to the Plan during the six-month period immediately following the Participant's Termination of Employment or Retirement shall instead be paid on the first business day after the date that is six months following the Participant's Termination of Employment or Retirement (or upon the Participant's death, if earlier), plus, to the extent subject to a six-month delay, a return equal to the Rate of Return that would be achieved if such amounts were invested in accordance with the Participant's Investment Elections under Section 4.2 from the respective dates on which such amounts would otherwise have been paid until the actual date of payment.

SUPPLEMENT B

TRANSFER OF LIABILITIES FROM THE ABBOTT DEFERRED COMPENSATION PLAN FOR FORMER EMPLOYEES OF SOLVAY

B-1. Purpose and Effect. The purpose of this Supplement B is to provide for the transfer of liabilities from the Abbott Deferred Compensation Plan for Former Employees of Solvay, as it may be amended (the "Solvay DCP"), to this Plan with respect to certain Abbott Retained Employees and Abbott LTD Participants as set forth in the EMA (the "Solvay DCP Participants"). The Solvay DCP is not open to new contributions, so the purpose of this Supplement B is to facilitate the administration of any Abbott Retained Employee and Abbott LTD Participant accounts that are transferred into the Plan (the "Deferred Compensation Accounts") from the Solvay DCP until such time as they are fully distributed. Except as specifically provided in this Supplement B to document certain benefits, rights and features of the Solvay DCP Plan, the Plan terms shall apply to the Deferred Compensation Accounts.

B-2. Transfer of Liabilities from Solvay DCP. As soon as practicable on or after January 1, 2013, and subject to such terms and conditions as the Plan Administrator may establish, all liabilities attributable to the Solvay DCP Participants shall be transferred from the Solvay DCP to this Plan. The Plan shall credit each such Solvay DCP Participant's account with (a) the amount deferred by such individual into the Solvay DCP as of the applicable transfer date, plus (b) any employer contributions, whether vested or unvested, deemed to have been made in relation to the amount described in (a), including, in each case, any earnings thereon.

B-3. Distribution Elections. Distribution elections made under the Solvay DCP with respect to transferred amounts described in Section B-2 above shall be recognized, implemented and honored by the Plan and such amounts shall be distributable to the applicable Solvay DCP Participant in accordance with such elections. Elections with respect to amounts deferred under this Plan on or after January 1, 2013 shall be in accordance with Article IV and other applicable provisions of this Plan.

B-4. Earnings Equivalents. Earnings equivalents shall be credited to each Deferred Compensation Account on the basis determined by the Plan Administrator from time to time. A Solvay DCP Participant's election

for the deemed investment of the amounts in his or her Deferred Compensation Account shall be made in accordance with such rules and procedures as the Plan Administrator may adopt from time to time.

B-5. Vesting and Forfeiture.

(a) A Solvay DCP Participant's right to future payment of his or her Deferred Compensation Account attributable to deferral contributions, together with the earnings equivalents thereon, shall always be 100% vested and nonforfeitable. Subject to paragraph (b) below, a Solvay DCP Participant's right to future payment of his or her Deferred Compensation Account attributable to employer contributions, together with the earnings equivalents thereon, shall be vested and nonforfeitable based on his or her service with Abbott Laboratories.

(b) If a Solvay DCP Participant is terminated for cause, including but not limited to conviction of a felony, acts involving moral turpitude, offensive personal conduct, dishonesty, disloyalty, disorderly conduct, vandalism, violation of the rules of the Company, revealing trade secrets, insubordination, interference with production, or any other act or course of action deemed detrimental to the Company by the Plan Administrator, then the only amount which the Solvay DCP Participant will receive will be that amount attributable to his or her deferral contributions and the earnings equivalents attributable thereto. This amount, valued as of the most recent valuation date administratively practicable before the distribution, will be distributed in accordance with the provisions of the Plan. The balance of his or her Deferred Compensation Account will be forfeited concurrent with the distribution.

B-6. Distributions.

(a) Unless otherwise provided in the Plan or in paragraph (b) below, in the event that a Solvay DCP Participant has a Termination of Employment, he or she shall receive, in the form of a lump sum distribution 75 days after the date of Termination of Employment, an amount equal to the value of his or her vested Deferred Compensation Account as of the most recent valuation date administratively practicable before the distribution. Notwithstanding the foregoing, but subject to the Plan terms and paragraph (b) below, the Solvay DCP Participant may elect to receive the value of his or her vested Deferred Compensation Account in any one of the following alternative forms:

- (1) a lump sum distribution 75 days after the date of Termination of Employment or, if later, January 1 of the calendar year following the calendar year in which he or she has a Termination of Employment;
- (2) annual installments over a five year period beginning 75 days after the date of Termination of Employment; or
- (3) annual installments over a ten year period beginning 75 days after the date of Termination of Employment.

Any election (or any change or revocation of an election) shall not be effective unless it is accepted by the Plan Administrator at least 12 months prior to the date of Termination of Employment and results in a further deferral of payment (or the commencement of payment) of the Solvay DCP Participant's Deferred Compensation Account of at least five years (unless payment is on account of death). In the event the value of a Deferred Compensation Account is not distributed in a lump sum within 75 days after a Solvay DCP Participant's Termination of Employment, the amounts credited to such Deferred Compensation Account shall continue to be credited for earnings equivalents in accordance with Section B-4 until the latest valuation date administratively practicable before such amounts are distributed;

(b) In the event that there is a change of control of the Company, as defined under Code Section 409A, then each Solvay DCP Participant shall receive, in the form of a lump sum distribution made 75 days after the change of control occurs, an amount equal to the value of his or her vested Deferred Compensation Account as of the most recent valuation date administratively practicable before distribution. Notwithstanding the foregoing, accelerated distributions under this paragraph (b) shall be limited to the extent necessary to prevent the Solvay DCP Participant from receiving any "excess parachute payment" as described in Code Section 280 or any successor section thereto, provided that the determination of what shall constitute an "excess parachute payment"

shall be made by the Plan Administrator, and provided further that such limitation may be applied by the Plan Administrator only if and to the extent such limitation of acceleration does not cause a violation of Code Section 409A. In the event that a portion of the benefit otherwise payable under this paragraph (b) may not be accelerated pursuant to the limitations of the immediately preceding sentence, the payments which would be due latest in time shall be accelerated first, to the extent required to comply with Code Section 409A.

B-7. Use of Terms. Terms used in this Supplement B have the meanings of those terms as set forth in the Plan, unless they are defined in this Supplement B. All of the terms and provisions of the Plan shall apply to this Supplement B except that where the terms of the Plan and this Supplement B conflict, the terms of this Supplement B shall govern.

1. The Plan shall otherwise remain unchanged and in full force and effect.

ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

On «**Grant Date**» (the “Grant Date”), Abbott Laboratories hereby grants to «**First Name**» «**MI**» «**Last Name**» (the “Employee”) a Performance Restricted Stock Unit Award (the “Award”) of «**NoShares12345**» restricted stock units (the “Units”).

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Section 162(m) of the Code and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement:* This Performance Restricted Stock Unit Agreement.
 - (b) *Cause:* Cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s employment contract, if any;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.

- (c) *Code of Business Conduct:* The Company's Code of Business Conduct, as amended from time to time.
- (d) *Controlled Group:*
 - (i) Abbott and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of subsections 414 (b), (c), or (m) of the Code) with Abbott; and
 - (ii) during the period of the TAP Pharmaceutical Products Inc. ("TAP") joint venture between Takeda Pharmaceutical Company Limited and Abbott ending April 30, 2008, TAP and any corporation, partnership and proprietorship under common control (as defined above) with TAP.
- (e) *Data:* Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program.
- (f) *Disability:* As of a particular date, the Employee is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of at least six (6) months under (i) the terms of the Abbott Laboratories Long-Term Disability Plan (formerly known as the Extended Disability Plan) (the "LTD Plan"), or (ii) if the Employee's employer does not participate in the LTD Plan, such similar accident and health plan providing replacement benefits in which the Employee's employer participates.
- (g) *Employee's Representative:* The Employee's legal guardian or other legal representative.
- (h) *Program:* The Abbott Laboratories 2017 Incentive Stock Program.
- (i) *Retirement:*
 - (i) Except as provided under (iii) below, for employees hired by the Controlled Group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three (3) years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one (1) point and each year of service is one (1) point.

- (ii) Except as provided under (iii) below, for employees hired by the Controlled Group after December 31, 2003, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iii) For participants in the Abbott Laboratories Pension Plan for Former BASF and Former Solvay Employees, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iv) For purposes of calculating service under this Section 1(i), except as otherwise provided by the Committee or its delegate, service is earned only if performed for a member of the Controlled Group while that Controlled Group member is a part of the Controlled Group. Program administrative rules apply in determining Retirement eligibility and credited service.
 - (v) If an Employee has a Termination and (A) as of the date of that Termination met the definition of Retirement, and (B) is subsequently rehired by a member of the Controlled Group, then for purposes of this Agreement that Employee will continue to be treated as meeting the definition of Retirement.
 - (j) *Termination:* A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries. Any Termination shall be effective on the last day the Employee performs services for or on behalf of the Company or its Subsidiary, and employment shall not be extended by any statutory or common law notice of termination period.
2. **Delivery Dates and Shareholder Rights.** The Delivery Dates for Shares underlying the Units are the respective dates on which the Shares are payable to the Employee pursuant to Section 4 below. Prior to the Delivery Date(s):
- (a) the Employee shall not be treated as a shareholder as to those Shares underlying the Units, and shall have only a contractual right to receive Shares, unsecured by any assets of the Company or its Subsidiaries;
 - (b) the Employee shall not be permitted to vote the Shares underlying the Units; and
 - (c) the Employee's right to receive such Shares will be subject to the adjustment provisions relating to mergers, reorganizations, and similar events set forth in the Program.

Subject to the requirements of local law, the Employee shall receive cash payments equal to the dividends and distributions paid on Shares underlying the Units (the "*Dividend*")

Equivalents”) (other than dividends or distributions of securities of the Company which may be issued with respect to its Shares by virtue of any stock split, combination, stock dividend or recapitalization) to the same extent and on the same date (or as soon as practicable thereafter) as if each Unit were a Share; provided, however, that no Dividend Equivalents shall be payable to or for the benefit of the Employee with respect to dividends or distributions the record date for which occurs on or after the date the Employee has forfeited the Units, or the date the Units are settled. For purposes of compliance with the requirements of Code Section 409A, to the extent applicable, the specified date for payment of any Dividend Equivalents to which the Employee is entitled under this Section 2 is the calendar year during the term of this Agreement in which the associated dividends or distributions are paid on Shares underlying the Units. The Employee shall have no right to determine the year in which Dividend Equivalents will be paid.

3. **Restrictions.** The Units are subject to the forfeiture provisions in Sections 5 and 6 below. The Units are not earned and may not be sold, exchanged, assigned, transferred, pledged or otherwise disposed of (collectively, the “Restrictions”) until the Units are settled.

4. **Lapse of Restrictions.** Subject to Sections 5 and 6 below:

(a) *During Employment.* While the Employee is employed with the Company or its Subsidiaries:

- (i) the Restrictions on one-third of the total number of Units will lapse on the last business day of February 202__, provided the Company’s prior year return on equity is a minimum of [•] percent;
- (ii) the Restrictions on an additional one-third of the total number of Units will lapse on the last business day of February 202__, provided the Company’s prior year return on equity is a minimum of [•] percent; and
- (iii) the Restrictions on an additional one-third of the total number of Units will lapse on the last business day of February 202__, provided the Company’s prior year return on equity is a minimum of [•] percent.

If the Restrictions do not lapse on the respective date set forth in subsection 4(a)(i), (ii), and (iii) above, such Restrictions shall not lapse at a later date.

Units for which Restrictions have lapsed, as described in this subsection 4(a), shall be settled in the form of Shares on the date(s) on which such Restrictions lapse (each, a “Delivery Date”). Unless indicated otherwise, Shares shall be delivered in an equal number (subject to rounding) as of each Delivery Date.

- (b) *Retirement.* The Restrictions shall continue to apply in the event of the Employee’s Termination due to Retirement, but may lapse thereafter in accordance with the provisions of subsection 4(a), in which case any Units not previously settled shall be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above occurring after the date of such Retirement as if the Employee had remained employed. Notwithstanding the foregoing, in the event of the Employee’s death after his or her Termination due to Retirement, for

any Units not previously settled on a Delivery Date, the restrictions shall lapse on the Employee's date of death and the Units will be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of death.

- (c) *Death.* The Restrictions shall lapse on the date of the Employee's Termination due to death, and any Units not previously settled on a Delivery Date shall be settled (for the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution) in the form of Shares as soon as administratively possible after, and effective as of, the date of death.
 - (d) *Disability.* The Restrictions shall lapse on the date of the Employee's Disability, and any Units not previously settled on a Delivery Date shall be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Disability.
- 5. **Effect of Certain Bad Acts.** Any Units not previously settled shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Committee or its delegate, the Employee engages in activity that constitutes Cause, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary.
- 6. **Forfeiture of Units.** In the event of the Employee's Termination for any reason other than Retirement, death or Disability, any Units with respect to which Restrictions have not lapsed as of the date of Termination shall be forfeited without consideration to the Employee or the Employee's Representative. In the event that the Employee is terminated by the Company other than for Cause, the Company may, in its sole discretion, cause some or all of the Units not previously settled on a Delivery Date to continue to be subject to the Restrictions, provided such Restrictions may lapse thereafter in accordance with the provisions of subsection 4(a), in which case such Units shall be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above occurring after the date of such Termination. In accepting this Award, the Employee acknowledges that in the event of Termination (whether or not in breach of local labor laws), the Employee's right to vest in the Units, if any, will terminate effective as of the date that the Employee is no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law) and that the Committee shall have the exclusive discretion to determine when the Employee is no longer actively employed for purposes of this Award.
- 7. **Withholding Taxes.** The Company shall be entitled to withhold, or require the Employee to remit, any federal, state, local, and other applicable taxes (in U.S. or non U.S. jurisdictions), including income, social security and Medicare withholding taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by, without limitation:
 - (a) having the Company withhold Shares;
 - (b) tendering Shares received in connection with the Units back to the Company;
 - (c) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld;

- (d) selling Shares issued pursuant to the Units and having the Company withhold from proceeds of the sale of such Shares;
- (e) having the Company or a Subsidiary, as applicable, withhold from any cash compensation payable to the Employee; or
- (f) requiring the Employee to repay the Company or Subsidiary, in cash or in Shares for taxes paid on the Employee's behalf.

Notwithstanding the foregoing, if the Employee is subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, any tax withholding obligations shall be satisfied by having the Company withhold a number of Shares otherwise issuable upon settlement of the Units that is sufficient to satisfy such obligations consistent with the Company's withholding practices.

If, to satisfy tax withholding obligations, the Company withholds Shares otherwise issuable to the Employee, the Employee shall be deemed to have been issued the full number of Shares underlying the Units, subject to the Restrictions set forth in this Agreement.

8. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program is not and shall not be interpreted to:

- (a) form an employment contract or relationship with the Company or its Subsidiaries;
- (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
- (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.

9. **Nature of Grant.** In accepting this grant of Units, the Employee acknowledges that:

- (a) The Program is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) This Award is a one-time benefit and does not create any contractual or other right to receive future grants of Units, benefits in lieu of Units, or other Program Benefits in the future, even if Units have been granted repeatedly in the past;
- (c) All decisions with respect to future Unit grants, if any, and their terms and conditions, will be made by the Committee, in its sole discretion;
- (d) Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee;
- (e) The Employee is voluntarily participating in the Program;
- (f) The Units and Shares subject to the Units are:

- (i) extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries, and are outside the scope of the Employee's employment contract, if any;
 - (ii) not intended to replace any pension rights or compensation;
 - (iii) not part of the Employee's normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits, or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or its Subsidiaries;
- (g) The future value of the Shares underlying the Units is unknown and cannot be predicted with certainty;
- (h) In consideration of the Award, no claim or entitlement to compensation or damages shall arise from the Units resulting from Termination (for any reason whatsoever) and the Employee irrevocably releases the Company and its Subsidiaries from any such claim that may arise; if any such claim is found by a court of competent jurisdiction to have arisen, then, by signing or electronically accepting this Agreement, the Employee shall be deemed irrevocably to have waived the Employee's entitlement to pursue such claim;
- (i) The Units and the Benefits under the Program, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability; and
- (j) Neither the Company nor any of its Subsidiaries shall be liable for any change in value of the Units, the amount realized upon settlement of the Units or the amount realized upon a subsequent sale of any Shares acquired upon settlement of the Units, resulting from any fluctuation of the United States Dollar/local currency foreign exchange rate.

10. Data Privacy.

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
- (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the

administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.

- (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.
- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;
 - (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
 - (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- (e) Upon request of the Company or the Subsidiary that employs the Employee (if applicable), the Employee agrees to provide an executed data privacy consent form (or any other agreements or consents that may be required), as deemed necessary by the Company or the Subsidiary that employs the Employee (if applicable) for the purpose of administering the Employee's participation in the

Program in compliance with the data privacy laws in the Employee's country, either now or in the future. If the Employee fails to provide any such consent or agreement requested by the Company and/or the Subsidiary that employs the Employee (if applicable) and the Committee or its delegate determines that the collection, processing and/or transfer of Data without such consent or agreement would violate the laws in the Employee's country, the Employee understands and agrees that the Employee will not be able to participate in the Program and the Award will be null and void.

11. **Form of Payment.** The Company may, in its sole discretion, settle the Employee's Units in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law; (ii) would require the Employee, the Company and/or its Subsidiaries to obtain the approval of any governmental and/or regulatory body in the Employee's country; (iii) would result in adverse tax consequences for the Employee or the Company; or (iv) is administratively burdensome. Alternatively, the Company may, in its sole discretion, settle the Employee's Units in the form of Shares but require the Employee to sell such Shares immediately or within a specified period of time following the Employee's Termination (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Employee's behalf).
12. **Private Placement.** The grant of this Unit is not intended to be a public offering of securities in the Employee's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and this grant of Units is not subject to the supervision of the local securities authorities.
13. **Exchange Controls.** As a condition to this grant of Units, the Employee agrees to comply with any applicable foreign exchange rules and regulations.
14. **Compliance with Applicable Laws and Regulations.**
 - (a) The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed.
 - (b) Regardless of any action the Company or its Subsidiaries take with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Employee's participation in the Program and legally applicable to the Employee or deemed by the Company or its Subsidiaries to be an appropriate charge to the Employee even if technically due by the Company or its Subsidiaries ("Tax-Related Items"), the Employee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Employee's responsibility and may exceed the amount actually withheld by the Company or its Subsidiaries. The Employee further acknowledges that the Company and/or its Subsidiaries: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including, but not limited to, the grant, lapse of Restrictions or settlement of the Units, the issuance of Shares upon payment of the Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends and/or

any Dividend Equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Employee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Employee has become subject to tax in more than one (1) jurisdiction between the date of grant and the date of any relevant taxable event, the Employee acknowledges that the Company and/or its Subsidiaries may be required to withhold or account for Tax-Related Items in more than one (1) jurisdiction.

15. **Code Section 409A.** Payments made pursuant to this Agreement are intended to be exempt from or to otherwise comply with the provisions of Code Section 409A to the extent applicable. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that any payments under this Agreement are subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

To the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, the Employee shall not be deemed to have had a Termination unless the Employee has incurred a "separation from service" as defined in Treasury Regulation §1.409A-1(h), and amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Employee's Termination (including Retirement) shall instead be paid on the first business day after the date that is six (6) months following the Employee's Termination (or upon the Employee's death, if earlier). For purposes of Code Section 409A, to the extent applicable: (i) all payments provided hereunder shall be treated as a right to a series of separate payments and each separately identified amount to which the Employee is entitled under this Agreement shall be treated as a separate payment; (ii) the term "as soon as administratively possible" means a period of time that is within 60 days after the Termination due to death or Disability (as applicable); and (iii) the date of the Employee's Disability shall be determined by the Company in its sole discretion.

Although this Agreement and the payments provided hereunder are intended to be exempt from or to otherwise comply with the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the payments provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

16. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Units, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own

personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.

17. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Employee's participation in the Program, on the Units and on any Shares acquired under the Program, to the extent the Company or its Subsidiaries determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Program, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. The Employee agrees to take any and all actions, and consents to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in the Employee's country. In addition, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal obligations under local laws, rules and regulations in the Employee's country.
18. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
19. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Program by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Program through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
20. **Addendum.** This grant of Units shall be subject to any special terms and conditions set forth in any Addendum to this Agreement for the Employee's country. Moreover, if the Employee relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation). The Addendum constitutes part of this Agreement.
21. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
22. **Entire Agreement.** This Agreement and the Program constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties

regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.

23. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
24. **Language.** If the Employee has received this Agreement or any other document related to the Program translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
25. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the U.S. State of Illinois without giving effect to any state's conflict of laws principles.
26. **Venue.** For any legal action relating to this Agreement, the parties to this Agreement consent to the exclusive jurisdiction and venue of the federal courts of the Northern District of Illinois, USA, and, if there is no jurisdiction in federal court, to the exclusive jurisdiction and venue of the state courts in Lake County, Illinois, USA.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBOTT LABORATORIES

By _____

Robert B. Ford
President and Chief Executive Officer

**ADDENDUM TO THE ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT**

In addition to the terms and conditions set forth in the Agreement, the Award is subject to the following terms and conditions. All defined terms contained in this Addendum shall have the same meaning as set forth in the Program. If the Employee is employed in a country identified in the Addendum, the additional terms and conditions for such country shall apply. If the Employee transfers residence and/or employment to a country identified in the Addendum, the additional terms and conditions for such country shall apply to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local law or to facilitate administration of the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer).

EUROPEAN UNION / EUROPEAN ECONOMIC AREA, SWITZERLAND AND THE UNITED KINGDOM

Data Privacy. The following provision replaces Section 10 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, Abbott and the Subsidiary that employs the Employee (the "Employer") hereby notifies the Employee of the following in relation to the Employee's Personal Data (defined below) and the collection, processing and transfer in electronic or other form of such Personal Data in relation to the administration of the Units and the Employee's participation in the Program. The collection, processing and transfer of the Employee's Personal Data is necessary for the legitimate purpose of Abbott and the Employer's administration of the Units and the Employee's participation in the Program, and the Employee's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Employee's participation in the Program. As such, by accepting the Units, the Employee acknowledges the collection, use, processing and transfer of Personal Data as described herein.

Abbott and the Employer hold certain personally identifiable information about the Employee, specifically, the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares or directorships held in Abbott, details of all Units or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program ("Personal Data"). The Personal Data may be provided by the Employee or collected, where lawful, from third parties. Abbott or the Employer each act as controllers of the Personal Data and will process the Personal Data in this context for the exclusive legitimate purpose of implementing, administering and managing the Employee's participation in the Program and meeting related legal obligations associated with these actions.

The processing will take place through electronic and non-electronic means according to logics and procedures correlated to the purposes for which the Personal Data was collected and with confidentiality and security provisions as set forth by applicable laws and regulations. Personal Data will be accessible within Abbott's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and other aspects of the employment relationship and for the Employee's participation in the Program.

Abbott and the Employer will transfer Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and Abbott and the Employer may each further transfer Personal Data to third parties assisting Abbott or the

Employer in the implementation, administration and management of the Program, including UBS Financial Services Inc. or any successor or other third party that Abbott, the Employer or UBS Financial Services Inc. (or its successor) may engage to assist with the administration of the Program from time to time. These recipients may be located in the European Economic Area, Switzerland, the United Kingdom, or elsewhere throughout the world, such as the United States. By participating in the Program, the Employee understands that these recipients may receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Personal Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program. The Employee further understands that he or she may request a list with the names and addresses of any potential recipients of the Employee's Personal Data by contacting the Employee's local human resources manager or Abbott's human resources Department. When transferring Personal Data to these potential recipients, Abbott and the Employer provide appropriate safeguards in accordance with EU Standard Contractual Clauses, the EU-U.S. Privacy Shield Framework, or other legally binding and permissible arrangements. The Employee may request a copy of such safeguards from the Employee's local human resources manager or Abbott's human resources department.

To the extent provided by law, the Employee may, at any time, have the right to request: access to Personal Data, rectification of Personal Data, erasure of Personal Data, restriction of processing of Personal Data, and portability of Personal Data. The Employee may also have the right to object, on grounds related to a particular situation, to the processing of Personal Data, as well as opt-out of the Program herein, in any case without cost, by contacting in writing the Employee's human resources manager. The Employee's provision of Personal Data is a contractual requirement. The Employee understands, however, that the only consequence of refusing to provide Personal Data is that Abbott and the Employer may not be able to let the Employee participate in the Program, or grant other equity awards or administer or maintain such awards. For more information on the consequences of the Employee's refusal to provide Personal Data, the Employee understands that the Employee may contact his or her local human resources manager or Abbott's human resources department.

When Abbott and the Employer no longer need to use Personal Data for the purposes above or do not need to retain it for compliance with any legal or regulatory purpose, each will take reasonable steps to remove Personal Data from their systems and/or records containing the Personal Data and/or take steps to properly anonymize it so that the Employee can no longer be identified from it.

ALGERIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

AUSTRALIA

1. Breach of Law. Notwithstanding anything to the contrary in the Agreement or the Program, the Employee will not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Program if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits.

2. Australian Offer Document. In addition to the Agreement and the Program, the Employee must review the Australian Offer Document and the Australian Addendum to the Program for additional

important information pertaining to the Award. Both of these documents can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt. By accepting the Award, the Employee acknowledges and confirms that the Employee has reviewed these documents.

BRAZIL

Labor Law Acknowledgment. The Employee agrees, for all legal purposes, (i) the benefits provided under the Agreement and the Program are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Program are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the Units, if any, is not part of the Employee's remuneration from employment.

CANADA

1. Settlement in Shares. Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).
2. Resale Restriction. The Employee understands that the Employee is permitted to sell Shares acquired under the Program through the designated broker appointed under the Program, provided the resale of Shares takes place outside of Canada through the facilities of the stock exchange on which the Shares are traded. The principal market for the Shares is the New York Stock Exchange under the symbol "ABT". Shares are also listed on the Chicago Stock Exchange and traded on various regional and electronic exchanges. Outside the United States, the Shares are listed on the SIX Swiss Exchange.
3. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. ***Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.***
4. Data Privacy. The following provision supplements Section 10 of the Agreement:

The Employee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel involved in the administration and operation of the Program. The Employee further authorizes the Company and any of its Subsidiaries to disclose and discuss the Program with their advisors. The Employee further authorizes the Company and any of its Subsidiaries to record such information and to keep such information in the Employee's employee file.

CHILE

Private Placement. The following provision shall replace Section 12 of the Agreement:

The grant of the Units hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;

- b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;
 - c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
 - d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o “Grant Date”, según este término se define en el documento denominado “Agreement”) y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero de Chile;*
 - b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero de Chile, por lo que tales valores no están sujetos a la fiscalización de ésta;*
 - c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*
 - d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

The following provisions shall apply to individuals who are subject to the People’s Republic of China (“China”) exchange control requirements, as determined by the Company in its sole discretion:

1. Treatment of Units upon Retirement. Provided that the Employee is not subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, if the Employee experiences a Termination due to Retirement, Restrictions on the Units shall lapse on the date of the Termination, and any Units not previously settled on a Delivery Date shall be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Termination.
2. Foreign Exchange Control Laws. The Employee agrees to hold the Shares received upon settlement of the Units with the Company’s designated broker. Upon a Termination, the Employee shall be required to sell all Shares issued pursuant to the Units within 90 days (or such shorter period as may be required by the State Administration of Foreign Exchange) of the Termination date and repatriate the sales proceeds to China in the manner designated by the Company. For purposes of the foregoing, the Company shall establish procedures for effectuating the forced sale of the Shares (including procedures whereby the Company may issue sell instructions on behalf of the Employee), and the Employee hereby agrees to comply with such procedures and take any and all actions as the Company determines, in its sole discretion, are necessary or advisable for purposes of complying with local laws, rules and regulations in China.

The Employee understands and agrees that the repatriation of dividends and sales proceeds may need to be effected through a special exchange control account established by the Company or its Subsidiaries, and the Employee hereby consents and agrees that sales proceeds from the sale of Shares acquired under the Program may be transferred to such account by the Company on the Employee’s behalf prior to being delivered to the Employee. The sales proceeds may be paid to the Employee in U.S. dollars or local

currency at the Company's discretion. If the sales proceeds are paid to the Employee in U.S. dollars, the Employee understands that the Employee will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the sales proceeds are paid to the Employee in local currency, the Employee acknowledges that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the dividends and proceeds to local currency due to exchange control restrictions. The Employee agrees to bear any currency fluctuation risk between the time the Shares are sold and the net proceeds are converted into local currency and distributed to the Employee. The Employee further agrees to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future in order to facilitate compliance with exchange control requirements in China. The Employee agrees to be subject to these restrictions even after Termination.

Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses the Employee may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Program, the Agreement and the Units in accordance with Chinese law including, without limitation, any applicable State Administration of Foreign Exchange rules, regulations and requirements.

CROATIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

DENMARK

Treatment of Units upon Termination. Notwithstanding any provisions in the Agreement to the contrary, if the Employee is determined to be an "Employee," as defined in Section 2 of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships, as in effect prior to January 1, 2019 (the "Stock Option Act"), the treatment of the Units upon a Termination shall be governed by Sections 4 and 5 of the Stock Option Act. However, if the provisions in the Agreement or the Program governing the treatment of the Units upon a Termination are more favorable, the provisions of the Agreement or the Program will govern.

FINLAND

Withholding of Tax-Related Items. Notwithstanding Section 7 of the Agreement, if the Employee is a local national of Finland, any Tax-Related Items shall be withheld only in cash from the Employee's regular salary/wages or other amounts payable to the Employee in cash, or such other withholding methods as may be permitted under the Program and allowed under local law.

FRANCE

1. Nature of the Award. The Units are not granted under the French specific regime provided by Articles L225-197-1 and seq. of the French commercial code.

2. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous*

documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

HONG KONG

1. Settlement in Shares. Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).
2. Lapse of Restrictions. If, for any reason, Shares are issued to the Employee within six (6) months of the Grant Date, the Employee agrees that he or she will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the Grant Date.
3. IMPORTANT NOTICE. WARNING: The contents of the Agreement, the Addendum, the Program, and all other materials pertaining to the Units and/or the Program have not been reviewed by any regulatory authority in Hong Kong. The Employee is hereby advised to exercise caution in relation to the offer thereunder. If the Employee has any doubts about any of the contents of the aforesaid materials, the Employee should obtain independent professional advice.
4. Wages. The Units and Shares subject to the Units do not form part of the Employee's wages for the purposes of calculating any statutory or contractual payments under Hong Kong law.
5. Nature of the Program. The Company specifically intends that the Program will not be treated as an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance ("ORSO"). To the extent any court, tribunal or legal/regulatory body in Hong Kong determines that the Program constitutes an occupational retirement scheme for the purposes of ORSO, the grant of the Units shall be null and void.

INDIA

Repatriation Requirements. As a condition of this Award, the Employee agrees to repatriate all sales proceeds and dividends attributable to Shares acquired under the Program in accordance with local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

ISRAEL

1. Securities Law Notice. The Israeli Securities Authority granted to the Company an exemption from the requirement to file a prospectus with respect to the Program. A copy of the Program and the Form S-8 registration statement for the Program filed with the United States Securities and Exchange Commission can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt or are available free of charge upon request from the Employee's local human resources department.
2. Holding and Sale of Shares. In consideration for the grant of the Award, the Employee agrees to hold the Shares received upon settlement of the Units subject to the Award and any ad all previously granted restricted stock units with the Company's designated broker. The Employee understands and agrees that upon the Employee's sale of Shares, unless otherwise determined by the Company, (a) the repatriation of sales proceeds shall be effected through the Subsidiary that employs the Employee, (b) the Subsidiary that employs the Employee will withhold the requisite tax and other mandatory withholding (e.g., National Insurance payments) from the sales proceeds and (c) the Subsidiary that employs the Employee will transfer the remaining sale proceeds (net of the requisite tax and other mandatory

withholding) to the Employee. The Employee acknowledges and agrees that the process and requirements set forth herein shall continue to apply following the Employee's Termination.

3. **Indemnification for Tax Liabilities.** As a condition of the grant of Units, the Employee expressly consents and agrees to indemnify the Company and/or its Subsidiaries and hold them harmless from any and all liability attributable to taxes, interest or penalties thereon, including without limitation, liabilities relating to the necessity to withhold any taxes.

MEXICO

1. **Commercial Relationship.** The Employee expressly acknowledges that the Employee's participation in the Program and the Company's grant of the Award does not constitute an employment relationship between the Employee and the Company. The Employee has been granted the Award as a consequence of the commercial relationship between the Company and the Company's Subsidiary in Mexico that employs the Employee, and the Company's Subsidiary in Mexico is the Employee's sole employer. Based on the foregoing: (a) the Employee expressly acknowledges that the Program and the benefits derived from participation in the Program do not establish any rights between the Employee and the Subsidiary in Mexico that employs the Employee; (b) the Program and the benefits derived from participation in the Program are not part of the employment conditions and/or benefits provided by the Subsidiary in Mexico that employs the Employee; and (c) any modifications or amendments of the Program or benefits granted thereunder by the Company, or a termination of the Program by the Company, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Subsidiary in Mexico.

2. **Extraordinary Item of Compensation.** The Employee expressly recognizes and acknowledges that the Employee's participation in the Program is a result of the discretionary and unilateral decision of the Company, as well as the Employee's free and voluntary decision to participate in the Program in accord with the terms and conditions of the Program, the Employee's Agreement and this Addendum. As such, the Employee acknowledges and agrees that the Company may, in its sole discretion, amend and/or discontinue the Employee's participation in the Program at any time and without any liability. The value of the Units is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Units are not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company's Subsidiary in Mexico that employs the Employee.

MOROCCO

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

NETHERLANDS

Waiver of Termination Rights. The Employee waives any and all rights to compensation or damages as a result of a Termination, insofar as those rights result or may result from: (a) the loss or diminution in value of such rights or entitlements under the Program; or (b) the Employee ceasing to have rights, or ceasing to be entitled to any Awards under the Program as a result of such Termination.

NEW ZEALAND

Securities Law Notice.

Warning

This is an offer of Units which, upon vesting and settlement in accordance with the terms of the Program and the Agreement, will be converted into Shares. Shares give you a stake in the ownership of Abbott Laboratories. You may receive a return if dividends are paid.

If Abbott Laboratories runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

Prior to the vesting and settlement of the Units, you will not have any rights of ownership (e.g., voting rights) with respect to the underlying Shares.

No interest in any Units may be transferred (legally or beneficially), assigned, mortgaged, charged or encumbered.

The Shares are quoted on the New York Stock Exchange. This means that if you acquire Shares under the Program, you may be able to sell them on the New York Stock Exchange if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review on sites at the web addresses listed below:

1. Abbott Laboratories' most recent Annual Report (Form 10-K): <https://www.sec.gov/cgi-bin/browse-edgar?CIK=abt&owner=exclude&action=getcompany&Find=Search>
2. Abbott Laboratories' most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements: <https://www.sec.gov/cgi-bin/browse-edgar?CIK=abt&owner=exclude&action=getcompany&Find=Search>
3. The Abbott Laboratories 2017 Incentive Stock Program: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt.
4. Abbott Laboratories 2017 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt.

A copy of the above documents will be sent to you free of charge on written request being mailed to: Senior Manager, Equity Programs, Abbott Laboratories, D058G, AP6B-2, Abbott Park, IL 60064, USA.

PAKISTAN

1. **Repatriation Requirements.** As a condition of this Award, the Employee agrees to repatriate all Dividend Equivalents and all sales proceeds and dividends attributable to Shares acquired under the Program in accordance with local foreign exchange rules and regulations. Neither the Company nor any

of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

2. Exchange Control Obligations. To the extent applicable, the Employee is required to comply with certain consent and reporting requirements to the State Bank of Pakistan (Pakistan's central bank) under the exchange control laws of Pakistan. As the exchange control regulations can change frequently and at times, without notice, the Employee should consult his or her legal advisor prior to acquiring or selling Shares under the Program to ensure compliance with current regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

PHILIPPINES

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ROMANIA

1. Termination. A Termination shall include the situation where the Employee's employment contract is terminated by operation of law on the date the Employee reaches the standard retirement age and has completed the minimum contribution record for receipt of state retirement pension or the relevant authorities award the Employee an early-retirement pension of any type.

2. English Language. The Employee hereby expressly agrees that this Agreement, the Program as well as all documents, notices and proceedings entered into, relating directly or indirectly hereto, be drawn up or communicated only in the English language. *Angajatul consimte în mod expres prin prezentul ca acest Contract, Programul precum și orice alte documente, notificări, înștiințări legate direct sau indirect de acest Contract să fie redactate sau efectuate doar în limba engleză.*

RUSSIA

1. Sale or Transfer of Shares. Notwithstanding anything to the contrary in the Program or the Agreement, the Employee shall not be permitted to sell or otherwise dispose of the Shares acquired pursuant to the Award in Russia. The Employee may sell the Shares only through a broker established and operating outside Russia.

2. Cash Payments to a Russian Bank Account. The Employee agrees to promptly repatriate proceeds resulting from the sale of Shares acquired under the Program to a foreign currency account at an authorized bank in Russia if legally required at the time Shares are sold and to comply with all applicable local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

SINGAPORE

Qualifying Person Exemption. The grant of the Award under the Program is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the "SFA"). The Program has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. The Employee should note that, as a result, the Award is subject

to section 257 of the SFA and the Employee will not be able to make: (a) any subsequent sale of the Shares underlying the Award in Singapore; or (b) any offer of such subsequent sale of the Shares subject to the Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1. Exchange Control Obligations. The Employee is solely responsible for complying with applicable exchange control regulations and rulings (the “Exchange Control Regulations”) in South Africa. As the Exchange Control Regulations change frequently and without notice, the Employee should consult the Employee’s legal advisor prior to the acquisition or sale of Shares under the Program to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee’s failure to comply with applicable laws.

2. Securities Law Information and Deemed Acceptance of Units. Neither the Units nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96(1)(g)(ii) of the Companies Act, 71 of 2008 (the “Companies Act”) and is not subject to the supervision of any South African governmental authority.

Pursuant to Section 96(1)(g)(ii) of the Companies Act, the Units offer must be finalized within six (6) months following the date the offer is communicated to the Employee. If the Employee does not want to accept the Units, the Employee is required to decline the Units no later than the six (6) months following the date the offer is communicated to the Employee. If the Employee does not reject the Units within six (6) months following the date the offer is communicated to the Employee, the Employee will be deemed to accept the Units.

SPAIN

1. Acknowledgement of Discretionary Nature of the Program; No Vested Rights

By accepting the Award, the Employee consents to participation in the Program and acknowledges receipt of a copy of the Program.

The Employee understands that the Company has unilaterally, gratuitously and in its sole discretion granted Units under the Program to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, the Employee understands that the Units are granted on the assumption and condition that the Units and the Shares acquired upon settlement of the Units shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason the Award shall be null and void.

The Employee understands and agrees that, as a condition of the Award, unless otherwise provided in Section 4 of the Agreement, any unvested Units as of the date the Employee ceases active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the

event of Termination. The Employee acknowledges that the Employee has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a Termination on the Units.

2. Termination for Cause. Notwithstanding anything to the contrary in the Program or the Agreement, “Cause” shall be as defined as set forth in the Agreement, regardless of whether the Termination is considered a fair termination (i.e., “despido procedente”) under Spanish legislation.

TUNISIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UKRAINE

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UNITED KINGDOM

1. Withholding Taxes. The following provision supplements Section 7 of the Agreement.

The Employee agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Subsidiary in the United Kingdom that employs the Employee (the “Employer”) or by Her Majesty’s Revenue and Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Employee also agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Employee’s behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), he or she would not be eligible to have the Company or the Employer cover any income tax liability on his or her behalf. In this case, any income tax not collected from or paid by the Employee within 90 days after the end of the U.K. tax year in which the event giving rise to the income tax liability occurred (or such other period specified in U.K. law) will constitute a benefit to the Employee on which additional income tax and national insurance contributions (“NICs”) will be payable. The Employee will be responsible for paying and reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) the value of any employee NICs due on this additional benefit, which the Company or the Employer may recover from the Employee by any of the means referred to in Section 7 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee’s ceasing to have rights under or to be entitled to the Units, whether or not as a result of Termination (whether the Termination is in breach of contract or otherwise), or from the loss or diminution in value of the Units. Upon the grant of the Award, the Employee shall be deemed to have waived irrevocably any such entitlement.

UZBEKISTAN

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

VIETNAM

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

On «**Grant Date**» (the “Grant Date”), Abbott Laboratories hereby grants to «**First Name**» «**MI**» «**Last Name**» (the “Employee”) a Performance Restricted Stock Unit Award (the “Award”) of «**NoShares12345**» restricted stock units (the “Units”).

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Section 162(m) of the Code and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement:* This Performance Restricted Stock Unit Agreement.
 - (b) *Cause:* Cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s employment contract, if any;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.
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- (c) *Code of Business Conduct:* The Company's Code of Business Conduct, as amended from time to time.
- (d) *Controlled Group:*
 - (i) Abbott and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of subsections 414 (b), (c), or (m) of the Code) with Abbott; and
 - (ii) during the period of the TAP Pharmaceutical Products Inc. ("TAP") joint venture between Takeda Pharmaceutical Company Limited and Abbott ending April 30, 2008, TAP and any corporation, partnership and proprietorship under common control (as defined above) with TAP.
- (e) *Data:* Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program.
- (f) *Disability:* As of a particular date, the Employee is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of at least six (6) months under (i) the terms of the Abbott Laboratories Long-Term Disability Plan (formerly known as the Extended Disability Plan) (the "LTD Plan"), or (ii) if the Employee's employer does not participate in the LTD Plan, such similar accident and health plan providing replacement benefits in which the Employee's employer participates.
- (g) *Employee's Representative:* The Employee's legal guardian or other legal representative.
- (h) *Program:* The Abbott Laboratories 2017 Incentive Stock Program.
- (i) *Retirement:*
 - (i) Except as provided under (iii) below, for employees hired by the Controlled Group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three (3) years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one (1) point and each year of service is one (1) point.

- (ii) Except as provided under (iii) below, for employees hired by the Controlled Group after December 31, 2003, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iii) For participants in the Abbott Laboratories Pension Plan for Former BASF and Former Solvay Employees, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iv) For purposes of calculating service under this Section 1(i), except as otherwise provided by the Committee or its delegate, service is earned only if performed for a member of the Controlled Group while that Controlled Group member is a part of the Controlled Group. Program administrative rules apply in determining Retirement eligibility and credited service.
 - (v) If an Employee has a Termination and (A) as of the date of that Termination met the definition of Retirement, and (B) is subsequently rehired by a member of the Controlled Group, then for purposes of this Agreement that Employee will continue to be treated as meeting the definition of Retirement.
 - (j) *Termination:* A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries. Any Termination shall be effective on the last day the Employee performs services for or on behalf of the Company or its Subsidiary, and employment shall not be extended by any statutory or common law notice of termination period.
2. **Delivery Dates and Shareholder Rights.** The Delivery Dates for Shares underlying the Units are the respective dates on which the Shares are payable to the Employee pursuant to Section 4 below. Prior to the Delivery Date(s):
- (a) the Employee shall not be treated as a shareholder as to those Shares underlying the Units, and shall have only a contractual right to receive Shares, unsecured by any assets of the Company or its Subsidiaries;
 - (b) the Employee shall not be permitted to vote the Shares underlying the Units; and
 - (c) the Employee's right to receive such Shares will be subject to the adjustment provisions relating to mergers, reorganizations, and similar events set forth in the Program.

Subject to the requirements of local law, the Employee shall receive cash payments equal to the dividends and distributions paid on Shares underlying the Units (the "*Dividend*")

Equivalents”) (other than dividends or distributions of securities of the Company which may be issued with respect to its Shares by virtue of any stock split, combination, stock dividend or recapitalization) to the same extent and on the same date (or as soon as practicable thereafter) as if each Unit were a Share; provided, however, that no Dividend Equivalents shall be payable to or for the benefit of the Employee with respect to dividends or distributions the record date for which occurs on or after the date the Employee has forfeited the Units, or the date the Units are settled. For purposes of compliance with the requirements of Code Section 409A, to the extent applicable, the specified date for payment of any Dividend Equivalents to which the Employee is entitled under this Section 2 is the calendar year during the term of this Agreement in which the associated dividends or distributions are paid on Shares underlying the Units. The Employee shall have no right to determine the year in which Dividend Equivalents will be paid.

3. **Restrictions.** The Units are subject to the forfeiture provisions in Sections 5 and 6 below. The Units are not earned and may not be sold, exchanged, assigned, transferred, pledged or otherwise disposed of (collectively, the “Restrictions”) until the Units are settled.

4. **Lapse of Restrictions.** Subject to Sections 5 and 6 below:

- (a) *During Employment.* While the Employee is employed with the Company or its Subsidiaries:
- (i) the Restrictions on one-third of the total number of Units will lapse on «**M_1st_yr_vest**», provided the Company’s prior year return on equity is a minimum of [•] percent;
 - (ii) the Restrictions on an additional one-third of the total number of Units will lapse on «**M_2nd_yr_vest**», provided the Company’s prior year return on equity is a minimum of [•] percent; and
 - (iii) the Restrictions on an additional one-third of the total number of Units will lapse on «**M_3rd_yr_vest**», provided the Company’s prior year return on equity is a minimum of [•] percent.

If the Restrictions do not lapse on the respective date set forth in subsection 4(a)(i), (ii), and (iii) above, such Restrictions shall not lapse at a later date.

Units for which Restrictions have lapsed, as described in this subsection 4(a), shall be settled in the form of Shares on the date(s) on which such Restrictions lapse (each, a “Delivery Date”). Unless indicated otherwise, Shares shall be delivered in an equal number (subject to rounding) as of each Delivery Date.

- (b) *Retirement.* The Restrictions shall continue to apply in the event of the Employee’s Termination due to Retirement, but may lapse thereafter in accordance with the provisions of subsection 4(a), in which case any Units not previously settled shall be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above occurring after the date of such Retirement as if the Employee had remained employed. Notwithstanding the foregoing, in the event of the Employee’s death after his or her Termination due to Retirement, for

any Units not previously settled on a Delivery Date, the restrictions shall lapse on the Employee's date of death and the Units will be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of death.

- (c) *Death.* The Restrictions shall lapse on the date of the Employee's Termination due to death, and any Units not previously settled on a Delivery Date shall be settled (for the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution) in the form of Shares as soon as administratively possible after, and effective as of, the date of death.
 - (d) *Disability.* The Restrictions shall lapse on the date of the Employee's Disability, and any Units not previously settled on a Delivery Date shall be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Disability.
- 5. **Effect of Certain Bad Acts.** Any Units not previously settled shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Committee or its delegate, the Employee engages in activity that constitutes Cause, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary.
- 6. **Forfeiture of Units.** In the event of the Employee's Termination for any reason other than Retirement, death or Disability, any Units with respect to which Restrictions have not lapsed as of the date of Termination shall be forfeited without consideration to the Employee or the Employee's Representative. In the event that the Employee is terminated by the Company other than for Cause, the Company may, in its sole discretion, cause some or all of the Units not previously settled on a Delivery Date to continue to be subject to the Restrictions, provided such Restrictions may lapse thereafter in accordance with the provisions of subsection 4(a), in which case such Units shall be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above occurring after the date of such Termination. In accepting this Award, the Employee acknowledges that in the event of Termination (whether or not in breach of local labor laws), the Employee's right to vest in the Units, if any, will terminate effective as of the date that the Employee is no longer actively employed and will not be extended by any notice period mandated under local law (*e.g.*, active employment would not include a period of "garden leave" or similar period pursuant to local law) and that the Committee shall have the exclusive discretion to determine when the Employee is no longer actively employed for purposes of this Award.
- 7. **Withholding Taxes.** The Company shall be entitled to withhold, or require the Employee to remit, any federal, state, local, and other applicable taxes (in U.S. or non-U.S. jurisdictions), including income, social security and Medicare withholding taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by, without limitation:
 - (a) having the Company withhold Shares;
 - (b) tendering Shares received in connection with the Units back to the Company;
 - (c) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld;

- (d) selling Shares issued pursuant to the Units and having the Company withhold from proceeds of the sale of such Shares;
- (e) having the Company or a Subsidiary, as applicable, withhold from any cash compensation payable to the Employee; or
- (f) requiring the Employee to repay the Company or Subsidiary, in cash or in Shares, for taxes paid on the Employee's behalf.

Notwithstanding the foregoing, if the Employee is subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, any tax withholding obligations shall be satisfied by having the Company withhold a number of Shares otherwise issuable upon settlement of the Units that is sufficient to satisfy such obligations consistent with the Company's withholding practices.

If, to satisfy tax withholding obligations, the Company withholds Shares otherwise issuable to the Employee, the Employee shall be deemed to have been issued the full number of Shares underlying the Units, subject to the Restrictions set forth in this Agreement.

8. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program is not and shall not be interpreted to:

- (a) form an employment contract or relationship with the Company or its Subsidiaries;
- (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
- (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.

9. **Nature of Grant.** In accepting this grant of Units, the Employee acknowledges that:

- (a) The Program is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) This Award is a one-time benefit and does not create any contractual or other right to receive future grants of Units, benefits in lieu of Units, or other Program Benefits in the future, even if Units have been granted repeatedly in the past;
- (c) All decisions with respect to future Unit grants, if any, and their terms and conditions, will be made by the Committee, in its sole discretion;
- (d) Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee;
- (e) The Employee is voluntarily participating in the Program;
- (f) The Units and Shares subject to the Units are:

- (i) extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries, and are outside the scope of the Employee's employment contract, if any;
 - (ii) not intended to replace any pension rights or compensation;
 - (iii) not part of the Employee's normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits, or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or its Subsidiaries;
- (g) The future value of the Shares underlying the Units is unknown and cannot be predicted with certainty;
- (h) In consideration of the Award, no claim or entitlement to compensation or damages shall arise from the Units resulting from Termination (for any reason whatsoever) and the Employee irrevocably releases the Company and its Subsidiaries from any such claim that may arise; if any such claim is found by a court of competent jurisdiction to have arisen, then, by signing or electronically accepting this Agreement, the Employee shall be deemed irrevocably to have waived the Employee's entitlement to pursue such claim;
- (i) The Units and the Benefits under the Program, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability; and
- (j) Neither the Company nor any of its Subsidiaries shall be liable for any change in value of the Units, the amount realized upon settlement of the Units or the amount realized upon a subsequent sale of any Shares acquired upon settlement of the Units, resulting from any fluctuation of the United States Dollar/local currency foreign exchange rate.

10. Data Privacy.

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
- (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be

required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.

