



Alcon

TRANSFORMING EYE CARE

MICHAEL ONUSCHECK, PRESIDENT INNOVATION

How we think about innovation



Deep understanding
of eye care needs



World-class
expertise



Balanced incremental
versus disruptive



Agnostic to
internal versus
external

External innovation: rich BD&L activities focused on augmenting core business growth

Agnostic to the source of innovation



Remain the partner of choice for commercializing technologies globally



Leverage Alcon's global footprint and scale



Offer flexibility to execute various investment structures



Bolt-on capabilities and enter adjacent categories



Continuing to expand
the frontiers of eye care
through internal and
external innovation

\$30B+ addressable
markets¹

Accommodating IOLs

Customizable IOLS

Robotic technology

Presbyopia correction

Dry eye delivery devices

Next generation retinal tamponades

Surgical glaucoma

Ophthalmic pharma

Corneal treatments

Internal innovation: world-class resources focused on continued pipeline rejuvenation

26

Surgical
launches since 2018

14

Vision Care
launches since 2018

+15%

core R&D investment
versus 2018

1,400

R&D associates

11,000

patents granted

100+

active projects
in development

Robust innovation engine pushing the boundaries of eye care today



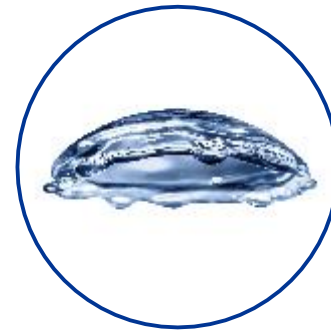
**Disruptive
ATIOLs**



**Digital Health
Solutions**



**Next generation
contact
lens design**



**Presbyopia
solutions**

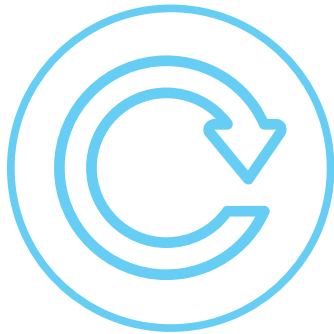


**Novel delivery
beyond the drop**

Evolving breakthrough ATIOL technology

+\$200M

PCIOL sales versus 2018



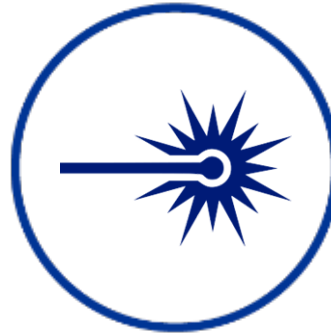
IOL innovation

Long history of delivering innovation to the market

PanOptix and *Vivity* recent examples

Multiple programs

in adjustable IOLs



Customizable IOLs

Multiple active programs increasing our aggregate probability of success

Up to 2 Diopters

objective accommodation achieved



True accommodating IOLs

Multiple diopter change achieved in implanted subjects

Evolving breakthrough ATIOL technology