- (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.
- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;
 - (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
 - (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- (e) Upon request of the Company or the Subsidiary that employs the Employee (if applicable), the Employee agrees to provide an executed data privacy consent form (or any other agreements or consents that may be required), as deemed necessary by the Company or the Subsidiary that employs the Employee (if applicable) for the purpose of administering the Employee's participation in the

Program in compliance with the data privacy laws in the Employee's country, either now or in the future. If the Employee fails to provide any such consent or agreement requested by the Company and/or the Subsidiary that employs the Employee (if applicable) and the Committee or its delegate determines that the collection, processing and/or transfer of Data without such consent or agreement would violate the laws in the Employee's country, the Employee understands and agrees that the Employee will not be able to participate in the Program and the Award will be null and void.

11. **Form of Payment.** The Company may, in its sole discretion, settle the Employee's Units in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law; (ii) would require the Employee, the Company and/or its Subsidiaries to obtain the approval of any governmental and/or regulatory body in the Employee's country; (iii) would result in adverse tax consequences for the Employee or the Company; or (iv) is administratively burdensome. Alternatively, the Company may, in its sole discretion, settle the Employee's Units in the form of Shares but require the Employee to sell such Shares immediately or within a specified period of time following the Employee's Termination (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Employee's behalf).
12. **Private Placement.** The grant of this Unit is not intended to be a public offering of securities in the Employee's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and this grant of Units is not subject to the supervision of the local securities authorities.
13. **Exchange Controls.** As a condition to this grant of Units, the Employee agrees to comply with any applicable foreign exchange rules and regulations.
14. **Compliance with Applicable Laws and Regulations.**
 - (a) The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed.
 - (b) Regardless of any action the Company or its Subsidiaries take with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Employee's participation in the Program and legally applicable to the Employee or deemed by the Company or its Subsidiaries to be an appropriate charge to the Employee even if technically due by the Company or its Subsidiaries ("*Tax-Related Items*"), the Employee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Employee's responsibility and may exceed the amount actually withheld by the Company or its Subsidiaries. The Employee further acknowledges that the Company and/or its Subsidiaries: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including, but not limited to, the grant, lapse of Restrictions or settlement of the Units, the issuance of Shares upon payment of the Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends and/or

any Dividend Equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Employee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Employee has become subject to tax in more than one (1) jurisdiction between the date of grant and the date of any relevant taxable event, the Employee acknowledges that the Company and/or its Subsidiaries may be required to withhold or account for Tax-Related Items in more than one (1) jurisdiction.

15. **Code Section 409A.** Payments made pursuant to this Agreement are intended to be exempt from or to otherwise comply with the provisions of Code Section 409A to the extent applicable. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that any payments under this Agreement are subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

To the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, the Employee shall not be deemed to have had a Termination unless the Employee has incurred a "separation from service" as defined in Treasury Regulation §1.409A-1(h), and amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Employee's Termination (including Retirement) shall instead be paid on the first business day after the date that is six (6) months following the Employee's Termination (or upon the Employee's death, if earlier). For purposes of Code Section 409A, to the extent applicable: (i) all payments provided hereunder shall be treated as a right to a series of separate payments and each separately identified amount to which the Employee is entitled under this Agreement shall be treated as a separate payment; (ii) the term "as soon as administratively possible" means a period of time that is within 60 days after the Termination due to death or Disability (as applicable); and (iii) the date of the Employee's Disability shall be determined by the Company in its sole discretion.

Although this Agreement and the payments provided hereunder are intended to be exempt from or to otherwise comply with the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the payments provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

16. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Units, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own

personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.

17. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Employee's participation in the Program, on the Units and on any Shares acquired under the Program, to the extent the Company or its Subsidiaries determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Program, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. The Employee agrees to take any and all actions, and consents to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in the Employee's country. In addition, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal obligations under local laws, rules and regulations in the Employee's country.
18. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
19. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Program by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Program through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
20. **Addendum.** This grant of Units shall be subject to any special terms and conditions set forth in any Addendum to this Agreement for the Employee's country. Moreover, if the Employee relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation). The Addendum constitutes part of this Agreement.
21. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
22. **Entire Agreement.** This Agreement and the Program constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties

regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.

23. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
24. **Language.** If the Employee has received this Agreement or any other document related to the Program translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
25. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the U.S. State of Illinois without giving effect to any state's conflict of laws principles.
26. **Venue.** For any legal action relating to this Agreement, the parties to this Agreement consent to the exclusive jurisdiction and venue of the federal courts of the Northern District of Illinois, USA, and, if there is no jurisdiction in federal court, to the exclusive jurisdiction and venue of the state courts in Lake County, Illinois, USA.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBOTT LABORATORIES

By _____

Robert B. Ford
President and Chief Executive Officer

**ADDENDUM TO THE ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT**

In addition to the terms and conditions set forth in the Agreement, the Award is subject to the following terms and conditions. All defined terms contained in this Addendum shall have the same meaning as set forth in the Program. If the Employee is employed in a country identified in the Addendum, the additional terms and conditions for such country shall apply. If the Employee transfers residence and/or employment to a country identified in the Addendum, the additional terms and conditions for such country shall apply to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local law or to facilitate administration of the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer).

EUROPEAN UNION / EUROPEAN ECONOMIC AREA, SWITZERLAND AND THE UNITED KINGDOM

Data Privacy. The following provision replaces Section 10 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, Abbott and the Subsidiary that employs the Employee (the "Employer") hereby notifies the Employee of the following in relation to the Employee's Personal Data (defined below) and the collection, processing and transfer in electronic or other form of such Personal Data in relation to the administration of the Units and the Employee's participation in the Program. The collection, processing and transfer of the Employee's Personal Data is necessary for the legitimate purpose of Abbott and the Employer's administration of the Units and the Employee's participation in the Program, and the Employee's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Employee's participation in the Program. As such, by accepting the Units, the Employee acknowledges the collection, use, processing and transfer of Personal Data as described herein.

Abbott and the Employer hold certain personally identifiable information about the Employee, specifically, the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares or directorships held in Abbott, details of all Units or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program ("Personal Data"). The Personal Data may be provided by the Employee or collected, where lawful, from third parties. Abbott or the Employer each act as controllers of the Personal Data and will process the Personal Data in this context for the exclusive legitimate purpose of implementing, administering and managing the Employee's participation in the Program and meeting related legal obligations associated with these actions.

The processing will take place through electronic and non-electronic means according to logics and procedures correlated to the purposes for which the Personal Data was collected and with confidentiality and security provisions as set forth by applicable laws and regulations. Personal Data will be accessible within Abbott's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and other aspects of the employment relationship and for the Employee's participation in the Program.

Abbott and the Employer will transfer Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and Abbott and the Employer may each further transfer Personal Data to third parties assisting Abbott or the Employer in the implementation, administration and management of the Program, including UBS

Financial Services Inc. or any successor or other third party that Abbott, the Employer or UBS Financial Services Inc. (or its successor) may engage to assist with the administration of the Program from time to time. These recipients may be located in the European Economic Area, Switzerland, the United Kingdom, or elsewhere throughout the world, such as the United States. By participating in the Program, the Employee understands that these recipients may receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Personal Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program. The Employee further understands that he or she may request a list with the names and addresses of any potential recipients of the Employee's Personal Data by contacting the Employee's local human resources manager or Abbott's human resources Department. When transferring Personal Data to these potential recipients, Abbott and the Employer provide appropriate safeguards in accordance with EU Standard Contractual Clauses, the EU-U.S. Privacy Shield Framework, or other legally binding and permissible arrangements. The Employee may request a copy of such safeguards from the Employee's local human resources manager or Abbott's human resources department.

To the extent provided by law, the Employee may, at any time, have the right to request: access to Personal Data, rectification of Personal Data, erasure of Personal Data, restriction of processing of Personal Data, and portability of Personal Data. The Employee may also have the right to object, on grounds related to a particular situation, to the processing of Personal Data, as well as opt-out of the Program herein, in any case without cost, by contacting in writing the Employee's human resources manager. The Employee's provision of Personal Data is a contractual requirement. The Employee understands, however, that the only consequence of refusing to provide Personal Data is that Abbott and the Employer may not be able to let the Employee participate in the Program, or grant other equity awards or administer or maintain such awards. For more information on the consequences of the Employee's refusal to provide Personal Data, the Employee understands that the Employee may contact his or her local human resources manager or Abbott's human resources department.

When Abbott and the Employer no longer need to use Personal Data for the purposes above or do not need to retain it for compliance with any legal or regulatory purpose, each will take reasonable steps to remove Personal Data from their systems and/or records containing the Personal Data and/or take steps to properly anonymize it so that the Employee can no longer be identified from it.

ALGERIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

AUSTRALIA

1. Breach of Law. Notwithstanding anything to the contrary in the Agreement or the Program, the Employee will not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Program if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits.

2. Australian Offer Document. In addition to the Agreement and the Program, the Employee must review the Australian Offer Document and the Australian Addendum to the Program for additional important information pertaining to the Award. Both of these documents can be accessed in the library

section of the UBS website at www.ubs.com/onesource/abt. By accepting the Award, the Employee acknowledges and confirms that the Employee has reviewed these documents.

BRAZIL

Labor Law Acknowledgment. The Employee agrees, for all legal purposes, (i) the benefits provided under the Agreement and the Program are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Program are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the Units, if any, is not part of the Employee's remuneration from employment.

CANADA

1. **Settlement in Shares.** Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).
2. **Resale Restriction.** The Employee understands that the Employee is permitted to sell Shares acquired under the Program through the designated broker appointed under the Program, provided the resale of Shares takes place outside of Canada through the facilities of the stock exchange on which the Shares are traded. The principal market for the Shares is the New York Stock Exchange under the symbol "ABT". Shares are also listed on the Chicago Stock Exchange and traded on various regional and electronic exchanges. Outside the United States, the Shares are listed on the SIX Swiss Exchange.
3. **English Language.** The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*
4. **Data Privacy.** The following provision supplements Section 10 of the Agreement:

The Employee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel involved in the administration and operation of the Program. The Employee further authorizes the Company and any of its Subsidiaries to disclose and discuss the Program with their advisors. The Employee further authorizes the Company and any of its Subsidiaries to record such information and to keep such information in the Employee's employee file.

CHILE

Private Placement. The following provision shall replace Section 12 of the Agreement:

The grant of the Units hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;
- b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;

- c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
- d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o “Grant Date”, según este término se define en el documento denominado “Agreement”) y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero de Chile;*
- b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero de Chile, por lo que tales valores no están sujetos a la fiscalización de ésta;*
- c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*
- d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

The following provisions shall apply to individuals who are subject to the People’s Republic of China (“China”) exchange control requirements, as determined by the Company in its sole discretion:

1. Treatment of Units upon Retirement. Provided that the Employee is not subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, if the Employee experiences a Termination due to Retirement, Restrictions on the Units shall lapse on the date of the Termination, and any Units not previously settled on a Delivery Date shall be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Termination.
2. Foreign Exchange Control Laws. The Employee agrees to hold the Shares received upon settlement of the Units with the Company’s designated broker. Upon a Termination, the Employee shall be required to sell all Shares issued pursuant to the Units within 90 days (or such shorter period as may be required by the State Administration of Foreign Exchange) of the Termination date and repatriate the sales proceeds to China in the manner designated by the Company. For purposes of the foregoing, the Company shall establish procedures for effectuating the forced sale of the Shares (including procedures whereby the Company may issue sell instructions on behalf of the Employee), and the Employee hereby agrees to comply with such procedures and take any and all actions as the Company determines, in its sole discretion, are necessary or advisable for purposes of complying with local laws, rules and regulations in China.

The Employee understands and agrees that the repatriation of dividends and sales proceeds may need to be effected through a special exchange control account established by the Company or its Subsidiaries, and the Employee hereby consents and agrees that sales proceeds from the sale of Shares acquired under the Program may be transferred to such account by the Company on the Employee’s behalf prior to being delivered to the Employee. The sales proceeds may be paid to the Employee in U.S. dollars or local currency at the Company’s discretion. If the sales proceeds are paid to the Employee in U.S. dollars, the Employee understands that the Employee will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the sales proceeds are paid to the Employee in local currency, the Employee acknowledges that the Company is under no obligation to secure any

particular exchange conversion rate and that the Company may face delays in converting the dividends and proceeds to local currency due to exchange control restrictions. The Employee agrees to bear any currency fluctuation risk between the time the Shares are sold and the net proceeds are converted into local currency and distributed to the Employee. The Employee further agrees to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future in order to facilitate compliance with exchange control requirements in China. The Employee agrees to be subject to these restrictions even after Termination.

Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses the Employee may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Program, the Agreement and the Units in accordance with Chinese law including, without limitation, any applicable State Administration of Foreign Exchange rules, regulations and requirements.

CROATIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

DENMARK

Treatment of Units upon Termination. Notwithstanding any provisions in the Agreement to the contrary, if the Employee is determined to be an "Employee," as defined in Section 2 of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships, as in effect prior to January 1, 2019 (the "Stock Option Act"), the treatment of the Units upon a Termination shall be governed by Sections 4 and 5 of the Stock Option Act. However, if the provisions in the Agreement or the Program governing the treatment of the Units upon a Termination are more favorable, the provisions of the Agreement or the Program will govern.

FINLAND

Withholding of Tax-Related Items. Notwithstanding Section 7 of the Agreement, if the Employee is a local national of Finland, any Tax-Related Items shall be withheld only in cash from the Employee's regular salary/wages or other amounts payable to the Employee in cash, or such other withholding methods as may be permitted under the Program and allowed under local law.

FRANCE

1. Nature of the Award. The Units are not granted under the French specific regime provided by Articles L225-197-1 and seq. of the French commercial code.

2. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

HONG KONG

1. Settlement in Shares. Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).
2. Lapse of Restrictions. If, for any reason, Shares are issued to the Employee within six (6) months of the Grant Date, the Employee agrees that he or she will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the Grant Date.
3. IMPORTANT NOTICE. WARNING: The contents of the Agreement, the Addendum, the Program, and all other materials pertaining to the Units and/or the Program have not been reviewed by any regulatory authority in Hong Kong. The Employee is hereby advised to exercise caution in relation to the offer thereunder. If the Employee has any doubts about any of the contents of the aforesaid materials, the Employee should obtain independent professional advice.
4. Wages. The Units and Shares subject to the Units do not form part of the Employee's wages for the purposes of calculating any statutory or contractual payments under Hong Kong law.
5. Nature of the Program. The Company specifically intends that the Program will not be treated as an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance ("ORSO"). To the extent any court, tribunal or legal/regulatory body in Hong Kong determines that the Program constitutes an occupational retirement scheme for the purposes of ORSO, the grant of the Units shall be null and void.

INDIA

Repatriation Requirements. As a condition of this Award, the Employee agrees to repatriate all sales proceeds and dividends attributable to Shares acquired under the Program in accordance with local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

ISRAEL

1. Securities Law Notice. The Israeli Securities Authority granted to the Company an exemption from the requirement to file a prospectus with respect to the Program. A copy of the Program and the Form S-8 registration statement for the Program filed with the United States Securities and Exchange Commission can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt or are available free of charge upon request from the Employee's local human resources department.
2. Holding and Sale of Shares. In consideration for the grant of the Award, the Employee agrees to hold the Shares received upon settlement of the Units subject to the Award and any and all previously granted restricted stock units with the Company's designated broker. The Employee understands and agrees that upon the Employee's sale of Shares, unless otherwise determined by the Company, (a) the repatriation of sales proceeds shall be effected through the Subsidiary that employs the Employee, (b) the Subsidiary that employs the Employee will withhold the requisite tax and other mandatory withholding (e.g., National Insurance payments) from the sales proceeds and (c) the Subsidiary that employs the Employee will transfer the remaining sale proceeds (net of the requisite tax and other mandatory withholding) to the Employee. The Employee acknowledges and agrees that the process and requirements set forth herein shall continue to apply following the Employee's Termination.

3. Indemnification for Tax Liabilities. As a condition of the grant of Units, the Employee expressly consents and agrees to indemnify the Company and/or its Subsidiaries and hold them harmless from any and all liability attributable to taxes, interest or penalties thereon, including without limitation, liabilities relating to the necessity to withhold any taxes.

MEXICO

1. Commercial Relationship. The Employee expressly acknowledges that the Employee's participation in the Program and the Company's grant of the Award does not constitute an employment relationship between the Employee and the Company. The Employee has been granted the Award as a consequence of the commercial relationship between the Company and the Company's Subsidiary in Mexico that employs the Employee, and the Company's Subsidiary in Mexico is the Employee's sole employer. Based on the foregoing: (a) the Employee expressly acknowledges that the Program and the benefits derived from participation in the Program do not establish any rights between the Employee and the Subsidiary in Mexico that employs the Employee; (b) the Program and the benefits derived from participation in the Program are not part of the employment conditions and/or benefits provided by the Subsidiary in Mexico that employs the Employee; and (c) any modifications or amendments of the Program or benefits granted thereunder by the Company, or a termination of the Program by the Company, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Subsidiary in Mexico.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee's participation in the Program is a result of the discretionary and unilateral decision of the Company, as well as the Employee's free and voluntary decision to participate in the Program in accord with the terms and conditions of the Program, the Employee's Agreement and this Addendum. As such, the Employee acknowledges and agrees that the Company may, in its sole discretion, amend and/or discontinue the Employee's participation in the Program at any time and without any liability. The value of the Units is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Units are not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company's Subsidiary in Mexico that employs the Employee.

MOROCCO

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

NETHERLANDS

Waiver of Termination Rights. The Employee waives any and all rights to compensation or damages as a result of a Termination, insofar as those rights result or may result from: (a) the loss or diminution in value of such rights or entitlements under the Program; or (b) the Employee ceasing to have rights, or ceasing to be entitled to any Awards under the Program as a result of such Termination.

NEW ZEALAND

Securities Law Notice.

Warning

This is an offer of Units which, upon vesting and settlement in accordance with the terms of the Program and the Agreement, will be converted into Shares. Shares give you a stake in the ownership of Abbott Laboratories. You may receive a return if dividends are paid.

If Abbott Laboratories runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

Prior to the vesting and settlement of the Units, you will not have any rights of ownership (e.g., voting rights) with respect to the underlying Shares.

No interest in any Units may be transferred (legally or beneficially), assigned, mortgaged, charged or encumbered.

The Shares are quoted on the New York Stock Exchange. This means that if you acquire Shares under the Program, you may be able to sell them on the New York Stock Exchange if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review on sites at the web addresses listed below:

1. Abbott Laboratories' most recent Annual Report (Form 10-K): <https://www.sec.gov/cgi-bin/browse-edgar?CIK=abt&owner=exclude&action=getcompany&Find=Search>
2. Abbott Laboratories' most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements: <https://www.sec.gov/cgi-bin/browse-edgar?CIK=abt&owner=exclude&action=getcompany&Find=Search>
3. The Abbott Laboratories 2017 Incentive Stock Program: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt.
4. Abbott Laboratories 2017 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt.

A copy of the above documents will be sent to you free of charge on written request being mailed to: Senior Manager, Equity Programs, Abbott Laboratories, D058G, AP6B-2, Abbott Park, IL 60064, USA.]

PAKISTAN

1. **Repatriation Requirements.** As a condition of this Award, the Employee agrees to repatriate all Dividend Equivalents and all sales proceeds and dividends attributable to Shares acquired under the Program in accordance with local foreign exchange rules and regulations. Neither the Company nor any

of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

2. Exchange Control Obligations. To the extent applicable, the Employee is required to comply with certain consent and reporting requirements to the State Bank of Pakistan (Pakistan's central bank) under the exchange control laws of Pakistan. As the exchange control regulations can change frequently and at times, without notice, the Employee should consult his or her legal advisor prior to acquiring or selling Shares under the Program to ensure compliance with current regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

PHILIPPINES

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ROMANIA

1. Termination. A Termination shall include the situation where the Employee's employment contract is terminated by operation of law on the date the Employee reaches the standard retirement age and has completed the minimum contribution record for receipt of state retirement pension or the relevant authorities award the Employee an early-retirement pension of any type.

2. English Language. The Employee hereby expressly agrees that this Agreement, the Program as well as all documents, notices and proceedings entered into, relating directly or indirectly hereto, be drawn up or communicated only in the English language. *Angajatul consimte în mod expres prin prezentul ca acest Contract, Programul precum și orice alte documente, notificări, înștiințări legate direct sau indirect de acest Contract să fie redactate sau efectuate doar în limba engleză.*

RUSSIA

1. Sale or Transfer of Shares. Notwithstanding anything to the contrary in the Program or the Agreement, the Employee shall not be permitted to sell or otherwise dispose of the Shares acquired pursuant to the Award in Russia. The Employee may sell the Shares only through a broker established and operating outside Russia.

2. Cash Payments to a Russian Bank Account. The Employee agrees to promptly repatriate proceeds resulting from the sale of Shares acquired under the Program to a foreign currency account at an authorized bank in Russia if legally required at the time Shares are sold and to comply with all applicable local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

SINGAPORE

Qualifying Person Exemption. The grant of the Award under the Program is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the "SFA"). The Program has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. The Employee should note that, as a result, the Award is subject

to section 257 of the SFA and the Employee will not be able to make: (a) any subsequent sale of the Shares underlying the Award in Singapore; or (b) any offer of such subsequent sale of the Shares subject to the Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1. Exchange Control Obligations. The Employee is solely responsible for complying with applicable exchange control regulations and rulings (the “Exchange Control Regulations”) in South Africa. As the Exchange Control Regulations change frequently and without notice, the Employee should consult the Employee’s legal advisor prior to the acquisition or sale of Shares under the Program to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee’s failure to comply with applicable laws.

2. Securities Law Information and Deemed Acceptance of Units. Neither the Units nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96(1)(g)(ii) of the Companies Act, 71 of 2008 (the “Companies Act”) and is not subject to the supervision of any South African governmental authority.

Pursuant to Section 96(1)(g)(ii) of the Companies Act, the Units offer must be finalized within six (6) months following the date the offer is communicated to the Employee. If the Employee does not want to accept the Units, the Employee is required to decline the Units no later than the six (6) months following the date the offer is communicated to the Employee. If the Employee does not reject the Units within six (6) months following the date the offer is communicated to the Employee, the Employee will be deemed to accept the Units.

SPAIN

1. Acknowledgement of Discretionary Nature of the Program; No Vested Rights

By accepting the Award, the Employee consents to participation in the Program and acknowledges receipt of a copy of the Program.

The Employee understands that the Company has unilaterally, gratuitously and in its sole discretion granted Units under the Program to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, the Employee understands that the Units are granted on the assumption and condition that the Units and the Shares acquired upon settlement of the Units shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason the Award shall be null and void.

The Employee understands and agrees that, as a condition of the Award, unless otherwise provided in Section 4 of the Agreement, any unvested Units as of the date the Employee ceases active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the

event of Termination. The Employee acknowledges that the Employee has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a Termination on the Units.

2. Termination for Cause. Notwithstanding anything to the contrary in the Program or the Agreement, “Cause” shall be as defined as set forth in the Agreement, regardless of whether the Termination is considered a fair termination (i.e., “despido procedente”) under Spanish legislation.

TUNISIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UKRAINE

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UNITED KINGDOM

1. Withholding Taxes. The following provision supplements Section 7 of the Agreement.

The Employee agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Subsidiary in the United Kingdom that employs the Employee (the “Employer”) or by Her Majesty’s Revenue and Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Employee also agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Employee’s behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), he or she would not be eligible to have the Company or the Employer cover any income tax liability on his or her behalf. In this case, any income tax not collected from or paid by the Employee within 90 days after the end of the U.K. tax year in which the event giving rise to the income tax liability occurred (or such other period specified in U.K. law) will constitute a benefit to the Employee on which additional income tax and national insurance contributions (“NICs”) will be payable. The Employee will be responsible for paying and reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) the value of any employee NICs due on this additional benefit, which the Company or the Employer may recover from the Employee by any of the means referred to in Section 7 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee’s ceasing to have rights under or to be entitled to the Units, whether or not as a result of Termination (whether the Termination is in breach of contract or otherwise), or from the loss or diminution in value of the Units. Upon the grant of the Award, the Employee shall be deemed to have waived irrevocably any such entitlement.

UZBEKISTAN

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

VIETNAM

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 11 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK AGREEMENT

On «**Grant Date**» (the “Grant Date”), Abbott Laboratories hereby grants to «**First Name**» «**MI**» «**Last Name**» (the “Employee”) a Performance Restricted Stock Award (the “Award”) of «**NoShares12345**» Shares.

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Section 162(m) of the Code and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement:* This Performance Restricted Stock Agreement.
 - (b) *Cause:* Cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s Employee Agreement;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.
-

- (c) *Code of Business Conduct:* The Company's Code of Business Conduct, as amended from time to time.
- (d) *Controlled Group:*
- (i) Abbott and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of subsections 414 (b), (c), or (m) of the Code) with Abbott; and
 - (ii) during the period of the TAP Pharmaceutical Products Inc. ("TAP") joint venture between Takeda Pharmaceutical Company Limited and Abbott ending April 30, 2008, TAP and any corporation, partnership and proprietorship under common control (as defined above) with TAP.
- (e) *Data:* Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program.
- (f) *Disability:* Sickness or accidental bodily injury, directly and independently of all other causes, that disables the Employee so that the Employee is completely prevented from performing all the duties of his or her occupation or employment.
- (g) *Employee Agreement:* The Employee Agreement entered into by and between the Company and the Employee as it may be amended from time to time.
- (h) *Employee's Representative:* The Employee's legal guardian or other legal representative.
- (i) *Program:* The Abbott Laboratories 2017 Incentive Stock Program.
- (j) *Retirement:*
- (i) Except as provided under (iii) below, for employees hired by the Controlled Group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three (3) years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one (1) point and each year of service is one (1) point.

- (ii) Except as provided under (iii) below, for employees hired by the Controlled Group after December 31, 2003, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iii) For participants in the Abbott Laboratories Pension Plan for Former BASF and Former Solvay Employees, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iv) For purposes of calculating service under this Section 1(j), except as otherwise provided by the Committee or its delegate, service is earned only if performed for a member of the Controlled Group while that Controlled Group member is a part of the Controlled Group. Program administrative rules apply in determining Retirement eligibility and credited service.
 - (v) If an Employee has a Termination and (A) as of the date of that Termination met the definition of Retirement, and (B) is subsequently rehired by a member of the Controlled Group, then for purposes of this Agreement that Employee will continue to be treated as meeting the definition of Retirement.
- (k) *Termination:* A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries.
2. **Shareholder Rights.** Subject to the conditions below, the Employee shall have all the rights of a shareholder with respect to the Shares (and any securities of the Company which may be issued with respect to the Shares by virtue of any stock split, combination, stock dividend or recapitalization, which securities shall be deemed to be “Shares” hereunder) including the right to vote and to receive all cash dividends or other cash distributions paid or made with respect to the Shares regardless of whether the Restrictions described below are in effect.
3. **Restrictions.** The Shares are subject to the forfeiture provisions in Sections 5 and 6 below. The Shares are not earned and may not be sold, exchanged, assigned, transferred, pledged or otherwise disposed of (collectively, the “Restrictions”) until an event or combination of events described in subsections 4(a), (b), (c) or (d) occurs.
4. **Lapse of Restrictions.** Subject to the provisions of Sections 5 and 6 below:
- (a) *During Employment.* While the Employee is employed with the Company or its Subsidiaries:

- (i) the Restrictions on one-third of the Shares will lapse on the last business day of February 202_, provided the Company's prior year return on equity is a minimum of [•] percent;
- (ii) the Restrictions on an additional one-third of the total number of Shares will lapse on the last business day of February 202_, provided the Company's prior year return on equity is a minimum of [•] percent; and
- (iii) the Restrictions on an additional one-third of the total number of Shares will lapse on the last business day of February 202_, provided the Company's prior year return on equity is a minimum of [•] percent.

If the Restrictions do not lapse on the respective date set forth in subsection 4(a)(i), (ii), and (iii) above, such Restrictions shall not lapse at a later date.

- (b) *Retirement.* The Restrictions shall continue to apply in the event of the Employee's Termination due to Retirement, but may lapse thereafter in accordance with the provisions of subsection 4(a) above as if the Employee had remained employed. Notwithstanding the foregoing, in the event of the Employee's death after his or her Termination due to Retirement, the restrictions shall lapse on the date of the Employee's death.
 - (c) *Death.* The Restrictions shall lapse on the date of the Employee's Termination due to death.
 - (d) *Disability.* The Restrictions shall lapse on the date the Employee incurs 12 consecutive months of Disability.
5. **Effect of Certain Bad Acts.** Any Shares with respect to which Restrictions have not lapsed shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Committee or its delegate, the Employee engages in activity that constitutes Cause, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary.
6. **Forfeiture of Shares.** In the event of the Employee's Termination for any reason other than Retirement, death or Disability, any Shares with respect to which Restrictions have not lapsed as of the date of Termination shall be forfeited without consideration to the Employee or the Employee's Representative. In the event that the Employee is terminated by the Company other than for Cause, the Company may, in its sole discretion, cause Restrictions on some or all of the Shares to lapse on the dates set forth in subsection 4(a) above as if the Employee had remained employed on such dates.
7. **Withholding Taxes.** The Company shall be entitled to withhold, or require the Employee to remit, any federal, state, local, and other applicable taxes (in U.S. or non-U.S. jurisdictions), including income, social security and Medicare withholding taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by, without limitation:
- (a) having the Company withhold Shares;
 - (b) tendering Shares received in connection with the Award back to the Company;

- (c) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld;
- (d) selling Shares issued pursuant to the Award and having the Company withhold from proceeds of the sale of such Shares;
- (e) having the Company or a Subsidiary, as applicable, withhold from any cash compensation payable to the Employee; or
- (f) requiring the Employee to repay the Company or Subsidiary, in cash or in Shares, for taxes paid on the Employee's behalf.

Notwithstanding the foregoing, if the Employee is subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, any tax withholding obligations shall be satisfied by having the Company withhold a number of Shares otherwise issuable pursuant to the Award that is sufficient to satisfy such obligations consistent with the Company's withholding practices.

If, to satisfy tax withholding obligations, the Company withholds Shares otherwise issuable to the Employee, the Employee shall be deemed to have been issued the full number of Shares underlying the Award, subject to the Restrictions set forth in this Agreement.

8. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program is not and shall not be interpreted to:
 - (a) form an employment contract or relationship with the Company or its Subsidiaries;
 - (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
 - (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.
9. **No Contract as of Right.** The Award does not create any contractual or other right to receive additional Awards or other Program Benefits. Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee. Future Awards, if any, and their terms and conditions, will be at the sole discretion of the Committee.
10. **No Right to Compensation.** Unless expressly provided by the Company in writing, any value associated with the Award is an item of compensation outside the scope of the Employee's employment contract, if any, and shall not be deemed part of the Employee's normal or expected compensation for purposes of calculating any severance, resignation, redundancy, or end-of-service payments, bonuses, long-service awards, insurance plan, investment or stock purchase plan, pension, retirement, or any other employee benefits, or similar payments under plans of the Company or any of its Subsidiaries.

11. **Data Privacy.**

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
 - (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.
- (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.
- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;

- (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
- (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- 12. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Award, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.
- 13. **Entire Agreement.** This Agreement and the Program constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
- 14. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
- 15. **Compliance with Applicable Laws and Regulations.** The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed. Furthermore, if the Employee relocates to another country, the Company may establish special or alternative terms and conditions as necessary or advisable to comply with local law, facilitate the administration of the Program and/or accommodate the Employee's relocation.
- 16. **Code Section 409A.** The Award is intended to be exempt from the requirements of Code Section 409A. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that the Award is subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

Although this Agreement and the Benefits provided hereunder are intended to be exempt from the requirements of Code Section 409A, the Company does not represent or warrant

that this Agreement or the Benefits provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

17. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
18. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
19. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the U.S. State of Illinois without giving effect to any state's conflict of laws principles.
20. **Venue.** For any legal action relating to this Agreement, the parties to this Agreement consent to the exclusive jurisdiction and venue of the federal courts of the Northern District of Illinois, USA, and, if there is no jurisdiction in federal court, to the exclusive jurisdiction and venue of the state courts in Lake County, Illinois, USA.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBOTT LABORATORIES

By _____
Robert B. Ford
President and Chief Executive Officer

ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK AGREEMENT

On «**Grant_Date**» (the “Grant Date”), Abbott Laboratories hereby grants to «**First Name**» «**MI**» «**Last Name**» (the “Employee”) a Performance Restricted Stock Award (the “Award”) of «**NoShares12345**» Shares.

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Section 162(m) of the Code and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement:* This Performance Restricted Stock Agreement.
 - (b) *Cause:* Cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s Employee Agreement;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.
-

- (c) *Code of Business Conduct:* The Company's Code of Business Conduct, as amended from time to time.
- (d) *Controlled Group:*
 - (i) Abbott and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of subsections 414 (b), (c), or (m) of the Code) with Abbott; and
 - (ii) during the period of the TAP Pharmaceutical Products Inc. ("TAP") joint venture between Takeda Pharmaceutical Company Limited and Abbott ending April 30, 2008, TAP and any corporation, partnership and proprietorship under common control (as defined above) with TAP.
- (e) *Data:* Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program.
- (f) *Disability:* Sickness or accidental bodily injury, directly and independently of all other causes, that disables the Employee so that the Employee is completely prevented from performing all the duties of his or her occupation or employment.
- (g) *Employee Agreement:* The Employee Agreement entered into by and between the Company and the Employee as it may be amended from time to time.
- (h) *Employee's Representative:* The Employee's legal guardian or other legal representative.
- (i) *Program:* The Abbott Laboratories 2017 Incentive Stock Program.
- (j) *Retirement:*
 - (i) Except as provided under (iii) below, for employees hired by the Controlled Group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three (3) years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one (1) point and each year of service is one (1) point.

- (ii) Except as provided under (iii) below, for employees hired by the Controlled Group after December 31, 2003, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iii) For participants in the Abbott Laboratories Pension Plan for Former BASF and Former Solvay Employees, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iv) For purposes of calculating service under this Section 1(j), except as otherwise provided by the Committee or its delegate, service is earned only if performed for a member of the Controlled Group while that Controlled Group member is a part of the Controlled Group. Program administrative rules apply in determining Retirement eligibility and credited service.
 - (v) If an Employee has a Termination and (A) as of the date of that Termination met the definition of Retirement, and (B) is subsequently rehired by a member of the Controlled Group, then for purposes of this Agreement that Employee will continue to be treated as meeting the definition of Retirement.
 - (k) *Termination*: A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries.
2. **Shareholder Rights.** Subject to the conditions below, the Employee shall have all the rights of a shareholder with respect to the Shares (and any securities of the Company which may be issued with respect to the Shares by virtue of any stock split, combination, stock dividend or recapitalization, which securities shall be deemed to be “Shares” hereunder) including the right to vote and to receive all cash dividends or other cash distributions paid or made with respect to the Shares regardless of whether the Restrictions described below are in effect.
3. **Restrictions.** The Shares are subject to the forfeiture provisions in Sections 5 and 6 below. The Shares are not earned and may not be sold, exchanged, assigned, transferred, pledged or otherwise disposed of (collectively, the “Restrictions”) until an event or combination of events described in subsections 4(a), (b), (c) or (d) occurs.
4. **Lapse of Restrictions.** Subject to the provisions of Sections 5 and 6 below:
- (a) *During Employment.* While the Employee is employed with the Company or its Subsidiaries:

- (i) the Restrictions on one-third of the Shares will lapse on «**M_1st_yr_vest**», provided the Company's prior year return on equity is a minimum of [•] percent;
- (ii) the Restrictions on an additional one-third of the total number of Shares will lapse on «**M_2nd_yr_vest**», provided the Company's prior year return on equity is a minimum of [•] percent; and
- (iii) the Restrictions on an additional one-third of the total number of Shares will lapse on «**M_3rd_yr_vest**», provided the Company's prior year return on equity is a minimum of [•] percent.

If the Restrictions do not lapse on the respective date set forth in subsection 4(a)(i), (ii), and (iii) above, such Restrictions shall not lapse at a later date.

- (b) *Retirement.* The Restrictions shall continue to apply in the event of the Employee's Termination due to Retirement, but may lapse thereafter in accordance with the provisions of subsection 4(a) above as if the Employee had remained employed. Notwithstanding the foregoing, in the event of the Employee's death after his or her Termination due to Retirement, the restrictions shall lapse on the date of the Employee's death.
 - (c) *Death.* The Restrictions shall lapse on the date of the Employee's Termination due to death.
 - (d) *Disability.* The Restrictions shall lapse on the date the Employee incurs 12 consecutive months of Disability.
5. **Effect of Certain Bad Acts.** Any Shares with respect to which Restrictions have not lapsed shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Committee or its delegate, the Employee engages in activity that constitutes Cause, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary.
6. **Forfeiture of Shares.** In the event of the Employee's Termination for any reason other than Retirement, death, or Disability, any Shares with respect to which Restrictions have not lapsed as of the date of Termination shall be forfeited without consideration to the Employee or the Employee's Representative. In the event that the Employee is terminated by the Company other than for Cause, the Company may, in its sole discretion, cause Restrictions on some or all of the Shares to lapse on the dates set forth in subsection 4(a) above as if the Employee had remained employed on such dates.
7. **Withholding Taxes.** The Company shall be entitled to withhold, or require the Employee to remit, any federal, state, local, and other applicable taxes (in U.S. or non-U.S. jurisdictions), including income, social security and Medicare withholding taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by, without limitation:
- (a) having the Company withhold Shares;
 - (b) tendering Shares received in connection with the Award back to the Company;

- (c) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld;
- (d) selling Shares issued pursuant to the Award and having the Company withhold from proceeds of the sale of such Shares;
- (e) having the Company or a Subsidiary, as applicable, withhold from any cash compensation payable to the Employee; or
- (f) requiring the Employee to repay the Company or Subsidiary, in cash or in Shares, for taxes paid on the Employee's behalf.

Notwithstanding the foregoing, if the Employee is subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, any tax withholding obligations shall be satisfied by having the Company withhold a number of Shares otherwise issuable pursuant to the Award that is sufficient to satisfy such obligations consistent with the Company's withholding practices.

If, to satisfy tax withholding obligations, the Company withholds Shares otherwise issuable to the Employee, the Employee shall be deemed to have been issued the full number of Shares underlying the Award, subject to the Restrictions set forth in this Agreement.

- 8. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program is not and shall not be interpreted to:
 - (a) form an employment contract or relationship with the Company or its Subsidiaries;
 - (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
 - (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.
- 9. **No Contract as of Right.** The Award does not create any contractual or other right to receive additional Awards or other Program Benefits. Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee. Future Awards, if any, and their terms and conditions, will be at the sole discretion of the Committee.
- 10. **No Right to Compensation.** Unless expressly provided by the Company in writing, any value associated with the Award is an item of compensation outside the scope of the Employee's employment contract, if any, and shall not be deemed part of the Employee's normal or expected compensation for purposes of calculating any severance, resignation, redundancy, or end-of-service payments, bonuses, long-service awards, insurance plan, investment or stock purchase plan, pension, retirement, or any other employee benefits, or similar payments under plans of the Company or any of its Subsidiaries.

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
 - (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.
- (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.
- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;

- (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
- (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- 12. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Award, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.
- 13. **Entire Agreement.** This Agreement and the Program constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
- 14. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
- 15. **Compliance with Applicable Laws and Regulations.** The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed. Furthermore, if the Employee relocates to another country, the Company may establish special or alternative terms and conditions as necessary or advisable to comply with local law, facilitate the administration of the Program, and/or accommodate the Employee's relocation.
- 16. **Code Section 409A.** The Award is intended to be exempt from the requirements of Code Section 409A. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that the Award is subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

Although this Agreement and the Benefits provided hereunder are intended to be exempt from the requirements of Code Section 409A, the Company does not represent or warrant

that this Agreement or the Benefits provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

17. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
18. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
19. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the U.S. State of Illinois without giving effect to any state's conflict of laws principles.
20. **Venue.** For any legal action relating to this Agreement, the parties to this Agreement consent to the exclusive jurisdiction and venue of the federal courts of the Northern District of Illinois, USA, and, if there is no jurisdiction in federal court, to the exclusive jurisdiction and venue of the state courts in Lake County, Illinois, USA.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBOTT LABORATORIES

By _____

Robert B. Ford
President and Chief Executive Officer

ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

On «**Grant Date**» (the “Grant Date”), Abbott Laboratories hereby grants to «**First Name**» «**MI**» «**Last Name**» (the “Employee”) a Performance Restricted Stock Unit Award (the “Award”) of «**NoShares12345**» restricted stock units (the “Units”).

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Section 162(m) of the Code and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement:* This Performance Restricted Stock Unit Agreement.
 - (b) *Cause:* Cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s employment contract, if any;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any
-

activity, employment or business which is competitive with the Company or any of its Subsidiaries.

- (c) *Change in Control Agreement*: An Agreement Regarding Change in Control in effect between the Company (or the Surviving Entity) and the Employee, if any.
- (d) *Change in Control Cause*: shall mean the occurrence of any of the following circumstances during the period that begins six (6) months immediately before a Change in Control and ends two (2) years immediately following such Change in Control: the willful engaging by the Employee in illegal conduct or gross misconduct which is demonstrably and materially injurious to the Company. For purposes of this definition, no act, or failure to act, on the Employee's part shall be deemed "willful" unless done, or omitted to be done, by the Employee not in good faith and without reasonable belief that the Employee's action or omission was in the best interest of the Company. Notwithstanding the foregoing, the Employee shall not be deemed to have been terminated for Change in Control Cause unless and until the Company delivers to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice to the Employee and an opportunity for the Employee, together with counsel, to be heard before the Board) finding that, in the good faith opinion of the Board, the Employee was guilty of conduct set forth above and specifying the particulars thereof in detail.
- (e) *Change in Control Good Reason*: shall mean the occurrence of any of the following circumstances without the Employee's express written consent during the period that begins six (6) months immediately before a Change in Control and ends two (2) years immediately following such Change in Control:
 - (i) a significant adverse change in the nature, scope or status of the Employee's position, authorities or duties from those in effect immediately prior to the Change in Control, including, without limitation, if the Employee was, immediately prior to the Change in Control, an Employee officer of a public company, the Employee ceasing to be an Employee officer of a public company;
 - (ii) the failure by the Company to pay the Employee any portion of the Employee's current compensation, or to pay the Employee any portion of any installment of deferred compensation under any deferred compensation program of the Company, within seven (7) days of the date such compensation is due;
 - (iii) a reduction in the Employee's annual base salary (or a material change in the frequency of payment) as in effect immediately prior to the Change in Control as the same may be increased from time to time;
 - (iv) the failure by the Company to award the Employee an annual bonus in any year which is at least equal to the annual bonus, awarded to the Employee under the annual bonus plan of the Company for the year immediately preceding the year of the Change in Control;

- (v) the failure by the Company to award the Employee equity-based incentive compensation (such as stock options, shares of restricted stock, restricted stock units, or other equity-based compensation) on a periodic basis consistent with the Company's practices with respect to timing, value and terms prior to the Change in Control;
- (vi) the failure by the Company to continue to provide the Employee with the welfare benefits, fringe benefits and perquisites enjoyed by the Employee immediately prior to the Change in Control under any of the Company's plans or policies, including, but not limited to, those plans and policies providing pension, life insurance, medical, health and accident, disability, vacation, Employee automobile, Employee tax or financial advice benefits or club dues;
- (vii) the relocation of the Company's principal Employee offices to a location more than 35 miles from the location of such offices immediately prior to the Change in Control or the Company requiring the Employee to be based anywhere other than the location where the Employee primarily performs services for the Company immediately prior to the Change in Control except for required travel for the Company's business to an extent substantially consistent with the Employee's business travel obligations immediately prior to the Change in Control; or
- (viii) the failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform any Change in Control Agreement.

For purposes of any determination regarding the existence of Change in Control Good Reason, any good faith determination by the Employee that Change in Control Good Reason exists shall be conclusive.

- (f) *Code of Business Conduct:* The Company's Code of Business Conduct, as amended from time to time.
- (g) *Controlled Group:*
 - (i) Abbott and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of subsections 414(b), (c), or (m) of the Code) with Abbott; and
 - (ii) during the period of the TAP Pharmaceutical Products Inc. ("TAP") joint venture between Takeda Pharmaceutical Company Limited and Abbott ending April 30, 2008, TAP and any corporation, partnership and proprietorship under common control (as defined above) with TAP.
- (h) *Data:* Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested

or outstanding in the Employee's favor, for the purpose of managing and administering the Program.

- (i) *Disability:* As of a particular date, the Employee is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of at least six (6) months under (i) the terms of the Abbott Laboratories Long-Term Disability Plan (formerly known as the Extended Disability Plan) (the "LTD Plan"), or (ii) if the Employee's employer does not participate in the LTD Plan, such similar accident and health plan providing replacement benefits in which the Employee's employer participates.
- (j) *Employee's Representative:* The Employee's legal guardian or other legal representative.
- (k) *Program:* The Abbott Laboratories 2017 Incentive Stock Program.
- (l) *Retirement:*
 - (i) Except as provided under (iii) below, for employees hired by the Controlled Group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three (3) years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one (1) point and each year of service is one (1) point.
 - (ii) Except as provided under (iii) below, for employees hired by the Controlled Group after December 31, 2003, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iii) For participants in the Abbott Laboratories Pension Plan for Former BASF and Former Solvay Employees, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iv) For purposes of calculating service under this Section 1(l), except as otherwise provided by the Committee or its delegate, service is earned only if performed for a member of the Controlled Group while that

Controlled Group member is a part of the Controlled Group. Program administrative rules apply in determining Retirement eligibility and credited service.

- (v) If an Employee has a Termination and (A) as of the date of that Termination met the definition of Retirement, and (B) is subsequently rehired by a member of the Controlled Group, then for purposes of this Agreement that Employee will continue to be treated as meeting the definition of Retirement.
- (m) *Termination*: A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries. Any Termination shall be effective on the last day the Employee performs services for or on behalf of the Company or its Subsidiary, and employment shall not be extended by any statutory or common law notice of termination period.

2. **Delivery Dates and Shareholder Rights.** The Delivery Dates for Shares underlying the Units are the respective dates on which the Shares are payable to the Employee pursuant to Section 4 below. Prior to the Delivery Date(s):

- (a) the Employee shall not be treated as a shareholder as to those Shares underlying the Units, and shall have only a contractual right to receive Shares, unsecured by any assets of the Company or its Subsidiaries;
- (b) the Employee shall not be permitted to vote the Shares underlying the Units; and
- (c) the Employee's right to receive such Shares will be subject to the adjustment provisions relating to mergers, reorganizations, and similar events set forth in the Program.

Subject to the requirements of local law, the Employee shall receive cash payments equal to the dividends and distributions paid on Shares underlying the Units (the "Dividend Equivalents") (other than dividends or distributions of securities of the Company which may be issued with respect to its Shares by virtue of any stock split, combination, stock dividend or recapitalization) to the same extent and on the same date (or as soon as practicable thereafter) as if each Unit were a Share; provided, however, that no Dividend Equivalents shall be payable to or for the benefit of the Employee with respect to dividends or distributions the record date for which occurs on or after the date the Employee has forfeited the Units, or the date the Units are settled. For purposes of compliance with the requirements of Code Section 409A, to the extent applicable, the specified date for payment of any Dividend Equivalents to which the Employee is entitled under this Section 2 is the calendar year during the term of this Agreement in which the associated dividends or distributions are paid on Shares underlying the Units. The Employee shall have no right to determine the year in which Dividend Equivalents will be paid.

3. **Restrictions.** The Units are subject to the forfeiture provisions in Sections 6 and 7 below. The Units are not earned and may not be sold, exchanged, assigned, transferred, pledged or otherwise disposed of (collectively, the "Restrictions") until the Units are settled.

4. **Lapse of Restrictions.** Subject to Sections 5, 6 and 7 below:

- (a) *During Employment.* While the Employee is employed with the Company or its Subsidiaries:
- (i) the Restrictions on one-third of the total number of Units will lapse on the last business day of February 202_, provided the Company's prior year return on equity is a minimum of [•] percent;
 - (ii) the Restrictions on an additional one-third of the total number of Units will lapse on the last business day of February 202_, provided the Company's prior year return on equity is a minimum of [•] percent; and
 - (iii) the Restrictions on an additional one-third of the total number of Units will lapse on the last business day of February 202_, provided the Company's prior year return on equity is a minimum of [•] percent.

If the Restrictions do not lapse on the respective date set forth in subsection 4(a)(i), (ii), and (iii) above, such Restrictions shall not lapse at a later date.

Units for which Restrictions have lapsed, as described in this subsection 4(a), shall be settled in the form of Shares on the date(s) on which such Restrictions lapse (each, a "Delivery Date"). Unless indicated otherwise, Shares shall be delivered in an equal number (subject to rounding) as of each Delivery Date.

- (b) *Retirement.* The Restrictions shall continue to apply in the event of the Employee's Termination due to Retirement, but may lapse thereafter in accordance with the provisions of subsection 4(a), in which case any Units not previously settled shall be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above occurring after the date of such Retirement as if the Employee had remained employed. Notwithstanding the foregoing, in the event of the Employee's death after his or her Termination due to Retirement, for any Units not previously settled on a Delivery Date, the restrictions shall lapse on the Employee's date of death and the Units will be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of death.
- (c) *Death.* The Restrictions shall lapse on the date of the Employee's Termination due to death, and any Units not previously settled on a Delivery Date shall be settled (for the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution) in the form of Shares as soon as administratively possible after, and effective as of, the date of death.
- (d) *Disability.* The Restrictions shall lapse on the date of the Employee's Disability, and any Units not previously settled on a Delivery Date shall be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Disability.

5. **Change in Control.** In the event of a Change in Control, the entity surviving such Change in Control or the ultimate parent thereof (referred to herein as the "Surviving Entity") may assume, convert or replace this Award with an award of at least equal value (determined using the same value for purchasing Company shares as used for purchasing

Company shares not subject to this Agreement on the date of the Change in Control) with terms and conditions not less favorable than the terms and conditions provided in this Agreement, in which case the new award will vest according to the terms of the applicable award agreement. If the Surviving Entity does not assume, convert or replace this Award, the Restrictions shall lapse on the date of the Change in Control. If the Surviving Entity does assume, convert or replace this Award, then in the event the Employee's Termination (i) occurs within the time period beginning six (6) months immediately before a Change in Control and ending two (2) years immediately following such Change in Control, and (ii) was initiated by the Company (or the Surviving Entity) for a reason other than Change in Control Cause or was initiated by the Employee for Change in Control Good Reason, the Restrictions shall lapse on the later of the date of the Change in Control and the date of the Employee's Termination. The provisions of this Section 5 shall supersede Section 13(a)(iv) and (v) of the Program.

6. **Effect of Certain Bad Acts.** If Section 5 does not apply, any Units not previously settled shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Committee or its delegate, the Employee engages in activity that constitutes Cause, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary. If Section 5 does apply, any Units not previously settled shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Board, the Employee engages in an activity that constitutes Change in Control Cause.
7. **Forfeiture of Units.** In the event of the Employee's Termination for any reason other than those set forth in subsections 4(b), (c), (d) or Section 5, any Units with respect to which Restrictions have not lapsed as of the date of Termination shall be forfeited without consideration to the Employee or the Employee's Representative. If the Company terminates the Employee other than for Cause and such termination is not covered by Section 5, the Company may, in its sole discretion, cause some or all of the Units not previously settled on a Delivery Date to continue to be subject to the Restrictions, provided such Restrictions may lapse thereafter in accordance with the provisions of subsection 4(a), in which case such Units shall be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above occurring after the date of such Termination. In accepting this Award, the Employee acknowledges that in the event of Termination (whether or not in breach of local labor laws), the Employee's right to vest in the Units, if any, will terminate effective as of the date that the Employee is no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law) and that the Committee shall have the exclusive discretion to determine when the Employee is no longer actively employed for purposes of this Award.
8. **Withholding Taxes.** The Company shall be entitled to withhold, or require the Employee to remit, any federal, state, local, and other applicable taxes (in U.S. or non-U.S. jurisdictions), including income, social security and Medicare withholding taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by, without limitation:
 - (a) having the Company withhold Shares;
 - (b) tendering Shares received in connection with the Units back to the Company;

- (c) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld;
- (d) selling Shares issued pursuant to the Units and having the Company withhold from proceeds of the sale of such Shares;
- (e) having the Company or a Subsidiary, as applicable, withhold from any cash compensation payable to the Employee; or
- (f) requiring the Employee to repay the Company or Subsidiary, in cash or in Shares, for taxes paid on the Employee's behalf.

Notwithstanding the foregoing, if the Employee is subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, any tax withholding obligations shall be satisfied by having the Company withhold a number of Shares otherwise issuable upon settlement of the Units that is sufficient to satisfy such obligations consistent with the Company's withholding practices.

If, to satisfy tax withholding obligations, the Company withholds Shares otherwise issuable to the Employee, the Employee shall be deemed to have been issued the full number of Shares underlying the Units, subject to the Restrictions set forth in this Agreement.

9. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program is not and shall not be interpreted to:

- (a) form an employment contract or relationship with the Company or its Subsidiaries;
- (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
- (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.

10. **Nature of Grant.** In accepting this grant of Units, the Employee acknowledges that:

- (a) The Program is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) This Award is a one-time benefit and does not create any contractual or other right to receive future grants of Units, benefits in lieu of Units, or other Program Benefits in the future, even if Units have been granted repeatedly in the past;
- (c) All decisions with respect to future Unit grants, if any, and their terms and conditions, will be made by the Committee, in its sole discretion;
- (d) Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee;

- (e) The Employee is voluntarily participating in the Program;
- (f) The Units and Shares subject to the Units are:
 - (i) extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries, and are outside the scope of the Employee's employment contract, if any;
 - (ii) not intended to replace any pension rights or compensation;
 - (iii) not part of the Employee's normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits, or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or its Subsidiaries;
- (g) The future value of the Shares underlying the Units is unknown and cannot be predicted with certainty;
- (h) In consideration of the Award, no claim or entitlement to compensation or damages shall arise from the Units resulting from Termination (for any reason whatsoever) and the Employee irrevocably releases the Company and its Subsidiaries from any such claim that may arise; if any such claim is found by a court of competent jurisdiction to have arisen, then, by signing or electronically accepting this Agreement, the Employee shall be deemed irrevocably to have waived the Employee's entitlement to pursue such claim;
- (i) The Units and the Benefits under the Program, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability; and
- (j) Neither the Company nor any of its Subsidiaries shall be liable for any change in value of the Units, the amount realized upon settlement of the Units or the amount realized upon a subsequent sale of any Shares acquired upon settlement of the Units, resulting from any fluctuation of the United States Dollar/local currency foreign exchange rate.

11. **Data Privacy.**

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
 - (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and

- (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.
- (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.
- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;
 - (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
 - (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- (e) Upon request of the Company or the Subsidiary that employs the Employee (if applicable), the Employee agrees to provide an executed data privacy consent form (or any other agreements or consents that may be required), as deemed necessary by the Company or the Subsidiary that employs the Employee (if applicable) for the purpose of administering the Employee's participation in the Program in compliance with the data privacy laws in the Employee's country, either now or in the future. If the Employee fails to provide any such consent or agreement requested by the Company and/or the Subsidiary that employs the Employee (if applicable) and the Committee or its delegate determines that the collection, processing and/or transfer of Data without such consent or agreement would violate the laws in the Employee's country, the Employee understands and agrees that the Employee will not be able to participate in the Program and the Award will be null and void.
 - 12. **Form of Payment.** The Company may, in its sole discretion, settle the Employee's Units in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law; (ii) would require the Employee, the Company and/or its Subsidiaries to obtain the approval of any governmental and/or regulatory body in the Employee's country; (iii) would result in adverse tax consequences for the Employee or the Company; or (iv) is administratively burdensome. Alternatively, the Company may, in its sole discretion, settle the Employee's Units in the form of Shares but require the Employee to sell such Shares immediately or within a specified period of time following the Employee's Termination (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Employee's behalf).
 - 13. **Private Placement.** The grant of this Unit is not intended to be a public offering of securities in the Employee's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and this grant of Units is not subject to the supervision of the local securities authorities.
 - 14. **Exchange Controls.** As a condition to this grant of Units, the Employee agrees to comply with any applicable foreign exchange rules and regulations.
 - 15. **Compliance with Applicable Laws and Regulations.**
 - (a) The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed.
 - (b) Regardless of any action the Company or its Subsidiaries take with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Employee's participation in the Program and legally applicable to the Employee or deemed by the Company or its Subsidiaries to be an appropriate charge to the Employee even if technically due by the Company or its Subsidiaries ("Tax-Related Items"), the Employee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Employee's responsibility and may exceed the amount actually withheld by the Company or its Subsidiaries. The Employee further acknowledges that the Company and/or
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its Subsidiaries: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including, but not limited to, the grant, lapse of Restrictions or settlement of the Units, the issuance of Shares upon payment of the Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends and/or any Dividend Equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Employee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Employee has become subject to tax in more than one (1) jurisdiction between the date of grant and the date of any relevant taxable event, the Employee acknowledges that the Company and/or its Subsidiaries may be required to withhold or account for Tax-Related Items in more than one (1) jurisdiction.

16. **Code Section 409A.** Payments made pursuant to this Agreement are intended to be exempt from or to otherwise comply with the provisions of Code Section 409A to the extent applicable. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that any payments under this Agreement are subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

To the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, the Employee shall not be deemed to have had a Termination unless the Employee has incurred a "separation from service" as defined in Treasury Regulation §1.409A-1(h), and amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Employee's Termination (including Retirement) shall instead be paid on the first business day after the date that is six (6) months following the Employee's Termination (or upon the Employee's death, if earlier). For purposes of Code Section 409A, to the extent applicable: (i) all payments provided hereunder shall be treated as a right to a series of separate payments and each separately identified amount to which the Employee is entitled under this Agreement shall be treated as a separate payment; (ii) except as otherwise provided in Section 13(a) of the Program, upon the lapse of Restrictions pursuant to Section 5 of this Agreement, any Units not previously settled on a Delivery Date shall be settled as soon as administratively possible after, and effective as of, the date of the Change in Control or the date of the Employee's Termination (as applicable); (iii) the term "as soon as administratively possible" means a period of time that is within 60 days after the Termination, Disability or Change in Control (as applicable); and (iv) the date of the Employee's Disability shall be determined by the Company in its sole discretion.

Although this Agreement and the payments provided hereunder are intended to be exempt from or to otherwise comply with the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the payments provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement,

and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

17. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Units, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.
18. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Employee's participation in the Program, on the Units and on any Shares acquired under the Program, to the extent the Company or its Subsidiaries determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Program, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. The Employee agrees to take any and all actions, and consents to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in the Employee's country. In addition, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal obligations under local laws, rules and regulations in the Employee's country.
19. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
20. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Program by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Program through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
21. **Addendum.** This grant of Units shall be subject to any special terms and conditions set forth in any Addendum to this Agreement for the Employee's country. Moreover, if the Employee relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation). The Addendum constitutes part of this Agreement.
22. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines

that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

23. **Entire Agreement.** This Agreement, the Program, the Program prospectus, the Program administrative rules, and any applicable Company policies constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
24. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
25. **Language.** If the Employee has received this Agreement or any other document related to the Program translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
26. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the U.S. State of Illinois without giving effect to any state's conflict of laws principles.
27. **Venue.** For any legal action relating to this Agreement, the parties to this Agreement consent to the exclusive jurisdiction and venue of the federal courts of the Northern District of Illinois, USA, and, if there is no jurisdiction in federal court, to the exclusive jurisdiction and venue of the state courts in Lake County, Illinois, USA.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBOTT LABORATORIES

By _____

Robert B. Ford
President and Chief Executive Officer

**ADDENDUM TO THE ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT**

In addition to the terms and conditions set forth in the Agreement, the Award is subject to the following terms and conditions. All defined terms contained in this Addendum shall have the same meaning as set forth in the Program. If the Employee is employed in a country identified in the Addendum, the additional terms and conditions for such country shall apply. If the Employee transfers residence and/or employment to a country identified in the Addendum, the additional terms and conditions for such country shall apply to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local law or to facilitate administration of the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer).

EUROPEAN UNION / EUROPEAN ECONOMIC AREA, SWITZERLAND AND THE UNITED KINGDOM

Data Privacy. The following provision replaces Section 11 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, Abbott and the Subsidiary that employs the Employee (the "Employer") hereby notifies the Employee of the following in relation to the Employee's Personal Data (defined below) and the collection, processing and transfer in electronic or other form of such Personal Data in relation to the administration of the Units and the Employee's participation in the Program. The collection, processing and transfer of the Employee's Personal Data is necessary for the legitimate purpose of Abbott and the Employer's administration of the Units and the Employee's participation in the Program, and the Employee's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Employee's participation in the Program. As such, by accepting the Units, the Employee acknowledges the collection, use, processing and transfer of Personal Data as described herein.

Abbott and the Employer hold certain personally identifiable information about the Employee, specifically, the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares or directorships held in Abbott, details of all Units or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program ("Personal Data"). The Personal Data may be provided by the Employee or collected, where lawful, from third parties. Abbott or the Employer each act as controllers of the Personal Data and will process the Personal Data in this context for the exclusive legitimate purpose of implementing, administering and managing the Employee's participation in the Program and meeting related legal obligations associated with these actions.

The processing will take place through electronic and non-electronic means according to logics and procedures correlated to the purposes for which the Personal Data was collected and with confidentiality and security provisions as set forth by applicable laws and regulations. Personal Data will be accessible within Abbott's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and other aspects of the employment relationship and for the Employee's participation in the Program.

Abbott and the Employer will transfer Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and Abbott and the Employer may each further transfer Personal Data to third parties assisting Abbott or the Employer in the implementation, administration and management of the Program, including UBS

Financial Services Inc. or any successor or other third party that Abbott, the Employer or UBS Financial Services Inc. (or its successor) may engage to assist with the administration of the Program from time to time. These recipients may be located in the European Economic Area, Switzerland, the United Kingdom, or elsewhere throughout the world, such as the United States. By participating in the Program, the Employee understands that these recipients may receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Personal Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program. The Employee further understands that he or she may request a list with the names and addresses of any potential recipients of the Employee's Personal Data by contacting the Employee's local human resources manager or Abbott's human resources Department. When transferring Personal Data to these potential recipients, Abbott and the Employer provide appropriate safeguards in accordance with EU Standard Contractual Clauses, the EU-U.S. Privacy Shield Framework, or other legally binding and permissible arrangements. The Employee may request a copy of such safeguards from the Employee's local human resources manager or Abbott's human resources department.

To the extent provided by law, the Employee may, at any time, have the right to request: access to Personal Data, rectification of Personal Data, erasure of Personal Data, restriction of processing of Personal Data, and portability of Personal Data. The Employee may also have the right to object, on grounds related to a particular situation, to the processing of Personal Data, as well as opt-out of the Program herein, in any case without cost, by contacting in writing the Employee's human resources manager. The Employee's provision of Personal Data is a contractual requirement. The Employee understands, however, that the only consequence of refusing to provide Personal Data is that Abbott and the Employer may not be able to let the Employee participate in the Program, or grant other equity awards or administer or maintain such awards. For more information on the consequences of the Employee's refusal to provide Personal Data, the Employee understands that the Employee may contact his or her local human resources manager or Abbott's human resources department.

When Abbott and the Employer no longer need to use Personal Data for the purposes above or do not need to retain it for compliance with any legal or regulatory purpose, each will take reasonable steps to remove Personal Data from their systems and/or records containing the Personal Data and/or take steps to properly anonymize it so that the Employee can no longer be identified from it.

ALGERIA

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

AUSTRALIA

1. Breach of Law. Notwithstanding anything to the contrary in the Agreement or the Program, the Employee will not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Program if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits.

2. Australian Offer Document. In addition to the Agreement and the Program, the Employee must review the Australian Offer Document and the Australian Addendum to the Program for additional important information pertaining to the Award. Both of these documents can be accessed in the library

section of the UBS website at www.ubs.com/onesource/abt. By accepting the Award, the Employee acknowledges and confirms that the Employee has reviewed these documents.

BRAZIL

Labor Law Acknowledgment. The Employee agrees, for all legal purposes, (i) the benefits provided under the Agreement and the Program are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Program are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the Units, if any, is not part of the Employee's remuneration from employment.

CANADA

1. Settlement in Shares. Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).
2. Resale Restriction. The Employee understands that the Employee is permitted to sell Shares acquired under the Program through the designated broker appointed under the Program, provided the resale of Shares takes place outside of Canada through the facilities of the stock exchange on which the Shares are traded. The principal market for the Shares is the New York Stock Exchange under the symbol "ABT". Shares are also listed on the Chicago Stock Exchange and traded on various regional and electronic exchanges. Outside the United States, the Shares are listed on the SIX Swiss Exchange.
3. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*
4. Data Privacy. The following provision supplements Section 11 of the Agreement:

The Employee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel involved in the administration and operation of the Program. The Employee further authorizes the Company and any of its Subsidiaries to disclose and discuss the Program with their advisors. The Employee further authorizes the Company and any of its Subsidiaries to record such information and to keep such information in the Employee's employee file.

CHILE

Private Placement. The following provision shall replace Section 13 of the Agreement:

The grant of the Units hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;
- b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;

- c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
- d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o “Grant Date”, según este término se define en el documento denominado “Agreement”) y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero de Chile;*
- b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero de Chile, por lo que tales valores no están sujetos a la fiscalización de ésta;*
- c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*
- d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

The following provisions shall apply to individuals who are subject to the People’s Republic of China (“China”) exchange control requirements, as determined by the Company in its sole discretion:

1. Treatment of Units upon Retirement. Provided that the Employee is not subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, if the Employee experiences a Termination due to Retirement, Restrictions on the Units shall lapse on the date of the Termination, and any Units not previously settled on a Delivery Date shall be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Termination.
2. Foreign Exchange Control Laws. The Employee agrees to hold the Shares received upon settlement of the Units with the Company’s designated broker. Upon a Termination, the Employee shall be required to sell all Shares issued pursuant to the Units within 90 days (or such shorter period as may be required by the State Administration of Foreign Exchange) of the Termination date and repatriate the sales proceeds to China in the manner designated by the Company. For purposes of the foregoing, the Company shall establish procedures for effectuating the forced sale of the Shares (including procedures whereby the Company may issue sell instructions on behalf of the Employee), and the Employee hereby agrees to comply with such procedures and take any and all actions as the Company determines, in its sole discretion, are necessary or advisable for purposes of complying with local laws, rules and regulations in China.

The Employee understands and agrees that the repatriation of dividends and sales proceeds may need to be effected through a special exchange control account established by the Company or its Subsidiaries, and the Employee hereby consents and agrees that sales proceeds from the sale of Shares acquired under the Program may be transferred to such account by the Company on the Employee’s behalf prior to being delivered to the Employee. The sales proceeds may be paid to the Employee in U.S. dollars or local currency at the Company’s discretion. If the sales proceeds are paid to the Employee in U.S. dollars, the Employee understands that the Employee will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the sales proceeds are paid to the Employee in local currency, the Employee acknowledges that the Company is under no obligation to secure any

particular exchange conversion rate and that the Company may face delays in converting the dividends and proceeds to local currency due to exchange control restrictions. The Employee agrees to bear any currency fluctuation risk between the time the Shares are sold and the net proceeds are converted into local currency and distributed to the Employee. The Employee further agrees to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future in order to facilitate compliance with exchange control requirements in China. The Employee agrees to be subject to these restrictions even after Termination.

Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses the Employee may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Program, the Agreement and the Units in accordance with Chinese law including, without limitation, any applicable State Administration of Foreign Exchange rules, regulations and requirements.

CROATIA

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

DENMARK

Treatment of Units upon Termination. Notwithstanding any provisions in the Agreement to the contrary, if the Employee is determined to be an "Employee," as defined in Section 2 of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships, as in effect prior to January 1, 2019 (the "Stock Option Act"), the treatment of the Units upon a Termination shall be governed by Sections 4 and 5 of the Stock Option Act. However, if the provisions in the Agreement or the Program governing the treatment of the Units upon a Termination are more favorable, the provisions of the Agreement or the Program will govern.

FINLAND

Withholding of Tax-Related Items. Notwithstanding Section 8 of the Agreement, if the Employee is a local national of Finland, any Tax-Related Items shall be withheld only in cash from the Employee's regular salary/wages or other amounts payable to the Employee in cash, or such other withholding methods as may be permitted under the Program and allowed under local law.

FRANCE

1. Nature of the Award. The Units are not granted under the French specific regime provided by Articles L.225-197-1 and seq. of the French commercial code.
2. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

HONG KONG

1. Settlement in Shares. Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).
2. Lapse of Restrictions. If, for any reason, Shares are issued to the Employee within six (6) months of the Grant Date, the Employee agrees that he or she will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the Grant Date.
3. IMPORTANT NOTICE. WARNING: The contents of the Agreement, the Addendum, the Program, and all other materials pertaining to the Units and/or the Program have not been reviewed by any regulatory authority in Hong Kong. The Employee is hereby advised to exercise caution in relation to the offer thereunder. If the Employee has any doubts about any of the contents of the aforesaid materials, the Employee should obtain independent professional advice.
4. Wages. The Units and Shares subject to the Units do not form part of the Employee's wages for the purposes of calculating any statutory or contractual payments under Hong Kong law.
5. Nature of the Program. The Company specifically intends that the Program will not be treated as an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance ("ORSO"). To the extent any court, tribunal or legal/regulatory body in Hong Kong determines that the Program constitutes an occupational retirement scheme for the purposes of ORSO, the grant of the Units shall be null and void.

INDIA

Repatriation Requirements. As a condition of this Award, the Employee agrees to repatriate all sales proceeds and dividends attributable to Shares acquired under the Program in accordance with local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

ISRAEL

1. Securities Law Notice. The Israeli Securities Authority granted to the Company an exemption from the requirement to file a prospectus with respect to the Program. A copy of the Program and the Form S-8 registration statement for the Program filed with the United States Securities and Exchange Commission can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt or are available free of charge upon request from the Employee's local human resources department.
2. Holding and Sale of Shares. In consideration for the grant of the Award, the Employee agrees to hold the Shares received upon settlement of the Units subject to the Award and any and all previously granted restricted stock units with the Company's designated broker. The Employee understands and agrees that upon the Employee's sale of Shares, unless otherwise determined by the Company, (a) the repatriation of sales proceeds shall be effected through the Subsidiary that employs the Employee, (b) the Subsidiary that employs the Employee will withhold the requisite tax and other mandatory withholding (e.g., National Insurance payments) from the sales proceeds and (c) the Subsidiary that employs the Employee will transfer the remaining sale proceeds (net of the requisite tax and other mandatory withholding) to the Employee. The Employee acknowledges and agrees that the process and requirements set forth herein shall continue to apply following the Employee's Termination.

3. Indemnification for Tax Liabilities. As a condition of the grant of Units, the Employee expressly consents and agrees to indemnify the Company and/or its Subsidiaries and hold them harmless from any and all liability attributable to taxes, interest or penalties thereon, including without limitation, liabilities relating to the necessity to withhold any taxes.

MEXICO

1. Commercial Relationship. The Employee expressly acknowledges that the Employee's participation in the Program and the Company's grant of the Award does not constitute an employment relationship between the Employee and the Company. The Employee has been granted the Award as a consequence of the commercial relationship between the Company and the Company's Subsidiary in Mexico that employs the Employee, and the Company's Subsidiary in Mexico is the Employee's sole employer. Based on the foregoing: (a) the Employee expressly acknowledges that the Program and the benefits derived from participation in the Program do not establish any rights between the Employee and the Subsidiary in Mexico that employs the Employee; (b) the Program and the benefits derived from participation in the Program are not part of the employment conditions and/or benefits provided by the Subsidiary in Mexico that employs the Employee; and (c) any modifications or amendments of the Program or benefits granted thereunder by the Company, or a termination of the Program by the Company, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Subsidiary in Mexico.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee's participation in the Program is a result of the discretionary and unilateral decision of the Company, as well as the Employee's free and voluntary decision to participate in the Program in accord with the terms and conditions of the Program, the Employee's Agreement and this Addendum. As such, the Employee acknowledges and agrees that the Company may, in its sole discretion, amend and/or discontinue the Employee's participation in the Program at any time and without any liability. The value of the Units is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Units are not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company's Subsidiary in Mexico that employs the Employee.

MOROCCO

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

NETHERLANDS

Waiver of Termination Rights. The Employee waives any and all rights to compensation or damages as a result of a Termination, insofar as those rights result or may result from: (a) the loss or diminution in value of such rights or entitlements under the Program; or (b) the Employee ceasing to have rights, or ceasing to be entitled to any Awards under the Program as a result of such Termination.

Securities Law Notice.

Warning

This is an offer of Units which, upon vesting and settlement in accordance with the terms of the Program and the Agreement, will be converted into Shares. Shares give you a stake in the ownership of Abbott Laboratories. You may receive a return if dividends are paid.

If Abbott Laboratories runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

Prior to the vesting and settlement of the Units, you will not have any rights of ownership (e.g., voting rights) with respect to the underlying Shares.

No interest in any Units may be transferred (legally or beneficially), assigned, mortgaged, charged or encumbered.

The Shares are quoted on the New York Stock Exchange. This means that if you acquire Shares under the Program, you may be able to sell them on the New York Stock Exchange if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review on sites at the web addresses listed below:

1. Abbott Laboratories' most recent Annual Report (Form 10-K): <https://www.sec.gov/cgi-bin/browse-edgar?CIK=abt&owner=exclude&action=getcompany&Find=Search>
2. Abbott Laboratories' most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements: <https://www.sec.gov/cgi-bin/browse-edgar?CIK=abt&owner=exclude&action=getcompany&Find=Search>
3. The Abbott Laboratories 2017 Incentive Stock Program: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt.
4. Abbott Laboratories 2017 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt.

A copy of the above documents will be sent to you free of charge on written request being mailed to: Senior Manager, Equity Programs, Abbott Laboratories, D058G, AP6B-2, Abbott Park, IL 60064, USA.

PAKISTAN

1. Repatriation Requirements. As a condition of this Award, the Employee agrees to repatriate all Dividend Equivalents and all sales proceeds and dividends attributable to Shares acquired under the Program in accordance with local foreign exchange rules and regulations. Neither the Company nor any

of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

2. Exchange Control Obligations. To the extent applicable, the Employee is required to comply with certain consent and reporting requirements to the State Bank of Pakistan (Pakistan's central bank) under the exchange control laws of Pakistan. As the exchange control regulations can change frequently and at times, without notice, the Employee should consult his or her legal advisor prior to acquiring or selling Shares under the Program to ensure compliance with current regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

PHILIPPINES

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ROMANIA

1. Termination. A Termination shall include the situation where the Employee's employment contract is terminated by operation of law on the date the Employee reaches the standard retirement age and has completed the minimum contribution record for receipt of state retirement pension or the relevant authorities award the Employee an early-retirement pension of any type.

2. English Language. The Employee hereby expressly agrees that this Agreement, the Program as well as all documents, notices and proceedings entered into, relating directly or indirectly hereto, be drawn up or communicated only in the English language. *Angajatul consimte în mod expres prin prezentul ca acest Contract, Programul precum și orice alte documente, notificări, înștiințări legate direct sau indirect de acest Contract să fie redactate sau efectuate doar în limba engleză.*

RUSSIA

1. Sale or Transfer of Shares. Notwithstanding anything to the contrary in the Program or the Agreement, the Employee shall not be permitted to sell or otherwise dispose of the Shares acquired pursuant to the Award in Russia. The Employee may sell the Shares only through a broker established and operating outside Russia.

2. Cash Payments to a Russian Bank Account. The Employee agrees to promptly repatriate proceeds resulting from the sale of Shares acquired under the Program to a foreign currency account at an authorized bank in Russia if legally required at the time Shares are sold and to comply with all applicable local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

SINGAPORE

Qualifying Person Exemption. The grant of the Award under the Program is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the "SFA"). The Program has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. The Employee should note that, as a result, the Award is subject

to section 257 of the SFA and the Employee will not be able to make: (a) any subsequent sale of the Shares underlying the Award in Singapore; or (b) any offer of such subsequent sale of the Shares subject to the Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1. Exchange Control Obligations. The Employee is solely responsible for complying with applicable exchange control regulations and rulings (the “Exchange Control Regulations”) in South Africa. As the Exchange Control Regulations change frequently and without notice, the Employee should consult the Employee’s legal advisor prior to the acquisition or sale of Shares under the Program to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee’s failure to comply with applicable laws.

2. Securities Law Information and Deemed Acceptance of Units. Neither the Units nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96(1)(g)(ii) of the Companies Act, 71 of 2008 (the “Companies Act”) and is not subject to the supervision of any South African governmental authority.

Pursuant to Section 96(1)(g)(ii) of the Companies Act, the Units offer must be finalized within six (6) months following the date the offer is communicated to the Employee. If the Employee does not want to accept the Units, the Employee is required to decline the Units no later than the six (6) months following the date the offer is communicated to the Employee. If the Employee does not reject the Units within six (6) months following the date the offer is communicated to the Employee, the Employee will be deemed to accept the Units.

SPAIN

1. Acknowledgement of Discretionary Nature of the Program; No Vested Rights

By accepting the Award, the Employee consents to participation in the Program and acknowledges receipt of a copy of the Program.

The Employee understands that the Company has unilaterally, gratuitously and in its sole discretion granted Units under the Program to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, the Employee understands that the Units are granted on the assumption and condition that the Units and the Shares acquired upon settlement of the Units shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason the Award shall be null and void.

The Employee understands and agrees that, as a condition of the Award, unless otherwise provided in Sections 4 or 5 of the Agreement, any unvested Units as of the date the Employee ceases active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the event of Termination. The Employee acknowledges that the Employee has read

and specifically accepts the conditions referred to in the Agreement regarding the impact of a Termination on the Units.

2. Termination for Cause. Notwithstanding anything to the contrary in the Program or the Agreement, “Cause” shall be as defined as set forth in the Agreement, regardless of whether the Termination is considered a fair termination (i.e., “despido procedente”) under Spanish legislation.

TUNISIA

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UKRAINE

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UNITED KINGDOM

1. Withholding Taxes. The following provision supplements Section 8 of the Agreement.

The Employee agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Subsidiary in the United Kingdom that employs the Employee (the “Employer”) or by Her Majesty’s Revenue and Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Employee also agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Employee’s behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), he or she would not be eligible to have the Company or the Employer cover any income tax liability on his or her behalf. In this case, any income tax not collected from or paid by the Employee within 90 days after the end of the U.K. tax year in which the event giving rise to the income tax liability occurred (or such other period specified in U.K. law) will constitute a benefit to the Employee on which additional income tax and national insurance contributions (“NICs”) will be payable. The Employee will be responsible for paying and reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) the value of any employee NICs due on this additional benefit, which the Company or the Employer may recover from the Employee by any of the means referred to in Section 8 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee’s ceasing to have rights under or to be entitled to the Units, whether or not as a result of Termination (whether the Termination is in breach of contract or otherwise), or from the loss or diminution in value of the Units. Upon the grant of the Award, the Employee shall be deemed to have waived irrevocably any such entitlement.

UZBEKISTAN

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

VIETNAM

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

On «**Grant Date**» (the “Grant Date”), Abbott Laboratories hereby grants to «**First Name**» «**MI**» «**Last Name**» (the “Employee”) a Performance Restricted Stock Unit Award (the “Award”) of «**NoShares12345**» restricted stock units (the “Units”).

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Section 162(m) of the Code and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement:* This Performance Restricted Stock Unit Agreement.
 - (b) *Cause:* Cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s employment contract, if any;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any
-

activity, employment or business which is competitive with the Company or any of its Subsidiaries.

- (c) *Change in Control Agreement*: An Agreement Regarding Change in Control in effect between the Company (or the Surviving Entity) and the Employee, if any.
- (d) *Change in Control Cause*: shall mean the occurrence of any of the following circumstances during the period that begins six (6) months immediately before a Change in Control and ends two (2) years immediately following such Change in Control: the willful engaging by the Employee in illegal conduct or gross misconduct which is demonstrably and materially injurious to the Company. For purposes of this definition, no act, or failure to act, on the Employee's part shall be deemed "willful" unless done, or omitted to be done, by the Employee not in good faith and without reasonable belief that the Employee's action or omission was in the best interest of the Company. Notwithstanding the foregoing, the Employee shall not be deemed to have been terminated for Change in Control Cause unless and until the Company delivers to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice to the Employee and an opportunity for the Employee, together with counsel, to be heard before the Board) finding that, in the good faith opinion of the Board, the Employee was guilty of conduct set forth above and specifying the particulars thereof in detail.
- (e) *Change in Control Good Reason*: shall mean the occurrence of any of the following circumstances without the Employee's express written consent during the period that begins six (6) months immediately before a Change in Control and ends two (2) years immediately following such Change in Control:
 - (i) a significant adverse change in the nature, scope or status of the Employee's position, authorities or duties from those in effect immediately prior to the Change in Control, including, without limitation, if the Employee was, immediately prior to the Change in Control, an Employee officer of a public company, the Employee ceasing to be an Employee officer of a public company;
 - (ii) the failure by the Company to pay the Employee any portion of the Employee's current compensation, or to pay the Employee any portion of any installment of deferred compensation under any deferred compensation program of the Company, within seven (7) days of the date such compensation is due;
 - (iii) a reduction in the Employee's annual base salary (or a material change in the frequency of payment) as in effect immediately prior to the Change in Control as the same may be increased from time to time;
 - (iv) the failure by the Company to award the Employee an annual bonus in any year which is at least equal to the annual bonus, awarded to the Employee under the annual bonus plan of the Company for the year immediately preceding the year of the Change in Control;

- (v) the failure by the Company to award the Employee equity-based incentive compensation (such as stock options, shares of restricted stock, restricted stock units, or other equity-based compensation) on a periodic basis consistent with the Company's practices with respect to timing, value and terms prior to the Change in Control;
- (vi) the failure by the Company to continue to provide the Employee with the welfare benefits, fringe benefits and perquisites enjoyed by the Employee immediately prior to the Change in Control under any of the Company's plans or policies, including, but not limited to, those plans and policies providing pension, life insurance, medical, health and accident, disability, vacation, Employee automobile, Employee tax or financial advice benefits or club dues;
- (vii) the relocation of the Company's principal Employee offices to a location more than 35 miles from the location of such offices immediately prior to the Change in Control or the Company requiring the Employee to be based anywhere other than the location where the Employee primarily performs services for the Company immediately prior to the Change in Control except for required travel for the Company's business to an extent substantially consistent with the Employee's business travel obligations immediately prior to the Change in Control; or
- (viii) the failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform any Change in Control Agreement.

For purposes of any determination regarding the existence of Change in Control Good Reason, any good faith determination by the Employee that Change in Control Good Reason exists shall be conclusive.

- (f) *Code of Business Conduct:* The Company's Code of Business Conduct, as amended from time to time.
- (g) *Controlled Group:*
 - (i) Abbott and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of subsections 414 (b), (c), or (m) of the Code) with Abbott; and
 - (ii) during the period of the TAP Pharmaceutical Products Inc. ("TAP") joint venture between Takeda Pharmaceutical Company Limited and Abbott ending April 30, 2008, TAP and any corporation, partnership and proprietorship under common control (as defined above) with TAP.
- (h) *Data:* Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested

or outstanding in the Employee's favor, for the purpose of managing and administering the Program.

- (i) *Disability:* As of a particular date, the Employee is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of at least six (6) months under (i) the terms of the Abbott Laboratories Long-Term Disability Plan (formerly known as the Extended Disability Plan) (the "LTD Plan"), or (ii) if the Employee's employer does not participate in the LTD Plan, such similar accident and health plan providing replacement benefits in which the Employee's employer participates.
- (j) *Employee's Representative:* The Employee's legal guardian or other legal representative.
- (k) *Program:* The Abbott Laboratories 2017 Incentive Stock Program.
- (l) *Retirement:*
 - (i) Except as provided under (iii) below, for employees hired by the Controlled Group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three (3) years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one (1) point and each year of service is one (1) point.
 - (ii) Except as provided under (iii) below, for employees hired by the Controlled Group after December 31, 2003, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iii) For participants in the Abbott Laboratories Pension Plan for Former BASF and Former Solvay Employees, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iv) For purposes of calculating service under this Section 1(l), except as otherwise provided by the Committee or its delegate, service is earned only if performed for a member of the Controlled Group while that

Controlled Group member is a part of the Controlled Group. Program administrative rules apply in determining Retirement eligibility and credited service.

- (v) If an Employee has a Termination and (A) as of the date of that Termination met the definition of Retirement, and (B) is subsequently rehired by a member of the Controlled Group, then for purposes of this Agreement that Employee will continue to be treated as meeting the definition of Retirement.
- (m) *Termination*: A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries. Any Termination shall be effective on the last day the Employee performs services for or on behalf of the Company or its Subsidiary, and employment shall not be extended by any statutory or common law notice of termination period.

2. **Delivery Dates and Shareholder Rights.** The Delivery Dates for Shares underlying the Units are the respective dates on which the Shares are payable to the Employee pursuant to Section 4 below. Prior to the Delivery Date(s):

- (a) the Employee shall not be treated as a shareholder as to those Shares underlying the Units, and shall have only a contractual right to receive Shares, unsecured by any assets of the Company or its Subsidiaries;
- (b) the Employee shall not be permitted to vote the Shares underlying the Units; and
- (c) the Employee's right to receive such Shares will be subject to the adjustment provisions relating to mergers, reorganizations, and similar events set forth in the Program.

Subject to the requirements of local law, the Employee shall receive cash payments equal to the dividends and distributions paid on Shares underlying the Units (the "Dividend Equivalents") (other than dividends or distributions of securities of the Company which may be issued with respect to its Shares by virtue of any stock split, combination, stock dividend or recapitalization) to the same extent and on the same date (or as soon as practicable thereafter) as if each Unit were a Share; provided, however, that no Dividend Equivalents shall be payable to or for the benefit of the Employee with respect to dividends or distributions the record date for which occurs on or after the date the Employee has forfeited the Units, or the date the Units are settled. For purposes of compliance with the requirements of Code Section 409A, to the extent applicable, the specified date for payment of any Dividend Equivalents to which the Employee is entitled under this Section 2 is the calendar year during the term of this Agreement in which the associated dividends or distributions are paid on Shares underlying the Units. The Employee shall have no right to determine the year in which Dividend Equivalents will be paid.

3. **Restrictions.** The Units are subject to the forfeiture provisions in Sections 6 and 7 below. The Units are not earned and may not be sold, exchanged, assigned, transferred, pledged or otherwise disposed of (collectively, the "Restrictions") until the Units are settled.

4. **Lapse of Restrictions.** Subject to Sections 5, 6 and 7 below:

- (a) *During Employment.* While the Employee is employed with the Company or its Subsidiaries:
- (i) the Restrictions on one-third of the total number of Units will lapse on «**M_1st_yr_vest**», provided the Company's prior year return on equity is a minimum of [•] percent;
 - (ii) the Restrictions on an additional one-third of the total number of Units will lapse on «**M_2nd_yr_vest**», provided the Company's prior year return on equity is a minimum of [•] percent; and
 - (iii) the Restrictions on an additional one-third of the total number of Units will lapse on «**M_3rd_yr_vest**», provided the Company's prior year return on equity is a minimum of [•] percent.

If the Restrictions do not lapse on the respective date set forth in subsection 4(a)(i), (ii), and (iii) above, such Restrictions shall not lapse at a later date.

Units for which Restrictions have lapsed, as described in this subsection 4(a), shall be settled in the form of Shares on the date(s) on which such Restrictions lapse (each, a "Delivery Date"). Unless indicated otherwise, Shares shall be delivered in an equal number (subject to rounding) as of each Delivery Date.

- (b) *Retirement.* The Restrictions shall continue to apply in the event of the Employee's Termination due to Retirement, but may lapse thereafter in accordance with the provisions of subsection 4(a), in which case any Units not previously settled shall be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above occurring after the date of such Retirement as if the Employee had remained employed. Notwithstanding the foregoing, in the event of the Employee's death after his or her Termination due to Retirement, for any Units not previously settled on a Delivery Date, the restrictions shall lapse on the Employee's date of death and the Units will be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of death.
- (c) *Death.* The Restrictions shall lapse on the date of the Employee's Termination due to death, and any Units not previously settled on a Delivery Date shall be settled (for the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution) in the form of Shares as soon as administratively possible after, and effective as of, the date of death.
- (d) *Disability.* The Restrictions shall lapse on the date of the Employee's Disability, and any Units not previously settled on a Delivery Date shall be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Disability.

5. **Change in Control.** In the event of a Change in Control, the entity surviving such Change in Control or the ultimate parent thereof (referred to herein as the "Surviving Entity") may assume, convert or replace this Award with an award of at least equal value (determined using the same value for purchasing Company shares as used for purchasing

Company shares not subject to this Agreement on the date of the Change in Control) with terms and conditions not less favorable than the terms and conditions provided in this Agreement, in which case the new award will vest according to the terms of the applicable award agreement. If the Surviving Entity does not assume, convert or replace this Award, the Restrictions shall lapse on the date of the Change in Control. If the Surviving Entity does assume, convert or replace this Award, then in the event the Employee's Termination (i) occurs within the time period beginning six (6) months immediately before a Change in Control and ending two (2) years immediately following such Change in Control, and (ii) was initiated by the Company (or the Surviving Entity) for a reason other than Change in Control Cause or was initiated by the Employee for Change in Control Good Reason, the Restrictions shall lapse on the later of the date of the Change in Control and the date of the Employee's Termination. The provisions of this Section 5 shall supersede Section 13(a)(iv) and (v) of the Program.

6. **Effect of Certain Bad Acts.** If Section 5 does not apply, any Units not previously settled shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Committee or its delegate, the Employee engages in activity that constitutes Cause, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary. If Section 5 does apply, any Units not previously settled shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Board, the Employee engages in an activity that constitutes Change in Control Cause.
7. **Forfeiture of Units.** In the event of the Employee's Termination for any reason other than those set forth in subsections 4 (b), (c), (d) or Section 5, any Units with respect to which Restrictions have not lapsed as of the date of Termination shall be forfeited without consideration to the Employee or the Employee's Representative. If the Company terminates the Employee other than for Cause and such termination is not covered by Section 5, the Company may, in its sole discretion, cause some or all of the Units not previously settled on a Delivery Date to continue to be subject to the Restrictions, provided such Restrictions may lapse thereafter in accordance with the provisions of subsection 4(a), in which case such Units shall be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above occurring after the date of such Termination. In accepting this Award, the Employee acknowledges that in the event of Termination (whether or not in breach of local labor laws), the Employee's right to vest in the Units, if any, will terminate effective as of the date that the Employee is no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law) and that the Committee shall have the exclusive discretion to determine when the Employee is no longer actively employed for purposes of this Award.
8. **Withholding Taxes.** The Company shall be entitled to withhold, or require the Employee to remit, any federal, state, local, and other applicable taxes (in U.S. or non-U.S. jurisdictions), including income, social security and Medicare withholding taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by, without limitation:
 - (a) having the Company withhold Shares;
 - (b) tendering Shares received in connection with the Units back to the Company;

- (c) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld;
- (d) selling Shares issued pursuant to the Units and having the Company withhold from proceeds of the sale of such Shares;
- (e) having the Company or a Subsidiary, as applicable, withhold from any cash compensation payable to the Employee; or
- (f) requiring the Employee to repay the Company or Subsidiary, in cash or in Shares, for taxes paid on the Employee's behalf.

Notwithstanding the foregoing, if the Employee is subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, any tax withholding obligations shall be satisfied by having the Company withhold a number of Shares otherwise issuable upon settlement of the Units that is sufficient to satisfy such obligations consistent with the Company's withholding practices.

If, to satisfy tax withholding obligations, the Company withholds Shares otherwise issuable to the Employee, the Employee shall be deemed to have been issued the full number of Shares underlying the Units, subject to the Restrictions set forth in this Agreement.

9. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program is not and shall not be interpreted to:

- (a) form an employment contract or relationship with the Company or its Subsidiaries;
- (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
- (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.

10. **Nature of Grant.** In accepting this grant of Units, the Employee acknowledges that:

- (a) The Program is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) This Award is a one-time benefit and does not create any contractual or other right to receive future grants of Units, benefits in lieu of Units, or other Program Benefits in the future, even if Units have been granted repeatedly in the past;
- (c) All decisions with respect to future Unit grants, if any, and their terms and conditions, will be made by the Committee, in its sole discretion;
- (d) Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee;

- (e) The Employee is voluntarily participating in the Program;
- (f) The Units and Shares subject to the Units are:
 - (i) extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries, and are outside the scope of the Employee's employment contract, if any;
 - (ii) not intended to replace any pension rights or compensation;
 - (iii) not part of the Employee's normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits, or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or its Subsidiaries;
- (g) The future value of the Shares underlying the Units is unknown and cannot be predicted with certainty;
- (h) In consideration of the Award, no claim or entitlement to compensation or damages shall arise from the Units resulting from Termination (for any reason whatsoever) and the Employee irrevocably releases the Company and its Subsidiaries from any such claim that may arise; if any such claim is found by a court of competent jurisdiction to have arisen, then, by signing or electronically accepting this Agreement, the Employee shall be deemed irrevocably to have waived the Employee's entitlement to pursue such claim;
- (i) The Units and the Benefits under the Program, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability; and
- (j) Neither the Company nor any of its Subsidiaries shall be liable for any change in value of the Units, the amount realized upon settlement of the Units or the amount realized upon a subsequent sale of any Shares acquired upon settlement of the Units, resulting from any fluctuation of the United States Dollar/local currency foreign exchange rate.

11. **Data Privacy.**

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
 - (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and

- (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.
- (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.
- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;
 - (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
 - (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- (e) Upon request of the Company or the Subsidiary that employs the Employee (if applicable), the Employee agrees to provide an executed data privacy consent form (or any other agreements or consents that may be required), as deemed necessary by the Company or the Subsidiary that employs the Employee (if applicable) for the purpose of administering the Employee's participation in the Program in compliance with the data privacy laws in the Employee's country, either now or in the future. If the Employee fails to provide any such consent or agreement requested by the Company and/or the Subsidiary that employs the Employee (if applicable) and the Committee or its delegate determines that the collection, processing and/or transfer of Data without such consent or agreement would violate the laws in the Employee's country, the Employee understands and agrees that the Employee will not be able to participate in the Program and the Award will be null and void.
 - 12. **Form of Payment.** The Company may, in its sole discretion, settle the Employee's Units in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law; (ii) would require the Employee, the Company and/or its Subsidiaries to obtain the approval of any governmental and/or regulatory body in the Employee's country; (iii) would result in adverse tax consequences for the Employee or the Company; or (iv) is administratively burdensome. Alternatively, the Company may, in its sole discretion, settle the Employee's Units in the form of Shares but require the Employee to sell such Shares immediately or within a specified period of time following the Employee's Termination (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Employee's behalf).
 - 13. **Private Placement.** The grant of this Unit is not intended to be a public offering of securities in the Employee's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and this grant of Units is not subject to the supervision of the local securities authorities.
 - 14. **Exchange Controls.** As a condition to this grant of Units, the Employee agrees to comply with any applicable foreign exchange rules and regulations.
 - 15. **Compliance with Applicable Laws and Regulations.**
 - (a) The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed.
 - (b) Regardless of any action the Company or its Subsidiaries take with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Employee's participation in the Program and legally applicable to the Employee or deemed by the Company or its Subsidiaries to be an appropriate charge to the Employee even if technically due by the Company or its Subsidiaries ("Tax-Related Items"), the Employee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Employee's responsibility and may exceed the amount actually withheld by the Company or its Subsidiaries. The Employee further acknowledges that the Company and/or
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its Subsidiaries: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including, but not limited to, the grant, lapse of Restrictions or settlement of the Units, the issuance of Shares upon payment of the Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends and/or any Dividend Equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Employee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Employee has become subject to tax in more than one (1) jurisdiction between the date of grant and the date of any relevant taxable event, the Employee acknowledges that the Company and/or its Subsidiaries may be required to withhold or account for Tax-Related Items in more than one (1) jurisdiction.

16. **Code Section 409A.** Payments made pursuant to this Agreement are intended to be exempt from or to otherwise comply with the provisions of Code Section 409A to the extent applicable. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that any payments under this Agreement are subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

To the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, the Employee shall not be deemed to have had a Termination unless the Employee has incurred a "separation from service" as defined in Treasury Regulation §1.409A-1(h), and amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Employee's Termination (including Retirement) shall instead be paid on the first business day after the date that is six (6) months following the Employee's Termination (or upon the Employee's death, if earlier). For purposes of Code Section 409A, to the extent applicable: (i) all payments provided hereunder shall be treated as a right to a series of separate payments and each separately identified amount to which the Employee is entitled under this Agreement shall be treated as a separate payment; (ii) except as otherwise provided in Section 13(a) of the Program, upon the lapse of Restrictions pursuant to Section 5 of this Agreement, any Units not previously settled on a Delivery Date shall be settled as soon as administratively possible after, and effective as of, the date of the Change in Control or the date of the Employee's Termination (as applicable); (iii) the term "as soon as administratively possible" means a period of time that is within 60 days after the Termination, Disability or Change in Control (as applicable); and (iv) the date of the Employee's Disability shall be determined by the Company in its sole discretion.

Although this Agreement and the payments provided hereunder are intended to be exempt from or to otherwise comply with the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the payments provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement,

and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

17. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Units, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.
18. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Employee's participation in the Program, on the Units and on any Shares acquired under the Program, to the extent the Company or its Subsidiaries determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Program, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. The Employee agrees to take any and all actions, and consents to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in the Employee's country. In addition, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal obligations under local laws, rules and regulations in the Employee's country.
19. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
20. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Program by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Program through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
21. **Addendum.** This grant of Units shall be subject to any special terms and conditions set forth in any Addendum to this Agreement for the Employee's country. Moreover, if the Employee relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation). The Addendum constitutes part of this Agreement.
22. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines

that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

23. **Entire Agreement.** This Agreement, the Program, the Program prospectus, the Program administrative rules and any applicable Company policies constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
24. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
25. **Language.** If the Employee has received this Agreement or any other document related to the Program translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
26. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the U.S. State of Illinois without giving effect to any state's conflict of laws principles.
27. **Venue.** For any legal action relating to this Agreement, the parties to this Agreement consent to the exclusive jurisdiction and venue of the federal courts of the Northern District of Illinois, USA, and, if there is no jurisdiction in federal court, to the exclusive jurisdiction and venue of the state courts in Lake County, Illinois, USA.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBOTT LABORATORIES

By _____
Robert B. Ford
President and Chief Executive Officer

**ADDENDUM TO THE ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT**

In addition to the terms and conditions set forth in the Agreement, the Award is subject to the following terms and conditions. All defined terms contained in this Addendum shall have the same meaning as set forth in the Program. If the Employee is employed in a country identified in the Addendum, the additional terms and conditions for such country shall apply. If the Employee transfers residence and/or employment to a country identified in the Addendum, the additional terms and conditions for such country shall apply to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local law or to facilitate administration of the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer).

EUROPEAN UNION / EUROPEAN ECONOMIC AREA, SWITZERLAND AND THE UNITED KINGDOM

Data Privacy. The following provision replaces Section 11 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, Abbott and the Subsidiary that employs the Employee (the "Employer") hereby notifies the Employee of the following in relation to the Employee's Personal Data (defined below) and the collection, processing and transfer in electronic or other form of such Personal Data in relation to the administration of the Units and the Employee's participation in the Program. The collection, processing and transfer of the Employee's Personal Data is necessary for the legitimate purpose of Abbott and the Employer's administration of the Units and the Employee's participation in the Program, and the Employee's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Employee's participation in the Program. As such, by accepting the Units, the Employee acknowledges the collection, use, processing and transfer of Personal Data as described herein.

Abbott and the Employer hold certain personally identifiable information about the Employee, specifically, the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares or directorships held in Abbott, details of all Units or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program ("Personal Data"). The Personal Data may be provided by the Employee or collected, where lawful, from third parties. Abbott or the Employer each act as controllers of the Personal Data and will process the Personal Data in this context for the exclusive legitimate purpose of implementing, administering and managing the Employee's participation in the Program and meeting related legal obligations associated with these actions.

The processing will take place through electronic and non-electronic means according to logics and procedures correlated to the purposes for which the Personal Data was collected and with confidentiality and security provisions as set forth by applicable laws and regulations. Personal Data will be accessible within Abbott's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and other aspects of the employment relationship and for the Employee's participation in the Program.

Abbott and the Employer will transfer Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and Abbott and the Employer may each further transfer Personal Data to third parties assisting Abbott or the Employer in the implementation, administration and management of the Program, including UBS

Financial Services Inc. or any successor or other third party that Abbott, the Employer or UBS Financial Services Inc. (or its successor) may engage to assist with the administration of the Program from time to time. These recipients may be located in the European Economic Area, Switzerland, the United Kingdom, or elsewhere throughout the world, such as the United States. By participating in the Program, the Employee understands that these recipients may receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Personal Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program. The Employee further understands that he or she may request a list with the names and addresses of any potential recipients of the Employee's Personal Data by contacting the Employee's local human resources manager or Abbott's human resources Department. When transferring Personal Data to these potential recipients, Abbott and the Employer provide appropriate safeguards in accordance with EU Standard Contractual Clauses, the EU-U.S. Privacy Shield Framework, or other legally binding and permissible arrangements. The Employee may request a copy of such safeguards from the Employee's local human resources manager or Abbott's human resources department.

To the extent provided by law, the Employee may, at any time, have the right to request: access to Personal Data, rectification of Personal Data, erasure of Personal Data, restriction of processing of Personal Data, and portability of Personal Data. The Employee may also have the right to object, on grounds related to a particular situation, to the processing of Personal Data, as well as opt-out of the Program herein, in any case without cost, by contacting in writing the Employee's human resources manager. The Employee's provision of Personal Data is a contractual requirement. The Employee understands, however, that the only consequence of refusing to provide Personal Data is that Abbott and the Employer may not be able to let the Employee participate in the Program, or grant other equity awards or administer or maintain such awards. For more information on the consequences of the Employee's refusal to provide Personal Data, the Employee understands that the Employee may contact his or her local human resources manager or Abbott's human resources department.

When Abbott and the Employer no longer need to use Personal Data for the purposes above or do not need to retain it for compliance with any legal or regulatory purpose, each will take reasonable steps to remove Personal Data from their systems and/or records containing the Personal Data and/or take steps to properly anonymize it so that the Employee can no longer be identified from it.

ALGERIA

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

AUSTRALIA

1. Breach of Law. Notwithstanding anything to the contrary in the Agreement or the Program, the Employee will not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Program if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits.

2. Australian Offer Document. In addition to the Agreement and the Program, the Employee must review the Australian Offer Document and the Australian Addendum to the Program for additional important information pertaining to the Award. Both of these documents can be accessed in the library

section of the UBS website at www.ubs.com/onesource/abt. By accepting the Award, the Employee acknowledges and confirms that the Employee has reviewed these documents.

BRAZIL

Labor Law Acknowledgment. The Employee agrees, for all legal purposes, (i) the benefits provided under the Agreement and the Program are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Program are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the Units, if any, is not part of the Employee's remuneration from employment.

CANADA

1. Settlement in Shares. Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).
2. Resale Restriction. The Employee understands that the Employee is permitted to sell Shares acquired under the Program through the designated broker appointed under the Program, provided the resale of Shares takes place outside of Canada through the facilities of the stock exchange on which the Shares are traded. The principal market for the Shares is the New York Stock Exchange under the symbol "ABT". Shares are also listed on the Chicago Stock Exchange and traded on various regional and electronic exchanges. Outside the United States, the Shares are listed on the SIX Swiss Exchange.
3. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*
4. Data Privacy. The following provision supplements Section 11 of the Agreement:

The Employee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel involved in the administration and operation of the Program. The Employee further authorizes the Company and any of its Subsidiaries to disclose and discuss the Program with their advisors. The Employee further authorizes the Company and any of its Subsidiaries to record such information and to keep such information in the Employee's employee file.

CHILE

Private Placement. The following provision shall replace Section 13 of the Agreement:

The grant of the Units hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;
- b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;

- c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
- d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o “Grant Date”, según este término se define en el documento denominado “Agreement”) y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero de Chile;*
- b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero de Chile, por lo que tales valores no están sujetos a la fiscalización de ésta;*
- c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*
- d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

The following provisions shall apply to individuals who are subject to the People’s Republic of China (“China”) exchange control requirements, as determined by the Company in its sole discretion:

1. Treatment of Units upon Retirement. Provided that the Employee is not subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, if the Employee experiences a Termination due to Retirement, Restrictions on the Units shall lapse on the date of the Termination, and any Units not previously settled on a Delivery Date shall be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Termination.
2. Foreign Exchange Control Laws. The Employee agrees to hold the Shares received upon settlement of the Units with the Company’s designated broker. Upon a Termination, the Employee shall be required to sell all Shares issued pursuant to the Units within 90 days (or such shorter period as may be required by the State Administration of Foreign Exchange) of the Termination date and repatriate the sales proceeds to China in the manner designated by the Company. For purposes of the foregoing, the Company shall establish procedures for effectuating the forced sale of the Shares (including procedures whereby the Company may issue sell instructions on behalf of the Employee), and the Employee hereby agrees to comply with such procedures and take any and all actions as the Company determines, in its sole discretion, are necessary or advisable for purposes of complying with local laws, rules and regulations in China.

The Employee understands and agrees that the repatriation of dividends and sales proceeds may need to be effected through a special exchange control account established by the Company or its Subsidiaries, and the Employee hereby consents and agrees that sales proceeds from the sale of Shares acquired under the Program may be transferred to such account by the Company on the Employee’s behalf prior to being delivered to the Employee. The sales proceeds may be paid to the Employee in U.S. dollars or local currency at the Company’s discretion. If the sales proceeds are paid to the Employee in U.S. dollars, the Employee understands that the Employee will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the sales proceeds are paid to the Employee in local currency, the Employee acknowledges that the Company is under no obligation to secure any

particular exchange conversion rate and that the Company may face delays in converting the dividends and proceeds to local currency due to exchange control restrictions. The Employee agrees to bear any currency fluctuation risk between the time the Shares are sold and the net proceeds are converted into local currency and distributed to the Employee. The Employee further agrees to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future in order to facilitate compliance with exchange control requirements in China. The Employee agrees to be subject to these restrictions even after Termination.

Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses the Employee may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Program, the Agreement and the Units in accordance with Chinese law including, without limitation, any applicable State Administration of Foreign Exchange rules, regulations and requirements.

CROATIA

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

DENMARK

Treatment of Units upon Termination. Notwithstanding any provisions in the Agreement to the contrary, if the Employee is determined to be an "Employee," as defined in Section 2 of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships, as in effect prior to January 1, 2019 (the "Stock Option Act"), the treatment of the Units upon a Termination shall be governed by Sections 4 and 5 of the Stock Option Act. However, if the provisions in the Agreement or the Program governing the treatment of the Units upon a Termination are more favorable, the provisions of the Agreement or the Program will govern.

FINLAND

Withholding of Tax-Related Items. Notwithstanding Section 8 of the Agreement, if the Employee is a local national of Finland, any Tax-Related Items shall be withheld only in cash from the Employee's regular salary/wages or other amounts payable to the Employee in cash, or such other withholding methods as may be permitted under the Program and allowed under local law.

FRANCE

1. Nature of the Award. The Units are not granted under the French specific regime provided by Articles L225-197-1 and seq. of the French commercial code.
2. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

HONG KONG

1. Settlement in Shares. Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).
2. Lapse of Restrictions. If, for any reason, Shares are issued to the Employee within six (6) months of the Grant Date, the Employee agrees that he or she will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the Grant Date.
3. IMPORTANT NOTICE. WARNING: The contents of the Agreement, the Addendum, the Program, and all other materials pertaining to the Units and/or the Program have not been reviewed by any regulatory authority in Hong Kong. The Employee is hereby advised to exercise caution in relation to the offer thereunder. If the Employee has any doubts about any of the contents of the aforesaid materials, the Employee should obtain independent professional advice.
4. Wages. The Units and Shares subject to the Units do not form part of the Employee's wages for the purposes of calculating any statutory or contractual payments under Hong Kong law.
5. Nature of the Program. The Company specifically intends that the Program will not be treated as an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance ("ORSO"). To the extent any court, tribunal or legal/regulatory body in Hong Kong determines that the Program constitutes an occupational retirement scheme for the purposes of ORSO, the grant of the Units shall be null and void.

INDIA

Repatriation Requirements. As a condition of this Award, the Employee agrees to repatriate all sales proceeds and dividends attributable to Shares acquired under the Program in accordance with local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

ISRAEL

1. Securities Law Notice. The Israeli Securities Authority granted to the Company an exemption from the requirement to file a prospectus with respect to the Program. A copy of the Program and the Form S-8 registration statement for the Program filed with the United States Securities and Exchange Commission can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt or are available free of charge upon request from the Employee's local human resources department.
2. Holding and Sale of Shares. In consideration for the grant of the Award, the Employee agrees to hold the Shares received upon settlement of the Units subject to the Award and any and all previously granted restricted stock units with the Company's designated broker. The Employee understands and agrees that upon the Employee's sale of Shares, unless otherwise determined by the Company, (a) the repatriation of sales proceeds shall be effected through the Subsidiary that employs the Employee, (b) the Subsidiary that employs the Employee will withhold the requisite tax and other mandatory withholding (e.g., National Insurance payments) from the sales proceeds and (c) the Subsidiary that employs the Employee will transfer the remaining sale proceeds (net of the requisite tax and other mandatory withholding) to the Employee. The Employee acknowledges and agrees that the process and requirements set forth herein shall continue to apply following the Employee's Termination.

3. Indemnification for Tax Liabilities. As a condition of the grant of Units, the Employee expressly consents and agrees to indemnify the Company and/or its Subsidiaries and hold them harmless from any and all liability attributable to taxes, interest or penalties thereon, including without limitation, liabilities relating to the necessity to withhold any taxes.

MEXICO

1. Commercial Relationship. The Employee expressly acknowledges that the Employee's participation in the Program and the Company's grant of the Award does not constitute an employment relationship between the Employee and the Company. The Employee has been granted the Award as a consequence of the commercial relationship between the Company and the Company's Subsidiary in Mexico that employs the Employee, and the Company's Subsidiary in Mexico is the Employee's sole employer. Based on the foregoing: (a) the Employee expressly acknowledges that the Program and the benefits derived from participation in the Program do not establish any rights between the Employee and the Subsidiary in Mexico that employs the Employee; (b) the Program and the benefits derived from participation in the Program are not part of the employment conditions and/or benefits provided by the Subsidiary in Mexico that employs the Employee; and (c) any modifications or amendments of the Program or benefits granted thereunder by the Company, or a termination of the Program by the Company, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Subsidiary in Mexico.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee's participation in the Program is a result of the discretionary and unilateral decision of the Company, as well as the Employee's free and voluntary decision to participate in the Program in accord with the terms and conditions of the Program, the Employee's Agreement and this Addendum. As such, the Employee acknowledges and agrees that the Company may, in its sole discretion, amend and/or discontinue the Employee's participation in the Program at any time and without any liability. The value of the Units is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Units are not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company's Subsidiary in Mexico that employs the Employee.

MOROCCO

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

NETHERLANDS

Waiver of Termination Rights. The Employee waives any and all rights to compensation or damages as a result of a Termination, insofar as those rights result or may result from: (a) the loss or diminution in value of such rights or entitlements under the Program; or (b) the Employee ceasing to have rights, or ceasing to be entitled to any Awards under the Program as a result of such Termination.

Securities Law Notice.

Warning

This is an offer of Units which, upon vesting and settlement in accordance with the terms of the Program and the Agreement, will be converted into Shares. Shares give you a stake in the ownership of Abbott Laboratories. You may receive a return if dividends are paid.

If Abbott Laboratories runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

Prior to the vesting and settlement of the Units, you will not have any rights of ownership (e.g., voting rights) with respect to the underlying Shares.

No interest in any Units may be transferred (legally or beneficially), assigned, mortgaged, charged or encumbered.

The Shares are quoted on the New York Stock Exchange. This means that if you acquire Shares under the Program, you may be able to sell them on the New York Stock Exchange if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review on sites at the web addresses listed below:

1. Abbott Laboratories' most recent Annual Report (Form 10-K): <https://www.sec.gov/cgi-bin/browse-edgar?CIK=abt&owner=exclude&action=getcompany&Find=Search>
2. Abbott Laboratories' most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements: <https://www.sec.gov/cgi-bin/browse-edgar?CIK=abt&owner=exclude&action=getcompany&Find=Search>
3. The Abbott Laboratories 2017 Incentive Stock Program: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt.
4. Abbott Laboratories 2017 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abt.

A copy of the above documents will be sent to you free of charge on written request being mailed to: Senior Manager, Equity Programs, Abbott Laboratories, D058G, AP6B-2, Abbott Park, IL 60064, USA.

PAKISTAN

1. Repatriation Requirements. As a condition of this Award, the Employee agrees to repatriate all Dividend Equivalents and all sales proceeds and dividends attributable to Shares acquired under the Program in accordance with local foreign exchange rules and regulations. Neither the Company nor any

of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

2. Exchange Control Obligations. To the extent applicable, the Employee is required to comply with certain consent and reporting requirements to the State Bank of Pakistan (Pakistan's central bank) under the exchange control laws of Pakistan. As the exchange control regulations can change frequently and at times, without notice, the Employee should consult his or her legal advisor prior to acquiring or selling Shares under the Program to ensure compliance with current regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

PHILIPPINES

Settlement in Cash. Notwithstanding Section 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ROMANIA

1. Termination. A Termination shall include the situation where the Employee's employment contract is terminated by operation of law on the date the Employee reaches the standard retirement age and has completed the minimum contribution record for receipt of state retirement pension or the relevant authorities award the Employee an early-retirement pension of any type.

2. English Language. The Employee hereby expressly agrees that this Agreement, the Program as well as all documents, notices and proceedings entered into, relating directly or indirectly hereto, be drawn up or communicated only in the English language. *Angajatul consimte în mod expres prin prezentul ca acest Contract, Programul precum și orice alte documente, notificări, înștiințări legate direct sau indirect de acest Contract să fie redactate sau efectuate doar în limba engleză.*

RUSSIA

1. Sale or Transfer of Shares. Notwithstanding anything to the contrary in the Program or the Agreement, the Employee shall not be permitted to sell or otherwise dispose of the Shares acquired pursuant to the Award in Russia. The Employee may sell the Shares only through a broker established and operating outside Russia.

2. Cash Payments to a Russian Bank Account. The Employee agrees to promptly repatriate proceeds resulting from the sale of Shares acquired under the Program to a foreign currency account at an authorized bank in Russia if legally required at the time Shares are sold and to comply with all applicable local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

SINGAPORE

Qualifying Person Exemption. The grant of the Award under the Program is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the "SFA"). The Program has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. The Employee should note that, as a result, the Award is subject

to section 257 of the SFA and the Employee will not be able to make: (a) any subsequent sale of the Shares underlying the Award in Singapore; or (b) any offer of such subsequent sale of the Shares subject to the Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1. Exchange Control Obligations. The Employee is solely responsible for complying with applicable exchange control regulations and rulings (the “Exchange Control Regulations”) in South Africa. As the Exchange Control Regulations change frequently and without notice, the Employee should consult the Employee’s legal advisor prior to the acquisition or sale of Shares under the Program to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee’s failure to comply with applicable laws.

2. Securities Law Information and Deemed Acceptance of Units. Neither the Units nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96(1)(g)(ii) of the Companies Act, 71 of 2008 (the “Companies Act”) and is not subject to the supervision of any South African governmental authority.

Pursuant to Section 96(1)(g)(ii) of the Companies Act, the Units offer must be finalized within six (6) months following the date the offer is communicated to the Employee. If the Employee does not want to accept the Units, the Employee is required to decline the Units no later than the six (6) months following the date the offer is communicated to you. If the Employee does not reject the Units within six (6) months following the date the offer is communicated to the Employee, the Employee will be deemed to accept the Units.

SPAIN

1. Acknowledgement of Discretionary Nature of the Program; No Vested Rights

By accepting the Award, the Employee consents to participation in the Program and acknowledges receipt of a copy of the Program.

The Employee understands that the Company has unilaterally, gratuitously and in its sole discretion granted Units under the Program to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, the Employee understands that the Units are granted on the assumption and condition that the Units and the Shares acquired upon settlement of the Units shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason the Award shall be null and void.

The Employee understands and agrees that, as a condition of the Award, unless otherwise provided in Sections 4 or 5 of the Agreement, any unvested Units as of the date the Employee ceases active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the event of Termination. The Employee acknowledges that the Employee has read

and specifically accepts the conditions referred to in the Agreement regarding the impact of a Termination on the Units.

2. Termination for Cause. Notwithstanding anything to the contrary in the Program or the Agreement, “Cause” shall be as defined as set forth in the Agreement, regardless of whether the Termination is considered a fair termination (i.e., “despido procedente”) under Spanish legislation.

TUNISIA

Settlement in Cash. Notwithstanding Section 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UKRAINE

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UNITED KINGDOM

1. Withholding Taxes. The following provision supplements Section 8 of the Agreement.

The Employee agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Subsidiary in the United Kingdom that employs the Employee (the “Employer”) or by Her Majesty’s Revenue and Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Employee also agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Employee’s behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), he or she would not be eligible to have the Company or the Employer cover any income tax liability on his or her behalf. In this case, any income tax not collected from or paid by the Employee within 90 days after the end of the U.K. tax year in which the event giving rise to the income tax liability occurred (or such other period specified in U.K. law) will constitute a benefit to the Employee on which additional income tax and national insurance contributions (“NICs”) will be payable. The Employee will be responsible for paying and reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) the value of any employee NICs due on this additional benefit, which the Company or the Employer may recover from the Employee by any of the means referred to in Section 8 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee’s ceasing to have rights under or to be entitled to the Units, whether or not as a result of Termination (whether the Termination is in breach of contract or otherwise), or from the loss or diminution in value of the Units. Upon the grant of the Award, the Employee shall be deemed to have waived irrevocably any such entitlement.

UZBEKISTAN

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

VIETNAM

Settlement in Cash. Notwithstanding Sections 4 or 5 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK AGREEMENT

On «**Grant Date**» (the “Grant Date”), Abbott Laboratories hereby grants to «**First Name**» «**MI**» «**Last Name**» (the “Employee”) a Performance Restricted Stock Award (the “Award”) of «**NoShares12345**» Shares.

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Section 162(m) of the Code and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement:* This Performance Restricted Stock Agreement.
 - (b) *Cause:* Cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s Employee Agreement;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.
 - (c) *Change in Control Agreement:* An Agreement Regarding Change in Control in effect between the Company (or the Surviving Entity) and the Employee, if any.
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- (d) *Change in Control Cause*: shall mean the occurrence of any of the following circumstances during the period that begins six (6) months immediately before a Change in Control and ends two (2) years immediately following such Change in Control: the willful engaging by the Employee in illegal conduct or gross misconduct which is demonstrably and materially injurious to the Company. For purposes of this definition, no act, or failure to act, on the Employee's part shall be deemed "willful" unless done, or omitted to be done, by the Employee not in good faith and without reasonable belief that the Employee's action or omission was in the best interest of the Company. Notwithstanding the foregoing, the Employee shall not be deemed to have been terminated for Change in Control Cause unless and until the Company delivers to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice to the Employee and an opportunity for the Employee, together with counsel, to be heard before the Board) finding that, in the good faith opinion of the Board, the Employee was guilty of conduct set forth above and specifying the particulars thereof in detail.
- (e) *Change in Control Good Reason*: shall mean the occurrence of any of the following circumstances without the Employee's express written consent during the period that begins six (6) months immediately before a Change in Control and ends two (2) years immediately following such Change in Control:
- (i) a significant adverse change in the nature, scope or status of the Employee's position, authorities or duties from those in effect immediately prior to the Change in Control, including, without limitation, if the Employee was, immediately prior to the Change in Control, an Employee officer of a public company, the Employee ceasing to be an Employee officer of a public company;
 - (ii) the failure by the Company to pay the Employee any portion of the Employee's current compensation, or to pay the Employee any portion of any installment of deferred compensation under any deferred compensation program of the Company, within seven (7) days of the date such compensation is due;
 - (iii) a reduction in the Employee's annual base salary (or a material change in the frequency of payment) as in effect immediately prior to the Change in Control as the same may be increased from time to time;
 - (iv) the failure by the Company to award the Employee an annual bonus in any year which is at least equal to the annual bonus, awarded to the Employee under the annual bonus plan of the Company for the year immediately preceding the year of the Change in Control;
 - (v) the failure by the Company to award the Employee equity-based incentive compensation (such as stock options, shares of restricted stock, restricted stock units, or other equity-based compensation) on a periodic basis consistent with the Company's practices with respect to timing, value and terms prior to the Change in Control;
 - (vi) the failure by the Company to continue to provide the Employee with the welfare benefits, fringe benefits and perquisites enjoyed by the Employee immediately prior to the Change in Control under any of the Company's plans or policies,

including, but not limited to, those plans and policies providing pension, life insurance, medical, health and accident, disability, vacation, Employee automobile, Employee tax or financial advice benefits or club dues;

- (vii) the relocation of the Company's principal Employee offices to a location more than 35 miles from the location of such offices immediately prior to the Change in Control or the Company requiring the Employee to be based anywhere other than the location where the Employee primarily performs services for the Company immediately prior to the Change in Control except for required travel for the Company's business to an extent substantially consistent with the Employee's business travel obligations immediately prior to the Change in Control; or
- (viii) the failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform any Change in Control Agreement.

For purposes of any determination regarding the existence of Change in Control Good Reason, any good faith determination by the Employee that Change and Control Good Reason exists shall be conclusive.

- (f) *Code of Business Conduct:* The Company's Code of Business Conduct, as amended from time to time.
- (g) *Controlled Group:*
 - (i) Abbott and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of subsections 414 (b), (c), or (m) of the Code) with Abbott; and
 - (ii) during the period of the TAP Pharmaceutical Products Inc. ("TAP") joint venture between Takeda Pharmaceutical Company Limited and Abbott ending April 30, 2008, TAP and any corporation, partnership and proprietorship under common control (as defined above) with TAP.
- (h) *Data:* Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program.
- (i) *Disability:* Sickness or accidental bodily injury, directly and independently of all other causes, that disables the Employee so that the Employee is completely prevented from performing all the duties of his or her occupation or employment.
- (j) *Employee Agreement:* The Employee Agreement entered into by and between the Company and the Employee as it may be amended from time to time.
- (k) *Employee's Representative:* The Employee's legal guardian or other legal representative.

- (l) *Program:* The Abbott Laboratories 2017 Incentive Stock Program.
- (m) *Retirement:*
- (i) Except as provided under (iii) below, for employees hired by the Controlled Group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three (3) years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one (1) point and each year of service is one (1) point.
 - (ii) Except as provided under (iii) below, for employees hired by the Controlled Group after December 31, 2003, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iii) For participants in the Abbott Laboratories Pension Plan for Former BASF and Former Solvay Employees, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iv) For purposes of calculating service under this Section 1(m), except as otherwise provided by the Committee or its delegate, service is earned only if performed for a member of the Controlled Group while that Controlled Group member is a part of the Controlled Group. Program administrative rules apply in determining Retirement eligibility and credited service.
 - (v) If an Employee has a Termination and (A) as of the date of that Termination met the definition of Retirement, and (B) is subsequently rehired by a member of the Controlled Group, then for purposes of this Agreement that Employee will continue to be treated as meeting the definition of Retirement.
- (n) *Termination:* A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries.
2. **Shareholder Rights.** Subject to the conditions below, the Employee shall have all the rights of a shareholder with respect to the Shares (and any securities of the Company which may be issued with respect to the Shares by virtue of any stock split, combination, stock dividend or recapitalization, which securities shall be deemed to be “Shares” hereunder) including the right to vote and to receive all cash dividends or other cash distributions paid or made with respect to the Shares regardless of whether the Restrictions described below are in effect.
3. **Restrictions.** The Shares are subject to the forfeiture provisions in Sections 6 and 7 below. The Shares are not earned and may not be sold, exchanged, assigned, transferred, pledged or

otherwise disposed of (collectively, the “Restrictions”) until an event or combination of events described in subsections 4(a), (b), (c), (d) or Section 5 occurs.

4. **Lapse of Restrictions.** Subject to the provisions of Sections 5, 6 and 7 below:

- (a) *During Employment.* While the Employee is employed with the Company or its Subsidiaries:
 - (i) the Restrictions on one-third of the Shares will lapse on the last business day of February 202_, provided the Company’s prior year return on equity is a minimum of [•] percent;
 - (ii) the Restrictions on an additional one-third of the total number of Shares will lapse on the last business day of February 202_, provided the Company’s prior year return on equity is a minimum of [•] percent; and
 - (iii) the Restrictions on an additional one-third of the total number of Shares will lapse on the last business day of February 202_, provided the Company’s prior year return on equity is a minimum of [•] percent.

If the Restrictions do not lapse on the respective date set forth in subsection 4(a)(i), (ii), and (iii) above, such Restrictions shall not lapse at a later date.

- (b) *Retirement.* The Restrictions shall continue to apply in the event of the Employee’s Termination due to Retirement, but may lapse thereafter in accordance with the provisions of subsection 4(a) above as if the Employee had remained employed. Notwithstanding the foregoing, in the event of the Employee’s death after his or her Termination due to Retirement, the restrictions shall lapse on the date of the Employee’s death.
- (c) *Death.* The Restrictions shall lapse on the date of the Employee’s Termination due to death.
- (d) *Disability.* The Restrictions shall lapse on the date the Employee incurs 12 consecutive months of Disability.

5. **Change in Control.** In the event of a Change in Control, the entity surviving such Change in Control or the ultimate parent thereof (referred to herein as the “Surviving Entity”) may assume, convert or replace this Award with an award of at least equal value (determined using the same value for purchasing Company shares as used for purchasing Company shares not subject to this Agreement on the date of the Change in Control) with terms and conditions not less favorable than the terms and conditions provided in this Agreement, in which case the new award will vest according to the terms of the applicable award agreement. If the Surviving Entity does not assume, convert or replace this Award, the Restrictions shall lapse on the date of the Change in Control. If the Surviving Entity does assume, convert or replace this Award, then in the event the Employee’s Termination (i) occurs within the time period beginning six (6) months immediately before a Change in Control and ending two (2) years immediately following such Change in Control, and (ii) was initiated by the Company (or the Surviving Entity) for a reason other than Change in Control Cause or was initiated by the Employee for Change in Control Good Reason, the Restrictions shall lapse on the later of the date of the Change in Control and the date of the

Employee's Termination. The provisions of this Section 5 shall supersede Section 13(a)(iii) and (v) of the Program.

6. **Effect of Certain Bad Acts.** If Section 5 does not apply, any Shares with respect to which Restrictions have not lapsed shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Committee or its delegate, the Employee engages in activity that constitutes Cause, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary. If Section 5 does apply, any Shares with respect to which Restrictions have not lapsed shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Board, the Employee engages in an activity that constitutes Change in Control Cause.
7. **Forfeiture of Shares.** In the event of the Employee's Termination for any reason other than those set forth in subsections 4 (b), (c), (d) or Section 5, any Shares with respect to which Restrictions have not lapsed as of the date of Termination shall be forfeited without consideration to the Employee or the Employee's Representative. If the Company terminates the Employee for any reason other than for Cause and such termination is not covered by Section 5, the Company may, in its sole discretion, cause Restrictions on some or all of the Shares to lapse on the dates set forth in subsection 4(a) above as if the Employee had remained employed on such dates.
8. **Withholding Taxes.** The Company shall be entitled to withhold, or require the Employee to remit, any federal, state, local, and other applicable taxes (in U.S. or non-U.S. jurisdictions), including income, social security and Medicare withholding taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by, without limitation:
 - (a) having the Company withhold Shares;
 - (b) tendering Shares received in connection with the Award back to the Company;
 - (c) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld;
 - (d) selling Shares issued pursuant to the Award and having the Company withhold from proceeds of the sale of such Shares;
 - (e) having the Company or a Subsidiary, as applicable, withhold from any cash compensation payable to the Employee; or
 - (f) requiring the Employee to repay the Company or Subsidiary, in cash or in Shares, for taxes paid on the Employee's behalf.

Notwithstanding the foregoing, if the Employee is subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, any tax withholding obligations shall be satisfied by having the Company withhold a number of Shares otherwise issuable pursuant to the Award that is sufficient to satisfy such obligations consistent with the Company's withholding practices.

If, to satisfy tax withholding obligations, the Company withholds Shares otherwise issuable to the Employee, the Employee shall be deemed to have been issued the full number of Shares underlying the Award, subject to the Restrictions set forth in this Agreement.

9. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program is not and shall not be interpreted to:
- (a) form an employment contract or relationship with the Company or its Subsidiaries;
 - (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
 - (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.
10. **No Contract as of Right.** The Award does not create any contractual or other right to receive additional Awards or other Program Benefits. Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee. Future Awards, if any, and their terms and conditions, will be at the sole discretion of the Committee.
11. **No Right to Compensation.** Unless expressly provided by the Company in writing, any value associated with the Award is an item of compensation outside the scope of the Employee's employment contract, if any, and shall not be deemed part of the Employee's normal or expected compensation for purposes of calculating any severance, resignation, redundancy, or end-of-service payments, bonuses, long-service awards, insurance plan, investment or stock purchase plan, pension, retirement, or any other employee benefits, or similar payments under plans of the Company or any of its Subsidiaries.
12. **Data Privacy.**
- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
 - (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.
 - (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security
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provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.

- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;
 - (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
 - (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- 13. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Award, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.
- 14. **Entire Agreement.** This Agreement, the Program, the Program prospectus, the Program administrative rules, and any applicable Company policies constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
- 15. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.

16. **Compliance with Applicable Laws and Regulations.** The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed. Furthermore, if the Employee relocates to another country, the Company may establish special or alternative terms and conditions as necessary or advisable to comply with local law, facilitate the administration of the Program, and/or accommodate the Employee's relocation.
17. **Code Section 409A.** The Award is intended to be exempt from the requirements of Code Section 409A. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that the Award is subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.
- Although this Agreement and the Benefits provided hereunder are intended to be exempt from the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the Benefits provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.
18. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
19. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
20. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the U.S. State of Illinois without giving effect to any state's conflict of laws principles.
21. **Venue.** For any legal action relating to this Agreement, the parties to this Agreement consent to the exclusive jurisdiction and venue of the federal courts of the Northern District of Illinois, USA, and, if there is no jurisdiction in federal court, to the exclusive jurisdiction and venue of the state courts in Lake County, Illinois, USA.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBOTT LABORATORIES

By _____
[Name]
[Title]

ABBOTT LABORATORIES
PERFORMANCE RESTRICTED STOCK AGREEMENT

On «**Grant Date**» (the “Grant Date”), Abbott Laboratories hereby grants to «**First Name**» «**MI**» «**Last Name**» (the “Employee”) a Performance Restricted Stock Award (the “Award”) of «**NoShares12345**» Shares.

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Section 162(m) of the Code and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement:* This Performance Restricted Stock Agreement.
 - (b) *Cause:* Cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s Employee Agreement;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.
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- (c) *Change in Control Agreement*: An Agreement Regarding Change in Control in effect between the Company (or the Surviving Entity) and the Employee, if any.
- (d) *Change in Control Cause*: shall mean the occurrence of any of the following circumstances during the period that begins six (6) months immediately before a Change in Control and ends two (2) years immediately following such Change in Control: the willful engaging by the Employee in illegal conduct or gross misconduct which is demonstrably and materially injurious to the Company. For purposes of this definition, no act, or failure to act, on the Employee's part shall be deemed "willful" unless done, or omitted to be done, by the Employee not in good faith and without reasonable belief that the Employee's action or omission was in the best interest of the Company. Notwithstanding the foregoing, the Employee shall not be deemed to have been terminated for Change in Control Cause unless and until the Company delivers to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice to the Employee and an opportunity for the Employee, together with counsel, to be heard before the Board) finding that, in the good faith opinion of the Board, the Employee was guilty of conduct set forth above and specifying the particulars thereof in detail.
- (e) *Change in Control Good Reason*: shall mean the occurrence of any of the following circumstances without the Employee's express written consent during the period that begins six (6) months immediately before a Change in Control and ends two (2) years immediately following such Change in Control:
 - (i) a significant adverse change in the nature, scope or status of the Employee's position, authorities or duties from those in effect immediately prior to the Change in Control, including, without limitation, if the Employee was, immediately prior to the Change in Control, an Employee officer of a public company, the Employee ceasing to be an Employee officer of a public company;
 - (ii) the failure by the Company to pay the Employee any portion of the Employee's current compensation, or to pay the Employee any portion of any installment of deferred compensation under any deferred compensation program of the Company, within seven (7) days of the date such compensation is due;
 - (iii) a reduction in the Employee's annual base salary (or a material change in the frequency of payment) as in effect immediately prior to the Change in Control as the same may be increased from time to time;
 - (iv) the failure by the Company to award the Employee an annual bonus in any year which is at least equal to the annual bonus, awarded to the Employee under the annual bonus plan of the Company for the year immediately preceding the year of the Change in Control;
 - (v) the failure by the Company to award the Employee equity-based incentive compensation (such as stock options, shares of restricted stock, restricted stock units, or other equity-based compensation) on a periodic

basis consistent with the Company's practices with respect to timing, value and terms prior to the Change in Control;

- (vi) the failure by the Company to continue to provide the Employee with the welfare benefits, fringe benefits and perquisites enjoyed by the Employee immediately prior to the Change in Control under any of the Company's plans or policies, including, but not limited to, those plans and policies providing pension, life insurance, medical, health and accident, disability, vacation, Employee automobile, Employee tax or financial advice benefits or club dues;
- (vii) the relocation of the Company's principal Employee offices to a location more than 35 miles from the location of such offices immediately prior to the Change in Control or the Company requiring the Employee to be based anywhere other than the location where the Employee primarily performs services for the Company immediately prior to the Change in Control except for required travel for the Company's business to an extent substantially consistent with the Employee's business travel obligations immediately prior to the Change in Control; or
- (viii) the failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform any Change in Control Agreement.

For purposes of any determination regarding the existence of Change in Control Good Reason, any good faith determination by the Employee that Change in Control Good Reason exists shall be conclusive.

- (f) *Code of Business Conduct:* The Company's Code of Business Conduct, as amended from time to time.
- (g) *Controlled Group:*
 - (i) Abbott and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of subsections 414 (b), (c), or (m) of the Code) with Abbott; and
 - (ii) during the period of the TAP Pharmaceutical Products Inc. ("TAP") joint venture between Takeda Pharmaceutical Company Limited and Abbott ending April 30, 2008, TAP and any corporation, partnership and proprietorship under common control (as defined above) with TAP.
- (h) *Data:* Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program.

- (i) *Disability*: Sickness or accidental bodily injury, directly and independently of all other causes, that disables the Employee so that the Employee is completely prevented from performing all the duties of his or her occupation or employment.
- (j) *Employee Agreement*: The Employee Agreement entered into by and between the Company and the Employee as it may be amended from time to time.
- (k) *Employee's Representative*: The Employee's legal guardian or other legal representative.
- (l) *Program*: The Abbott Laboratories 2017 Incentive Stock Program.
- (m) *Retirement*:
 - (i) Except as provided under (iii) below, for employees hired by the Controlled Group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three (3) years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one (1) point and each year of service is one (1) point.
 - (ii) Except as provided under (iii) below, for employees hired by the Controlled Group after December 31, 2003, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iii) For participants in the Abbott Laboratories Pension Plan for Former BASF and Former Solvay Employees, Retirement means any of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three (3) years of service.
 - (iv) For purposes of calculating service under this Section 1(m), except as otherwise provided by the Committee or its delegate, service is earned only if performed for a member of the Controlled Group while that Controlled Group member is a part of the Controlled Group. Program administrative rules apply in determining Retirement eligibility and credited service.
 - (v) If an Employee has a Termination and (A) as of the date of that Termination met the definition of Retirement, and (B) is subsequently

rehired by a member of the Controlled Group, then for purposes of this Agreement that Employee will continue to be treated as meeting the definition of Retirement.

- (n) *Termination*: A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries.
2. **Shareholder Rights.** Subject to the conditions below, the Employee shall have all the rights of a shareholder with respect to the Shares (and any securities of the Company which may be issued with respect to the Shares by virtue of any stock split, combination, stock dividend or recapitalization, which securities shall be deemed to be “Shares” hereunder) including the right to vote and to receive all cash dividends or other cash distributions paid or made with respect to the Shares regardless of whether the Restrictions described below are in effect.
3. **Restrictions.** The Shares are subject to the forfeiture provisions in Sections 6 and 7 below. The Shares are not earned and may not be sold, exchanged, assigned, transferred, pledged or otherwise disposed of (collectively, the “Restrictions”) until an event or combination of events described in subsections 4(a), (b), (c), (d) or Section 5 occurs.
4. **Lapse of Restrictions.** Subject to the provisions of Sections 5, 6 and 7 below:
- (a) *During Employment.* While the Employee is employed with the Company or its Subsidiaries:
- (i) the Restrictions on one-third of the Shares will lapse on «**M_1st_yr_vest**», provided the Company’s prior year return on equity is a minimum of [•] percent;
- (ii) the Restrictions on an additional one-third of the total number of Shares will lapse on «**M_2nd_yr_vest**», provided the Company’s prior year return on equity is a minimum of [•] percent; and
- (iii) the Restrictions on an additional one-third of the total number of Shares will lapse on «**M_3rd_yr_vest**», provided the Company’s prior year return on equity is a minimum of [•] percent.
- If the Restrictions do not lapse on the respective date set forth in subsection 4(a)(i), (ii), and (iii) above, such Restrictions shall not lapse at a later date.
- (b) *Retirement.* The Restrictions shall continue to apply in the event of the Employee’s Termination due to Retirement, but may lapse thereafter in accordance with the provisions of subsection 4(a) above as if the Employee had remained employed. Notwithstanding the foregoing, in the event of the Employee’s death after his or her Termination due to Retirement, the restrictions shall lapse on the date of the Employee’s death.
- (c) *Death.* The Restrictions shall lapse on the date of the Employee’s Termination due to death.

- (d) *Disability*. The Restrictions shall lapse on the date the Employee incurs 12 consecutive months of Disability.
5. **Change in Control.** In the event of a Change in Control, the entity surviving such Change in Control or the ultimate parent thereof (referred to herein as the “Surviving Entity”) may assume, convert or replace this Award with an award of at least equal value (determined using the same value for purchasing Company shares as used for purchasing Company shares not subject to this Agreement on the date of the Change in Control) with terms and conditions not less favorable than the terms and conditions provided in this Agreement, in which case the new award will vest according to the terms of the applicable award agreement. If the Surviving Entity does not assume, convert or replace this Award, the Restrictions shall lapse on the date of the Change in Control. If the Surviving Entity does assume, convert or replace this Award, then in the event the Employee’s Termination (i) occurs within the time period beginning six (6) months immediately before a Change in Control and ending two (2) years immediately following such Change in Control, and (ii) was initiated by the Company (or the Surviving Entity) for a reason other than Change in Control Cause or was initiated by the Employee for Change in Control Good Reason, the Restrictions shall lapse on the later of the date of the Change in Control and the date of the Employee’s Termination. The provisions of this Section 5 shall supersede Section 13(a)(iii) and (v) of the Program.
6. **Effect of Certain Bad Acts.** If Section 5 does not apply, any Shares with respect to which Restrictions have not lapsed shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Committee or its delegate, the Employee engages in activity that constitutes Cause, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary. If Section 5 does apply, any Shares with respect to which Restrictions have not lapsed shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Board, the Employee engages in an activity that constitutes Change in Control Cause.
7. **Forfeiture of Shares.** In the event of the Employee’s Termination for any reason other than those set forth in subsections 4(b), (c), (d) or Section 5, any Shares with respect to which Restrictions have not lapsed as of the date of Termination shall be forfeited without consideration to the Employee or the Employee’s Representative. If the Company terminates the Employee other than for Cause and such termination is not covered by Section 5, the Company may, in its sole discretion, cause Restrictions on some or all of the Shares to lapse on the dates set forth in subsection 4(a) above as if the Employee had remained employed on such dates.
8. **Withholding Taxes.** The Company shall be entitled to withhold, or require the Employee to remit, any federal, state, local, and other applicable taxes (in U.S. or non-U.S. jurisdictions), including income, social security and Medicare withholding taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by, without limitation:
- (a) having the Company withhold Shares;
 - (b) tendering Shares received in connection with the Award back to the Company;
 - (c) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld;

- (d) selling Shares issued pursuant to the Award and having the Company withhold from proceeds of the sale of such Shares;
- (e) having the Company or a Subsidiary, as applicable, withhold from any cash compensation payable to the Employee; or
- (f) requiring the Employee to repay the Company or Subsidiary, in cash or in Shares, for taxes paid on the Employee's behalf.

Notwithstanding the foregoing, if the Employee is subject to Section 16 of the Exchange Act pursuant to Rule 16a-2 promulgated thereunder, any tax withholding obligations shall be satisfied by having the Company withhold a number of Shares otherwise issuable pursuant to the Award that is sufficient to satisfy such obligations consistent with the Company's withholding practices.

If, to satisfy tax withholding obligations, the Company withholds Shares otherwise issuable to the Employee, the Employee shall be deemed to have been issued the full number of Shares underlying the Award, subject to the Restrictions set forth in this Agreement.

- 9. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program is not and shall not be interpreted to:
 - (a) form an employment contract or relationship with the Company or its Subsidiaries;
 - (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
 - (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.
- 10. **No Contract as of Right.** The Award does not create any contractual or other right to receive additional Awards or other Program Benefits. Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee. Future Awards, if any, and their terms and conditions, will be at the sole discretion of the Committee.
- 11. **No Right to Compensation.** Unless expressly provided by the Company in writing, any value associated with the Award is an item of compensation outside the scope of the Employee's employment contract, if any, and shall not be deemed part of the Employee's normal or expected compensation for purposes of calculating any severance, resignation, redundancy, or end-of-service payments, bonuses, long-service awards, insurance plan, investment or stock purchase plan, pension, retirement, or any other employee benefits, or similar payments under plans of the Company or any of its Subsidiaries.
- 12. **Data Privacy.**
 - (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program.

The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:

- (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.
- (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.
- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;
 - (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
 - (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation,

administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

13. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Award, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.
14. **Entire Agreement.** This Agreement, the Program, the Program prospectus, the Program administrative rules, and any applicable Company policies constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
15. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
16. **Compliance with Applicable Laws and Regulations.** The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed. Furthermore, if the Employee relocates to another country, the Company may establish special or alternative terms and conditions as necessary or advisable to comply with local law, facilitate the administration of the Program and/or accommodate the Employee's relocation.
17. **Code Section 409A.** The Award is intended to be exempt from the requirements of Code Section 409A. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that the Award is subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

Although this Agreement and the Benefits provided hereunder are intended to be exempt from the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the Benefits provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Employee (or any other individual claiming a benefit

through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

18. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
19. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
20. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the U.S. State of Illinois without giving effect to any state's conflict of laws principles.
21. **Venue.** For any legal action relating to this Agreement, the parties to this Agreement consent to the exclusive jurisdiction and venue of the federal courts of the Northern District of Illinois, USA, and, if there is no jurisdiction in federal court, to the exclusive jurisdiction and venue of the state courts in Lake County, Illinois, USA.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBOTT LABORATORIES

By _____

Robert B. Ford
President and Chief Executive Officer

[Date]

To: [Executive]

Re: CIC Agreement Extension

Abbott's Board of Directors recently extended your Change in Control (CIC) agreement. Its term now continues through December 31, 2022. The CIC agreement provides you with financial, health and welfare benefits in the event of a Change in Control. No action is required on your part to continue participation in the CIC agreement.

You are hereby notified that your current Change in Control Agreement, which was set to expire on December 31, 2020, has been extended to December 31, 2022.

Please retain a copy of this Notification of Extension with your important records.

TIME SHARING AGREEMENT

This Time Sharing Agreement ("**Agreement**") is dated as of _____, 2020 by and between Abbott Laboratories Inc. ("**Company**") and _____ ("**Executive**").

RECITALS

WHEREAS, Company owns or rightfully possesses and operates the aircraft set forth in Exhibit A attached hereto (individually and collectively, as the context requires, the "**Aircraft**"); and

WHEREAS, Company employs a fully qualified flight crew to operate the Aircraft; and

WHEREAS, Executive is _____ of Abbott Laboratories, an Illinois corporation ("**Abbott**") and the parent corporation of Company; and

WHEREAS, in order to protect the safety and security of Executive and maximize his/her availability to carry out his/her responsibilities, Abbott's Board of Directors (the "**Board**") has adopted a policy that generally requires Executive to travel on the Aircraft for all his/her air travel, whether on Abbott business or personal travel; and

WHEREAS, Executive desires to use, and the Company desires to make available to Executive, the Aircraft from time to time on a time sharing basis permitted by the Federal Aviation Regulations ("**FARs**") when he/she is required under the Board's policy to fly on the Aircraft for personal travel.

NOW, THEREFORE, in consideration of the foregoing, and the other promises contained herein, the parties, intending to be legally bound hereby, agree as follows:

1. **Provision of Aircraft**. Company agrees to provide the Aircraft to Executive on a non-exclusive, time sharing basis from time to time as mutually agreed between the parties pursuant to the provisions of FAR Sections 91.501(b)(6), 91.501(c)(1) and 91.501(d) and to provide a fully qualified flight crew for all operations conducted under this Agreement.

2. **Term**. This Agreement shall remain in effect until terminated by either party upon ten (10) days' prior written notice to the other or as otherwise set forth in Section 17.

3. **Reimbursement of Expenses**. For each flight conducted under this Agreement, Executive shall pay to Company an amount equal to the lesser of:

(a) the actual expenses of each flight up to the amount authorized by FAR Part 91.501(d) as set forth below:

- (i) Fuel, oil, lubricants, and other additives;
- (ii) Travel expenses of the crew, including food, lodging and ground transportation;
- (iii) Hangar and tie-down costs away from the Aircraft's base of operation;
- (iv) Insurance obtained for the specific flight;
- (v) Landing fees, airport taxes and similar assessments;
- (vi) Customs, foreign permits, and similar fees directly related to the flight;
- (vii) In-flight food and beverages;
- (viii) Passenger ground transportation; and
- (ix) Flight planning and weather contract services.

(collectively, the "**501(d) Amount**"); and

(b) the greater of (x) or (y) below, where:

(x) equals the applicable subsection (i) or (ii) below:

(i) For travel between cities served by regularly scheduled first class commercial airline service, an amount equal to the lowest published cost of the first class airfare available to the general public for the dates traveled, which will be solicited within one business day of the date the Executive requests the specific flight, multiplied by the number of persons in Executive's party for the flight; or

(ii) For travel between cities served by regularly scheduled coach or business class, but not first class commercial airline service, an amount equal to the lowest published cost of the unrestricted coach (or, if available, business class) airfare available to the general public for the dates traveled, which will be solicited within one business day of the date the Executive requests the specific flight, multiplied by the number of persons in Executive's party for the flight.

For purposes of the computation in subsection (x)(i) and (x)(ii) above, if a city is not served by regularly scheduled commercial airline service, the foregoing provisions shall be applied utilizing a city selected by Company as close as reasonably practicable to the city without such service.

The amount calculated under this Section 3(b)(x) shall be referred to as the "**Commercial Fare Amount**"

(y) equals the amount of income that would be imputed to Executive for the flight under the applicable Standard Industry Fare Levels as set forth in 26 C.F.R. §1.61-21(g), assuming that Executive did not pay the Time Sharing Fee ("**SIFL Amount**").

The amount to be paid by Executive under this Section 3 shall be referred to as the "**Time Sharing Fee**" regardless of the provision under which it was calculated. The Time Sharing Fee shall never exceed the amount permitted under FAR Section 91.501(d).

(c) Prior to any proposed flight, Company shall provide Executive with an estimate of the Time Sharing Fee that will be due for such flight. If Executive proceeds with the proposed flight, he/she shall be obligated to pay the Time Sharing Fee. Notwithstanding anything to the contrary herein, upon receipt of all invoices related to the flight(s), Company shall calculate the actual expenses for which reimbursement is permitted under FAR Section 91.501(d) and shall reconcile it with the payments received from Executive for such flight(s). In the event Executive has paid more than the amount permitted under FAR Section 91.501(d), Company shall credit such excess amount to Executive. Company's calculation of the 501(d) Amount, the Commercial Fare Amount, and the SIFL Amount, as well as its determination of which calculation will be used for the Time Sharing Fee, shall be conclusive subject only to the limitation on the permissible reimbursements as set forth in FAR Section 91.501(d). If Executive declines the proposed flight(s), neither Executive nor Company shall have any further obligation with respect to the proposed flight(s).

4. Invoicing and Payment.

(a) Company will pay all expenses related to the operation of the Aircraft when incurred and, within thirty (30) days after the end of each calendar month, provide an invoice to Executive for the total Time Sharing Fee due for the personal flights operated for Executive during the preceding calendar month (plus associated taxes, charges and fees, including but not limited to federal air transportation excise taxes, international departure/arrival fees, and state taxes, that are required to be collected from passengers and remitted by the aircraft operator ("**Taxes**"). Executive shall pay

Company the amount set forth therein within thirty (30) days after the date of such invoice. In the event that flights that are part of a single trip occur in more than one (1) calendar month, Company shall have the option each such time, exercisable in its sole discretion, to invoice the flights based on the months in which they occur or based on the month in which the final flight of the trip was operated.

(b) In the event that Company has not received supplier invoices for reimbursable charges listed in Section 3(a) above relating to flight(s) prior to the issuance of its invoice, Company shall have the right, following receipt of such supplier invoices, if any, to issue supplemental invoice(s) for such charge(s) to Executive or to include such charges on the next subsequent invoice and the amount set forth therein shall be paid in the same manner as set forth in Section 4(a).

(c) Executive shall have the right to advance to Company an amount to be held by Company to be credited to such future flights under this Agreement as designated by Executive. Company acknowledges and agrees that such advance payment is held on behalf of Executive and is not the property of Company until it has operated the flight(s) to which the payments will be applied and that if any such advanced funds remain at the termination of this Agreement, the balance shall be refunded to Executive, less any outstanding amounts due to Company for flights performed prior to such termination.

5. **Flight Requests.** Executive will provide Company with requests for flight time and proposed flight schedules as far in advance of any given flight as possible, and in any case, at least two (2) business days in advance of Executive's planned departure (unless Company agrees to a shorter notice in a particular case in its discretion). Requests for flight time shall be in a form, whether written or oral, mutually convenient to, and agreed upon, by the parties. In addition to the proposed schedules and flight times, Executive shall provide at least the following information for each proposed flight prior to scheduled departure as required by the Company or Company's flight crew:

- (a) proposed departure point;
- (b) destination;
- (c) date and time of flight;
- (d) the number, name, and relationship to the Executive of anticipated passengers;
- (e) the nature and extent of luggage and/or cargo to be carried;
- (f) the date and time of return flight, if any; and
- (g) any other information concerning the proposed flight that may be pertinent or required by Company or Company's flight crew.

6. **Aircraft Schedule.** Company shall have final authority over the scheduling of the Aircraft; provided, however, that Company will use reasonable efforts to accommodate Executive's requests and to avoid conflicts in scheduling. It is understood that Company shall not be obligated to retain or contract for additional flight crew or maintenance personnel or equipment in order to accommodate Executive's schedule requests or provide a specific Aircraft.

7. **Maintenance.** Company shall be solely responsible for securing maintenance, preventive maintenance, and required or otherwise necessary inspections on the Aircraft, and shall take such requirements into account in scheduling the Aircraft. No period of maintenance, preventative maintenance, or inspection shall be delayed or postponed for the purpose of scheduling the Aircraft, unless said maintenance or inspection can be safely conducted at a later time in compliance with all applicable laws and regulations, and within the sound discretion of the pilot in command. The pilot in command shall have final and complete authority to cancel any flight for any reason or condition that in his or her judgment would compromise the safety of the flight.

8. [Intentionally Left Blank]

9. Operational Control and Authority.

(a) Company shall ensure that each flight conducted for Executive under this Agreement shall be conducted under Part 91 of the FARs. The Company shall have and exercise exclusive operational control of the Aircraft during all phases of all flights under this Agreement, including, without limitation, all flights during which Executive and/or his/her guests, designees, or property are on-board the Aircraft, and during all pre- and post-flight checks.

(b) In accordance with applicable FARs, the qualified flight crew provided by Company will exercise all of its duties and responsibilities in regard to the safety of each flight conducted hereunder. Executive specifically agrees that the flight crew, in its sole discretion, may terminate any flight, refuse to commence any flight, or take other action that, in the considered judgment of the pilot in command, is necessitated by considerations of safety. No such action of the pilot in command shall create or support any liability for loss, injury, damage or delay to Executive or any other person. The parties further agree that Company shall not be liable for delay or failure to furnish the Aircraft and crew pursuant to this Agreement for any reason whatsoever.

10. Insurance; Limitation of Liability; Indemnification.

(a) Company will maintain or cause to be maintained in full force and effect throughout the term of this Agreement aircraft liability insurance in respect of the Aircraft. Such insurance shall (i) name Executive as an additional insured; (ii) contain a waiver of subrogation against Executive; and (iii) shall contain an agreement by the insurer that, notwithstanding the deletion, cancellation or material change in coverage, lapse of any such policy for any reason or any right of cancellation by the insurer or Company, as applicable, such policy shall continue in force for the benefit of Executive for at least thirty (30) days (ten (10) days in the case of non-payment of premium and seven (7) days in the case of war risk) after written notice of deletion, cancellation, or material change in coverage, lapse of coverage or cancellation, shall have been given to Executive.

(b) Company will use reasonable commercial efforts to procure such additional insurance coverage as Executive shall request; provided, however, that the cost of such additional insurance shall be borne by Executive as set forth in Section 3(a)(iv).

(c) Company assumes and shall bear the entire risk of loss, theft, confiscation, damage to, or destruction of the Aircraft. Company shall release, indemnify, defend, and hold harmless Executive and his/her heirs, executors and personal representatives from and against any and all losses, liabilities, claims, judgments, damages, fines, penalties, deficiencies, and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred or suffered by Executive on account of a claim or action made or instituted by a third person arising out of or resulting from operations of the Aircraft hereunder and/or any services provided by Company to Executive hereunder, except to the extent attributable to the gross negligence or willful misconduct of Executive or his/her guests on the Aircraft.

11. Representations and Warranties. Executive warrants that:

(a) He/she will use the Aircraft for and on account of his/her own business or personal use only, and will not use the Aircraft for the purpose of providing transportation of passengers or cargo in air commerce for compensation or hire;

(b) He/she will not permit, and will refrain from incurring, any lien, security interest or other charge or encumbrance on the Aircraft as a result of Executive's (or his/her invitees' or guests') acts

or omissions, whether permissible or impermissible under this Agreement, and shall not attempt or take (or permit to be attempted or taken) any action that could be deemed to convey, mortgage, assign, lease, or any way alienate the Aircraft or Company's rights hereunder or that might mature into any such prohibition; and

(c) During the term of this Agreement, he/she will, and will cause his/her invitees and guests to abide by and conform to all such laws, governmental and airport orders, rules, and regulations as shall from time to time be in effect relating in any way to the operation and use of the Aircraft under Part 91 of the FARs.

12. **Aircraft Base.** For purposes of this Agreement, the permanent base of operation of the Aircraft shall be Waukegan, Illinois; provided, however, such base may be changed upon notice from Company to Executive.

13. **Notices and Communications.** All notices, reports, and other communications under this Agreement shall be in writing (except as permitted in Section 5) and shall be deemed to have been duly given upon receipt or refusal to accept receipt when given by personal delivery, the next business day when given by reputable overnight courier service, addressed as follows:

If to Company: Abbott Laboratories Inc.

Attn: _____
Phone: _____
Fax: _____
email: _____

If to Executive: _____

Phone: _____
Fax: _____
email: _____

or to such other person or address as either party shall from time to time designate in writing to the other party.

14. **Assignments.** Neither this Agreement nor any party's interest herein shall be assignable to any other party whatsoever without the other party's prior written consent. Without limiting the generality of the preceding sentence, this Agreement shall inure to the benefit of and be binding upon the parties hereto, in the case of Company, to its successors and permitted assignees and in the case of Executive, to Executive's, his/her heir(s).

15. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois.

16. **Further Acts.** Company and Executive shall from time to time perform such other and further acts and execute such other and further instruments as may be required by law or may be reasonably necessary (i) to carry out the intent and purpose of this Agreement and (ii) to establish, maintain, and protect the respective rights and remedies of the other party.

17. **Termination.** This Agreement shall automatically terminate when Executive is no longer an officer of Company or upon death of Executive. This Agreement may be terminated as a result of a breach by either party of its obligations under this Agreement on ten (10) days' prior written notice by the non-breaching party to the breaching party or such other period as may be required to comply with applicable laws, regulations, or insurance requirements, or in the event that the insurance required hereunder is not in full force and effect.

18. **Severability.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. To the extent permitted by applicable law, each party waives any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

19. **Amendment or Modification.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and is not intended to confer upon any person or entity any rights or remedies hereunder which are not expressly granted herein. This Agreement may be amended or modified only in writing duly executed by the parties hereto.

20. **Waivers.** The failure or delay on the part of any party hereto to insist upon or enforce strict performance of any provision of this Agreement by any other party hereto, or to exercise any right, power or remedy under this Agreement, shall not be deemed or construed as a waiver thereof, nor shall it be deemed or construed as a general waiver thereof or of any other provision or rights thereunder.

21. **Force Majeure.** Company shall not be liable for delay or failure to furnish the Aircraft and crew pursuant to this Agreement when scheduled when such failure is caused by government regulation or authority, mechanical difficulty, or breakdown, war, civil commotion, strikes or labor disputes, weather conditions, acts of God, or other circumstances beyond Company's reasonable control.

22. **Counterparts.** This Agreement may be executed by the parties hereto on any number of separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

23. **Survival.** The provisions set forth in Sections 3, 4, 9, 10, 11 and 13-24 shall survive termination of this Agreement.

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24. TRUTH IN LEASING STATEMENT

TRUTH IN LEASING STATEMENT UNDER SECTION 91.23 OF THE FEDERAL AVIATION REGULATIONS.

COMPANY HEREBY CERTIFIES THAT THE AIRCRAFT HAS BEEN INSPECTED AND MAINTAINED WITHIN THE TWELVE (12) MONTH PERIOD PRECEDING THE DATE OF THIS AGREEMENT, OR SUCH SHORTER PERIOD AS COMPANY SHALL HAVE HAD POSSESSION OF THE AIRCRAFT, IN ACCORDANCE WITH THE PROVISIONS OF FAR PART 91 AND ALL APPLICABLE REQUIREMENTS FOR MAINTENANCE AND INSPECTION THEREUNDER HAVE BEEN MET.

COMPANY AGREES, CERTIFIES, AND KNOWINGLY ACKNOWLEDGES THAT WHEN THE AIRCRAFT IS OPERATED UNDER THIS AGREEMENT, COMPANY SHALL BE KNOWN AS, CONSIDERED, AND SHALL IN FACT BE THE OPERATOR OF THE AIRCRAFT AND THAT THE AIRCRAFT WILL BE MAINTAINED AND INSPECTED UNDER PART 91 OF THE FARs.

Abbott Laboratories Inc.

By: _____

Name: _____

Title: _____

THE PARTIES UNDERSTAND THAT AN EXPLANATION OF FACTORS AND PERTINENT FEDERAL AVIATION REGULATIONS BEARING ON OPERATIONAL CONTROL CAN BE OBTAINED FROM THE RESPONSIBLE FAA FLIGHT STANDARDS OFFICE. OPERATOR AGREES TO SEND AN EXECUTED COPY OF THIS EXECUTED AGREEMENT FOR AND ON BEHALF OF BOTH PARTIES TO: AIRCRAFT REGISTRATION BRANCH (AFS-750), ATTN: TECHNICAL SECTION, P.O. BOX 25724, OKLAHOMA CITY, OKLAHOMA 73125, WITHIN TWENTY-FOUR (24) HOURS OF ITS EXECUTION, AS PROVIDED BY FAR §91.23(c)(1).

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

COMPANY:

EXECUTIVE:

ABBOTT LABORATORIES INC.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Signature Page

Exhibit A
List of Aircraft

Exhibit A

**ABBOTT OVERSEAS
MANAGERS PENSION PLAN**

ARTICLE 1
INTRODUCTION

1.1 Purpose. The Abbott Overseas Managers Pension Plan provides retirement income to Participants, none of whom are United States citizens (other than designated Overseas Managers who are United States citizens and for whom the Company or an Affiliate provides tax equalization based on Puerto Rico tax law) or Residents.

1.2 History, Effective Date. The Plan was established on June 1, 1965, amended and restated in its entirety, effective as of January 1, 1976, revised at various times thereafter, amended and restated, effective as of January 1, 2010, and hereby amended and restated in its entirety, effective as of January 1, 2020 (the “Effective Date”).

1.3 ERISA. The Plan is intended to be exempt from Parts 2, 3, and 4 of Title I of ERISA and, therefore, participation in the Plan is limited to a select group of management or highly compensated employees, within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA.

ARTICLE 2
DEFINITIONS

When used in this Plan, including its appendices, the following words and terms shall have the meanings set forth below, unless a different meaning clearly is required by the context. Whenever appropriate, words in the singular shall be deemed to include the plural, and vice versa, and the masculine gender shall be deemed to include the feminine gender, unless a different meaning is clearly required by the context.

2.1 Administrator. “Administrator” means the Company’s Divisional Vice President, Compensation and Benefits. If the office of Divisional Vice President, Compensation and Benefits is vacant or ceases to exist, then the person performing the duties previously performed by the Company’s Divisional Vice President, Compensation and Benefits shall be the Administrator.

2.2 Affiliate. “Affiliate” means any corporation, partnership, joint venture, business trust or other entity 50 percent or more of the voting stock or control of which is owned, directly or indirectly, by the Company.

2.3 Annuity Retirement Plan. “Annuity Retirement Plan” means the Abbott Laboratories Annuity Retirement Plan, as amended from time to time.

2.4 Beneficiary. “Beneficiary” means the person, persons or entity designated under the Plan pursuant to **Section 6.1** or **Section 6.2**.

2.5 Code. “Code” means the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. Any reference to any section or subsection of the Code also refers to any comparable or succeeding provisions of any legislation which amends, supplements, or replaces such section or subsection.

2.6 Company. “Company” means Abbott Laboratories, its successors, any organization into which or with which Abbott Laboratories may merge or consolidate.

2.7 Effective Date. The term “Effective Date” shall have the meaning ascribed to it in **Section 1.2**.

2.8 ERISA. “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any regulations promulgated thereunder. Any reference to any section or subsection of ERISA also refers to any comparable or succeeding provisions of any legislation which amends, supplements, or replaces such section or subsection.

2.9 Overseas Manager. “Overseas Manager” means an employee of the Company or an Affiliate, provided such employee is not a United States citizen (other than a designated employee who is a United States citizen and for whom the Company or an Affiliate provides tax equalization based on Puerto Rico tax law) or a Resident.

2.10 Participant. “Participant” means an Overseas Manager who is participating in the Plan pursuant to **Article 3**.

2.11 Plan. “Plan” means the Abbott Overseas Managers Pension Plan, as amended from time to time.

2.12 Resident. “Resident” means any individual who is considered to be a resident under Code Section 7701(b).

2.13 Retirement Date. “Retirement Date” shall have the meaning ascribed to it in Section 3.6 of the Annuity Retirement Plan, unless otherwise required under Appendix B “Code Sections 409A and 457A.”

2.14 Retirement Benefit. The term “Retirement Benefit” shall have the meaning ascribed to it in **Section 4.1(a) or Section 4.1(h)**, as applicable, unless otherwise required under Appendix B “Code Sections 409A and 457A.”

2.15 Social Insurance Benefits. The term “Social Insurance Benefits” shall have the meaning ascribed to it in **Section 4.1(c)**.

2.16 Termination Date. “Termination Date” means the last day on which the Participant is an employee of the Company and all its Affiliates, as determined in each case without including any required advance notice period and irrespective of the status of the termination under local law. A transfer from one Affiliate to another, or from the Company to an Affiliate or from an Affiliate to the Company, will not be considered a termination of employment for purposes of the Plan.

2.17 U.S. Dollars. “U.S. Dollars” means lawful currency of the United States.

ARTICLE 3
ELIGIBILITY AND PARTICIPATION

3.1 Eligibility and Participation. Participation in the Plan shall be limited to Overseas Managers designated, in writing, by the Administrator, in its sole discretion.

3.2 Commencement and Duration of Participation.

(a) Commencement. The Administrator, in its sole discretion, shall determine the date on which a Participant's participation commences.

(b) Duration. A Participant will remain a Participant until the earliest of:

(i) The date the Participant first becomes a United States citizen (unless the Participant is a United States citizen for whom the Company or an Affiliate provides tax equalization based on Puerto Rico tax law) or Resident;

(ii) The date the Participant's contributions are withdrawn pursuant to **Section 4.2**; or

(iii) The date determined by the Administrator, in the Administrator's sole discretion.

ARTICLE 4
BENEFITS

4.1 Amount, Timing, and Form of Retirement Benefit.

(a) Amount. Subject to the provisions of this **Section 4.1**, commencing on the Participant's Retirement Date, a Participant will receive a defined benefit pension in an amount equal to the defined benefit pension the Participant would have received under the Annuity Retirement Plan had the Participant terminated employment as an Annuity Retirement Plan participant instead of as a Plan Participant; provided, however, that the benefit received under the Plan shall be calculated without considering eligibility for payments under the Social Security laws of the United States, shall be calculated without regard to applicable limitations and restrictions imposed under Code Sections 415 and 401(a)(17) on pensionable earnings and benefits, and shall be reduced by both:

- (i) the value of any Social Insurance Benefits (as defined below) to which the Participant is entitled at the Participant's Retirement Date, or will subsequently be entitled; and
- (ii) the value of any other retirement benefits payable financed by the Company or any Affiliate or other source to which one or more of the Company and Affiliates may have contributed.

The Administrator in its sole discretion shall determine the value of any retirement benefits payable, as described in this **Section 4.1(a)**, and that determination will be final and binding on all Participants and Beneficiaries. The Administrator shall make any adjustments the Administrator considers necessary, in its sole discretion, to prevent duplication of benefits.

The benefit determined under this **Section 4.1(a)** (the "Retirement Benefit") will be calculated as of the Participant's Retirement Date and the amount payable will not be adjusted thereafter for changes in the value of benefits or offsets.

(b) Determination of Final Earnings. For purposes of determining a Participant's Retirement Benefit, the Participant's "final earnings" will be the average of the Participant's monthly earnings for the 60 consecutive calendar months during which the Participant received monthly earnings and for which the Participant's monthly earnings were highest (or the average of the Participant's monthly earnings for the entire consecutive month period during which the Participant received monthly earnings if such period is less than 60 calendar months), as reflected in the records of the Company and Affiliates. Such average shall be computed by dividing the total of the Participant's monthly earnings for such 60-calendar-month period (or shorter total period if applicable) by 60 (or by the number of consecutive months within that shorter period for which the Participant had monthly earnings). Such monthly earnings will be computed in U.S. Dollars unless the Administrator, in the Administrator's sole discretion, determines that a different currency is more appropriate. For this purpose, "monthly earnings" will be exclusive of any allowances, 13th month salary, holiday pay, vacation pay, garden leave payments, redundancy payments, severance or termination payments or indemnity, or disability payments, unless the Administrator in its sole discretion otherwise specifically agrees.

(c) Definition of "Social Insurance Benefits." For purposes of **Section 4.1(a)(i)** and **(h)(i)**, the term "Social Insurance Benefits" shall mean benefits, whether payable periodically or

in one lump sum, and shall include, but not be limited to, the following: severance payments on retirement; provident fund payments, retirement or long-service benefits payable under any national or other government sponsored public social security systems or program; any severance payments to which an employer contributed upon transfer of the employee from one Affiliate to another or from the Company to an Affiliate or from an Affiliate to the Company, plus interest from the date of payment; and any benefits of a similar type as determined by the Administrator, in the Administrator's discretion. The Administrator in its sole discretion shall determine the value of any Social Insurance Benefit and that determination will be final and binding on all Participants and Beneficiaries.

(d) Return of Employee Contributions upon Retirement Date. If the Participant's benefit is reduced as specified in **Section 4.1(a)**, then the Participant will be returned a percentage of the Participant's total Plan contributions, if any, equal to the percentage by which the Participant's benefit is reduced plus 50 percent of this amount. If no Retirement Benefit is payable, then an amount equal to 150 percent of the Participant's total contributions, if any, will be returned to the Participant.

(e) Vesting of Benefits. The Administrator, in its sole discretion, shall determine each Participant's vested interest in the Retirement Benefit.

(f) Form of Benefit Payment. The form in which a Participant's Retirement Benefits are paid shall be determined as if the Participant was a participant in the Annuity Retirement Plan (unless otherwise required under Appendix B "Code Sections 409A and 457A"); provided, however, that neither a 75 percent joint and survivor annuity option nor a level income option shall be available under the Plan. Notwithstanding the foregoing, the Administrator, in the Administrator's sole discretion, may vary the form in which a Participant's Retirement Benefits may be paid.

(g) No Post-Retirement Medical Benefits. Notwithstanding anything to the contrary in the Plan or the Annuity Retirement Plan, a Participant shall not be entitled to any post-retirement medical benefits under the Plan.

(h) Designated Executive Benefits. Notwithstanding any provision to the contrary in the Plan, the Annuity Retirement Plan or the Abbott Laboratories Supplemental Pension Plan (the "SERP"), an Overseas Manager who is a corporate officer of the Company (as described in Section 6-1 of the SERP) and who is designated as a Participant pursuant to Section 3.1 ("Designated Executive") shall be entitled to receive a Retirement Benefit calculated under this **Section 4.1(h)** in lieu of the Retirement Benefit calculated under **Section 4.1(a)** above. Subject to the other provisions of this Section 4.1, commencing on the Designated Executive's Retirement Date, a Designated Executive will receive a defined benefit pension in an amount equal to the total defined benefit pension the Designated Executive would have received under both the Annuity Retirement Plan and the SERP (including a determination of "final earnings" pursuant to the rules set forth in the SERP) had the Designated Executive terminated employment as a participant under such plans instead of as a Plan Participant; provided, however, that the Designated Executive shall not be entitled to elect to receive current payment of the present value of the supplemental pension (as described in Section 9 of the SERP); and provided, further, that the benefit received under the Plan shall be calculated without considering eligibility for payments under the Social Security laws of the United States, and shall be reduced by both:

(i) the value of any Social Insurance Benefits (as defined in Section 4.1(c)) to which the Designated Executive is entitled at the Designated Executive's Retirement Date, or will subsequently be entitled; and

(ii) the value of any other retirement benefits payable financed by the Company or any Affiliate or other source to which one or more of the Company and Affiliates may have contributed.

Monthly earnings will be computed in U.S. Dollars (unless the Administrator, in the Administrator's sole discretion, determines that a different currency is more appropriate), and will be exclusive of any allowances, 13th month salary, holiday pay, vacation pay, garden leave payments, redundancy payments, severance or termination payments or indemnity, or disability payments, unless the Administrator in its sole discretion otherwise specifically agrees.

The Administrator in its sole discretion shall determine the value of any retirement benefits payable, as described in this Section 4.1(h), and that determination will be final and binding on all Participants and Beneficiaries. The Administrator shall make any adjustments the Administrator considers necessary, in its sole discretion, to prevent duplication of benefits.

The Retirement Benefit described in this Section 4.1(h) will be calculated as of the Designated Executive's Retirement Date and the amount payable will not be adjusted thereafter for changes in the value of benefits or offsets.

4.2 Repayment of Contributions upon Withdrawal or Termination of Employment. At any time prior to the Participant's Retirement Date, upon written notice to the Administrator, a Participant may withdraw an amount equal to all of the Participant's contributions, if any, without interest; provided, however, that upon such withdrawal of contributions, the Participant will no longer be eligible to participate in the Plan, except upon such terms and conditions as the Administrator in its sole discretion may approve. In the event of voluntary or involuntary termination of employment, or death, before the Participant's Retirement Date, the Participant or the Participant's Beneficiary, as the case may be, shall be entitled to receive, *in lieu* of all other benefits, an amount equal to 150 percent of all contributions, if any, made by the Participant. A transfer from one Affiliate to another, or from the Company to an Affiliate or from an Affiliate to the Company, will not be considered a termination of employment for purposes of the Plan.

4.3 Tax Withholding. The Company or an Affiliate, as applicable, may deduct from any Retirement Benefit an amount equal to any tax or duty of whatever nature for which it or the Participant may be accountable in consequence of such Retirement Benefit.

4.4 Sanctioned Countries. Notwithstanding any provision in the Plan, no payment shall be made to any Participant or Beneficiary, if such payment would be considered a payment to a sanctioned country pursuant to the United States Department of Treasury Office of Foreign Asset Control boycott list, or a similar boycott list published by the United States or other countries, as determined by the Administrator in its sole discretion.

ARTICLE 5
SOURCE OF BENEFIT PAYMENTS

5.1 Prior Participant Contributions. Prior to October 1, 1989, certain Participants were required to make contributions to the Plan. Effective on and after October 1, 1989, Participant contributions are neither required nor permitted.

5.2 Unfunded Plan. The Plan is unfunded. All Retirement Benefits and other payments hereunder shall be made from the general funds of the Company and no special or separate fund shall be established or other segregation of assets made to assure payment. No Participant, Beneficiary, or other person shall have under any circumstances any interest in any particular property or assets of the Company or any Affiliate as a result of participating in the Plan.

ARTICLE 6
BENEFICIARY DESIGNATIONS

6.1 Beneficiary Designation. Each Participant shall have the right, at any time, to designate any person, persons or entity as such Participant's Beneficiary or Beneficiaries. A Beneficiary designation shall be made, and may be amended, by the Participant by filing a designation with the Administrator, on such form and in accordance with such procedures as the Administrator in its sole discretion may establish from time to time.

6.2 Failure to Designate a Beneficiary. If a Participant fails to designate a Beneficiary as provided in **Section 6.1**, or if all designated Beneficiaries predecease the Participant, then the Participant's Beneficiary shall be deemed to be, in the following order:

- (a) the surviving spouse of such person, if any; or
- (b) the Participant's estate.

6.3 Facility of Payment. When, in the Administrator's opinion, a Participant or Beneficiary is under a legal disability or is incapacitated in any way so as to be unable to manage such Participant's or Beneficiary's financial affairs, the Administrator may make any benefit payments to the Participant or Beneficiary's legal representative, or spouse, or the Administrator may apply the payment for the benefit of the Participant or Beneficiary in any way the Administrator, in its sole discretion, considers advisable.

ARTICLE 7
PLAN ADMINISTRATION

7.1. Administrator's Powers. The Administrator shall have full discretionary power to administer the Plan in all of its details. Benefits under the Plan shall be paid only if the Administrator determines, in the sole discretion of the Administrator, that the applicant is entitled to them.

7.2 Administrator's Discretion. For purposes of exercising the powers and responsibilities granted to the Administrator under the Plan, the Administrator's powers shall include, but shall not be limited to, the following discretionary authority:

- (a) to make and enforce such rules and regulations (which shall be binding on employees, Overseas Managers, Participants, Beneficiaries and other persons) as the Administrator deems necessary or proper for the efficient administration of the Plan or as required to comply with applicable law;
- (b) to interpret and enforce the Plan in accordance with the terms of the Plan (including the rules and regulations adopted under **Section 7.2(a)**) and to make factual determinations thereunder, including the discretionary power to determine the rights and eligibility of Overseas Managers, Participants, Beneficiaries and any other persons, and the amount, if any, of their benefits under the Plan, and their vested interest, if any, in any benefits under the Plan, and to construe or interpret disputed, ambiguous, or uncertain terms;
- (c) to compute benefit amounts under the Plan, to determine vested interests, to determine the person or persons to whom such amounts are to be distributed, to establish the currency (if other than U.S. Dollars) in which benefits are payable and the method and basis on which such currency conversion shall be made, and to make equitable adjustments for mistakes or errors or to prevent duplication of benefits;
- (d) to authorize the payment of benefits and to compromise and settle any disputed claims;
- (e) to keep such records and submit such filings, elections, applications, returns or other documents or forms as may be required under any applicable laws or regulations;
- (f) to allocate and delegate the duties and responsibilities of the Administrator and to appoint such agents, counsel, accountants, consultants, actuaries, insurance companies and other persons as may be required or desired to assist in administering the Plan;
- (g) to furnish each employer, tax advisor, or other person with such information and data as may be required by it for tax and other purposes in connection with the Plan;
- (h) to vary the terms of the Plan in individual cases; provided, however, that no such variation shall reduce any Retirement Benefits accrued prior to the date the variation is made; and provided, further, that no such variation shall violate any applicable nondiscrimination laws; and
- (i) to take all action in connection with administration of the Plan as deemed necessary or advisable by the Administrator.

7.3 Delegation. To the extent permitted under applicable law, the Administrator may delegate the Administrator's power, authority and responsibilities under the Plan to one or more officers

or employees of the Company or any Affiliate, including a committee of one or more such officers or employees, at any time in the Administrator's sole discretion. Any reference to the Administrator in the Plan shall be deemed to include a reference to the Administrator's delegate.

7.4 Effect of Administrator's Actions. Actions taken in good faith by the Administrator, or by a person to whom the Administrator's powers have been duly delegated, shall be binding and conclusive on all parties.

7.5 Claims and Appeals.

(a) Claims for Retirement Benefits. Claims for Retirement Benefits shall be made in accordance with rules prescribed by the Administrator and shall be adjudicated by a person or persons designated by the Administrator for the purpose of claims adjudication. The rules governing Claims for Retirement Benefits shall be as set forth in **Appendix A** "Claims for Retirement Benefits and Appeals of Benefit Determinations."

(b) Appeals of Benefit Determinations. A Participant, Beneficiary, or other claimant of Retirement Benefits shall be entitled to appeal a claim decision by submitting an appeal in such form and within such time as the Administrator may prescribe. Appeals shall be adjudicated by the Administrator, or the Administrator's delegate, whose decision shall be binding and conclusive on all parties. The rules governing Claims for Appeals of Benefit Determinations shall be as set forth in **Appendix A** "Claims for Retirement Benefits and Appeals of Benefit Determinations."

ARTICLE 8
AMENDMENT AND TERMINATION

8.1 Amendment and Termination.

The Company reserves the right and the power (and may and hereby does specifically delegate the power to the Executive Vice President, Human Resources (or, if no individual holds such title, such individual performing the duties of such title)) at any time or times to amend the provisions of the Plan, including an amendment to terminate the Plan, to any extent and in any manner that it may deem advisable.

ARTICLE 9
MISCELLANEOUS

9.1 Employment Rights. The Plan does not constitute a contract of employment, and participation in the Plan shall not give any employee the right to be retained in the employ of the Company or any Affiliate, or any right or claim to any benefit under the Plan, unless such right or claim has specifically accrued under the terms of the Plan.

9.2 Interests Not Transferable. The interests of persons entitled to benefits under the Plan are not subject to their debts or other obligations and, except as may be required by the provisions of any applicable law (including a qualified domestic relations order under Code Section 401(a)(13) as amended from time to time), may not be voluntarily or involuntarily sold, transferred, alienated, assigned or encumbered.

9.3 Successors. The Plan is binding on all persons entitled to benefits hereunder and their respective heirs and legal representatives, and on the Company, any Affiliate and their successors and assigns.

9.4 Governing Law. The validity, interpretation, construction and performance of this Plan shall in all respects be governed by the laws of the State of Illinois, without reference to principles of conflict of law, except to the extent preempted by U.S. federal law.

9.5 Personal Data. The rules governing personal data shall be as set forth in **Appendix C** "Consent to Collection, Processing and Transfer of Personal Data."

9.6 Electronic Delivery. By participating in the Plan or accepting any rights granted under it, each Participant consents and agrees (i) to electronic delivery of any documents that the Administrator may elect to deliver (including, but not limited to, Plan documents, account statements, and all other forms of communication) in connection with any participation in the Plan; (ii) to any and all procedures the Administrator has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Administrator may elect to deliver, and agrees that the Participant's electronic signature is the same as, and shall have the same force and effect as, the Participant's manual signature; (iii) that any such procedures and delivery may be effected by a third party engaged by the Company, including the Administrator, to provide administrative services related to the Plan; and (iv) to be informed about the risks associated with the communication by way of unsecured e-mail, and to being a recipient of such e-mail.

9.7 Rules for Certain Jurisdictions. Notwithstanding anything in the Plan to the contrary, the Administrator may, in its sole discretion: (i) amend or vary the terms of the Plan in order to conform such terms with the requirements of each jurisdiction where the Company and its Affiliates are located; (ii) amend or vary the terms of the Plan in each jurisdiction where the Company and its Affiliates are located as the Administrator considers necessary or desirable to take into account or to mitigate or reduce the burden of taxation and social security contributions for Participants and/or the Company or its Affiliates; and (iii) amend or vary the terms of the Plan in a jurisdiction where the Company or any of its Affiliates are located as the Administrator considers necessary or desirable to meet the goals and objectives of the Plan. The Administrator may, in the Administrator's sole discretion, establish one or more sub-plans for these purposes. Any sub-plans and modifications to Plan terms and procedures established under this **Section 9.7** by the Administrator shall be attached to the Plan document as Appendices or shall be reflected in the Plan's rules and regulations. The Administrator may, in the Administrator's sole

discretion, establish administrative rules, regulations and procedures to facilitate the operation of the Plan in such jurisdictions.

APPENDIX A
CLAIMS FOR RETIREMENT BENEFITS AND APPEALS OF BENEFIT DETERMINATIONS

This Appendix A contains rules governing claims for Retirement Benefits and appeals of Retirement Benefit determinations. Unless otherwise defined in this **Appendix A**, all capitalized terms contained in this **Appendix A** shall have the same meaning as set forth in the Plan.

A-1 Claims for Retirement Benefits.

(a) **Form of Claims.** All claims for Retirement Benefits shall be submitted in writing to the Administrator on a form and in a manner specified by the Administrator in its discretion. To consider a claim for Retirement Benefits, the Administrator may request additional information.

(b) **Time to Decide Claim.** If a claim is wholly or partially denied, the Administrator shall notify the claimant of the adverse decision within a reasonable period of time, but not later than 90 days after receiving the claim, unless the Administrator determines that special circumstances require an extension. In such case, a written extension notice shall be furnished to the claimant before the end of the initial 90-day period. The extension cannot exceed 90 days from the end of the initial 90-day period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Administrator expects to render the decision. The time for making a claim determination shall begin when a claim is filed, without regard to whether all the information necessary to make a claim determination accompanies that filing.

(c) **Notice of Denial of Claim.** In the event of a claim denial, the Administrator denial, shall supply the claimant with the following:

- (i) An explanation of the specific reason(s) for the denial;
- (ii) Specific references to the pertinent Plan provisions on which the denial is based;
- (iii) A description of any additional material or information necessary to establish the claim properly and an explanation of why such material or information is necessary; and
- (iv) A description of the Plan's appeal procedures and time frames, including a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse decision on appeal.

A-2 Appeal of Benefit Determinations. A claimant, or a claimant's authorized representative, may appeal a denied claim within 60 days after receiving the Administrator's notice of denial. A claimant may:

- (i) Submit to the Administrator, for review, written comments, documents, records and other information relating to the claim;
 - (ii) Request, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim; and
 - (iii) A review on appeal that takes into account all comments, documents, records, and other information submitted by the claimant, without regard to whether such information was submitted or considered in the initial claim decision.
-

A-3 Time to Decide Appeal. The Administrator will make a full and fair review of the appeal and may require additional documents as it deems necessary in making such a review. A final decision on review shall be made within a reasonable period of time, but not later than 60 days following receipt of the written request for review, unless the Administrator determines that special circumstances require an extension. In such case, a written extension notice will be sent to the claimant before the end of the initial 60-day period. The extension notice shall indicate the special circumstances and the date by which the Administrator expects to render the appeal decision. The extension cannot exceed a period of 60 days from the end of the initial 60-day period. The appeal time frames begin when an appeal is filed, without regard to whether all the information necessary to make an appeal decision accompanies the filing. If an extension is necessary because the claimant failed to submit necessary information, the days from the date the Administrator sends the extension notice until the claimant responds to the request for additional information shall not be counted as part of the appeal determination period. The Administrator's notice of denial on appeal shall include:

- (i) The specific reason or reasons for denial with reference to those Plan provisions on which the denial is based;
- (ii) A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records, and other information relevant to the claimant's claim; and
- (iii) A statement describing any voluntary appeal procedures offered by the Plan and the claimant's right to obtain the information about such procedures, and a statement of the claimant's right to bring an action under Section 502(a) of ERISA.

A-4. Limitation on Suits. A Participant must exhaust the administrative remedies under the Plan before bringing an action for benefits under the Plan. After exhaustion of the Plan's administrative remedies, a Participant will have the right to bring a civil action in a U.S. federal court of law under Section 502(a) of ERISA. Any legal action taken against the Plan, Abbott Laboratories, a participating division, a subsidiary, or any Plan fiduciary (or any of those entities' directors, officers, or employees) must be filed in a U.S. federal court no later than the earliest of the following: (a) 90 days after the Administrator's final decision regarding the appeal; (b) three years after the date when the Participant submitted an authorization to commence payment of the Plan benefits at issue in the judicial proceeding; or (c) the statutory deadline for filing a claim or lawsuit with respect to the benefits at issue in the judicial proceeding as determined by the most analogous statute of limitations under Illinois law. In no case may a suit or legal action be brought if the claim for benefits was not made within the time period specified in the claims and appeals procedures. This limitation on suits for benefits applies in any forum where a claimant initiates a suit or legal action. If a Participant pursues legal action for benefits relating to a claim under the Plan, the evidence that may be presented will be strictly limited to the documents, information and other evidence timely presented to the Administrator during the claim and appeal procedures. Unless prohibited by applicable law, all decisions and communications relating to claims by applications, denials of claims or claims appeals shall be held strictly confidential by the applicant, the Administrator, and Abbott Laboratories during and at all times after the applicant's claim has been submitted.

APPENDIX B
CODE SECTIONS 409A AND 457A

This **Appendix B** contains rules governing Participants who become subject to Code Section 409A or 457A. Unless otherwise defined in this **Appendix B**, all capitalized terms contained in this Appendix shall have the same meaning as set forth in the Plan. Notwithstanding any Plan provision to the contrary, if a Participant is or becomes subject to Code Section 409A or 457A, taking into account any applicable exemptions (the “United States Participant”), then that Participant’s continued participation and benefits shall be subject to the following rules:

B-1 Form of Payment. To the extent necessary to comply with Code Section 409A, the form of payment of the United States Participant’s Retirement Benefit (including the portions accrued both before and after the time the United States Participant becomes subject to Code Section 409A) shall be as follows:

(a) Life Annuity. A United States Participant who is not legally married on such United States Participant’s Retirement Date (as defined below) shall receive such United States Participant’s Retirement Benefit in monthly installments payable on a life annuity basis, with the last payment to be made for the month in which such United States Participant’s death occurs.

(b) 50% Joint and Survivor Annuity. A United States Participant who is legally married on such United States Participant’s Retirement Date (as defined below) shall receive a 50% joint and survivor annuity which is actuarially equivalent to the Retirement Benefit payable to the United States Participant in monthly installments on a life annuity basis. Such joint and survivor annuity shall consist of reduced monthly installment continuing during the United States Participant’s lifetime, and if the United States Participant’s spouse is living at the date of such United States Participant’s death, payment of one-half of such reduced monthly installments to such spouse until the spouse’s death occurs, with the last payment to be made for the month of the death of the last to die of the United States Participant and the United States Participant’s spouse.

For purposes of this **Appendix B**, “Retirement Date” means one of the following dates, as applicable:

(i) for a Participant whose employment with the Company and Affiliates terminates after completing 10 years of “seniority service” (as such term is described in the Annuity Retirement Plan) and attaining age 55 (with respect to Participants hired by the Company or an Affiliate before 2004, age 50), the Participant’s Termination Date; and otherwise

(ii) the date on which the Participant attains age 65.

B-2 Changing the Form of Payment. In lieu of the form of payment of the Retirement Benefit specified in **Rule B-1** above, a United States Participant may elect, prior to commencement, payment of the Retirement Benefit in an annuity form permitted by the Administrator which is actuarially equivalent to the form of payment specified in **Rule B-1** above, provided that the scheduled date for the first annuity payment is not changed as a result of such election. For purposes of this provision, the term “actuarially equivalent” shall have the meaning provided by Treasury Regulation §1.409A-2(b)(2)(ii)(A), applying reasonable actuarial methods and assumptions, which must be the same for each annuity payment option and otherwise comply with the rules provided by Treasury Regulation §1.409A-2(b)(2)(ii)(D). An election under this **Rule B-2** must be in writing, signed by the United States Participant, and filed with the Administrator at such time and in such manner as the Administrator shall determine and will be effective only if the United States Participant’s spouse, if any, consents to the election in writing, and such consent

acknowledges the effect of the election and is witnessed by a Plan representative or a notary public. An election under this **Rule B-2** may not be changed after payment of the United States Participant's Retirement Benefit has commenced.

B-3 Benefits described in **Section 4.1(d)**, **Section 4.1(h)** or **Section 4.2** of the Plan, if any, shall be paid in accordance with **Rules B-1 and B-2** of this Appendix.

B-4 Avoidance of Accelerated Taxation and Penalties. To the extent required to avoid accelerated taxation or tax penalties under Code Section 409A, amounts that would otherwise be payable pursuant to the Plan during the six-month period immediately following the United States Participant's termination of employment shall instead be paid on the first business day after the date that is six months following the United States Participant's termination of employment (or shall be paid upon the United States Participant's death, if earlier), plus interest thereon, at a rate equal to the applicable "Federal short-term rate" (as defined in Code Section 1274(d)) for the month in which such termination of employment occurs, from the respective dates on which such amounts would otherwise have been paid until the actual date of payment. Notwithstanding anything contained herein to the contrary, a United States Participant shall not be considered to have terminated employment with the Company and Affiliates for purposes of the Plan, and no payments shall be due under the Plan which are payable upon the United States Participant's termination of employment, unless the United States Participant would be considered to have incurred a "separation from service" from the Company and Affiliates within the meaning of Code Section 409A. The time or schedule of any payment subject to Code Section 409A or amount scheduled to be paid pursuant to the terms of the Plan may not be accelerated except as otherwise permitted under Code Section 409A. For purposes of applying the provisions of Code Section 409A, each separately identifiable amount to which a Participant is entitled under the Plan will be treated as a separate payment, the entitlement to a life annuity will be treated as the entitlement to a single payment, and, to the extent necessary or advisable, the offsets described in **Section 4.1** shall be limited to the extent required to comply with Code Section 409A.

B-5 Participants subject to Code Section 457A. If a United States Participant is subject to Code Section 457A in a calendar year then, to the extent required by Code Section 457A, all allocations made during such calendar year and earnings credited thereon shall be considered taxable income to the extent vested in such year. Notwithstanding any provision of the Plan and this **Appendix B** to the contrary, the Administrator may authorize the payment of amounts in the year such amounts are included in income under this **Rule B-5** unless payment at such time would violate Code Section 409A. Further, to the extent that any prior deferred amounts were attributable to services performed prior to January 1, 2009 and would be required to be distributed prior to January 1, 2018 in order to be exempt from Code Section 457A, such prior deferred amounts were distributed in 2017.

B-6 No Guarantee. With respect to any United States Participant, the Plan and the benefits provided hereunder are intended to comply, to the extent applicable thereto, with Code Sections 409A and 457A, and the provisions of the Plan shall be interpreted and construed consistent with this intent. Although the Company intends to administer the Plan so that it will comply with the requirements of Code Sections 409A and 457A, to the extent applicable, neither the Company nor any Affiliate represents or warrants that the Plan will comply with Code Section 409A or 457A or any other provision of federal, state, local, or non-United States law. Neither the Company nor its Affiliates, nor any of their respective directors, officers, employees or advisers, shall be liable to the United States Participant (or any individual claiming a benefit through the United States Participant) for any tax, interest, or penalties the United States Participant may owe as a result of the Plan, and the Company and Affiliates shall have no obligation to indemnify or otherwise protect the United States Participant from the obligation to pay any taxes pursuant to Code Section 409A or 457A.

APPENDIX C
CONSENT TO COLLECTION, PROCESSING AND TRANSFER OF PERSONAL DATA

This **Appendix C** contains rules governing personal data and the collection, processing and transfer of personal data. Unless otherwise defined in this **Appendix C**, all capitalized terms contained in this Appendix shall have the same meaning as set forth in the Plan.

C-1 **Participant Acknowledgment and Consent.** The collection, processing and transfer of the Participant's personal data are necessary for the administration of the Plan and the Participant's participation in the Plan. The Participant's denial and/or objection to the collection, processing and transfer of personal data may affect the Participant's participation in the Plan. As such, the Participant, by participating in the Plan, voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of personal data as described in this **Appendix C**.

C-2 **Collection and Processing of Personal Data.** The Company and Affiliates hold certain personal information about the Participant, including name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, data about participation in the Plan, details of earnings and benefits, tax identification number, records relating to working time records, details of any retirement plans or schemes the Participant participates in, and other appropriate financial and other data, for the purpose of managing and administering the Plan ("Data"). The Data may be provided by the Participant or collected, where lawful, from third parties, and the Company and Affiliates will process the Data for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Participant's participation in the Plan.

C-3 **Transfer of Personal Data.** The Company and Affiliates will transfer Data amongst themselves as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and the Company and Affiliates may each further transfer Data to any third parties assisting in the implementation, administration and management of the Plan. These recipients may be located in the European Economic Area or elsewhere throughout the world, such as the United States. By participating in the Plan, the Participant authorizes (where required under applicable law) the Company and Affiliates and such third parties to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Participant's participation in the Plan.

C-4 **Participant Rights.** The Participant may, at any time, exercise the Participant's rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of the Data, (b) verify the content, origin and accuracy of the Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of the Data, and (d) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan. The Participant may seek to exercise these rights by contacting the Participant's local human resources manager, the Company's human resources department or the Administrator.

U.S. \$5,000,000,000

FIVE YEAR CREDIT AGREEMENT

Dated as of November 12, 2020

among

ABBOTT LABORATORIES,
as Borrower,

and

VARIOUS FINANCIAL INSTITUTIONS,
as Lenders,

and

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent,

and

BARCLAYS BANK PLC
BANK OF AMERICA, N.A.

and

MORGAN STANLEY SENIOR FUNDING, INC.
as Syndication Agents

JPMORGAN CHASE BANK, N.A.
BARCLAYS BANK PLC
BOFA SECURITIES, INC.

and

MORGAN STANLEY SENIOR FUNDING, INC.
Joint Lead Arrangers and Joint Book Runners

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FIVE YEAR CREDIT AGREEMENT

Dated as of November 12, 2020

ABBOTT LABORATORIES, a corporation organized and existing under the Laws of the State of Illinois (the “Borrower”), the Lenders (as defined below) that are parties hereto, and JPMorgan Chase Bank, N.A. (“JPMorgan”), as administrative agent (together with any successor thereto appointed pursuant to Article VII, the “Administrative Agent”) for the Lenders, agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

SECTION 1.01 Certain Defined Terms.

As used in this Five Year Credit Agreement (as amended, restated, supplemented or otherwise modified and in effect from time to time, this “Agreement”), the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

“2018 Credit Agreement” means the Five Year Credit Agreement, dated as of November 30, 2018, by and among the Borrower, JPMorgan, as administrative agent, and the lenders party thereto.

“Additional Lender” has the meaning specified in Section 2.05(c).

“Administrative Agent” has the meaning specified in the recital of parties to this Agreement.

“Administrative Agent’s Office” means the Administrative Agent’s address and, as appropriate, account as set forth on Schedule II, or such other address or account as the Administrative Agent may from time to time notify the Borrower and the Lenders.

“Administrative Questionnaire” means an administrative questionnaire in the form supplied by the Administrative Agent.

“Advance” means any advance made by a Lender to the Borrower as part of a Borrowing and refers to a Base Rate Advance or a Eurodollar Rate Advance (each of which shall be a “Type” of Advance).

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition, the term “control”

(including the terms “controlling”, “controlled by” and “under common control with”) of a Person means the possession, direct or indirect, of the power to vote 10% or more of the Voting Stock of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Stock, by contract or otherwise.

“Agent Parties” has the meaning specified in Section 8.02(c).

“Agents” means, collectively, the Administrative Agent, the Syndication Agents and the Arrangers.

“Agreement Value” means, with respect to any Hedge Agreement at any date of determination, the amount, if any, that would be payable to any bank thereunder in respect of the “agreement value” under such Hedge Agreement if such Hedge Agreement were terminated on such date, calculated as provided in the International Swap Dealers Association, Inc. Code of Standard Wording, Assumptions and Provisions for Swaps, 1986 Edition.

“Applicable Lending Office” means, with respect to each Lender, such Lender’s Domestic Lending Office in the case of a Base Rate Advance and such Lender’s Eurodollar Lending Office in the case of a Eurodollar Rate Advance.

“Applicable Margin” means, as of any date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

	Public Debt Rating S&P/Moody’s	Applicable Margin for Eurodollar Rate Advances	Applicable Margin for Base Rate Advances
Level 1:	AA-/Aa3 or above	0.625%	0.000%
Level 2:	Less than Level 1 but at least A+/A1	0.750%	0.000%
Level 3:	Less than Level 2 but at least A/A2	0.875%	0.000%
Level 4:	Less than Level 3 but at least A-/A3	1.000%	0.000%
Level 5:	Less than Level 4 but at least Baa1/BBB+	1.125%	0.125%
Level 6:	Less than Level 5 but at least Baa2/BBB	1.250%	0.250%
Level 7:	Less than Level 6	1.500%	0.500%

“Applicable Percentage” means, in the case of the commitment fee paid pursuant to Section 2.04(a), as of any date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

	Public Debt Rating S&P/Moody’s	Applicable Percentage
Level 1:	AA-/Aa3 or above	0.045%
Level 2:	Less than Level 1 but at least A+/A1	0.050%
Level 3:	Less than Level 2 but at least A/A2	0.070%
Level 4:	Less than Level 3 but at least A-/A3	0.090%
Level 5:	Less than Level 4 but at least Baa1/BBB+	0.100%
Level 6:	Less than Level 5 but at least Baa2/BBB	0.125%
Level 7:	Less than Level 6	0.175%

“Arrangers” means JPMorgan, Barclays Bank PLC, BofA Securities, Inc., and Morgan Stanley Senior Funding, Inc.

“Assignment and Acceptance” means an assignment and acceptance entered into by a Lender and an Eligible Assignee, and accepted by the Administrative Agent, in substantially the form of Exhibit B hereto.

“Attributable Debt” means (except as otherwise provided in this paragraph), as to any particular lease under which any Person is at the time liable for a term of more than 12 months, at any date as of which the amount thereof is to be determined (the “determination date”), the total net amount of rent required to be paid by such Person under such lease during the remaining term thereof (excluding any subsequent renewal or other extension options held by the lessee), discounted from the respective due dates thereof to the determination date at the rate of 8% per annum, compounded monthly. The net amount of rent required to be paid under any such lease for any such period shall be the aggregate amount of the rent payable by the lessee with respect to such period after excluding amounts required to be paid on account of maintenance and repairs, services, insurance, Taxes, assessments, water rates and similar charges and contingent rents (such as those based on sales or monetary inflation). If (a) any such lease is terminable by the lessee upon the payment of a penalty, (b) the terms of such lease provide that the termination right is not exercisable until after the determination date and (c) the amount of such penalty discounted to the determination date at the rate of 8% per annum compounded monthly is less than the net amount of rentals payable after the time as of which such termination could occur (the “termination time”) discounted to the determination date at the rate of 8% per annum compounded monthly, then such discounted penalty amount shall be used instead of such discounted amount of net rentals payable after the termination time in calculating the Attributable Debt for such lease. If (i) any such lease is terminable by the lessee upon the payment of a penalty, (ii) such termination right is exercisable on the determination date and (iii) the amount of the net rentals payable under such lease after the determination date discounted to the determination date at the rate of 8% per annum compounded monthly is greater than the amount of such penalty, the Attributable Debt for such lease as of such determination date shall be equal to the amount of such penalty.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (e) of Section 2.18.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing Law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act of 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Base Rate” means, for any day, a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as reasonably determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as reasonably determined by the Administrative Agent), and (c) the Eurodollar Rate for a one month Interest Period (but not less than 0.00%) plus 1.00%; provided that if the Base Rate as determined pursuant to the foregoing would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement. If the Base Rate is being used as an alternate rate of interest pursuant to Section 2.18 (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 2.18(a)), then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

“Base Rate Advance” means an Advance denominated in Dollars that bears interest as provided in Section 2.07(a)(i).

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Internal Revenue Code or (c) any Persons whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Internal Revenue Code) the assets of any such “employee benefit plan” or “plan”.

“Benchmark” means, initially, LIBOR; provided that if a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) or clause (b) of Section 2.18.

“Benchmark Replacement” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion; provided further that, notwithstanding anything to the contrary in this Agreement or in any other Loan Document, upon the occurrence of a Term SOFR Transition Event, and the delivery of a Term SOFR Notice, on the applicable Benchmark Replacement Date the “Benchmark Replacement” shall revert to and shall be deemed to be the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, as set forth in clause (1) of this definition (subject to the first proviso above).

If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of “Benchmark Replacement,” the first alternative set forth in the order below that can be determined by the Administrative Agent:

(a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;

(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides in its reasonable discretion may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such

Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein;

(3) in the case of a Term SOFR Transition Event, the date that is thirty (30) days after the date a Term SOFR Notice is provided to the Lenders and the Borrower pursuant to Section 2.18(b); or

(4) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such

Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.18 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.18.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Borrowed Debt” means any Debt for money borrowed represented by notes, bonds, debentures or other similar evidences of Debt for money borrowed.

“Borrower” has the meaning specified in the recital of parties to this Agreement.

“Borrower Materials” has the meaning specified in Section 5.01(i).

“Borrowing” means a borrowing consisting of Advances of the same Type made, Converted or continued on the same date and, in the case of Eurodollar Rate Advances, as to which a single Interest Period is in effect.

“Borrowing Minimum” means \$10,000,000.

“Borrowing Multiple” means \$1,000,000.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, New York City or Chicago and, if such day relates to any Eurodollar Rate Advance, means any

such day on which dealings in Dollar deposits are conducted by and between banks in the London interbank Eurodollar market.

“CERCLIS” means the Comprehensive Environmental Response, Compensation and Liability Information System maintained by the U.S. Environmental Protection Agency.

“Closing Date” means the date on which each of the conditions set forth in Section 3.01 have been satisfied (or waived in accordance with Section 8.01).

“Commitment” means as to any Lender (a) the Dollar amount set forth opposite such Lender’s name on Schedule I hereto, or (b) if such Lender has entered into any Assignment and Acceptance or Lender Joinder Agreement, the Dollar amount set forth for such Lender in the Register maintained by the Administrative Agent pursuant to Section 8.07(d), in each case as such commitment may be increased or reduced from time to time pursuant to the terms hereof. The aggregate amount of the Commitments as of the Closing Date is \$5,000,000,000 as such commitment may be reduced thereafter in accordance with Section 2.05 or 6.01 or increased thereafter in accordance with Section 2.05(d).

“Commitment Termination Date” means the earlier of (i) the date that is the fifth anniversary of the Closing Date, as such date may be extended with respect to any Consenting Lender pursuant to Section 2.05(d), and (ii) the date on which the Commitments are terminated. Following such extension, unless otherwise specified herein, the term “Commitment Termination Date” shall mean the Commitment Termination Date as so extended.

“Consenting Lender” has the meaning specified in Section 2.05(d).

“Consolidated” refers to the consolidation of accounts in accordance with GAAP.

“Consolidated Group” means the Borrower and its Subsidiaries.

“Consolidated Net Assets” means the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom all current liabilities, as set forth on the Consolidated balance sheet of the Consolidated Group most recently furnished to the Lenders pursuant to Section 5.01(i)(ii) prior to the time as of which Consolidated Net Assets shall be determined.

“Consolidated Net Worth” means, at any date of determination, (a) total assets of the Borrower and its Subsidiaries (including, without limitation, all items that are treated as intangibles in accordance with GAAP) at such date *less* (b) total liabilities of the Borrower and its Subsidiaries (including, without limitation, all deferred Taxes) at such date, in each case determined in accordance with GAAP on a Consolidated basis.

“Continuing Director” means, for any period, an individual who is a member of the board of directors of the Borrower on the first day of such period or whose election to the

board of directors of the Borrower is approved by a majority of the other Continuing Directors.

“Conversion”, “Convert”, or “Converted” each refers to a conversion of Advances of one Type into Advances of the other Type pursuant to Section 2.08 or 2.09.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

“Debt” of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of such Person’s business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all obligations of such Person as lessee under leases that have been or should be, in accordance with GAAP, recorded as finance leases, (f) all obligations, contingent or otherwise, of such Person in respect of acceptances, letters of credit or similar extensions of credit, (g) all obligations of such Person in respect of Hedge Agreements, (h) all Debt of others referred to in clauses (a) through (g) above or clause (i) below directly guaranteed in any manner by such Person, or the payment of which is otherwise provided for by such Person, and (i) all Debt referred to in clauses (a) through (h) above secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Lien on property (including, without limitation, accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Debt.

“Debtor Relief Laws” means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

“Declining Lender” has the meaning specified in Section 2.05(d).

“Default” means any Event of Default or any event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

“Default Interest” has the meaning specified in Section 2.07(b).

“Defaulting Lender” means, subject to Section 2.19(b), any Lender that (a) has failed to (i) fund all or any portion of its Advances within two Business Days of the date such Advances were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two Business Days of the date when due, (b) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund an Advance hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity, (iii) become an Embargoed Lender or (iv) become the subject of a Bail-In Action; provided that for the avoidance of doubt, a Lender shall not be a Defaulting Lender solely by virtue of (A) the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority or (B) in the case of a solvent Person, the precautionary appointment of an administrator, guardian or custodian or similar official by a Governmental Authority under or based on the Law of the country where such Person is organized if the applicable Law of such jurisdiction requires that such appointment not be publicly disclosed, in any such case, where such ownership or action, as applicable, does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding as to such Lender absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.19(b)) upon delivery of written notice of such determination to the Borrower and each Lender.

“Designated Jurisdiction” means any country, region or territory that is, or has a government that is, subject to comprehensive country-wide economic or financial sanctions or trade embargoes imposed, administered or enforced by any Person listed in the definition of “Sanction(s)”.

“Division” means the division of the assets, liabilities and/or obligations of a Person (the “Dividing Person”) among two or more Persons (whether pursuant to a “plan of division” or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

“Dollars” and the “\$” sign each means lawful currency of the United States.

“Domestic Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Domestic Lending Office” in its Administrative Questionnaire or in the Assignment and Acceptance, pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

“Domestic Subsidiary” means any Subsidiary of the Borrower substantially all the property of which is located, or substantially all of the business of which is carried on, within the United States (excluding its territories and possessions and Puerto Rico), provided, however, that the term shall not include any Subsidiary of the Borrower which (a) is engaged principally in the financing of operations outside of the United States or in leasing personal property or financing inventory, receivables or other property or (b) does not own a Principal Domestic Property.

“Early Opt-in Election” means, if the then-current Benchmark is LIBOR, the occurrence of:

(1) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) the joint election by the Administrative Agent and the Borrower to trigger a fallback from LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Assignee” means (a) a Lender; (b) an Affiliate of a Lender; (c) a commercial bank organized under the Laws of the United States, or any State thereof, and having total assets in excess of \$10,000,000,000; (d) a commercial bank organized under the Laws of any other country that is a member of the Organization for Economic Cooperation and Development or has concluded special lending arrangements with the International Monetary Fund associated with its General Arrangements to Borrow, or a political subdivision of any such country, and having total assets in excess of \$10,000,000,000, so long as such bank is acting through a branch or agency located in the country in which it is organized or another country that is described in this clause (d); and (e) any other Person approved by the Administrative Agent and, so long as no Event of Default has occurred and is continuing, by the Borrower, such approval not to be unreasonably withheld or delayed; provided, however, that no Defaulting Lender (or Person who would be a Defaulting Lender upon becoming a Lender) nor the Borrower nor any Affiliate of the Borrower shall qualify as an Eligible Assignee.

“Embargoed Lender” means any Lender (a) that is the subject of any Sanctions or (b) that is located, organized or resident in any Designated Jurisdiction.

“Environmental Action” means any action, suit, demand, demand letter, claim, notice of noncompliance or violation, notice of liability or potential liability, investigation, proceeding, consent order or consent agreement relating in any way to any Environmental Law, Environmental Permit or Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment, including, without limitation, (a) by any governmental or regulatory authority for enforcement, cleanup, removal, response, remedial or other actions or damages and (b) by any governmental or regulatory authority or any third party for damages, contribution, indemnification, cost recovery, compensation or injunctive relief.

“Environmental Law” means any federal, state, local or foreign statute, Law, ordinance, rule, regulation, code, order, judgment, decree or judicial or agency interpretation, policy or guidance relating to pollution or protection of the environment, health, safety or natural resources, including, without limitation, those relating to the use, handling, transportation, treatment, storage, disposal, release or discharge of Hazardous Materials.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower or any of its Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling,

transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Environmental Permit” means any permit, approval, identification number, license or other authorization required under any Environmental Law.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

“ERISA Affiliate” means any Person that for purposes of Title IV of ERISA is a member of the Borrower’s controlled group, or under common control with the Borrower, within the meaning of Section 414 of the Internal Revenue Code.

“ERISA Event” means:

(a) (i) the occurrence of a reportable event, within the meaning of Section 4043 of ERISA, with respect to any Plan unless the 30-day notice requirement with respect to such event has been waived by the PBGC, or (ii) the requirements of subsection (1) of Section 4043(b) of ERISA (without regard to subsection (2) of such Section) are being met with a contributing sponsor, as defined in Section 4001(a) (13) of ERISA, of a Plan, and an event described in paragraph (9), (10), (11), (12) or (13) of Section 4043(c) of ERISA is reasonably expected to occur with respect to such Plan within the following 30 days;

(b) the application for a minimum funding waiver with respect to a Plan;

(c) the provision by the administrator of any Plan of a notice of intent to terminate such Plan pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA);

(d) the cessation of operations at a facility of the Borrower or any ERISA Affiliate in the circumstances described in Section 4062(e) of ERISA;

(e) the withdrawal by the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA;

(f) the conditions for the imposition of a lien under Section 303(k) of ERISA shall have been met with respect to any Plan; or

(g) the institution by the PBGC of proceedings to terminate a Plan pursuant to Section 4042 of ERISA, or the occurrence of any event or condition described in Section 4042 of ERISA that could constitute grounds for the termination of, or the appointment of a trustee to administer, a Plan.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Eurocurrency Liabilities” has the meaning specified in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

“Eurodollar Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Eurodollar Lending Office” in its Administrative Questionnaire or in the Assignment and Acceptance pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office, branch, subsidiary or affiliate of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

“Eurodollar Rate” means,

(a) for any Interest Period with respect to a Eurodollar Rate Advance, the rate per annum equal to the London Interbank Offered Rate (“LIBOR”) as published on the applicable Bloomberg screen page (or other comparable commercially available source providing quotations of LIBOR as may be designated by the Administrative Agent from time to time), at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period (the “Screen Rate”);

(b) for any interest rate calculation with respect to a Base Rate Advance on any date, the rate per annum equal to LIBOR, at approximately 11:00 a.m., London time determined two Business Days prior to such date for Dollar deposits being delivered in the London interbank market for a term of one month commencing that date; and

(c) if the Eurodollar Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

“Eurodollar Rate Advance” means an Advance denominated in Dollars that bears interest as provided in Section 2.07(a)(ii).

“Events of Default” has the meaning specified in Section 6.01.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to any Lender or the Administrative Agent or required to be withheld or deducted from a payment to any Lender or the Administrative Agent: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Lender or the Administrative Agent being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender pursuant to a law in effect on the date such Lender becomes a party to this Agreement (or designates a new Applicable Lending Office), except to the extent that such Lender (or its assignor, if any)

was entitled, on the date of designation of a new Applicable Lending Office (or assignment), to receive additional amounts from the Borrower with respect to such withholding Tax pursuant to Section 2.14(a)(ii) or Section 2.14(c), (c) Taxes attributable to a failure by such Lender or the Administrative Agent to comply with Section 2.14(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

“Existing Commitment Termination Date” has the meaning specified in Section 2.05(e).

“Extension Date” has the meaning specified in Section 2.05(d).

“FATCA” means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code, any published intergovernmental agreement entered into in connection with the implementation of such Sections of the Internal Revenue Code and any fiscal or regulatory legislation adopted pursuant to such published intergovernmental agreements.

“Federal Funds Effective Rate” means, for any day, the rate calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions, as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time, and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the effective federal funds rate; provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Federal Funds Rate” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “Federal Funds Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Fee Letter” means the Fee Letter dated as of October 21, 2020 among the Borrower, the Arrangers and the Administrative Agent.

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Eurodollar Rate.

“Foreign Lender” means a Lender that is not a U.S. Person.

“Funded Debt” means Debt of the Borrower (other than Debt in respect of the Advances or Debt subordinated in right of payment to the Advances) or Debt of any wholly-owned Domestic Subsidiary, for money borrowed, having a stated maturity of more than 12 months from the date of application of sale/leaseback proceeds or which is extendible at the option of the obligor thereon to a date more than 12 months from the date of such application.

“GAAP” has the meaning specified in Section 1.03.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Hazardous Materials” means (a) petroleum and petroleum products, byproducts or breakdown products, radioactive materials, asbestos-containing materials, polychlorinated biphenyls and radon gas and (b) any other chemicals, materials or substances designated, classified or regulated as “hazardous” or “toxic” or as a “pollutant” or “contaminant” under any Environmental Law.

“Hedge Agreements” means interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other similar agreements.

“Increase Effective Date” has the meaning specified in Section 2.05(c).

“Increasing Lender” has the meaning specified in Section 2.05(c).

“Indemnified Party” has the meaning specified in Section 8.04(b).

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Information” has the meaning specified in Section 8.08.

“Information Memorandum” means the information memorandum dated October 2020 used by the Arrangers in connection with the syndication of the Commitments.

“Initial Lenders” has the meaning specified in the definition of “Lenders”.

“Interest Election Request” means a request by the Borrower to Convert or continue a Borrowing in accordance with Section 2.09.

“Interest Period” means, for each Eurodollar Rate Advance comprising part of the same Borrowing, the period commencing on the date of such Eurodollar Rate Advance or the date of the continuation of, or Conversion of any Base Rate Advance into, such Eurodollar Rate Advance and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one, two, three or six months, as the Borrower may, upon notice received by the Administrative Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the first day of such Interest Period (or in any case at such later time as the Administrative Agent, in its reasonable discretion, may agree to), select; provided, however, that: (a) the Borrower may not select any Interest Period that ends after the latest then-effective Commitment Termination Date; (b) Interest Periods commencing on the same date for Eurodollar Rate Advances comprising part of the same Borrowing shall be of the same duration (it being understood that the Borrower shall be permitted to make multiple Borrowings consisting of Eurodollar Rate Advances on the same date, each of which may be of different durations); (c) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, provided, however, that, if such extension would cause the last day of such Interest Period to occur in the next succeeding calendar month, the last day of such Interest Period shall occur on the immediately preceding Business Day; and (d) whenever the first day of any Interest Period occurs on a day of an initial calendar month for which there is no numerically corresponding day in the calendar month that succeeds such initial calendar month by the number of months equal to the number of months in such Interest Period, such Interest Period shall end on the last Business Day of such succeeding calendar month.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and the rulings issued thereunder.

“IRS” means the United States Internal Revenue Service.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of Law.

“Lender Joinder Agreement” means a joinder agreement in a form reasonably satisfactory to the Administrative Agent delivered in connection with Section 2.05(c).

“Lenders” means, collectively, (a) each bank, financial institution and other institutional lender listed on the signature pages hereof (each, an “Initial Lender”) and (b) each Eligible Assignee that shall become a party hereto pursuant to Section 8.07(a), (b) and (c).

“Lien” means any lien, security interest or other charge or encumbrance of any kind, or any other type of preferential arrangement, including, without limitation, the lien or retained security title of a conditional vendor and any easement, right of way or other encumbrance on title to real property.

“Loan Documents” means this Agreement and any Lender Joinder Agreements, notes, security agreements or other documents entered into in connection herewith, each as amended, restated, supplemented, waived or otherwise modified from time to time.

“Material Adverse Effect” means a material adverse effect on (a) the financial condition or results of operations of the Borrower or the Borrower and its Subsidiaries taken as a whole, (b) the rights and remedies of the Administrative Agent or any Lender under this Agreement, taken as a whole, or (c) the ability of the Borrower to perform its obligations under this Agreement.

“Moody’s” means Moody’s Investors Service, Inc. (or any successor thereof).

“Multiemployer Plan” means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions.

“Multiple Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of the Borrower or any ERISA Affiliate and at least one Person other than the Borrower and the ERISA Affiliates or (b) was so maintained and in respect of which the Borrower or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

“Non-Defaulting Lender” means, at any time, a Lender that is not a Defaulting Lender.

“Notice of Borrowing” has the meaning specified in Section 2.02(a).

“NPL” means the National Priorities List under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time.

“OFAC” means the U.S. Treasury Department’s Office of Foreign Assets Control.

“Other Connection Taxes” means, with respect to any Lender or the Administrative Agent, Taxes imposed as a result of a present or former connection between such Lender or the Administrative Agent and the jurisdiction imposing such Tax (other than connections arising from such Lender or the Administrative Agent having executed, delivered, become

a party to, performed its obligations under, received payments under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Advance or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to the first parenthetical clause in Section 8.07(a)).

“Overnight Bank Funding Rate” means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the Federal Reserve Bank of New York as set forth on its public website from time to time, and published on the next succeeding Business Day by the Federal Reserve Bank of New York as an overnight bank funding rate.

“Participant Register” has the meaning specified in Section 8.07(e).

“Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56, signed into law October 26, 2001.

“PBGC” means the Pension Benefit Guaranty Corporation (or any successor thereto).

“Person” means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

“Plan” means a Single Employer Plan or a Multiple Employer Plan.

“Plan Asset Regulations” means 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA, as amended from time to time.

“Platform” has the meaning specified in Section 5.01(i).

“Principal Domestic Property” means any building, structure or other facility, together with the land upon which it is erected and fixtures comprising a part thereof, used primarily for manufacturing, processing, research, warehousing or distribution and located in the United States (excluding its territories and possessions and Puerto Rico) owned or leased by a member of the Consolidated Group the net book value of which on the date as of which the determination is being made exceeds 2% of Consolidated Net Assets, other than any such building structure or other facility or portion of any thereof (a) which is an air or water pollution control facility financed by obligations issued by a State or local governmental unit or (b) which the Chief Executive Officer, any President, the Chief Financial Officer, the Controller or the Treasurer of the Borrower determines in good faith

is not of material importance to the total business conducted, or assets owned, by the Consolidated Group taken as a whole.

“Proceeding” has the meaning specified in Section 8.04(b).

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Public Debt Rating” means, as of any date of determination, the rating as determined by S&P or Moody’s of the Borrower’s long-term unsecured senior debt; provided, that (a) if only one of S&P and Moody’s shall have in effect a Public Debt Rating, the Applicable Percentage and the Applicable Margin, as applicable, shall be determined by reference to the available Public Debt Rating; (b) if neither S&P nor Moody’s shall have in effect a Public Debt Rating, the Applicable Percentage and the Applicable Margin, as applicable, shall be set in accordance with Level VII of the definition of Applicable Percentage or Applicable Margin, as the case may be, until such time as either S&P or Moody’s shall have in effect a Public Debt Rating; (c) if the Public Debt Ratings established by S&P and Moody’s shall fall within different levels, the Applicable Percentage and the Applicable Margin, as applicable, shall be based upon the higher of such Public Debt Ratings, except that in the event that the lower of such Public Debt Ratings is more than one level below the higher of such Public Debt Ratings, the Applicable Percentage and the Applicable Margin, as applicable, shall be based upon the level immediately below the higher of such Public Debt Ratings; (d) if any Public Debt Rating established by S&P or Moody’s shall be changed, such change shall be effective as of the date on which such change is first announced publicly by the rating agency making such change and (e) if S&P or Moody’s shall change the basis on which Public Debt Ratings are established, each reference to the Public Debt Ratings announced by S&P or Moody’s, as the case may be, shall refer to the then equivalent rating by S&P or Moody’s, as the case may be.

“Reference Time” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is Eurodollar Rate, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not Eurodollar Rate, the time determined by the Administrative Agent in its reasonable discretion.

“Register” has the meaning specified in Section 8.07(d).

“Related Parties” means, with respect to any Person, such Person’s Affiliates, and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person’s Affiliates.

“Related Person” means, as to any Person, (a) any controlling Person, controlled Affiliate or Subsidiary of such Person, (b) the respective directors, officers or employees of such Person or any of its Subsidiaries, controlled Affiliates or controlling Persons and (c) the respective agents and advisors of such Person or any of its Subsidiaries, controlled Affiliates or controlling Persons.

“Relevant Governmental Body” means the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto.

“Removal Effective Date” has the meaning specified in Section 7.06(b).

“Required Lenders” means, at any time, Lenders holding more than 50% of the Commitments at such time or, if the Commitments have been terminated at such time pursuant to Section 2.05 or 6.01, Lenders owed more than 50% of the aggregate unpaid principal amount of the Advances owing to Lenders at such time; provided that the Commitment of, and the Advances held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

“Resignation Effective Date” has the meaning specified in Section 7.06(a).

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means the Chief Executive Officer, the Chief Financial Officer, the Treasurer, the Controller, any Assistant Treasurer, the Director, Capital Markets and Global Treasury Operations and the General Counsel of the Borrower (or other executive officer of the Borrower performing similar functions) or any other officer of the Borrower responsible for overseeing or reviewing compliance with this Agreement.

“Revised Percentage” has the meaning specified in Section 2.05(c).

“S&P” means S&P Global Ratings, a division of S&P Global Inc., or any successor to its rating agency business.

“Sale and Leaseback Transaction” has the meaning specified in Section 5.02(c).

“Sanction(s)” means any economic or trade sanction enacted, imposed, administered or enforced by the United States Government (including, without limitation, the U.S. Department of State and OFAC), the United Nations Security Council, the European Union, Her Majesty’s Treasury or other relevant sanctions authority in a jurisdiction material to the Borrower and its Subsidiaries taken as a whole.

“Screen Rate” has the meaning set forth in the definition of “Eurodollar Rate”.

“Significant Subsidiary” means any Subsidiary of the Borrower that constitutes a “significant subsidiary” under Regulation S-X promulgated by the Securities and Exchange Commission, as in effect from time to time.

“Single Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of the Borrower or any ERISA Affiliate and no Person other than the Borrower and the ERISA Affiliates or (b) was so maintained and in respect of which the Borrower or any ERISA Affiliate could

have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

“SOFR” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator’s Website on the immediately succeeding Business Day.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the Federal Reserve Bank of New York’s Website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“Subsidiary” means, with respect to any Person, any corporation, partnership, joint venture, limited liability company, trust or estate of which (or in which) more than 50% of (a) the issued and outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether at the time capital stock of any other class or classes of such corporation shall or might have voting power upon the occurrence of any contingency), (b) the interest in the capital or profits of such limited liability company, partnership or joint venture or (c) the beneficial interest in such trust or estate is at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries or by one or more of such Person’s other Subsidiaries.

“Syndication Agents” means Barclays Bank PLC, Bank of America, N.A., and Morgan Stanley Senior Funding, Inc.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other like charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term SOFR” means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“Term SOFR Notice” means a notification by the Administrative Agent to the Lenders and the Borrower of the occurrence of a Term SOFR Transition Event.

“Term SOFR Transition Event” means the determination by the Administrative Agent that (a) Term SOFR has been recommended for use by the Relevant Governmental Body, (b) the administration of Term SOFR is administratively feasible for the Administrative Agent and (c) a Benchmark Transition Event or an Early Opt-in Election, as applicable, has previously occurred resulting in a Benchmark Replacement in accordance with Section 2.18 that is not Term SOFR.

“Type” has the meaning specified in the definition of “Advance”.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“United States” and “U.S.” each means the United States of America.

“U.S. Person” means any Person that is a “United States person” as defined in Section 7701(a)(30) of the Internal Revenue Code.

“U.S. Tax Compliance Certificate” has the meaning specified in Section 2.14

“Voting Stock” means shares of capital stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right so to vote has been suspended by the happening of such a contingency.

“Withdrawal Liability” has the meaning specified in Part I of Subtitle E of Title IV of ERISA.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02 Computation of Time Periods. In this Agreement, in the computation of periods of time from a specified date to a later specified date, the word “from”

means “from and including”, the word “through” means “through and including” and each of the words “to” and “until” mean “to but excluding”.

SECTION 1.03 Accounting Terms; Interpretative Provisions. Except as otherwise expressly provided herein, all accounting terms not specifically defined herein shall be construed in accordance with, and all financial data (including financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, generally accepted accounting principles as in effect in the United States from time to time (“GAAP”). If at any time any change in GAAP would affect the calculation of any covenant set forth herein and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such covenant to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (a) such covenant shall continue to be calculated in accordance with GAAP prior to such change and (b) the Borrower shall provide to the Administrative Agent and the Lenders, concurrently with the delivery of any financial statements or reports with respect to such covenant, statements setting forth a reconciliation between calculations of such covenant made before and after giving effect to such change in GAAP.

SECTION 1.04 Interest Rates; LIBOR Notification. The interest rate on Eurodollar Rate Advances is determined by reference to LIBOR, which is derived from the London interbank offered rate. The London interbank offered rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. In July 2017, the U.K. Financial Conduct Authority announced that, after the end of 2021, it would no longer persuade or compel contributing banks to make rate submissions to the ICE Benchmark Administration (together with any successor to the ICE Benchmark Administrator, the “IBA”) for purposes of the IBA setting the London interbank offered rate. As a result, it is possible that commencing in 2022, the London interbank offered rate may no longer be available or may no longer be deemed an appropriate reference rate upon which to determine the interest rate on Eurodollar Rate Advances. In light of this eventuality, public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of the London interbank offered rate. Upon the occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, Section 2.18(a) and (b) provide the mechanism for determining an alternative rate of interest. The Administrative Agent will promptly notify the Borrower and the Lenders, pursuant to Section 2.18(d), of any change to the reference rate upon which the interest rate on Eurodollar Rate Advances is based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of “Eurodollar Rate” or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation, (i) any such alternative, successor or replacement rate implemented pursuant to Section 2.18(a) or (b), whether upon the occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, and (ii) the implementation of any Benchmark Replacement Conforming Changes pursuant to Section 2.18(c)), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the Eurodollar Rate or have the same volume or liquidity as did the London interbank offered rate prior to its discontinuance or unavailability.

SECTION 1.05 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws), if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person.

ARTICLE II

AMOUNTS AND TERMS OF THE ADVANCES

SECTION 2.01 The Advances. Each Lender severally agrees, on the terms and conditions hereinafter set forth, to make Advances to the Borrower from time to time on any Business Day during the period from the Closing Date until the Commitment Termination Date in an aggregate amount not to exceed at any time outstanding such Lender's Commitment. Each Borrowing shall be in an aggregate amount equal to the Borrowing Minimum or a Borrowing Multiple in excess thereof and shall consist of Advances of the same Type made on the same day by the Lenders ratably according to their respective Commitments. Within the limits of each Lender's Commitment, the Borrower may borrow under this Section 2.01, prepay pursuant to Section 2.10 and reborrow under this Section 2.01.

SECTION 2.02 Making the Advances.

(a) Each Borrowing shall be made on notice, given not later than (x) 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Borrowing (or at such later time as the Administrative Agent, in its reasonable discretion, may agree to) in the case of a Borrowing consisting of Eurodollar Rate Advances or (y) 11:00 A.M. (New York City time) on the date of the proposed Borrowing in the case of a Borrowing consisting of Base Rate Advances, by the Borrower to the Administrative Agent, which shall give to each Lender prompt notice thereof by telecopier or other electronic communication. Each notice of a Borrowing shall be by notice in substantially the form of Exhibit A hereto or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent) (a "Notice of Borrowing"), specifying therein the requested (i) date of such Borrowing (which shall be a Business Day), (ii) Type of Advances comprising such Borrowing, (iii) aggregate amount of such Borrowing, (iv) initial Interest Period for such Advance, if such Borrowing is to consist of Eurodollar Rate Advances and (v) account or accounts in which the proceeds of the Borrowing should be credited. Each Lender shall, before 1:00 P.M. (New York City time) on the date of such Borrowing make available for the account of its Applicable Lending Office to the Administrative Agent at the applicable Administrative Agent's Office, in same day funds, such Lender's ratable portion of such Borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Administrative Agent will make such funds available to the Borrower in immediately available funds to the account or accounts specified by the Borrower to the Administrative Agent in the Notice of Borrowing relating to the applicable Borrowing.

(b) Anything in Section 2.02(a) to the contrary notwithstanding, (i) the Borrower may not select Eurodollar Rate Advances for any Borrowing if the obligation of the

Lenders to make Eurodollar Rate Advances shall then be suspended pursuant to Section 2.08 or 2.12 and (ii) the Eurodollar Rate Advances may not be outstanding as part of more than ten separate Borrowings.

(c) Each Notice of Borrowing shall be irrevocable and binding on the Borrower. In the case of any Borrowing that the related Notice of Borrowing specifies is to be comprised of Eurodollar Rate Advances, the Borrower shall indemnify each Lender against any reasonable loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the date specified in such Notice of Borrowing for such Borrowing the applicable conditions set forth in Article III, including, without limitation, any reasonable loss (excluding loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Advance to be made by such Lender as part of such Borrowing when such Advance, as a result of such failure, is not made on such date.

(d) Unless the Administrative Agent shall have received notice from a Lender prior to the time of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's ratable portion of such Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the date of such Borrowing in accordance with Section 2.02(a) and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that any Lender shall not have so made such ratable portion available to the Administrative Agent, such Lender and the Borrower severally agree to pay or to repay to the Administrative Agent forthwith on demand such corresponding amount and to pay interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is paid or repaid to the Administrative Agent, at (i) in the case of the Borrower, the higher of (A) the interest rate applicable at the time to Advances comprising such Borrowing and (B) the cost of funds incurred by the Administrative Agent in respect of such amount and (ii) in the case of such Lender, the Federal Funds Rate. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender shall pay to the Administrative Agent such corresponding amount, such amount so paid shall constitute such Lender's Advance as part of such Borrowing for all purposes of this Agreement. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(e) The failure of any Lender to make the Advance to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Advance on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Advance to be made by such other Lender on the date of any Borrowing.

(f) If any Lender makes available to the Administrative Agent funds for any Advance to be made by such Lender as provided herein, and such funds are not made available to a Borrower by the Administrative Agent because the conditions to such Borrowing are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall promptly return such funds (in like funds as received from such Lender) to such Lender, without interest.

SECTION 2.03 [Reserved].

SECTION 2.04 Fees.

(a) Commitment Fee. The Borrower agrees to pay to the Administrative Agent, for the account of each Lender (other than a Defaulting Lender for such time as such Lender is a Defaulting Lender), a commitment fee on the actual daily amount of such Lender's unused Commitment at a rate per annum equal to the Applicable Percentage, payable in arrears quarterly on the last Business Day of each March, June, September and December, and on the Commitment Termination Date.

(b) Additional Fees. The Borrower shall pay to the Administrative Agent for its own account such fees as may from time to time be agreed between the Borrower and the Administrative Agent.

SECTION 2.05 Termination, Reduction or Increase of the Commitments; Extension of the Commitment Termination Date.

(a) Ratable Reduction or Termination. The Borrower shall have the right, upon at least three Business Days' notice to the Administrative Agent, to terminate in whole or permanently reduce ratably in part the unused portions of the respective Commitments of the Lenders; provided that each partial reduction shall be in an aggregate amount of \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof; provided, further, that the aggregate amount of the Commitments shall not be reduced to an amount that is less than the aggregate principal amount of Advances then outstanding; and provided, further, that any such notice may state that such notice is conditioned upon the effectiveness of other credit facilities or the consummation of a specific transaction, in which case such notice may be revoked by the Borrower if such condition is not satisfied.

(b) Defaulting Lender Commitment Reductions. The Borrower may terminate the unused amount of the Commitments of any Lender that is a Defaulting Lender upon not less than three Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders thereof), it being understood that notwithstanding such Commitment termination, the provisions of Section 2.19(c) will continue to apply to all amounts thereafter paid by the Borrower for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts); provided that such termination shall not be deemed to be a waiver or release of any claim the Borrower, the Administrative Agent or any Lender may have against such Defaulting Lender.

(c) Increase. The Borrower may, from time to time, by means of a notice delivered to the Administrative Agent, request that the aggregate amount of the Commitments be increased by (i) increasing the amount of the Commitment of one or more Lenders that have agreed (in their sole and individual discretion) to such increase (each an "Increasing Lender") and/or (ii) adding one or more Eligible Assignees as parties hereto (each an "Additional Lender") with Commitments in amounts agreed to by such Additional Lenders; provided that (A) any such increase shall be in an aggregate amount of \$50,000,000 or a higher integral multiple of \$5,000,000, (B) no Additional Lender shall be added as a party hereto without the written consent

of the Administrative Agent to the extent such consent would be required for an assignment to such Additional Lender pursuant to Section 8.07 (which consent shall not be unreasonably withheld, conditioned or delayed), (C) the aggregate Commitments after giving effect to any such increase shall not exceed \$7,000,000,000, and (D) as a condition precedent to such increase, the Borrower shall deliver to the Administrative Agent a certificate dated as of the Increase Effective Date (as defined below) signed by a Responsible Officer of the Borrower certifying that before and after giving effect to such increase (1) no Default has occurred and is continuing as of the date of such increase or would result from such increase and (2) each of the representations and warranties set forth in Section 4.01 are true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) as of the date of such increase, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) on and as of such earlier date; provided, that for purposes of this Section 2.05(c), the representations and warranties contained in Section 4.01(e) shall be deemed to refer to the most recent statements furnished pursuant to Section 5.01(i)(i) and 5.01(i)(ii). Any such increase in Commitments shall be effected pursuant to one or more Lender Joinder Agreements executed and delivered by the Borrower, the Administrative Agent and the Increasing Lenders and/or Additional Lenders, as applicable (the date on which such Lender Joinder Agreement(s) are delivered, the “Increase Effective Date”). The Lender Joinder Agreement(s) may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate in the opinion of the Administrative Agent, to effect the provisions of this Section 2.05(c). On the Increase Effective Date, (x) each Lender shall advance funds required (if any) to cause all outstanding Advances and unused Commitments to be held on a pro rata basis in accordance with the respective Commitments of each Lender after giving effect to such increase (for each Lender, its “Revised Percentage”) and (y) the Administrative Agent shall use any funds so received to repay the Advances of each Lender to the extent required so that such Lender has its Revised Percentage of all outstanding Advances (it being understood that the Borrower shall be responsible for any break funding payments owing pursuant to Section 8.04(c) resulting from such repayments). The Administrative Agent shall promptly notify the Borrower and the Lenders of any increase in the amount of the Commitments pursuant to this Section 2.05(c) and of the amount of the Commitment of each Lender after giving effect thereto.

(d) Extension of the Facility. The Borrower may, by written notice to the Administrative Agent (which shall promptly deliver a copy to each Lender) not more than 60 days and not less than 30 days prior to the proposed date of effectiveness of an extension (an “Extension Date”), request that the Lenders extend the Commitment Termination Date for an additional period of one year from the applicable Commitment Termination Date then in effect hereunder (the then “Existing Commitment Termination Date”), provided that in no event shall the Commitment Termination Date be extended beyond (i) the fifth anniversary of the effective date of the Extension Date and (ii) the seventh anniversary of the Closing Date. Each Lender shall, by notice to the Borrower and the Administrative Agent given not more than 15 days (or such other date specified by the Borrower in such written notice or any supplement thereto) after such written notice is delivered to the Administrative Agent, advise the Borrower whether or not it agrees to

the requested extension (each Lender agreeing to a requested extension being called a “Consenting Lender” and each Lender declining to agree to a requested extension being called a “Declining Lender”). Any Lender that has not so advised the Borrower and the Administrative Agent by such day shall be deemed to have declined to agree to such extension and shall be a Declining Lender (unless such Lender subsequently agrees to such requested extension and the Borrower elects in its sole discretion to treat such Lender as a Consenting Lender). If Lenders constituting the Required Lenders shall have agreed to a Commitment Termination Date extension request, then the Commitment Termination Date shall, as to the Consenting Lenders and any Lender replacing a Declining Lender, be extended effective as of the Extension Date to the date that is one year after the then Existing Commitment Termination Date. The decision to agree or withhold agreement to any Commitment Termination Date extension request shall be at the sole discretion of each Lender. The Commitment of each Declining Lender shall terminate on the Existing Commitment Termination Date applicable to such Declining Lender. The principal amount of any outstanding Advances made by Declining Lenders, together with any accrued interest thereon and any accrued fees and other amounts payable to or for the account of such Declining Lenders hereunder, shall be due and payable on the Existing Commitment Termination Date applicable to such Declining Lender.

Notwithstanding the foregoing provisions of this subsection, the Borrower shall have the right, at any time prior to any Existing Commitment Termination Date applicable to any Declining Lender, to require such Declining Lender to assign and delegate its interests, rights and obligations under this Agreement pursuant to Section 8.07 to a Lender or (solely to the extent such consent would be required for an assignment pursuant to Section 8.07, subject to the consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed)) other Eligible Assignee, that agrees to a Commitment Termination Date extension with respect to such Existing Commitment Termination Date and executes and delivers to the Administrative Agent an appropriate Assignment and Acceptance. Any such assignee shall for all purposes hereunder constitute a Consenting Lender with respect to the applicable Commitment Termination Date extension request. Notwithstanding the foregoing, no extension of the Commitment Termination Date pursuant to this subsection shall become effective unless the Borrower shall have delivered to the Administrative Agent a certificate dated as of the Extension Date signed by a Responsible Officer of the Borrower certifying that before and after giving effect to such extension (A) no Default has occurred and is continuing as of the Extension Date or would result from such extension and (B) each of the representations and warranties set forth in Section 4.01 are true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) as of the Extension Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) on and as of such earlier date; provided, that for purposes of this Section 2.05(d), the representations and warranties contained in Section 4.01(e) shall be deemed to refer to the most recent statements furnished pursuant to Section 5.01(i)(i) and 5.01(i)(ii). The Borrower may extend the Commitment Termination Date up to two times under this Section 2.05(d).

SECTION 2.06 Repayment of Advances. The Borrower shall repay to the Administrative Agent, for the account of each Lender on the Commitment Termination Date

applicable to such Lender, the aggregate principal amount of all Advances owing to such Lender outstanding on such date.

SECTION 2.07 Interest on Advances.

(a) Scheduled Interest. The Borrower shall pay interest on the unpaid principal amount of each Advance made to it from the date of such Advance until such principal amount shall be paid in full, at the following rates per annum:

(i) Base Rate Advances. During such periods as such Advance is a Base Rate Advance, a rate per annum equal at all times to the sum of (A) the Base Rate in effect from time to time and (B) the Applicable Margin, payable in arrears quarterly on the last Business Day of each March, June, September and December, during such periods and on the Commitment Termination Date applicable to any Lender.

(ii) Eurodollar Rate Advances. During such periods as such Advance is a Eurodollar Rate Advance, a rate per annum equal at all times during each Interest Period for such Advance to the sum of (A) the Eurodollar Rate for such Interest Period for such Advance, and (B) the Applicable Margin, payable in arrears on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day that occurs during such Interest Period every three months from the first day of such Interest Period and on the date such Eurodollar Rate Advance shall be Converted, continued or paid in full.

(b) Default Interest. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent shall, upon the request of the Required Lenders, require the Borrower to pay interest ("Default Interest"), which amount shall accrue as of the date of occurrence of the Event of Default, on (i) the unpaid principal amount of each Advance owing to each Lender, payable in arrears on the dates referred to in Section 2.07(a)(i) or 2.07(a)(ii), at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid on such Advance pursuant to Section 2.07(a)(i) or 2.07(a)(ii) and (ii) to the fullest extent permitted by Law, the amount of any interest, fee or other amount payable hereunder that is not paid when due, from the date such amount shall be due until such amount shall be paid in full, payable in arrears on the date such amount shall be paid in full and on demand, at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid on Base Rate Advances pursuant to Section 2.07(a)(i), provided, however, that following acceleration of the Advances pursuant to Section 6.01, Default Interest shall accrue and be payable hereunder whether or not previously required by the Administrative Agent.

SECTION 2.08 Interest Rate Determination.

(a) The Administrative Agent shall give prompt notice to the Borrower and the Lenders of the applicable interest rate determined by the Administrative Agent for purposes of Section 2.07(a)(i) or 2.07(a)(ii).

(b) If, with respect to any Eurodollar Rate Advances, the Required Lenders notify the Administrative Agent that (i) they are unable to obtain matching deposits in the London inter-bank market at or about 11:00 A.M. (London time) on the second Business Day before the

making of a Borrowing in sufficient amounts to fund their respective Advances as a part of such Borrowing during its Interest Period or (ii) the Eurodollar Rate for any Interest Period for such Advances will not adequately and fairly reflect the cost to the Required Lenders of making, funding or maintaining their respective Eurodollar Rate Advances for such Interest Period, the Administrative Agent shall forthwith so notify the Borrower and the Lenders, whereupon (A) the Borrower will, on the last day of the then existing Interest Period therefor, either (1) prepay such Advances or (2) Convert such Advances into Base Rate Advances and (B) the obligation of the Lenders to make, continue Eurodollar Rate Advances as, or to Convert Advances into, Eurodollar Rate Advances shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist.

(c) On the date on which the aggregate unpaid principal amount of Eurodollar Rate Advances comprising any Borrowing shall be reduced, by payment or prepayment or otherwise, to less than \$5,000,000, such Advances shall automatically Convert into Base Rate Advances.

(d) Upon the occurrence and during the continuance of any Event of Default, (i) each Eurodollar Rate Advance will automatically, on the last day of the then existing Interest Period therefor, be Converted into a Base Rate Advance (unless the Required Lenders otherwise consent) and (ii) the obligation of the Lenders to make, continue Eurodollar Rate Advances as, or to Convert Advances into, Eurodollar Rate Advances shall be suspended.

SECTION 2.09 Interest Elections.

(a) Each Borrowing initially shall be of the Type specified in the applicable Notice of Borrowing and, in the case of a Eurodollar Rate Advance, shall have an initial Interest Period as specified in such Notice of Borrowing. Thereafter, the Borrower may elect to Convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurodollar Rate Advance, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Advances comprising such Borrowing, and the Advances comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election by delivering to the Administrative Agent an Interest Election Request by the time that a Notice of Borrowing would be required under Section 2.02 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election.

(c) Each Interest Election Request shall specify the following information:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to consist of Base Rate Advances or Eurodollar Rate Advances; and

(iv) if the resulting Borrowing is to consist of Eurodollar Rate Advances, the Interest Period to be applicable thereto (which Interest Period shall be a period contemplated by the definition of the term "Interest Period").

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

If the Borrower requests a Borrowing of Eurodollar Rate Advances but does not specify an Interest Period or fails to deliver a timely Interest Election Request with respect to a Borrowing consisting of Eurodollar Rate Advances prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein or Section 2.08(d) is applicable thereto, at the end of such Interest Period, such Borrowing shall automatically continue as a Borrowing consisting of Eurodollar Rate Advances with an Interest Period of one month unless such Borrowing is or was repaid in accordance with Section 2.10.

SECTION 2.10 Optional Prepayments of Advances. The Borrower may, upon notice to the Administrative Agent stating the proposed date and aggregate principal amount of the proposed prepayment, given not later than 11:00 A.M. (New York City time) on the date (which date shall be a Business Day) of such proposed prepayment, in the case of a Borrowing consisting of Base Rate Advances, and not later than 11:00 A.M. (New York City time) at least two Business Days prior to the date of such proposed prepayment, in the case of a Borrowing consisting of Eurodollar Rate Advances, and if such notice is given, the Borrower shall, prepay the outstanding principal amount of the Advances comprising part of the same Borrowing in whole or ratably in part, and in the case of any Borrowing consisting of Eurodollar Rate Advances, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (a) each partial prepayment shall be in an aggregate principal amount of the Borrowing Minimum or a Borrowing Multiple in excess thereof and (b) if any prepayment of a Eurodollar Rate Advance is made on a date other than the last day of an Interest Period for such Eurodollar Rate Advance, the Borrower shall also pay any amount owing pursuant to Section 8.04(c); and provided, further, that, subject to clause (b) of the immediately preceding proviso, any such notice may state that such notice is conditioned upon the effectiveness of other credit facilities or the consummation of a specific transaction, in which case such notice may be revoked by the Borrower if such condition is not satisfied.

SECTION 2.11 Increased Costs; Reserves on Eurodollar Rate Loans.

(a) If, due to either (i) the introduction of or any change in or in the interpretation of any Law or regulation or (ii) the compliance with any directive, guideline or request from any central bank or other Governmental Authority including, without limitation, any agency of the European Union or similar monetary or multinational authority (whether or not

having the force of Law), in each case after the date hereof (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), there shall be any increase in the cost to any Lender of agreeing to make or making, funding or maintaining Eurodollar Rate Advances (excluding for purposes of this Section 2.11 any such increased costs resulting from (A) Taxes as to which such Lender is indemnified under Section 2.14, (B) Excluded Taxes and (C) Other Taxes), and such Lender is generally charging, or intends to generally charge, such amounts to its customers that are similarly situated to the Borrower and with similar credit facilities, to the extent such Lender has the right under such similar credit facilities to do so (but such Lender shall not be required to disclose any confidential or proprietary information), then the Borrower shall from time to time, upon demand by such Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender additional amounts sufficient to compensate such Lender for such increased cost. A certificate as to such increased cost submitted to the Borrower and the Administrative Agent by such Lender shall be conclusive and binding for all purposes, absent demonstrable error.

(b) If any Lender determines that compliance with any Law or regulation or any directive, guideline or request from any central bank or other Governmental Authority including, without limitation, any agency of the European Union or similar monetary or multinational authority (whether or not having the force of Law), in each case promulgated or given after the date hereof (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), affects or would affect the amount of capital or liquidity required or expected to be maintained by such Lender or any corporation controlling such Lender and that the amount of such capital or liquidity is increased by or based upon the existence of such Lender's commitment to lend hereunder and other commitments of this type, and such Lender is generally charging, or intends to generally charge, such amounts to its customers that are similarly situated to the Borrower and with similar credit facilities, to the extent such Lender has the right under such similar credit facilities to do so (but such Lender shall not be required to disclose any confidential or proprietary information), the Borrower shall, from time to time upon demand by such Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender, additional amounts sufficient to compensate such Lender or such corporation in the light of such circumstances, to the extent that such Lender reasonably determines such increase in capital or liquidity to be allocable to the existence of such Lender's commitment to lend hereunder. A certificate as to such amounts submitted to the Borrower and the Administrative Agent by such Lender shall be conclusive and binding for all purposes, absent demonstrable error.

(c) Notwithstanding anything in this Section 2.11 to the contrary, for purposes of this Section 2.11, (i) the Dodd Frank Wall Street Reform and Consumer Protection Act and the rules and regulations issued thereunder or in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines and directions promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any similar or successor agency, or the United States or foreign regulatory authorities, in each case, pursuant to Basel III) shall be deemed to have been enacted following the date hereof (or with respect to any Lender, if later, the date on which such Lender becomes a Lender).

(d) The Borrower shall pay to each Lender, as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including

Eurocurrency funds or deposits (currently known as Eurocurrency Liabilities), additional interest on the unpaid principal amount of each Eurodollar Rate Advance equal to the actual costs of such reserves allocated to such Advance by such Lender (as determined by such Lender in good faith, which determination shall be conclusive and binding absent demonstrable error), which shall be due and payable on each date on which interest is payable on such Advance, provided the Borrower shall have received at least 10 days' prior notice (with a copy to the Administrative Agent) of such additional interest from such Lender. If a Lender fails to give notice 10 days prior to the relevant interest payment date, but such Lender gives notice within 30 days after such interest payment date, such additional interest shall be due and payable 10 days from receipt of such notice.

SECTION 2.12 Illegality. Notwithstanding any other provision of this Agreement, (a) if any Lender shall notify the Administrative Agent that the introduction of or any change in or in the interpretation of any Law or regulation makes it unlawful, or any central bank or other Governmental Authority, including without limitation, any agency of the European Union or similar monetary or multinational authority, asserts that it is unlawful, for such Lender or its Eurodollar Lending Office to perform its obligations hereunder to make Eurodollar Rate Advances or to fund or maintain Eurodollar Rate Advances hereunder, (i) each Eurodollar Rate Advance of such Lender will automatically, upon such notification, be Converted into a Base Rate Advance, (ii) the obligation of such Lender to make Eurodollar Rate Advances or to Convert Advances into Eurodollar Rate Advances shall be suspended until the Administrative Agent shall notify the Borrower and such Lender that the circumstances causing such suspension no longer exist and (iii) the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar Rate component thereof and (b) if Lenders constituting the Required Lenders so notify the Administrative Agent, (i) each Eurodollar Rate Advance of each Lender will automatically, upon such notification, Convert into a Base Rate Advance, (ii) the obligation of each Lender to make Eurodollar Rate Advances or to Convert Advances into, or to continue Eurodollar Rate Advances as, Eurodollar Rate Advances shall be suspended until the Administrative Agent shall notify the Borrower and each Lender that the circumstances causing such suspension no longer exist and (iii) the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to each Lender without reference to the Eurodollar Rate component thereof.

SECTION 2.13 Payments and Computations.

(a) The Borrower shall make each payment required to be made by it under this Agreement not later than 11:00 A.M. (New York City time) on the day when due in Dollars to the Administrative Agent at the applicable Administrative Agent's Office in same day funds. The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or commitment fees ratably (other than amounts payable pursuant to Section 2.02(c), 2.11, 2.12(a), 2.14, 2.15 or 8.04(c)) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Acceptance and recording of the information contained therein in the Register pursuant to Section 8.07(c), from and after the effective date specified in such Assignment and Acceptance, the Administrative Agent shall make all payments hereunder in respect of the interest assigned thereby to the assignor for amounts which have accrued to but excluding the effective

date of such assignment and to the assignee for amounts which have accrued from and after the effective date of such assignment. All payments to be made by the Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff.

(b) The Borrower hereby authorizes each Lender, if and to the extent payment owed to such Lender is not made when due hereunder, to charge from time to time against any or all of the Borrower's accounts with such Lender any amount so due.

(c) All computations of interest based on the Base Rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate (other than determinations of the Base Rate made at any time by reference to the Federal Funds Rate) and of commitment fees shall be made by the Administrative Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or such fees are payable. Each determination by the Administrative Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent demonstrable error.

(d) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commitment fee, as the case may be; provided, however, that, if such extension would cause payment of interest on or principal of Eurodollar Rate Advances to be made in the next following calendar month, such payment shall be made on the immediately preceding Business Day.

(e) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Lenders hereunder that the Borrower will not make such payment in full, the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Administrative Agent, each Lender shall repay to the Administrative Agent, following prompt notice thereof, forthwith on demand such amount distributed to such Lender, together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent, at the Federal Funds Rate.

SECTION 2.14 Taxes.

(a) Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws require the deduction or withholding of any Tax from any such payment by the Administrative Agent or the Borrower, then the Administrative Agent or the Borrower shall be entitled to make such

deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the Borrower or the Administrative Agent shall be required by any applicable Laws to withhold or deduct any Taxes from any payment, then (A) the Borrower or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Borrower or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 2.14) the Lender (or, as applicable, the Administrative Agent) receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes. Without limiting the provisions of subsection (a) above, the Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications. (i) The Borrower shall, and does hereby, indemnify each Lender and the Administrative Agent, and shall make payment in respect thereof within 30 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.14) payable or paid by such Lender or the Administrative Agent or required to be withheld or deducted from a payment to such Lender and the Administrative Agent, and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(ii) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower have not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (y) the Administrative Agent against any Taxes attributable to such Lender's failure to comply with the provisions of Section 8.07(e) relating to the maintenance of a Participant Register and (z) the Administrative Agent against any Excluded Taxes attributable to such Lender that are payable or paid by the Administrative Agent or the Borrower in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent

manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower or by the Administrative Agent to a Governmental Authority as provided in this Section 2.14, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 2.14(e)(ii)(A), 2.14(e)(ii)(B) and 2.14(e)(ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter

upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

- (I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;
 - (II) executed originals of IRS Form W-8ECI;
 - (III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit C-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a “10 percent shareholder” of any of the Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Internal Revenue Code (a “U.S. Tax Compliance Certificate”) and (y) executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable); or
 - (IV) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit C-2 or Exhibit C-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit C-4 on behalf of each such direct and indirect partner;
- (C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of any other form prescribed by applicable law as a basis for claiming

exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 2.14 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Lender or the Administrative Agent determines, in its sole discretion, that it has received a refund of any Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.14, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.14 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Lender or the Administrative Agent, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Borrower, upon the request of such Lender or the Administrative Agent, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Lender or the Administrative Agent in the event such Lender or the Administrative Agent is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Lender or the Administrative Agent be required to pay any amount to the Borrower pursuant to this subsection the payment of which would place such Lender or the Administrative Agent in a less favorable net after-Tax position than it would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to

require any Lender or the Administrative Agent to make available its Tax returns to the Borrower or any other Person.

SECTION 2.15 Sharing of Payments, Etc. Subject to Section 2.19 in the case of a Defaulting Lender, if any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) on account of the Advances owing to it (other than pursuant to Section 2.02(c), 2.11, 2.12(a), 2.14 or 8.04(c)) in excess of its ratable share of payments on account of the Advances obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the Advances owing to them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (a) the amount of such Lender's required repayment to (b) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.15 may, to the fullest extent permitted by Law, exercise all its rights of payment (including the right of setoff) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

SECTION 2.16 Use of Proceeds. The proceeds of the Advances shall be available, and the Borrower agrees that it shall use such proceeds, solely for general corporate purposes of the Borrower and its Subsidiaries.

SECTION 2.17 Evidence of Debt.

(a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Advance owing to such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder in respect of Advances.

(b) The Register maintained by the Administrative Agent pursuant to Section 8.07(d) shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date and amount of each Borrowing made hereunder, the Type of Advances comprising such Borrowing and, if appropriate, the Interest Period applicable thereto, (ii) the terms of each Assignment and Acceptance delivered to and accepted by it, (iii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iv) the amount of any sum received by the Administrative Agent from the Borrower hereunder and each Lender's share thereof.

(c) Entries made reasonably and in good faith by the Administrative Agent in the Register pursuant to subsection 2.17(b) above, and by each Lender in its account or accounts pursuant to subsection 2.17(a) above, shall be *prima facie* evidence of the amount of principal and interest due and payable or to become due and payable from the Borrower to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement, absent manifest error; provided, however, that the failure of the Administrative Agent

or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such account or accounts shall not limit, expand or otherwise affect the obligations of the Borrower under this Agreement.

(d) Upon the request of any Lender made through the Administrative Agent, the Borrower shall prepare, execute and deliver to such Lender a promissory note of the Borrower payable to such Lender, substantially in the form of any promissory note delivered to any Lender on the Closing Date pursuant to Section 3.01(j) (or such other form reasonably approved by the Administrative Agent), which promissory note shall, in addition to the Register, evidence such Lender's Advances.

SECTION 2.18 Alternate Rate of Interest(a)

(a) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document and subject to the proviso below in this paragraph, if a Term SOFR Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; provided that, this clause (b) shall not be effective unless the Administrative Agent has delivered to the Lenders and the Borrower a Term SOFR Notice. For the avoidance of doubt, the Administrative Agent shall not be required to deliver a Term SOFR Notice after a Term SOFR Transition Event and may do so in its sole discretion.

(c) In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes

will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(d) The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (e) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.18, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.18.

(e) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or LIBOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of “Interest Period” for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Interest Period” for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Eurodollar Rate Advances to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Advances. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of Base Rate.

SECTION 2.19 Defaulting Lenders.

(a) Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such

Lender is a Defaulting Lender (it being understood that the determination of whether a Lender is no longer a Defaulting Lender shall be made as described in Section 2.19(b)):

(i) such Defaulting Lender will not be entitled to any fees accruing during such period pursuant to Section 2.04(a);

(ii) to the fullest extent permitted by applicable Law, such Lender will not be entitled to vote in respect of amendments and waivers hereunder, and the Commitment and the outstanding Advances of such Lender hereunder will not be taken into account in determining whether the Required Lenders or all of the Lenders, as required, have approved any such amendment or waiver (and the definition of "Required Lenders" will automatically be deemed modified accordingly for the duration of such period); provided that any such amendment or waiver that would increase or extend the term of the Commitment of such Defaulting Lender, extend the date fixed for the payment of principal or interest owing to such Defaulting Lender hereunder, reduce the principal amount of any obligation owing to such Defaulting Lender, reduce the amount of or the rate or amount of interest on any amount owing to such Defaulting Lender or of any fee payable to such Defaulting Lender hereunder, or alter the terms of this proviso, will require the consent of such Defaulting Lender; and

(iii) the Borrower may, at its sole expense and effort, require such Defaulting Lender to assign and delegate its interests, rights and obligations under this Agreement pursuant to Section 8.07.

(b) If the Borrower and the Administrative Agent agree in writing in their sole discretion that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, such Lender will, to the extent applicable, purchase at par such portion of outstanding Advances of the other Lenders and/or make such other adjustments as the Administrative Agent may determine to be necessary to cause the Advances and unused Commitments to be on a *pro rata* basis in accordance with their respective Commitments, whereupon such Lender will cease to be a Defaulting Lender and will be a Non-Defaulting Lender; provided, that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while such Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

(c) Any payment of principal, interest, fees or other amounts received by the Administrative Agent hereunder for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 6.01 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 8.05 shall be applied at such time or times as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second* as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Advance in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as reasonably determined by the Administrative Agent; *third*, as the Borrower may request, to be held in a deposit account and

released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Advances under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction.

Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or otherwise pursuant to this Section 2.19(c) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

SECTION 2.20 Mitigation.

(a) Each Lender shall promptly notify the Borrower and the Administrative Agent of any event of which it has knowledge that will result in, and will use reasonable commercial efforts available to it (and not, in such Lender's good faith judgment, otherwise disadvantageous to such Lender) to mitigate or avoid, (i) any obligation by the Borrower to pay any amount pursuant to Sections 2.11 or 2.14 or (ii) the occurrence of any circumstance described in Section 2.12 (and, if any Lender has given notice of any such event described in clause (i) or (ii) above and thereafter such event ceases to exist, such Lender shall promptly so notify the Borrower and the Administrative Agent). In furtherance of the foregoing, each Lender will designate a different Applicable Lending Office if such designation will avoid (or reduce the cost to the Borrower of) any event described in clause (i) or (ii) of the preceding sentence and such designation will not, in such Lender's good faith judgment, be otherwise disadvantageous to such Lender.

(b) Failure or delay on the part of any Lender to demand compensation pursuant to Sections 2.11 or 2.14 shall not constitute a waiver of such Lender's right to demand such compensation; provided that, notwithstanding any other provision of this Agreement, if any Lender fails to notify the Borrower of any event or circumstance which will entitle such Lender to compensation pursuant to Sections 2.11 or 2.14 within 180 days after such Lender obtains knowledge of such event or circumstance, then such Lender shall not be entitled to compensation from the Borrower for any amount arising prior to the date which is 180 days before the date on which such Lender notifies the Borrower of such event or circumstance (except that, if the event or circumstance giving rise to such entitlement for compensation is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof).

ARTICLE III

CONDITIONS TO EFFECTIVENESS AND LENDING

SECTION 3.01 Conditions Precedent to Closing Date. This Agreement shall become effective on and as of the first date on which the following conditions precedent have been satisfied (or waived in accordance with Section 8.01):

(a) The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement and the other Loan Documents signed on behalf of such party or (ii) written evidence reasonably satisfactory to the Administrative Agent (which may include facsimile transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) Since December 31, 2019, there shall not have occurred any event or condition that has had or would be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect.

(c) All fees due to the Administrative Agent, the Arrangers and the Lenders shall have been paid, and all expenses of the Administrative Agent and the Arrangers that are required to be paid or reimbursed by the Borrower and that have been invoiced at least three Business Days prior to the Closing Date shall have been so paid or reimbursed.

(d) On the Closing Date, the following statements shall be true and the Administrative Agent shall have received a certificate of the Borrower, dated the Closing Date, stating that:

(i) Each of the representations and warranties set forth in Section 4.01 are true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects), on and as of the Closing Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) on and as of such earlier date; and

(ii) No event has occurred and is continuing, or shall occur as a result of the occurrence of the Closing Date, that constitutes a Default.

(e) The Administrative Agent shall have received on or before the Closing Date, each dated on or about such date:

(i) Certified copies of the resolutions or similar authorizing documentation of the governing body of the Borrower, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement;

(ii) A certificate of the Secretary or an Assistant Secretary of the Borrower certifying the names and true signatures of the officers of the Borrower authorized to sign this Agreement and the other documents to be delivered by it hereunder; and

(iii) A favorable opinion letter from Latham & Watkins LLP, as counsel to the Borrower, in the form agreed on or prior to the Closing Date.

(f) The 2018 Credit Agreement shall have been terminated in accordance with Section 8.15.

(g) To the extent requested by a Lender, delivery of executed promissory notes.

(h) To the extent requested by any Lender through the Administrative Agent in writing at least 10 Business Days prior to the Closing Date, the Borrower shall have provided the documentation and other information to the Administrative Agent that is required by regulatory authorities under applicable “know-your-customer” rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation, at least three Business Days prior to the Closing Date.

The Administrative Agent shall notify the Borrower and the Lenders of the Closing Date in writing promptly upon such conditions precedent being satisfied (or waived in accordance with Section 8.01), and such notice shall be conclusive and binding evidence of the occurrence thereof.

SECTION 3.02 Conditions Precedent to Each Borrowing. The obligation of each Lender to make an Advance on the occasion of each Borrowing (other than a Borrowing consisting only of a Conversion of Advances to the other Type, or a continuation of Eurodollar Rate Advances) shall be subject to the conditions precedent that the Closing Date shall have occurred and on the date of such Borrowing the following statements shall be true (and each of the giving of the applicable Notice of Borrowing and the acceptance by the Borrower of the proceeds of such Borrowing shall constitute a representation and warranty by the Borrower that on the date of such Borrowing such statements are true):

(a) Each of the representations and warranties set forth in Section 4.01 (other than the representations and warranties set forth in Section 4.01(f)(i)) are true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) as of such date, before and after giving effect to such Borrowing and the application of proceeds therefrom, as though made on and as of such date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) on and as of such earlier date, and

(b) no event has occurred and is continuing, or would result from such Borrowing or from the application of the proceeds therefrom, that constitutes a Default.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

SECTION 4.01 Representations and Warranties of the Borrower. The Borrower represents and warrants on the Closing Date, on the date of the making of each Advance, on any Increase Effective Date and on any Extension Date as follows (but with respect to the representations and warranties set forth in Section 4.01(f) (i), only on the Closing Date, any Increase Effective Date and any Extension Date):

(a) The Borrower is a corporation duly organized, validly existing and in good standing under the Laws of the jurisdiction of organization.

(b) The execution, delivery and performance by the Borrower of this Agreement and the other Loan Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, (i) are within the Borrower's corporate powers, (ii) have been duly authorized by all necessary corporate action, (iii) do not contravene (A) the Borrower's charter or by-laws or other organizational documents or (B) any Law, regulation or contractual restriction binding on or affecting the Borrower and (iv) will not result in or require the creation or imposition of any Lien upon or with respect to any of the properties of the Consolidated Group (other than Liens created or required to be created pursuant to the terms hereof), except, in the case of clause (iii)(B) and (iv), as would not be reasonably expected to have a Material Adverse Effect.

(c) No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body or, except as would not be reasonably expected to have a Material Adverse Effect, any other third party is required for the due execution, delivery and performance by the Borrower of this Agreement.

(d) This Agreement has been duly executed and delivered by the Borrower. This Agreement is the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as affected by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or at Law) and an implied covenant of good faith and fair dealing.

(e) The Consolidated balance sheet of the Borrower and its Subsidiaries as at December 31, 2019, and the related Consolidated statements of earnings and cash flows of the Borrower and its Subsidiaries for the fiscal year then ended, accompanied by an opinion of Ernst & Young LLP or other independent public accountants of recognized national standing, and the Consolidated balance sheet of the Borrower and its Subsidiaries as at September 30, 2020, and the related Consolidated statements of earnings and cash flows of the Borrower and its Subsidiaries for the nine months then ended, duly certified by the Executive Vice President, Finance and Chief Financial Officer of the Borrower, copies of which have been furnished to each Lender, fairly present, in all material respects, the Consolidated financial condition of the Borrower and its Subsidiaries as at such dates and the Consolidated results of the operations of the Borrower and its Subsidiaries for the

periods ended on such dates, all in accordance with GAAP (subject, in the case of the Consolidated balance sheet as at September 30, 2020 and the related statements of earnings and cash flows, to the absence of footnotes and year-end audit adjustments); provided that information referenced in this Section 4.01(e) shall be deemed to have been furnished if such information, or one or more annual or quarterly or other reports or proxy statements containing such information, shall have been posted and be available on the website of the Securities and Exchange Commission at <http://www.sec.gov>.

(f) As of the Closing Date (or, in the case that this representation and warranty is made on any Increase Effective Date or any Extension Date, as of such Increase Effective Date or Extension Date, as applicable), there is no action, suit, investigation, litigation or proceeding (including, without limitation, any Environmental Action), affecting the Consolidated Group pending or, to the knowledge of the Borrower, threatened before any court, governmental agency or arbitrator that would reasonably be expected to be adversely determined, and if so determined, (i) would reasonably be expected to have a material adverse effect on the financial condition or results of operations of the Consolidated Group taken as a whole (other than the litigation set forth on Schedule 4.01(f) attached hereto (or, in the case that this representation and warranty is made on any date after the date hereof, as set forth on a schedule delivered to the Administrative Agent on or prior to such date, as applicable)) or (ii) would adversely affect the legality, validity and enforceability of any material provision of this Agreement in any material respect.

(g) Following application of the proceeds of each Advance, not more than 25 percent of the value of the assets of the Borrower and of the Consolidated Group, on a Consolidated basis, subject to the provisions of Section 5.02(a) will be margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System).

(h) All written information (other than the projections, any forward-looking statements and information of a general economic or industry nature) concerning the Borrower, its Subsidiaries and the transactions contemplated hereby included in the Information Memorandum or otherwise prepared by the Borrower and its Subsidiaries and furnished to the Agents or the Lenders in connection with the negotiation of, or pursuant to the terms of, this Agreement when taken as a whole, was true and correct in all material respects as of the date when furnished by the Borrower and its subsidiaries to the Agents or the Lenders and did not, taken as a whole, when so furnished contain any untrue statement of a material fact as of any such date or omit to state a material fact necessary in order to make the statements contained therein, taken as a whole, not misleading in light of the circumstances under which such statements were made.

(i) No ERISA Event has occurred or is reasonably expected to occur with respect to any Plan which would reasonably be expected to have a Material Adverse Effect.

(j) As of the last annual actuarial valuation date prior to the Closing Date, the Abbott Laboratories Annuity Retirement Plan was not in at-risk status (as defined in Section 430(i)(4) of the Internal Revenue Code) and no other Plan subject to ERISA was in at-risk status (as defined in Section 430(i)(4) of the Internal Revenue Code), and since

such annual actuarial valuation date there has been no material adverse change in the funding status of any Plan subject to ERISA that would reasonably be expected to cause such Plan to be in at-risk status (as defined in Section 430(i)(4) of the Internal Revenue Code).

(k) Neither the Borrower nor any ERISA Affiliate (i) is reasonably expected to incur any Withdrawal Liability to any Multiemployer Plan or has incurred any such Withdrawal Liability that has not been satisfied in full or (ii) has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganization (within the meaning of Section 4241 of ERISA), insolvent (within the meaning of Section 4245 of ERISA) or has been determined to be in “endangered” or “critical” status (within the meaning of Section 432 of the Internal Revenue Code or Section 305 of ERISA), and no such Multiemployer Plan is reasonably expected to be in reorganization, insolvent or in “endangered” or “critical” status.

(l) (i) The operations and properties of the Consolidated Group comply in all respects with all applicable Environmental Laws and Environmental Permits except to the extent that the failure to so comply, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect; (ii) all past non-compliance with such Environmental Laws and Environmental Permits has been resolved without any ongoing obligations or costs except to the extent that such non-compliance, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect; and (iii) no circumstances exist that would be reasonably expected to (A) form the basis of an Environmental Action against a member of the Consolidated Group or any of its properties that, either individually or in the aggregate, would have a Material Adverse Effect or (B) cause any such property to be subject to any restrictions on ownership, occupancy, use or transferability under any Environmental Law that, either individually or in the aggregate, would have a Material Adverse Effect.

(m) (i) None of the properties currently or formerly owned or operated by a member of the Consolidated Group is listed or proposed for listing on the NPL or on the CERCLIS or any analogous foreign, state or local list or, to the best knowledge of the Borrower, is adjacent to any such property other than such properties of a member of the Consolidated Group that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect; (ii) there are no, and never have been any, underground or aboveground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed of on any property currently owned or operated by any member of the Consolidated Group or, to the best knowledge of the Borrower, on any property formerly owned or operated by a member of the Consolidated Group that, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect; (iii) there is no asbestos or asbestos-containing material on any property currently owned or operated by a member of the Consolidated Group that, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect; and (iv) Hazardous Materials have not been released, discharged or disposed of on any property currently or formerly owned or operated by a member of the Consolidated Group or, to the best knowledge of

the Borrower, on any adjoining property that, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(n) No member of the Consolidated Group is undertaking, and no member of the Consolidated Group has completed, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened release, discharge or disposal of Hazardous Materials at any site, location or operation, either voluntarily or pursuant to the order of any governmental or regulatory authority or the requirements of any Environmental Law that, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect; and all Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or formerly owned or operated by a member of the Consolidated Group have been disposed of in a manner that, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(o) No member of the Consolidated Group is an “investment company”, or an “affiliated person” of, or “promoter” or “principal underwriter” for, an “investment company” (each as defined in the Investment Company Act of 1940, as amended). Neither the making of any Advances nor the application of the proceeds or repayment thereof by the Borrower, nor the consummation of the other transactions contemplated hereby, will violate any provision of such Act or any rule, regulation or order of the Securities and Exchange Commission thereunder.

(p) The Advances and all related obligations of the Borrower under this Agreement rank *pari passu* with all other unsecured obligations of the Borrower that are not, by their terms, expressly subordinate to the obligations of the Borrower hereunder.

(q) The proceeds of the Advances will be used in accordance with Section 2.16.

(r) Neither the Borrower nor any of its Subsidiaries or, to the knowledge of senior management of the Borrower, any director, officer, employee or agent of the Borrower or any of its Subsidiaries is an individual or entity currently the subject of any Sanctions, and neither the Borrower nor any of its Subsidiaries is located, organized or resident in a Designated Jurisdiction in violation of any Sanctions; provided that if the Borrower or any Subsidiary is located, organized or resident in a jurisdiction that becomes a Designated Jurisdiction after the Closing Date, such Person shall not be included in this representation so long as (i) the Borrower is taking reasonable steps to either obtain appropriate licenses for transacting business in such country or territory or to cause such Person to no longer be located, be organized or be resident in such country or territory and (ii) such Person’s being located, organized or resident in such country or territory (A) will not result in any violation of Sanctions by any Lender, any Arranger or the Administrative Agent and (B) would not be reasonably expected to have Material Adverse Effect.

(s) The Borrower and its Subsidiaries (i) have conducted their businesses in compliance with applicable anti-corruption Laws, except to the extent that failure to so comply would not be reasonably expected to have Material Adverse Effect; and (ii) have

instituted and maintained policies and procedures reasonably designed to promote and achieve compliance with such Laws.

(t) As of the Closing Date, the information included in any Beneficial Ownership Certification (to the extent required to be provided) is true and correct in all respects.

ARTICLE V

COVENANTS OF THE BORROWER

SECTION 5.01 Affirmative Covenants. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower will:

(a) Compliance with Laws, Etc. Comply, and cause each of its Subsidiaries to comply, with all applicable Laws, rules, regulations and orders (such compliance to include, without limitation, compliance with ERISA and Environmental Laws), except to the extent that the failure to so comply, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(b) Payment of Taxes, Etc. Pay and discharge, or cause to be paid and discharged, before the same shall become delinquent, all Taxes imposed upon any member of the Consolidated Group except to the extent that (i) the amount, applicability or validity thereof is being contested in good faith and by proper proceedings or (ii) the failure to pay such Taxes, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(c) Maintenance of Insurance. Maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations (or pursuant to self-insurance arrangements) in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which any member of the Consolidated Group operates.

(d) Preservation of Existence, Etc. Do, or cause to be done, all things necessary to preserve and keep in full force and effect its (i) existence and (ii) rights (charter and statutory) and franchises; provided, however, that the Borrower may consummate any merger or consolidation permitted under Section 5.02(b); and provided, further, that the Borrower shall not be required to preserve any such right or franchise if the management of the Borrower shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Borrower and that the loss thereof is not disadvantageous in any material respect to the Lenders.

(e) Visitation Rights. At any reasonable time and from time to time during normal business hours, upon reasonable notice to the Borrower, permit the Administrative Agent or any of the Lenders, or any agents or representatives thereof, to examine and make copies of and abstracts from the records and books of account, and visit the properties, of

the Borrower, and to discuss the affairs, finances and accounts of the Borrower and/or any of its Subsidiaries with any of the members of the senior treasury staff of the Borrower.

(f) Keeping of Books. Keep, and cause each of its Subsidiaries to keep, proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Borrower and each such Subsidiary sufficient to permit the preparation of financial statements in accordance with GAAP.

(g) Maintenance of Properties, Etc. Cause all of its properties that are used or useful in the conduct of its business or the business of any of its Subsidiaries to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment, and cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Borrower may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times, except, in each case, where the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(h) Transactions with Affiliates. Conduct, and cause each of its Subsidiaries to conduct, all material transactions otherwise permitted under this Agreement with any of their Affiliates (excluding the members of the Consolidated Group) on terms that are fair and reasonable and no less favorable to the Borrower or such Subsidiary than it would obtain in a comparable arm's-length transaction with a Person not an Affiliate; provided that the provisions of this Section 5.01(h) shall not apply to the following:

(i) the payment of dividends or other distributions (whether in cash, securities or other property) with respect to any equity interests in a member of the Consolidated Group, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such equity interests in such Person or any option, warrant or other right to acquire any such equity interests in such Person;

(ii) payment of, or other consideration in respect of, compensation to, the making of loans to and payment of fees and expenses of and indemnities to officers, directors, employees or consultants of a member of the Consolidated Group and payment, or other consideration in respect of, directors' and officers' indemnities;

(iii) transactions pursuant to any agreement to which a member of the Consolidated Group is a party on the date hereof; or

(iv) transactions with joint ventures for the purchase or sale of property or other assets and services entered into in the ordinary course of business and in a manner consistent with past practices.

(i) Reporting Requirements. Furnish to the Administrative Agent for further distribution to the Lenders:

(i) as soon as available and in any event within 50 days after the end of each of the first three quarters of each fiscal year of the Borrower, a Consolidated balance sheet of the Consolidated Group as of the end of such quarter and Consolidated statements of earnings and cash flows of the Consolidated Group for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, duly certified by the Chief Financial Officer, the Controller or the Treasurer of the Borrower as having been prepared in accordance with GAAP (subject to the absence of footnotes and year end audit adjustments);

(ii) as soon as available and in any event within 100 days after the end of each fiscal year of the Borrower, a copy of the annual audit report for such year for the Consolidated Group, containing a Consolidated balance sheet of the Consolidated Group as of the end of such fiscal year and Consolidated statements of earnings and cash flows of the Consolidated Group for such fiscal year, in each case accompanied by an unqualified opinion or an opinion reasonably acceptable to the Required Lenders by Ernst & Young LLP or other independent public accountants of recognized national standing;

(iii) simultaneously with each delivery of the financial statements referred to in subclauses (i)(i) and (i)(ii) of this Section 5.01, a certificate of the Chief Financial Officer, the Controller or the Treasurer of the Borrower as to compliance with the terms of this Agreement and setting forth in reasonable detail the calculations necessary to demonstrate compliance with Section 5.03;

(iv) as soon as possible and in any event within five days after any Responsible Officer shall have obtained knowledge of the occurrence of each Default continuing on the date of such statement, a statement of the Chief Financial Officer, the Controller or the Treasurer of the Borrower setting forth details of such Default and the action that the Borrower has taken and proposes to take with respect thereto;

(v) promptly after the sending or filing thereof, copies of all reports that the Borrower sends to any of its securityholders, and copies of all reports and registration statements that members of the Consolidated Group file with the Securities and Exchange Commission or any national securities exchange;

(vi) promptly after a Responsible Officer obtains knowledge of the commencement thereof, notice of all actions, suits, investigations, litigations and proceedings before any court, governmental agency or arbitrator affecting the Consolidated Group of the type described in Section 4.01(f)(ii); and

(vii) such other information respecting the Consolidated Group as any Lender through the Administrative Agent may from time to time reasonably request.

Information required to be delivered pursuant to subsections (i), (ii) and (v) of this Section 5.01(i) shall be deemed to have been delivered if such information, or one

or more annual or quarterly or other reports or proxy statements containing such information, shall have been posted and be available on the website of the Securities and Exchange Commission at <http://www.sec.gov> (and a confirming electronic correspondence is delivered or caused to be delivered by the Borrower to the Administrative Agent providing notice of such availability). The Borrower hereby acknowledges that the Administrative Agent and/or the Arrangers will make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks or another similar secure electronic system (the "Platform").

(j) Anti-Corruption Laws. Maintain policies and procedures with respect to itself and its Subsidiaries reasonably designed to promote and achieve compliance with applicable anti-corruption Laws.

SECTION 5.02 Negative Covenants. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower will not:

(a) Liens, Etc. Incur, issue, assume or guarantee, or permit any Domestic Subsidiary to incur, issue, assume or guaranty, at any time, any Borrowed Debt secured by a Lien on any Principal Domestic Property of the Borrower or any Domestic Subsidiary, or any shares of stock or Borrowed Debt of any Domestic Subsidiary, without effectively providing that the Advances outstanding at such time (together with, if the Borrower shall so determine, any other Borrowed Debt of the Borrower or such Domestic Subsidiary existing at such time or thereafter created that is not subordinate to the Advances) shall be secured equally and ratably with (or prior to) such secured Borrowed Debt, so long as such secured Borrowed Debt shall be so secured, unless, after giving effect thereto, the aggregate amount of all such secured Borrowed Debt plus the aggregate amount of all Attributable Debt of the Borrower and the Domestic Subsidiaries in respect of Sale and Leaseback Transactions would not exceed 15% of Consolidated Net Assets; provided, however, that this Section 5.02(a) shall not apply to, and there shall be excluded from secured Borrowed Debt in any computation under this Section 5.02(a), Borrowed Debt secured by:

(i) Liens on property of, or on any shares of stock or Borrowed Debt of, any Person existing at the time such Person becomes a Domestic Subsidiary;

(ii) Liens in favor of the Borrower or any Domestic Subsidiary;

(iii) Liens on property of the Borrower or a Domestic Subsidiary in favor of the United States or any State thereof, or any department, agency or instrumentality or political subdivision of the United States or any State thereof, or in favor of any other country, or any political subdivision thereof, to secure partial, progress, advance or other payments pursuant to any contract or statute;

(iv) Liens on property, shares of stock or Borrowed Debt existing at the time of acquisition thereof (including acquisition through merger or consolidation)

or to secure the payment of all or any part of the purchase price or construction or improvement cost thereof or to secure any Debt incurred prior to, at the time of, or within 120 days after, the acquisition of such property or shares or Borrowed Debt or the completion of any such construction or improvement for the purpose of financing all or any part of the purchase price or construction or improvement cost thereof;

(v) Liens existing on the Closing Date;

(vi) Liens incurred in connection with pollution control, industrial revenue or similar financing; and

(vii) Any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Borrowed Debt secured by any Lien referred to in subclauses (i) through (vi) of this Section 5.02(a); provided, that (A) such extension renewal or replacement Lien shall be limited to all or a part of the same property, shares of stock or Debt that secured the Lien extended, renewed or replaced (plus improvements on such property) and (B) the Borrowed Debt secured by such Lien at such time is not increased.

(b) Mergers, Etc. Merge or consolidate with or into, or convey, transfer, lease or otherwise dispose (including by means of a Division) of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person, or permit any of its Subsidiaries to do so, except that:

(i) any Subsidiary of the Borrower may merge or consolidate with or into, or dispose (including by means of a Division) of assets to, any other Subsidiary of the Borrower or the Borrower;

(ii) the Borrower may merge or consolidate with or into any other Person so long as (A) the Borrower is the surviving Person or (B) if the Borrower is not the surviving Person, (1) the surviving Person shall assume, by agreement reasonably satisfactory in form and substance to the Required Lenders, all of the rights and obligations of the Borrower under this Agreement and the other Loan Documents, (2) such surviving Person shall have delivered to the Administrative Agent (x) an officer's certificate stating that such surviving Person's obligations under this Agreement are enforceable and (y) if requested by the Administrative Agent, an opinion of counsel to the effect that such merger or consolidation does not violate this Agreement or any other Loan Document and that such surviving Person's obligations under this Agreement are enforceable and (3) the Administrative Agent shall have received the information and documentation reasonably requested by the Administrative Agent or any Lender, in each case with respect to such surviving Person, for purposes of compliance with applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act and the Beneficial Ownership Regulation (it being understood that, if the foregoing are satisfied, such surviving Person will succeed to, and be substituted for, the Borrower under this Agreement);

(iii) any Subsidiary of the Borrower may merge or consolidate with or into another Person, or convey, transfer, lease or otherwise dispose (including by means of a Division) of all or any portion of its assets so long as (A) the consideration received in respect of such merger, consolidation, conveyance, transfer, lease or other disposition is at least equal to the fair market value of such assets and (B) no Material Adverse Effect would reasonably be expected to result from such merger, consolidation, conveyance, transfer, lease or other disposition;

provided, in the cases of clause (ii) hereof, that no Default shall have occurred and be continuing at the time of such proposed transaction or would result therefrom.

(c) Sales and Leaseback. Enter into, or permit any Domestic Subsidiary to enter into, any arrangement with any bank, insurance company or other lender or investor (not including any member of the Consolidated Group) or to which any such lender or investor is a party, providing for the leasing by the Borrower or any Domestic Subsidiary for a period, including renewals, in excess of three years of any Principal Domestic Property which has been or is to be sold or transferred, more than 120 days after the acquisition thereof or the completion of construction and commencement of full operation thereof, by the Borrower or any Domestic Subsidiary to such lender or investor or to any Person to whom funds have been or are to be advanced by such lender or investor on the security of such Principal Domestic Property (any such arrangement being referred to herein as a “Sale and Leaseback Transaction”) unless either:

(i) the Borrower or such Domestic Subsidiary could create Borrowed Debt secured by a Lien pursuant to Section 5.02(a) on the Principal Domestic Property to be leased back in an amount equal to the Attributable Debt with respect to such Sale and Leaseback Transaction without equally and ratably securing Advances outstanding at the time the Borrower or such Domestic Subsidiary enters into such Sale and Leaseback Transaction, or

(ii) the Borrower, within 120 days after the sale or transfer shall have been made by the Borrower or by such Domestic Subsidiary, applies an amount equal to the greater of (A) the net proceeds of the sale of the Principal Domestic Property sold and leased back pursuant to such Sale and Leaseback Transaction or (B) the fair market value of the Principal Domestic Property so sold and leased back at the time of entering into such Sale and Leaseback Transaction (as determined by any two of the following: the Chief Executive Officer, any President, the Chief Financial Officer, the Controller or the Treasurer of the Borrower) to the retirement of Funded Debt; provided that the amount to be applied to the retirement of Funded Debt shall be reduced by (1) the principal amount of any Advances paid or prepaid within 120 days after such sale or transfer and (2) the principal amount of such Funded Debt voluntarily retired by the Borrower within 120 days after such sale or transfer. Notwithstanding the foregoing, no retirement referred to in this Section 5.02(c)(ii) may be effected by payment at maturity or pursuant to any mandatory sinking fund payment or any mandatory prepayment provision.

(d) Accounting Changes. Change its fiscal year-end from December 31 of each calendar year.

(e) Change in Nature of Business. Make any material change in the nature of the business of the Consolidated Group, taken as a whole, from that carried out at the Closing Date; it being understood that this Section 5.02(e) shall not prohibit members of the Consolidated Group from conducting any business or business activities incidental or related to the business of the Borrower and its Subsidiaries as carried on as of the Closing Date or any business or activity that is reasonably similar or complementary thereto or a reasonable extension, development or expansion thereof or ancillary thereto.

(f) Use of Proceeds. Directly or, to the knowledge of the Borrower, indirectly (i) use the proceeds of any Borrowing for any purpose that would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010, or other similar applicable legislation in other jurisdictions or (ii) use the proceeds of any Borrowing, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business with any individual or entity that, at the time of such funding, is (A) the subject of Sanctions or (B) in any Designated Jurisdiction, in each case in violation of Sanctions.

SECTION 5.03 Financial Covenant. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, as of the last day of each fiscal quarter of the Borrower, commencing with the first fiscal quarter-end date occurring after the Closing Date, the Borrower shall not permit Consolidated Net Worth to be less than \$10,000,000,000; provided that, notwithstanding the foregoing, if the Borrower has Public Debt Ratings of (a) A2 or higher from Moody's and (b) A or higher from S&P, in each case as of the last day of any fiscal quarter, this Section 5.03 shall cease to apply to the Borrower for such fiscal quarter and thereafter, until (x) the Public Debt Rating from Moody's shall be lower than A2, (y) the Public Debt Rating from S&P shall be lower than A or (z) either Moody's or S&P shall not have in effect a Public Debt Rating, in each case as of the last day of any fiscal quarter, in which case this Section 5.03 shall once again apply to the Borrower as of such fiscal quarter and thereafter.

ARTICLE VI

EVENTS OF DEFAULT

SECTION 6.01 Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

(a) The Borrower shall fail (i) to pay any principal of any Advance when the same becomes due and payable or (ii) to pay any interest on any Advance or make any payment of fees or other amounts payable under this Agreement within five Business Days after the same becomes due and payable; or

(b) Any representation or warranty made by the Borrower herein or by the Borrower (or any of its officers) in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(c) (i) The Borrower shall fail to perform or observe any term, covenant or agreement contained in Section 5.01(d)(i), 5.01(i)(iv), 5.02(a), 5.02(b), 5.02(c), 5.02(e), 5.02(f)(ii) (to the extent the use of proceeds would result in a violation of Sanctions by a Lender, an Arranger or the Administrative Agent) or 5.03 or (ii) the Borrower shall fail to perform or observe any term, covenant or agreement contained in Section 5.01(e) or clauses (i)-(iii) or (v)-(vii) of Section 5.01(i) if such failure shall remain unremedied for 10 Business Days after written notice thereof shall have been given to the Borrower by the Administrative Agent or any Lender, or (iii) the Borrower shall fail to perform or observe any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for 30 days after written notice thereof shall have been given to the Borrower by the Administrative Agent or any Lender; or

(d) The Borrower or a Significant Subsidiary shall fail to pay any principal of or premium or interest on any Debt that is outstanding in a principal amount, or, in the case of any Hedge Agreement, having a maximum Agreement Value, of at least \$250,000,000 in the aggregate (but excluding Debt outstanding hereunder) of the Borrower or such Significant Subsidiary, when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; or the Borrower or a Significant Subsidiary shall default in its obligations under any agreement or instrument relating to any such Debt, which default shall continue after the applicable grace period, if any, specified in such agreement or instrument if the effect of such default is to accelerate the maturity of such Debt; or any such Debt shall be declared to be due and payable, or required to be prepaid or redeemed, purchased or defeased, or an offer to prepay, redeem, purchase or defease such Debt shall be required to be made, in each case prior to the stated maturity thereof (other than due to any (i) regularly scheduled required prepayment or redemption or (ii) prepayment of Debt which is mandatory under the terms of the documentation governing such Debt by reason of the receipt of net cash proceeds of other Debt or dispositions (including, without limitation, as the result of casualty events and governmental takings); or

(e) The Borrower or any Significant Subsidiary shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Borrower or any Significant Subsidiary seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any Law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), such proceeding shall remain undismissed or unstayed for a period of 60 days; or the Borrower or any Significant Subsidiary shall take

any corporate action to authorize any of the actions set forth above in this Section 6.01(e); or

(f) Any one or more judgments or orders for the payment of money in excess of \$250,000,000 shall be rendered against the Borrower or a Significant Subsidiary and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 60 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; provided, however, that, for purposes of determining whether an Event of Default has occurred under this Section 6.01(f), the amount of any such judgment or order shall be reduced to the extent that (A) such judgment or order is covered by a valid and binding policy of insurance between the defendant and the insurer covering payment thereof and (B) such insurer, which shall be rated at least "A" by A.M. Best Company, has been notified of, and has not disputed the claim made for payment of, such judgment or order; or

(g) (i) Any Person or two or more Persons acting in concert shall have acquired beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended), directly or indirectly, of Voting Stock of the Borrower (or other securities convertible into or exchangeable for such Voting Stock) representing more than 50% of the combined voting power of all Voting Stock of the Borrower (on a fully diluted basis) or (ii) during any period of up to 24 consecutive months, commencing before or after the date of this Agreement, a majority of the members of the board of directors of the Borrower shall not be Continuing Directors; or

(h) The Borrower or any of its ERISA Affiliates shall incur, or shall be reasonably likely to incur, liability in excess of \$250,000,000 in the aggregate as a result of one or more of the following:

(i) the occurrence of any ERISA Event; (ii) the partial or complete withdrawal of the Borrower or any ERISA Affiliate from a Multiemployer Plan; or (iii) the reorganization or termination of a Multiemployer Plan;

then, and in any such event, (i) the Administrative Agent shall at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, declare the Commitments of each Lender to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, declare the Advances, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided, however, that in the event of an actual or deemed entry of an order for relief with respect to the Borrower under the Federal Bankruptcy Code, (A) the Commitment of each Lender shall automatically be terminated and (B) the Advances, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VII

THE AGENTS

SECTION 7.01 Authorization and Action. Each Lender hereby irrevocably appoints JPMorgan to act on its behalf as the Administrative Agent hereunder and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article VII (other than the third sentence of Section 7.04 and Section 7.06) are solely for the benefit of the Administrative Agent and the Lenders, and the Borrower shall not have rights as a third-party beneficiary of any of such provisions (other than the third sentence of Section 7.04 and Section 7.06). It is understood and agreed that the use of the term “agent” herein (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

SECTION 7.02 Administrative Agent Individually. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity as a Lender. Such Person and its Affiliates may accept deposits from, own securities of, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any member of the Consolidated Group or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 7.03 Duties of Administrative Agent; Exculpatory Provisions.

(a) The Administrative Agent’s duties hereunder and under the other Loan Documents are solely ministerial and administrative in nature, and the Administrative Agent shall not have any duties or obligations except those expressly set forth herein or in any other Loan Document. Without limiting the generality of the foregoing, the Administrative Agent (i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (ii) shall not have any duty to take any discretionary action or exercise any discretionary powers but shall be required to act or refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written direction of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in any other Loan Document); provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent or any of its Affiliates to liability or that is contrary to any Loan Document or applicable Law, including for the avoidance of doubt, any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law and (iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure

to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 8.01 or 6.01) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until the Borrower or any Lender shall have given notice to the Administrative Agent describing such Default or Event of Default.

(c) Neither the Administrative Agent nor any other Agent shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty, representation or other information made or supplied in or in connection with this Agreement, any other Loan Document or the Information Memorandum, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith or the adequacy, accuracy and/or completeness of the information contained therein, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article III or elsewhere herein, other than (but subject to the foregoing clause (ii)) to confirm receipt of items expressly required to be delivered to the Administrative Agent.

(d) Nothing in this Agreement or any other Loan Document shall require the Administrative Agent or any of its Related Parties to carry out any “know your customer” or other checks in relation to any Person on behalf of any Lender, and each Lender confirms to the Administrative Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Administrative Agent or any of its Related Parties.

SECTION 7.04 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the Closing Date or the making of any Advance that by its terms must be fulfilled to the satisfaction of a Lender, each Lender shall be deemed to have consented to, approved or accepted such condition unless (a) an officer of the Administrative Agent responsible for the transactions contemplated hereby shall have received notice to the contrary from such Lender prior to the Closing Date or the making of such Advance, as applicable, and (b) in the case of a condition to the making of an Advance, such Lender shall

not have made available to the Administrative Agent such Lender's ratable portion of such Borrowing. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 7.05 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. Each such sub-agent and the Related Parties of the Administrative Agent and each such sub-agent shall be entitled to the benefits of all provisions of this Article VII and Section 8.04 (as though such sub-agents were the "Administrative Agent" under this Agreement) as if set forth in full herein with respect thereto. The Administrative Agent shall not be responsible to any Lender for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

SECTION 7.06 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders and in consultation with the Borrower, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, such Person shall automatically and without the taking of any action by any Person, be removed as Administrative Agent on the date that is 30 days following the date such Person became a Defaulting Lender (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"). In connection therewith, the Required Lenders, in consultation with the Borrower, shall appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment on or prior to the Removal Effective Date, then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (ii) except for any

indemnity payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder and under the other Loan Documents (if not already discharged therefrom as provided above in this Section 7.06). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article VII and Section 8.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

SECTION 7.07 Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 7.08 Indemnification. The Lenders agree to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower), ratably according to the respective principal amounts of the Advances made by each of them (or, if no Advances are at the time outstanding, ratably according to the respective amounts of their Commitments), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses and disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Administrative Agent under this Agreement, in each case, acting in the capacity of Administrative Agent; provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct. Without limitation of the foregoing, each Lender agrees to reimburse the Administrative Agent promptly upon demand for its ratable share of any out-of-pocket expenses (including reasonable counsel fees) incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that the Administrative Agent is not promptly reimbursed for such expenses by the Borrower.

SECTION 7.09 Other Agents. None of the Lenders identified on the facing page or signature pages of this Agreement as a “joint lead arranger”, “joint bookrunner”, or “syndication agent” shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of the Lenders so identified shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

SECTION 7.10 ERISA.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agents and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Advances or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement, and the conditions for exemptive relief thereunder are and will continue to be satisfied in connection therewith,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Advances, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement, or such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iii) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, each Agent and its respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that none of the Agents or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto).

(c) The Agents and the Arrangers hereby inform the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Advances, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Advances or the Commitments for an amount less than the amount being paid for an interest in the Advances or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.01 Amendments, Etc. Subject to Section 2.05(c) and 2.18, no amendment or waiver of any provision of this Agreement, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders and the Borrower and acknowledged by the Administrative Agent, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall, unless in writing, do any of the following:

(a) waive any of the conditions specified in Section 3.01, unless signed by each Lender directly and adversely affected thereby;

(b) increase or extend the Commitments of a Lender or subject a Lender to any additional obligations, unless signed by such Lender;

(c) reduce the principal of, or stated rate of interest on, the Advances, the stated rate at which any fees hereunder are calculated or any other amounts payable hereunder, unless signed by each Lender directly and adversely affected thereby;

(d) postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder, unless signed by each Lender directly and adversely affected thereby;

(e) change the percentage of the Commitments or of the aggregate unpaid principal amount of the Advances, or the number of Lenders, that shall be required for the Lenders or any of them to take any action hereunder (including the definition of "Required Lenders"), unless signed by all Lenders;

(f) amend this Section 8.01, unless signed by all Lenders; and

(g) amend or waive any of the provisions of Section 2.15 or 2.19(c), unless signed by each Lender directly and adversely affected thereby.

and provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; (ii) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto; and (iii) any amendment or waiver with respect to Section 8.16 shall require the consent of any Lender that is an Affected Financial Institution. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except (x) to the extent set forth in Section 2.19(a)(ii) and (y) that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender.

SECTION 8.02 Notices, Etc.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in Section 8.02(b) below), all notices and other communications provided for hereunder shall be in writing (including telecopier) and mailed, telecopied or delivered, if to the Borrower or the Administrative Agent, to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule II; or, as to the Borrower or the Administrative Agent, at such other address as shall be designated by such party in a written notice to the other parties and, as to each other party, at such other address as shall be designated by such party in a written notice to the Borrower and the Administrative Agent. Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at

the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in Section 8.02(b) below, shall be effective as provided in such Section 8.02(b).

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail, FpML messaging and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD-PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Borrower Materials or notices through the platform, any other electronic platform or electronic messaging service, or through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to the Borrower, any Lender or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Each of the Borrower and the Administrative Agent may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each Lender may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the Borrower and the Administrative Agent. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender.

(e) The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices and Notices of Borrowing) reasonably believed to have been given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify the Administrative Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reasonable reliance by such Person on each notice reasonably believed to have been given by or on behalf of the Borrower. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording. With respect to notices and other communications hereunder from the Borrower to any Lender, the Borrower shall provide such notices and other communications to the Administrative Agent, and the Administrative Agent shall promptly deliver such notices and other communications to any such Lender in accordance with Section 8.02(b) above or otherwise.

SECTION 8.03 No Waiver; Remedies. No failure on the part of any Lender or the Administrative Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by applicable Law.

SECTION 8.04 Expenses; Indemnity.

(a) Costs and Expenses. The Borrower shall pay upon demand (i) all reasonable and documented or invoiced out-of-pocket fees and expenses incurred by the Administrative Agent and its respective Affiliates (including, but not limited to, the reasonable and documented or invoiced fees, charges and disbursements of counsel which shall be limited to the reasonable and documented or invoiced out-of-pocket fees and other charges of one counsel to the Administrative Agent and its respective Affiliates (which as of the date hereof is Shearman & Sterling LLP), and, if necessary, of one local counsel to the Administrative Agent and its respective Affiliates in each relevant jurisdiction, and due diligence expenses), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all out of pocket expenses incurred by the Administrative Agent or any Lender (including, but not limited to, the reasonable and documented or invoiced fees, charges and disbursements of counsel which shall be limited to the

reasonable and documented or invoiced out-of-pocket fees and other charges of one counsel to the Lenders and the Administrative Agent, and, if necessary, of one local counsel to the Lenders, retained by the Administrative Agent in each relevant jurisdiction (and, solely in the case of an actual or potential conflict of interest, of one additional counsel (and, if reasonably necessary, one additional local counsel in any relevant jurisdiction) for all such affected Lenders), and due diligence expenses), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section 8.04, or (B) in connection with the Advances made hereunder, including all such out of pocket expenses incurred during any workout, restructuring or negotiations in respect of such Advances.

(b) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof) and each Lender, and each Related Party of any of the foregoing Persons and any successors or assigns (each such Person being called an “Indemnified Party”) against, and hold each Indemnified Party harmless from, all losses, claims, damages, liabilities and related expenses to which any Indemnified Party may become subject resulting from or in connection with this Agreement, the other Loan Documents, the use of the proceeds under this Agreement or any related transaction, any actual or alleged presence of Hazardous Materials on any property of the Consolidated Group or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries or any claim, litigation, investigation or proceeding relating to any of the foregoing, regardless of whether any Indemnified Party is a party thereto and regardless of whether brought by a third party or by the Borrower or any of its Affiliates (any of the foregoing, a “Proceeding”), and shall reimburse each Indemnified Party upon demand for any legal or other expenses incurred in connection with investigating, defending, preparing to defend or participating in any such Proceeding, provided that (i) the foregoing indemnity will not, as to any Indemnified Party, apply to losses, claims, damages, liabilities or related expenses (A) to the extent they are found by a final, non-appealable judgment of a court of competent jurisdiction to result from the bad faith, willful misconduct or gross negligence of such Indemnified Party or any of its Related Persons, (B) to the extent resulting from any Proceeding that does not involve an act or omission of the Borrower or any of its Affiliates and that is brought by an Indemnified Party solely against another Indemnified Party, other than claims against any the Administrative Agent or the Arrangers in its capacity in fulfilling its role as an administrative agent or lead arranger under this Agreement or (C) to the extent resulting from a material breach by such Indemnified Party or any Related Person thereof of its obligations hereunder as found by a final, non-appealable judgment by a court of competent jurisdiction and (ii) the Borrower’s obligation to reimburse legal expenses pursuant to this Section 8.04(b) shall be limited to the fees, charges and disbursements of one counsel to all Indemnified Parties (and, if reasonably necessary, one local counsel in any relevant jurisdiction) and, solely in the case of an actual or potential conflict of interest, of one additional counsel (and, if reasonably necessary, one additional local counsel in any relevant jurisdiction). This Section 8.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Compensation for Losses. If any payment of principal of, or Conversion of, any Eurodollar Rate Advance is made by the Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Advance, as a result of (i) a payment or Conversion pursuant to Section 2.06, 2.08(c), 2.08(d), 2.10 or 2.12, (ii) acceleration of the maturity of the Advances pursuant to Section 6.01, (iii) a payment by an Eligible Assignee to any Lender other

than on the last day of the Interest Period for such Advance upon an assignment of the rights and obligations of such Lender under this Agreement pursuant to Section 8.07 as a result of a demand by the Borrower pursuant to Section 8.07(a) or (iv) for any other reason (other than, subject to the foregoing clause (iii), a payment by an Eligible Assignee to any Lender), the Borrower shall, upon demand by such Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional reasonable losses, costs or expenses that it may reasonably incur as a result of such payment or Conversion or as a result of any inability to Convert or exchange in the case of Section 2.08 or 2.12, including, without limitation, any reasonable loss (excluding loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance.

(d) Reimbursement by Lenders. Without duplication with respect to Section 7.08, to the extent that the Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section 8.04 to be paid by it to the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lenders' pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's pro rata share at such time), provided, further that, the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) in connection with such capacity.

(e) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, the Borrower shall not assert, and hereby waives, and acknowledges that no other Person shall have, any claim against the Administrative Agent (and any sub-agent thereof) and each Lender, and each Related Party of any of the foregoing Persons and any successors or assigns (each such Person being called a "Lender-Related Person"), on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Advance or the use of the proceeds thereof. No Lender-Related Person shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Lender-Related Person through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence, bad faith or willful misconduct of such Lender-Related Person as determined by a final and nonappealable judgment of a court of competent jurisdiction. Nothing in this Section 8.04(e) shall relieve the Borrower of any obligation it may have to indemnify an Indemnified Party against special, indirect, consequential or punitive damages to the extent required under Section 8.04(b).

(f) Survival. Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower contained in Section 2.11, Section 2.14 and this Section 8.04 shall survive the payment in full of principal, interest and all other amounts payable hereunder.

SECTION 8.05 Right of Setoff. Upon (a) the occurrence and during the continuance of any Event of Default and (b) the making of the request or the granting of the consent specified by Section 6.01 to authorize the Administrative Agent to declare the Advances due and payable pursuant to the provisions of Section 6.01, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Lender or such Affiliate to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement, whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured. Each Lender agrees promptly to notify the Administrative Agent and the Borrower after any such setoff and application is made by such Lender; provided that the failure to give such notice shall not affect the validity of such setoff and application. The rights of each Lender and its Affiliates under this Section 8.05 are in addition to other rights and remedies (including, without limitation, other rights of setoff) that such Lender and its Affiliates may have.

SECTION 8.06 Binding Effect. This Agreement shall become effective (other than Section 2.01, which shall only become effective upon satisfaction of the applicable conditions precedent set forth in Section 3.01) when it shall have been executed by the Borrower and the Administrative Agent and when the Administrative Agent shall have been notified by each Initial Lender that such Initial Lender has executed it and, thereafter, shall be binding upon and inure to the benefit of, and be enforceable by, the Borrower, the Administrative Agent and each Lender and their respective successors and permitted assigns, except that, subject to Section 8.07, the Borrower shall have no right to assign their rights hereunder or any interest herein without the prior written consent of each of the Lenders, and any purported assignment without such consent shall be null and void.

SECTION 8.07 Assignments and Participations.

(a) Each Lender may, with the consent of the Borrower and the Administrative Agent, which consents shall not be unreasonably withheld, conditioned or delayed and, in the case of the Borrower, (i) shall not be required while an Event of Default has occurred and is continuing and (ii) shall be deemed given if the Borrower shall not have objected within 10 Business Days following its receipt of notice of such assignment (and, within five days after demand by the Borrower (with a copy of such demand to the Administrative Agent) to (A) any Defaulting Lender, (B) any Lender that has made a demand for payment pursuant to Section 2.11 or 2.14, (C) any Lender that has asserted pursuant to Section 2.08(b) or 2.12 that it is impracticable or unlawful for such Lender to make Eurodollar Rate Advances or (D) any Lender that fails to consent to an amendment or waiver hereunder for which consent of all Lenders (or all affected Lenders) is required and as to which the Required Lenders have given their consent, such Lender will), assign to one or more Persons all or a portion of its rights and obligations under this Agreement

(including, without limitation, all or a portion of its Commitment and the Advances owing to it); provided, however, that:

(1) such consent shall not be required in the case of an assignment to any other Lender or an Affiliate of any Lender, provided that notice thereof shall have been given to the Borrower and the Administrative Agent;

(2) each such assignment shall be of a constant, and not a varying, percentage of all rights and obligations under this Agreement;

(3) except in the case of an assignment to a Person that, immediately prior to such assignment, was a Lender or an assignment of all of a Lender's rights and obligations under this Agreement, the amount of the Commitment of the assigning Lender being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof;

(4) each such assignment shall be to an Eligible Assignee;

(5) each such assignment made as a result of a demand by the Borrower pursuant to this Section 8.07(a) shall be arranged by the Borrower with the approval of the Administrative Agent (which approval shall not be unreasonably withheld, conditioned or delayed) and shall be either an assignment of all of the rights and obligations of the assigning Lender under this Agreement or an assignment of a portion of such rights and obligations made concurrently with another such assignment or other such assignments that, in the aggregate, cover all of the rights and obligations of the assigning Lender under this Agreement;

(6) no Lender shall be obligated to make any such assignment as a result of a demand by the Borrower pursuant to this Section 8.07(a), (I) (except in the case of an assignment of the type described in clause (D) of the first parenthetical clause in this Section 8.07(a) to the extent such Default would no longer be continuing after giving effect to the relevant amendment or waiver) so long as a Default shall have occurred and be continuing and (II) unless and until such Lender shall have received one or more payments from one or more Eligible Assignees in an aggregate amount at least equal to the aggregate outstanding principal amount of the Advances owing to such Lender, together with accrued interest thereon to the date of payment of such principal amount, and from the Borrower or one or more Eligible Assignees in an aggregate amount equal to all other amounts accrued to such Lender under this Agreement (including, without limitation, any amounts owing under Sections 2.11, 2.14 or 8.04(c)) and (III) if any such Eligible Assignee is not an existing Lender, unless and until the Borrower shall have paid (or caused to be paid) to the Administrative Agent a processing and recordation fee of \$3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The

assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire; and

(7) the parties to each such assignment (other than, except in the case of a demand by the Borrower pursuant to this Section 8.07(a), the Borrower) shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance and, if such assignment does not occur as a result of a demand by the Borrower pursuant to this Section 8.07(a) (in which case the Borrower shall pay the fee required by subclause (6)(III) of this Section 8.07(a)), a processing and recordation fee of \$3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment; provided, further, that in the event that, in connection with a demand by the Borrower pursuant to this Section 8.07(a), the assignor shall not execute and deliver the relevant Assignment and Acceptance within one Business Day of the Borrower's request, such assignor shall be deemed to have executed and delivered such Assignment and Acceptance. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (y) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement, except that such assigning Lender shall continue to be entitled to the benefit of Section 8.04(a) and (b) with respect to matters arising out of the prior involvement of such assigning Lender as a Lender hereunder (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto).

(b) By executing and delivering an Assignment and Acceptance, the Lender assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows:

(i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto;

(ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto;

(iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.01(e) and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance;

(iv) such assignee will, independently and without reliance upon any Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement;

(v) such assignee confirms that it is an Eligible Assignee;

(vi) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers and discretion as are reasonably incidental thereto; and

(vii) such assignee agrees that it will perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be performed by it as a Lender.

(c) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee representing that it is an Eligible Assignee, the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit B hereto, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower.

(d) The Administrative Agent, acting solely for this purpose as the agent of the Borrower, shall maintain at its address referred to in Section 8.02(a) a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the Commitment of, and principal amount (and stated interest) of the Advances owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent demonstrable error, and the Borrower, the Agents and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Each Lender may sell participations to one or more banks or other entities (other than a natural person, the Borrower or any of its Affiliates) in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment and the Advances owing to it) without the prior consent of, or notice to, the Administrative Agent or the Borrower; provided, however, that:

(i) such Lender's obligations under this Agreement (including, without limitation, its Commitment) shall remain unchanged;

(ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations;

(iii) such Lender shall remain the Lender of any such Advance for all purposes of this Agreement;

(iv) the Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement; and

(v) no participant under any such participation shall have any right to approve any amendment or waiver of any provision of this Agreement, or any consent to any departure by the Borrower herefrom or therefrom, except to the extent that such amendment, waiver or consent would reduce the principal of, or stated rate of interest on, the Advances or the stated rate at which any fees or any other amounts payable hereunder are calculated, in each case to the extent subject to such participation, or postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or any other amounts payable hereunder, in each case to the extent subject to such participation.

Subject to the immediately succeeding paragraph, the Borrower agrees that such participant shall be entitled to the benefits of Sections 2.11 and 2.14 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (a) of this Section 8.07 (it being understood that the documentation required under Section 2.14(e) shall be delivered to the Lender who sells the participation); provided that such participant (A) agrees to be subject to the provisions of Sections 2.15, 2.20 and 8.05 as if it were an assignee under subsection (a) of this Section 8.07 and (B) shall not be entitled to receive any greater payment under Sections 2.11 or 2.14, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, unless the sale of such participation is made with the prior written consent of the Borrower and the Borrower expressly waives the benefit of this provision at the time of such participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Sections 2.15, 2.20 and 8.05 with respect to any participant.

A participant shall not be entitled to the benefits of Section 2.14 unless the Borrower is notified of the participation sold to such participant and such participant agrees, for the benefit of the Borrower, to comply with Sections 2.14(e) as though it were a Lender (it being understood that the documentation required under Section 2.14(e) shall be delivered by each participant to the participating Lender).

Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Advances or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any Commitments, Advances or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Advance or other

obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent demonstrable error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 8.07, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower; provided that, prior to any such disclosure, the assignee or participant or proposed assignee or participant shall agree to preserve the confidentiality of any Information relating to the Borrower received by it from such Lender as more fully set forth in Section 8.08.

(g) Notwithstanding any other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation and the Advances owing to it) to secure obligations of such Lender, including, without limitation, any pledge or assignment to secure obligations in favor of any Federal Reserve Bank in accordance with Regulation A of the Board of Governors of the Federal Reserve System or any central bank having jurisdiction over such Lender.

SECTION 8.08 Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective managers, administrators, trustees, partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it or its Affiliates (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or any action or proceeding relating to this Agreement or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section 8.08, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective party (or its managers, administrators, trustees, partners, directors, officers, employees, agents, advisors and other representatives) to any swap or derivative or similar transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder, (iii) any rating agency, or (iv) the CUSIP Service Bureau or any similar organization, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a non-confidential basis from a source other than the Borrower, which it has no reason, after due inquiry, to believe has any confidentiality or fiduciary obligation to the Borrower with respect to such Information.

For purposes of this Section 8.08, “Information” means all information received from the Borrower or any of its Subsidiaries relating to the Borrower or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by the Borrower or any of its Subsidiaries, provided that, in the case of information received from the Borrower or any of its Subsidiaries after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 8.08 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

SECTION 8.09 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 8.10 Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 8.11 Electronic Execution of Assignments and Certain Other Documents. The words “execute,” “execution,” “signed,” “signature,” and words of like import in or related to this Agreement, any other document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Acceptances, Notices of Borrowing, amendments or other modifications, waivers and consents) shall be deemed to include Electronic Signatures (as defined below), deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state Laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept Electronic Signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it. “Electronic Signatures” means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

SECTION 8.12 Jurisdiction, Etc.

(a) The Borrower and the other parties hereto irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in Law or equity, whether in contract or in tort or otherwise, against any party hereto or any Related Party of the foregoing in any way relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, in any forum other than the federal courts located in the County of New York County (or if such courts lack subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and each of the

Borrower and the other parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such federal court (or if such courts lack subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan) to the fullest extent permitted by applicable Law. The Borrower and the other parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

(b) The Borrower and the other parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any federal court located in the County of New York County (or if such courts lack subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan). The Borrower and the other parties hereto hereby irrevocably waives, to the fullest extent permitted by Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) The Borrower and the other parties hereto irrevocably consents to service of process in the manner provided for notices in Section 8.02(a). Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by applicable Law.

SECTION 8.13 Patriot Act Notice; Beneficial Ownership Regulation. Each Lender and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the Patriot Act and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the Patriot Act and the Beneficial Ownership Regulation. The Borrower shall provide, to the extent commercially reasonable, such information and take such actions as are reasonably requested by the Administrative Agent or any Lenders in order to assist the Administrative Agent and the Lenders in maintaining compliance with the Patriot Act and the Beneficial Ownership Regulation.

SECTION 8.14 No Advisory or Fiduciary Responsibility. In its capacity as an Agent or a Lender, (a) no Agent or Lender has any responsibility except as set forth herein and (b) no Agent or Lender shall be subject to any fiduciary duties or other implied duties (to the extent permitted by Law to be waived). The Borrower agrees that it will not take any position or bring any claim against any Agent or any Lender that is contrary to the preceding sentence.

In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof), the Borrower acknowledges and agrees that: (i) the arranging and other services regarding this Agreement provided by the Agents and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Agents and the Lenders, on the other hand; (ii) each Agent and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor

or agent for the Borrower or any of its Affiliates, or any other Person; and (iii) the Agents, the Lenders and each of their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and no Agent or Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates.

SECTION 8.15 Termination of Credit Documents. The Borrower and each applicable Lender agree that concurrently with the effectiveness of this Agreement, the commitment amounts under the 2018 Credit Agreement shall automatically reduce to zero and the 2018 Credit Agreement shall terminate, without any notice or other action of any kind and notwithstanding any notice or other requirement contained therein; provided that (a) the Borrower shall have paid all amounts then payable under the 2018 Credit Agreement; and (b) any provision of the 2018 Credit Agreement that by its terms survives termination thereof shall continue in full force and effect. Each Lender that is a party to the 2018 Credit Agreement hereby waives any requirement of prior notice thereunder in respect of any prepayment or termination of the commitments under such agreement.

SECTION 8.16 Acknowledgment and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable: (i) a reduction in full or in part or cancellation of any such liability; (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

SECTION 8.17 Integration(a). This Agreement, together with the other Loan Documents, comprises the complete and integrated agreement of the parties on the subject matter hereof and thereof and supersedes all prior agreements, written or oral, on such subject matter. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of the Administrative Agent or the Lenders in any other Loan Document shall not be deemed a conflict with this Agreement. Each Loan Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof.

SECTION 8.18 Waiver of Jury Trial. Each of the Borrower, the Administrative Agent and the Lenders hereby irrevocably waives all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of the Administrative Agent or any Lender in the negotiation, administration, performance or enforcement thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

ABBOTT LABORATORIES

By: /s/ Karen M. Peterson

Name: Karen M. Peterson

Title: Vice President, Treasurer

[Abbott – Signature Page to 2020 Revolver]

JPMORGAN CHASE BANK, N.A., as
Administrative Agent and as a Lender

By: /s/ Stacey Zoland

Name: Stacey Zoland

Title: Executive Director

[Abbott – Signature Page to 2020 Revolver]

BANK OF AMERICA, N.A., as a Lender

By: /s/ Darren Merten

Name: Darren Merten

Title: Director

[Abbott – Signature Page to 2020 Revolver]

BARCLAYS BANK PLC, as a Lender

By: /s/ Ronnie Glen

Name: Ronnie Glenn

Title: Director

[Abbott – Signature Page to 2020 Revolver]

MORGAN STANLEY BANK, N.A., as a Lender

By: /s/ Julie Lilienfeld

Name: Julie Lilienfeld

Title: Authorized Signatory

[Abbott – Signature Page to 2020 Revolver]

BNP Paribas, as a Lender

By: /s/ Michael Pearce

Name: Michael Pearce

Title: Managing Director

By: /s/ Emma Petersen

Name: Emma Petersen

Title: Director

[Abbott – Signature Page to 2020 Revolver]

CITIBANK, N.A., as a Lender

By: /s/ Patricia A. Guerra
Name: Patricia A. Guerra
Title: Vice President

[Abbott – Signature Page to 2020 Revolver]

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender

By: /s/ Ming K. Chu
Name: Ming K. Chu
Title: Director

By: /s/ Annie Chung
Name: Annie Chung
Title: Director

[Abbott – Signature Page to 2020 Revolver]

MUFG Bank, Ltd., as a Lender

By: /s/ Jack Lonker

Name: Jack Lonker

Title: Director

[Abbott – Signature Page to 2020 Revolver]

SOCIETE GENERALE, as a Lender

By: /s/ Kimberly Metzger
Name: Kimberly Metzger
Title: Director

[Abbott – Signature Page to 2020 Revolver]

Banco Santander, S.A., New York Branch, as a
Lender

By: /s/ Pablo Uργοiti

Name: Pablo Uργοiti

Title: Managing Director

By: /s/ Rita Walz-Cuccioli

Name: Rita Walz-Cuccioli

Title: Executive Director

[Abbott – Signature Page to 2020 Revolver]

HSBC Bank USA, N.A., as a Lender

By: /s/ James Smith

Name: James Smith

Title: Vice President & Relationship Manager

[Abbott – Signature Page to 2020 Revolver]

STANDARD CHARTERED BANK, as a Lender

By: /s/ James Beck

Name: James Beck

Title: Associate Director

[Abbott – Signature Page to 2020 Revolver]

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Rebecca Kratz

Name: Rebecca Kratz

Title: Authorized Signatory

[Abbott – Signature Page to 2020 Revolver]

The Northern Trust Company, as a Lender

By: /s/ Lisa DeCristofaro
Name: Lisa DeCristofaro
Title: SVP

[Abbott – Signature Page to 2020 Revolver]

BANCO BILBAO VIZCAYA ARGENTARIA,
S.A. NEW YORK BRANCH, as a Lender

By: /s/ Cara Younger

Name: Cara Younger

Title: Executive Director

By: /s/ Miriam Trautmann

Name: Miriam Trautmann

Title: Senior Vice President

[Abbott – Signature Page to 2020 Revolver]

ING Bank N.V., Dublin Branch as a Lender

By: /s/ Sean Hassett

Name: Sean Hassett

Title: Director

By: /s/ Barry Fehily

Name: Barry Fehily

Title: Managing Director

[Abbott – Signature Page to 2020 Revolver]

Intesa Sanpaolo SpA – New York Branch, as a Lender

By: /s/ Alessandro Toigo

Name: Alessandro Toigo

Title: Head of Corporate Desk

By: /s/ Neil Derfler

Name: Neil Derfler

Title: Global Relationship Manager

[Abbott – Signature Page to 2020 Revolver]

MIZUHO BANK, LTD., as a Lender

By: /s/ Tracy Rahn

Name: Tracy Rahn

Title: Executive Director

[Abbott – Signature Page to 2020 Revolver]

Royal Bank of Canada, as a Lender

By: /s/ Scott Mac Vicar

Scott Mac Vicar

Authorized Signatory

[Abbott – Signature Page to 2020 Revolver]

Svenska Handelsbanken AB (publ),

New York Branch as a Lender

By: /s/ Anna Gustafsson

Name: Anna Gustafsson

Title: Vice President

By: /s/ Mark Emmett

Name: Mark Emmett

Title: Vice President

[Abbott – Signature Page to 2020 Revolver]

U.S. Bank National Association, as a Lender

By: /s/ Maria Massimino

Name: Maria Massimino

Title: SVP

[Abbott – Signature Page to 2020 Revolver]

SUBSIDIARIES OF ABBOTT LABORATORIES

The following is a list of subsidiaries of Abbott Laboratories as of January 31, 2021. Abbott Laboratories is not a subsidiary of any other corporation. Where ownership of a subsidiary is less than 100% by Abbott Laboratories or an Abbott Laboratories' subsidiary, such has been noted by an asterisk (*).

Domestic Subsidiaries	Incorporation
Abbott Biologicals, LLC	Delaware
Abbott Cardiovascular Inc.	Delaware
Abbott Cardiovascular Systems Inc.	California
Abbott Delaware LLC	Delaware
Abbott Diabetes Care Inc.	Delaware
Abbott Diabetes Care Sales Corporation	Delaware
Abbott Diagnostics Scarborough, Inc.	Delaware
Abbott Equity Investments LLC	Delaware
Abbott Finance LLC	Delaware
Abbott Global LLC	Delaware
Abbott Health Products, LLC	Delaware
Abbott Informatics Corporation	Florida
Abbott International LLC	Delaware
Abbott Laboratories Inc.	Delaware
Abbott Laboratories International LLC	Illinois
Abbott Laboratories Pacific Ltd.	Illinois
Abbott Laboratories Residential Development Fund, Inc.	Illinois
Abbott Laboratories Services LLC	Illinois
Abbott Management LLC	Delaware
Abbott Molecular Inc.	Delaware
Abbott Nutrition Manufacturing Inc.	Delaware
Abbott Point of Care Inc.	Delaware
Abbott Procurement LLC	Delaware
Abbott Products Operations, LLC	Delaware
Abbott Rapid Diagnostics Informatics, Inc.	Virginia
Abbott Rapid Dx North America, LLC	Delaware
Abbott Resources Inc.	Delaware
Abbott Resources International Inc.	Delaware
Abbott Universal LLC	Delaware
Abbott Vascular Inc.	Delaware
Abbott Vascular Solutions Inc.	Indiana
Abbott Ventures Inc.	Delaware
Advanced Neuromodulation Systems, Inc.	Texas
AGA Medical Corporation	Minnesota
AGA Medical Holdings, Inc.	Delaware

Alere Connect, LLC	Delaware
Alere Holdco, Inc.	Delaware
Alere Home Monitoring, Inc.	Delaware
Alere Inc.	Delaware
Alere International Holding Corp.	Delaware
Alere Phoenix ACQ, Inc.	Delaware
Alere San Diego, Inc.	Delaware
Alere Toxicology Services, Inc.	Louisiana
Alere Toxicology, Inc.	Florida
Alere US Holdings, LLC	Delaware
Amedica Biotech, Inc.	California
Ameditech Inc.	California
American Medical Supplies, Inc.	Florida
AML Medical, LLC	Delaware
APK Advanced Medical Technologies LLC	Georgia
Arriva Medical, LLC	Florida
Atkinson North Chicago LLC	Illinois
ATS Laboratories, Inc.	Delaware
Avee Laboratories Inc.	Florida
Bioabsorbable Vascular Solutions, Inc.	Delaware
Biohealth LLC	Delaware
Biosite Incorporated	Delaware
Branan Medical Corporation	Nevada
California Property Holdings III LLC	California
CardioMEMS LLC	Delaware
Cephea Valve Technologies, Inc.	Delaware
Continuum Services LLC	Delaware
Epocal (US), Inc.	Delaware
eScreen, Inc.	Delaware
Evalve International, Inc.	Delaware
Evalve, Inc.	Delaware
First Check Diagnostics, LLC	Delaware
Fournier Pharma Corp.	Delaware
Global Analytical Development LLC	Florida
Hi-Tronics Designs, Inc.	New Jersey
Ibis Biosciences LLC	Delaware
IDEV Technologies, Inc.	Delaware
IMTC Technologies, Inc.	Delaware
Innovacon, Inc.	Delaware
Instant Tech Subsidiary Acquisition Inc.	Delaware
Instant Technologies, Inc.	Virginia
Integrated Vascular Systems, Inc.	Delaware
Inverness Medical Innovations SK, LLC	Delaware
Inverness Medical Investments, LLC	Delaware
Inverness Medical, LLC	Delaware
Ionian Technologies, LLC	Delaware
Irvine Biomedical, Inc.	California

Laboratory Specialists of America, Inc.	Oklahoma
Lake Forest Investments LLC	Delaware
Lightlab Imaging, Inc.	Delaware
MediGuide, LLC	Delaware
Midwest Properties LLC	Delaware
Murex Diagnostics, Inc.	Delaware
Natural Supplement Association, LLC	Colorado
NeuroTherm LLC	Delaware
Newyu, Inc.	Delaware
North Shore Properties, Inc.	Delaware
Pacesetter, Inc.	Delaware
PBM-Selfcare, LLC	Delaware
PDD II, LLC	Delaware
PDD, LLC	Delaware
Pembroke Occupational Health, Inc.	Virginia
Quality Assured Services, Inc.	Florida
Redwood Toxicology Laboratory, Inc.	California
RF Medical Holdings LLC	Delaware
RTL Holdings, Inc.	Delaware
Sealing Solutions, Inc.	Georgia
Selfcare Technology, Inc.	Delaware
SJM International, Inc.	Delaware
SJM Thunder Holding Company	Delaware
SPDH, Inc.	Delaware
Spinal Modulation LLC	Delaware
St. Jude Medical ATG, Inc.	Minnesota
St. Jude Medical Business Services, Inc.	Delaware
St. Jude Medical Europe, Inc.	Delaware
St. Jude Medical S.C., Inc.	Minnesota
St. Jude Medical, Atrial Fibrillation Division, Inc.	Minnesota
St. Jude Medical, Cardiology Division, Inc.	Delaware
St. Jude Medical, LLC	Delaware
Standing Stone, LLC	Delaware
Swan-Myers, Incorporated	Indiana
TC1 LLC	Delaware
Tendyne Holdings, Inc.	Delaware
Tendyne Medical, Inc.	Delaware
Thoratec Delaware LLC	Delaware
Thoratec LLC	California
Tobal Products Incorporated	Illinois
Topera LLC	Delaware
US CD LLC	Delaware
X Technologies Inc.	Delaware
ZonePerfect Nutrition Company	Delaware
Foreign Subsidiaries	Incorporation
Abbott Products Algeria EURL	Algeria

Abbott Laboratories Argentina Sociedad Anónima	Argentina
Abbott Rapid Diagnostics Argentina S.A.	Argentina
Atlas Farmacéutica S.A.	Argentina
Laboratorio Internacional Argentino S.A.	Argentina
Murex Argentina S.A.	Argentina*
Polygon Labs S.A.	Argentina
St. Jude Medical Argentina S.A.	Argentina
Abbott Australasia Pty Ltd	Australia
Abbott Medical Australia Pty. Ltd.	Australia
Abbott Rapid Diagnostics PTY LTD.	Australia
Alere Holdings Pty Limited	Australia
Abbott Gesellschaft m.b.H.	Austria
Abbott Medical Austria Ges.m.b.H.	Austria
Abbott Rapid Diagnostics Austria GmbH	Austria
Normann Pharma-Handels GmbH	Austria
W&R Pharma Handels GmbH	Austria
Abbott Bahamas Overseas Businesses Corporation	Bahamas
Abbott Holdings Universal Ltd.	Bahamas
Abbott Laboratories (Bangladesh) Limited	Bangladesh*
Alere Bangladesh Limited	Bangladesh*
Abbott Financial Holdings SRL	Barbados
Murex Diagnostics International Inc.	Barbados
Abbott	Belgium
Abbott Medical Belgium	Belgium
Abbott Rapid Diagnostics	Belgium
Abbott Rapid Diagnostics Medical	Belgium
Abbott Vascular International	Belgium
AGA Medical Belgium	Belgium
Endocardial Solutions	Belgium
St. Jude Medical Coordination Center	Belgium
Abbott Australia Enterprises Limited	Bermuda
Abbott Australia Subsidiary Enterprises Limited	Bermuda
Abbott Diagnostics International, Ltd.	Bermuda
Abbott Global Enterprises Limited	Bermuda
Abbott Global Finance Limited	Bermuda
Abbott Global Holding Finance Limited	Bermuda
Abbott Global Holdings Limited	Bermuda
Abbott Healthcare (Puerto Rico) Ltd.	Bermuda
Abbott Holdings Enterprises, Ltd.	Bermuda
Abbott International Enterprises, Ltd.	Bermuda
Abbott International Holdings Limited	Bermuda
Abbott Ireland	Bermuda
Abbott Strategic Opportunities Limited	Bermuda
Alere Holdings Bermuda Limited	Bermuda
ATS Bermuda Holdings Limited	Bermuda
Pharmatech Boliviana, S.A.	Bolivia (Plurinational State of)
Abbott Diagnosticos Rapidos S.A.	Brazil*

Abbott Laboratórios do Brasil Ltda.	Brazil
Farmacologia Em Aquicultura Veterinária Ltda.	Brazil
St. Jude Medical Brasil Ltda.	Brazil
American Pharmacist Inc.	British Virgin Islands
Rich Horizons International Limited	British Virgin Islands
Abbott Informatics Canada, Inc	Canada
Abbott International Corporation	Canada
Abbott Laboratories Co.	Canada
Abbott Medical Canada Co./ Medicales Abbott Canada Cie	Canada
Abbott Point of Care Canada Limited	Canada
Abbott Rapid Diagnostics ULC	Canada
eScreen Canada ULC	Canada
Inverness Canadian Acquisition Corporation	Canada
Abbott Laboratories (Chile) Holdco (Dos) SpA	Chile
Abbott Laboratories (Chile) Holdco SpA	Chile
Abbott Laboratories de Chile Limitada	Chile
Antares S.A.	Chile*
Aquagestion Capacitación S.A.	Chile
Aquagestion S.A.	Chile
Banco de Vida S.A.	Chile
Bioalgae S.A.	Chile*
CFR Chile S.A.	Chile
Consorcio Tecnológico en Biomedicina Clinico-Molecular S.A.	Chile*
Dextech S.A.	Chile*
Esprit de Vie S.A.	Chile
Farmacología en Aquacultura Veterinaria FAV S.A.	Chile
Igloo Zone Chile S.A.	Chile
Instituto de Criopreservación de Chile S.A.	Chile
Inversiones K2 SpA	Chile
Laboratorios Lafi Limitada	Chile
Laboratorios Recalcine S.A.	Chile
Novasalud.com S.A.	Chile
Recben Xenerics Farmaceutica Limitada	Chile
Vida Cell Inversiones S.A.	Chile
Vida Cell S.A.	Chile*
Abbott (Jiaxing) Nutrition Co., Ltd.	China
Abbott (Shanghai) Diagnostics Sales Co., Ltd.	China
Abbott Diagnostics (Shanghai) Co., Ltd.	China*
Abbott Laboratories Trading (Shanghai) Co., Ltd.	China
Abbott Medical (Shanghai) Co., Ltd.	China
Abbott Medical Devices Trading (Shanghai) Co., Ltd.	China
Abbott Medical Diagnostics Products Co., Ltd.	China
ABON Biopharm (Hangzhou) Co., Ltd.	China
Alere (Shanghai) Healthcare Management Co., Ltd.	China
Alere (Shanghai) Technology Co., Ltd.	China
Inverness Medical (Beijing) Co., Ltd.	China
Shandong Abbott Dairy Product Co., Ltd.	China

Shanghai Abbott Medical Devices Science and Technology Co., Ltd.	China
Shanghai Abbott Pharmaceutical Co., Ltd.	China
Shanghai Abbott Pharmaceutical Science and Technology Co., Ltd.	China
Abbott Laboratories de Colombia SAS	Colombia
Alere Colombia S.A.	Colombia
American Generics S.A.S.	Colombia
Distribuciones Uquifa S.A.S.	Colombia
Focus Pharmaceutical S.A.S.	Colombia
Laboratorio Franco Colombiano Lafrancol S.A.S.	Colombia
Laboratorio Synthesis S.A.S.	Colombia
Laboratorios Naturmedik S.A.S.	Colombia
Laboratorios Pauly Pharmaceutical S.A.S.	Colombia
Lafrancol Internacional S.A.S.	Colombia
St. Jude Medical Colombia, Ltda.	Colombia
Abbott Healthcare Costa Rica, S.A.	Costa Rica
Abbott Medical Costa Rica, Limitada	Costa Rica
Gynopharm Sociedad Anonima	Costa Rica
Laboratorio Franco Colombiano De Costa Rica Sociedad Anonima	Costa Rica
Abbott Laboratories d.o.o.	Croatia
Abbott Medical Overseas Cyprus Limited	Cyprus
Abbott Overseas Cyprus Limited	Cyprus
Arvis Investments Limited	Cyprus
Abbott Laboratories, s.r.o.	Czech Republic
Abbott Rapid Diagnostics s.r.o.	Czech Republic
Abbott Laboratories A/S	Denmark
Abbott Medical Danmark A/S	Denmark
Abbott Rapid Diagnostics A/S	Denmark
Inversiones Komodo, S.R.L.	Dominican Republic
Lafrancol Dominicana, S.A.S.	Dominican Republic
Abbott Laboratorios del Ecuador Cia. Ltda.	Ecuador
Farmacologia en Acuicultura Veterinaria FAV Ecuador S.A.	Ecuador
Western Pharmaceuticals S.A.	Ecuador
Abbott Healthcare LLC	Egypt
Abbott Limited Egypt LLC	Egypt
Abbott Products Egypt LLC	Egypt
Abbott Sociedad Anonima de Capital Variable	El Salvador
CFR Interamericas EL Salvador, Sociedad Anónima de Capital Variable	El Salvador
Abbott Medical Estonia OÜ	Estonia
Abbott Medical Finland Oy	Finland
Abbott Oy	Finland
Abbott Rapid Diagnostics Oy Ab	Finland
Abbott France S.A.S.	France
Abbott Informatics France	France
Abbott Medical France SAS	France
Abbott Products Distribution SAS	France
Abbott Rapid Diagnostics S.A.S.	France
Laboratoires Fournier S.A.S.	France

Vivalsol	France
Abbott Automation Solutions GmbH	Germany
Abbott Diagnostics GmbH	Germany
Abbott GmbH	Germany
Abbott Holding GmbH	Germany
Abbott Informatics Germany GmbH	Germany
Abbott Laboratories Deutschland GmbH	Germany
Abbott Laboratories Deutschland Holdings GmbH	Germany
Abbott Laboratories Deutschland Subsidiary GmbH	Germany
Abbott Laboratories GmbH	Germany
Abbott Management GmbH	Germany
Abbott Medical GmbH	Germany
Abbott Rapid Diagnostics Germany GmbH	Germany
Abbott Rapid Diagnostics Jena GmbH	Germany
Abbott Vascular Instruments Deutschland GmbH	Germany
Alere Diagnostics GmbH	Germany
Alere DoA Holding GmbH	Germany
Alere Holding GmbH	Germany
Fournier Pharma GmbH	Germany
Abbott Established Products Holdings (Gibraltar) Limited	Gibraltar
Abbott Holding (Gibraltar) Limited	Gibraltar
Abbott Holding Subsidiary (Gibraltar) Limited	Gibraltar
Abbott Laboratories(Hellas) Societe Anonyme	Greece
Abbott Medical Hellas Limited Liability Trading Company	Greece
Abbott Laboratorios, Limitada	Guatemala
Lafranco Guatemala S.A. Sociedad Anónima	Guatemala
Negocios Denia, Sociedad Anónima	Guatemala
Comercializadora y Distribuidora CFR Interamericas Honduras S.A.	Honduras
Abbott Hong Kong Holdings Limited	Hong Kong
Abbott Informatics Asia Pacific Limited	Hong Kong
Abbott Laboratories Limited	Hong Kong
Abbott Laboratories Subsidiary Hong Kong Limited	Hong Kong
Abbott Medical (Hong Kong) Limited	Hong Kong
Abt Finance HK Holdings Limited	Hong Kong
Alere HK Holdings Limited	Hong Kong
Inverness Medical Innovations Hong Kong Limited	Hong Kong
Abbott Medical Korlátolt Felelősségű Társaság	Hungary
Abbott Healthcare Private Limited	India
Abbott India Limited	India*
Alere Medical Private Limited	India
Inverness Medical Shimla Private Limited	India
St. Jude Medical India Private Limited	India
PT Alere Health	Indonesia
PT. Abbott Indonesia	Indonesia*
PT. Abbott Products Indonesia	Indonesia
Abbott Ireland Financing Designated Activity Company	Ireland
Abbott Ireland Limited	Ireland

Abbott Laboratories Vascular Enterprises	Ireland
Abbott Laboratories Vascular Enterprises Limited Partnership	Ireland
Abbott Laboratories, Ireland, Limited	Ireland
Abbott Mature Products International Unlimited Company	Ireland
Abbott Mature Products Management Limited	Ireland
Abbott Medical Ireland Limited	Ireland
Abbott Nutrition Limited	Ireland
Abbott Products Unlimited Company	Ireland
Abbott Rapid Diagnostics International Holdco Unlimited Company	Ireland
Abbott Rapid Diagnostics International Investments Unlimited Company	Ireland
Abbott Rapid Diagnostics International Subsidiary Unlimited Company	Ireland
Abbott Rapid Diagnostics International Unlimited Company	Ireland
Abbott Rapid DX International Limited	Ireland
Alere Technologies Holdings Limited	Ireland
Apica Cardiovascular Limited	Ireland
Salviac Limited	Ireland
Abbott Informatics Technologies Ltd	Israel
Abbott Medical Laboratories LTD	Israel
Alere Connected Health LTD	Israel
MediGuide Ltd.	Israel
Orgenics Limited	Israel
Abbott Medical Italia S.R.L.	Italy
Abbott Rapid Diagnostics S.r.l.	Italy
Abbott S.r.l.	Italy
Alere Toxicology S.r.l. in Liquidazione	Italy
Abbott West Indies Limited	Jamaica*
Abbott Diagnostics Medical Co., Ltd.	Japan
Abbott Japan LLC	Japan
Abbott Medical Japan LLC	Japan
St. Jude Medical Asia Pacific Holdings GK	Japan
Abbott Kazakhstan Limited Liability Partnership	Kazakhstan
Veropharm Limited Liability Partnership	Kazakhstan
Abbott Kenya Limited	Kenya
Abbott Diagnostics Korea, Inc.	Korea (the Republic of)
Abbott Korea Limited	Korea (the Republic of)
Abbott Medical Korea Limited	Korea (the Republic of)
Abbott Rapid Diagnostics Inc.	Korea (the Republic of)
ALR Holdings	Korea (the Republic of)
"Abbott Laboratories Baltics"	Latvia
UAB "Abbott Medical Lithuania"	Lithuania
Abbott Bulgaria Luxembourg S.à r.l.	Luxembourg
Abbott Healthcare Luxembourg S.à r.l.	Luxembourg
Abbott Holding Subsidiary (Gibraltar) Limited Luxembourg S.C.S.	Luxembourg
Abbott International Luxembourg S.à r.l.	Luxembourg
Abbott Investments Luxembourg S.à r.l.	Luxembourg
Abbott Luxembourg Finance S.à r.l.	Luxembourg
Abbott Nederland Luxembourg S.à r.l.	Luxembourg

Abbott Overseas Luxembourg S.à r.l.	Luxembourg
Abbott Poland Luxembourg S.à r.l.	Luxembourg
Abbott South Africa Luxembourg S.à r.l.	Luxembourg
Abbott Volga Luxembourg S.à r.l.	Luxembourg
St. Jude Medical International Holding	Luxembourg
St. Jude Medical Luxembourg	Luxembourg
St. Jude Medical Luxembourg Holdings II	Luxembourg
St. Jude Medical Luxembourg Holdings NT	Luxembourg
St. Jude Medical Luxembourg Holdings SMI S.à r.l.	Luxembourg
St. Jude Medical Luxembourg Holdings TC S.à r.l.	Luxembourg
Abbott Diagnostics Health Sdn. Bhd.	Malaysia
Abbott Laboratories (Malaysia) Sdn. Bhd.	Malaysia
Abbott Medical (Malaysia) Sdn. Bhd.	Malaysia
St. Jude Medical Operations (Malaysia) Sdn. Bhd.	Malaysia
Yisum Holding Limited	Malta
Abbott Laboratories de México, S.A. de C.V.	Mexico
SJ Medical Mexico, S de R.L. de C.V.	Mexico
Abbott Morocco SARL	Morocco
Abbott Affiliate Holdings B.V.	Netherlands
Abbott B.V.	Netherlands
Abbott Biologicals B.V.	Netherlands
Abbott Diagnostics Holding B.V.	Netherlands
Abbott Diagnostics Investments B.V.	Netherlands
Abbott Healthcare B.V.	Netherlands
Abbott Healthcare Products B.V.	Netherlands
Abbott Holdings B.V.	Netherlands
Abbott Informatics Netherlands B.V.	Netherlands
Abbott Laboratories B.V.	Netherlands
Abbott Laboratories European Holdings B.V.	Netherlands
Abbott Logistics B.V.	Netherlands
Abbott Medical Nederland B.V.	Netherlands
Abbott Nederland C.V.	Netherlands
Abbott Netherlands Investments B.V.	Netherlands
Abbott Products B.V.	Netherlands
Abbott Rapid Diagnostics B.V.	Netherlands
Abbott Rapid Diagnostics Holding B.V.	Netherlands
Abbott Vascular Netherlands B.V.	Netherlands
Alere Health Services B.V.	Netherlands
Brandex Europe C.V.	Netherlands
Framed B.V.	Netherlands
IMTC Finance B.V.	Netherlands
IMTC Holdings B.V.	Netherlands
Nether Pharma N.P. C.V.	Netherlands
Orgenics International Holdings B.V.	Netherlands
St. Jude Medical Holdings B.V.	Netherlands
Abbott Laboratories NZ Limited	New Zealand
Abbott Medical New Zealand Limited	New Zealand

Abbott Rapid Diagnostics Limited	New Zealand
CFR Interamericas Nicaragua, Sociedad Anónima	Nicaragua
Alere Healthcare Nigeria Limited	Nigeria
Abbott Diagnostics Technologies AS	Norway
Abbott Medical Norway AS	Norway
Abbott Norge AS	Norway
Abbott Rapid Diagnostics AS	Norway
Axis-Shield AS	Norway
Abbott Laboratories (Pakistan) Limited	Pakistan*
Alere Medical Pakistan (Private) Limited	Pakistan
Abbott Laboratories, C.A.	Panama
Abbott Overseas, S.A.	Panama
Caripharm Inc.	Panama
CFR Interamericas Panamá S.A.	Panama
Forestcreek Overseas S.A.	Panama
Golnorth Investments S.A.	Panama
Gynopharm de Centroamérica S.A.	Panama
Ramses Business Corp.	Panama
Saboya Enterprises Corporation	Panama
Fada Pharma Paraguay Sociedad Anonima	Paraguay
Pharma International Sociedad Anonima	Paraguay
Abbott Laboratorios S.A.	Peru
Farminindustria S.A.	Peru
Lafranco Perú S.R.L	Peru
Neosalud S.A.C.	Peru
Abbott Laboratories (Philippines)	Philippines
Abbott Products (Philippines), Inc.	Philippines
Alere Philippines, Inc.	Philippines
Arriva Medical Philippines, Inc.	Philippines
Abbott Holdings Poland Spółka z ograniczoną odpowiedzialnością	Poland
Abbott Laboratories Poland Spółka z ograniczoną odpowiedzialnością	Poland
Abbott Medical spółka z ograniczoną odpowiedzialnością	Poland
Abbott Laboratórios, Lda	Portugal
Abbott Medical (Portugal) Distribuicao de Produtos Medicos Lda	Portugal
Abbott Rapid Diagnostics LDA	Portugal
Abbott Laboratories (Puerto Rico) Incorporated	Puerto Rico
Abbott Medical Puerto Rico LLC	Puerto Rico
St. Jude Medical Puerto Rico LLC	Puerto Rico
Abbott Products Romania S.R.L.	Romania
Garden Hills LLC	Russian Federation
Limited Liability Company “VEROPHARM”	Russian Federation
Limited Liability Company Abbott Laboratories	Russian Federation
OJSC "Voronezhkhimpfarm"	Russian Federation
SC "VEROPHARM"	Russian Federation
Abbott Saudi Arabia for Trading	Saudi Arabia
Abbott Medical Balkan d.o.o. Beograd (Novi Beograd)	Serbia
Abbott Informatics Singapore Pte. Limited	Singapore

Abbott Laboratories (Singapore) Private Limited	Singapore
ABBOTT LABORATORIES SUBSIDIARY SINGAPORE PRIVATE LTD.	Singapore
Abbott Manufacturing Singapore Private Limited	Singapore
Abbott Medical (Singapore) Pte. Ltd.	Singapore
Abbott Operations Singapore Pte. Ltd.	Singapore
Abbott Rapid Diagnostics PTE. LTD.	Singapore
Abbott Laboratories Slovakia s.r.o.	Slovakia
Abbott Laboratories družba za farmacijo in diagnostiko d.o.o.	Slovenia
Abbott Laboratories South Africa (Pty) Ltd.	South Africa
Abbott Rapid Diagnostics (PTY) LTD.	South Africa
Murex Biotech South Africa	South Africa
Pantech (RF) (PTY) LTD	South Africa*
Abbott Doral Investments, S.L.	Spain
Abbott Informatics Spain, S.A.	Spain
Abbott Laboratories, S.A.	Spain
Abbott Medical España, S.A.	Spain
Abbott Products (Spain), S.L.	Spain
Abbott Rapid Diagnostics Healthcare, S.L.	Spain
Alere Spain, S.L.	Spain
Farmaceutica Mont Blanc, S.L.	Spain
Igloo Zone, S.L.	Spain
Abbott Medical Sweden AB	Sweden
Abbott Rapid Diagnostics AB	Sweden
Abbott Scandinavia Aktiebolag	Sweden
European Drug Testing Service EDTS AB	Sweden
St. Jude Medical AB	Sweden
St. Jude Medical Systems AB	Sweden
Abbott AG	Switzerland
Abbott Finance Company SA	Switzerland
Abbott Laboratories GmbH	Switzerland
Abbott Medical (Schweiz) AG	Switzerland
Abbott Products Operations AG	Switzerland
Abbott Rapid Diagnostics Schweiz GmbH	Switzerland
Abbott Switzerland Investments GmbH	Switzerland
Alere Switzerland GmbH	Switzerland
SPD Swiss Precision Diagnostics GmbH	Switzerland
St. Jude Medical GVA Sàrl	Switzerland
Thoratec Switzerland GmbH	Switzerland
Abbott Medical Taiwan Co.	Taiwan (Province of China)
Abbott Rapid Diagnostics Health Corp.	Taiwan (Province of China)
Abbott Fund Tanzania Limited	Tanzania, the United Republic of
Abbott Laboratories Limited	Thailand
Abbott Medical (Thailand) Co., Ltd.	Thailand
Abbott Products Tunisie S.A.R.L.	Tunisia
Abbott Laboratuarlari Ithalat Ihracat ve Ticaret Ltd.Sti	Turkey
St. Jude Medical Turkey Medikal Ürünler Ticaret Limited Sirketi	Turkey
Limited Liability Company "Abbott Ukraine"	Ukraine

Товариство з обмеженою відповідальністю «Верофарм» (ТОВ «Верофарм»)	Ukraine
St. Jude Medical Middle East DMCC	United Arab Emirates
Abbott (UK) Finance Limited	United Kingdom
Abbott (UK) Holdings Limited	United Kingdom
Abbott Asia Holdings Limited	United Kingdom
Abbott Asia Investments Limited	United Kingdom
Abbott Australasia Holdings Limited	United Kingdom
Abbott Capital India Limited	United Kingdom
Abbott Diabetes Care Limited	United Kingdom
Abbott Equity Holdings Unlimited	United Kingdom
Abbott Healthcare Connections Limited	United Kingdom
Abbott Healthcare Products Ltd	United Kingdom
Abbott Informatics Europe Limited	United Kingdom
Abbott Laboratories Limited	United Kingdom
Abbott Laboratories Trustee Company Limited	United Kingdom
Abbott Medical U.K. Limited	United Kingdom
Abbott Rapid Diagnostics Limited	United Kingdom
Abbott Toxicology Limited	United Kingdom
Abbott UK Investments Limited	United Kingdom
Abbott Vascular Devices (2) Limited	United Kingdom
Abbott Vascular Devices Limited	United Kingdom
Alere AS Holdings Limited	United Kingdom
Alere BBI Holdings Limited	United Kingdom
Alere Connected Health Limited	United Kingdom
Alere Technologies Limited	United Kingdom
Alere UK Holdings Limited	United Kingdom
Alere UK Subco Limited	United Kingdom
Alisoc Investment & Co	United Kingdom
Axis-Shield Diagnostics Limited	United Kingdom
Axis-Shield Limited	United Kingdom
BBI Animal Health Limited	United Kingdom
BBI Diagnostics Group 2 Public Limited Company	United Kingdom
British Colloids Limited	United Kingdom
Concateno South Limited	United Kingdom
Concateno UK Limited	United Kingdom
Cozart Limited	United Kingdom
European Chemicals & Co	United Kingdom
Forensics Limited	United Kingdom
Fournier Pharmaceuticals Limited	United Kingdom
Globapharm & CO LP	United Kingdom
Gynocare Limited	United Kingdom
IG Innovations Limited	United Kingdom
Knoll UK Investments Unlimited	United Kingdom
Mansbridge Pharmaceuticals Limited	United Kingdom
Medscreen Holdings Limited	United Kingdom
Murex Biotech Limited	United Kingdom
Sinensix & Co.	United Kingdom

Thoratec Europe Limited	United Kingdom
TwistDX Limited	United Kingdom
Unipath Limited	United Kingdom
Unipath Management Limited	United Kingdom
Unipath Pension Trustee Limited	United Kingdom
Abbott Laboratories Uruguay S.A.	Uruguay
Abbott Operations Uruguay S.R.L.	Uruguay
Bosque Bonito S.A.	Uruguay
European Services S.A.	Uruguay
Fernwood Investment S.A.	Uruguay
Kangshenyunga S.A.	Uruguay
Pharmaceutical Technologies (Pharmatech) S.A.	Uruguay
Tremora S.A.	Uruguay
Tuenir S.A.	Uruguay
Abbott Laboratories, C.A.	Venezuela
Gynopharm de Venezuela, C.A.	Venezuela
3A Nutrition (Vietnam) Company Limited	Viet Nam
Domesco Medical Import-Export Joint-Stock Corporation	Viet Nam*
Glomed Pharmaceutical Company Limited	Viet Nam
Abbott Trading Company, Inc.	Virgin Islands (U.S.)



CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

- 1) Registration Statement No. 333-158782 on Form S-8 for the Abbott Laboratories 2009 Incentive Stock Program;
- 2) Registration Statement Nos. 333-74220, 333-102179, 333-124851, 333-153200, 333-169886, 333-204773, 333-227803 and 333-251334 on Form S-8 for the Abbott Laboratories Deferred Compensation Plan;
- 3) Registration Statement Nos. 33-26685, 33-50452, 33-51585, 33-56897, 33-65127, 333-19511, 333-43383, 333-69579, 333-93257, 333-74224, 333-102180, 333-109253, 333-124849, 333-141116, 333-153198, 333-169888, 333-204772, 333-227802 and 333-251335 on Form S-8 for the Abbott Laboratories Stock Retirement Program and Trusts;
- 4) Registration Statement No. 333-239333 on Form S-3;
- 5) Registration Statement Nos. 333-212002 and 333-216141 on Form S-4;
- 6) Post-Effective Amendment on Form S-8 to Registration Statement No. 333-212002 on Form S-4 for the St. Jude Medical, Inc. 2007 Stock Incentive Plan, as Amended and Restated (2014) and the Thoratec Corporation Amended and Restated 2006 Incentive Stock Plan;
- 7) Registration Statement Nos. 333-215423 and 333-227804 on Form S-8 for the Management Savings Plan (f/k/a the St. Jude Medical, Inc. Management Savings Plan), as amended and restated effective January 1, 2016; and
- 8) Registration Statement No. 333-217540 on Form S-8 for the Abbott Laboratories 2017 Incentive Stock Program and the Abbott Laboratories 2017 Employee Stock Purchase Plan for Non-U.S. Employees

of our reports dated February 19, 2021, with respect to the consolidated financial statements, schedule and the effectiveness of internal control over financial reporting of Abbott Laboratories and subsidiaries, included in this Annual Report (Form 10-K) of Abbott Laboratories and subsidiaries for the year ended December 31, 2020.

/s/ Ernst & Young LLP

Chicago, Illinois
February 19, 2021

**Certification of Chief Executive Officer
Required by Rule 13a-14(a) (17 CFR 240.13a-14(a))**

I, Robert B. Ford, certify that:

1. I have reviewed this annual report on Form 10-K of Abbott Laboratories;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of Abbott as of, and for, the periods presented in this report;
4. Abbott's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for Abbott and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to Abbott, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of Abbott's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in Abbott's internal control over financial reporting that occurred during Abbott's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, Abbott's internal control over financial reporting; and
5. Abbott's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to Abbott's auditors and the audit committee of Abbott's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect Abbott's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in Abbott's internal control over financial reporting.

/s/ ROBERT B. FORD

Robert B. Ford,
President and Chief Executive Officer

Date: February 19, 2021

**Certification of Chief Financial Officer
Required by Rule 13a-14(a) (17 CFR 240.13a-14(a))**

I, Robert E. Funck, Jr., certify that:

1. I have reviewed this annual report on Form 10-K of Abbott Laboratories;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of Abbott as of, and for, the periods presented in this report;
4. Abbott's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for Abbott and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to Abbott, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of Abbott's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in Abbott's internal control over financial reporting that occurred during Abbott's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, Abbott's internal control over financial reporting; and
5. Abbott's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to Abbott's auditors and the audit committee of Abbott's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect Abbott's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in Abbott's internal control over financial reporting.

/s/ ROBERT E. FUNCK, JR.

Robert E. Funck, Jr.,
Executive Vice President, Finance
and Chief Financial Officer

Date: February 19, 2021

**Certification Pursuant To
18 U.S.C. Section 1350
As Adopted Pursuant To
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of Abbott Laboratories (the "Company") on Form 10-K for the period ended December 31, 2020 as filed with the Securities and Exchange Commission (the "Report"), I, Robert B. Ford, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ ROBERT B. FORD

Robert B. Ford,
President and Chief Executive Officer

Date: February 19, 2021

A signed original of this written statement required by Section 906 has been provided to Abbott Laboratories and will be retained by Abbott Laboratories and furnished to the Securities and Exchange Commission or its staff upon request.

**Certification Pursuant To
18 U.S.C. Section 1350
As Adopted Pursuant To
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of Abbott Laboratories (the "Company") on Form 10-K for the period ended December 31, 2020 as filed with the Securities and Exchange Commission (the "Report"), I, Robert E. Funck, Jr., Executive Vice President, Finance and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ ROBERT E. FUNCK, JR.

Robert E. Funck, Jr.,
Executive Vice President, Finance
and Chief Financial Officer

Date: February 19, 2021

A signed original of this written statement required by Section 906 has been provided to Abbott Laboratories and will be retained by Abbott Laboratories and furnished to the Securities and Exchange Commission or its staff upon request.
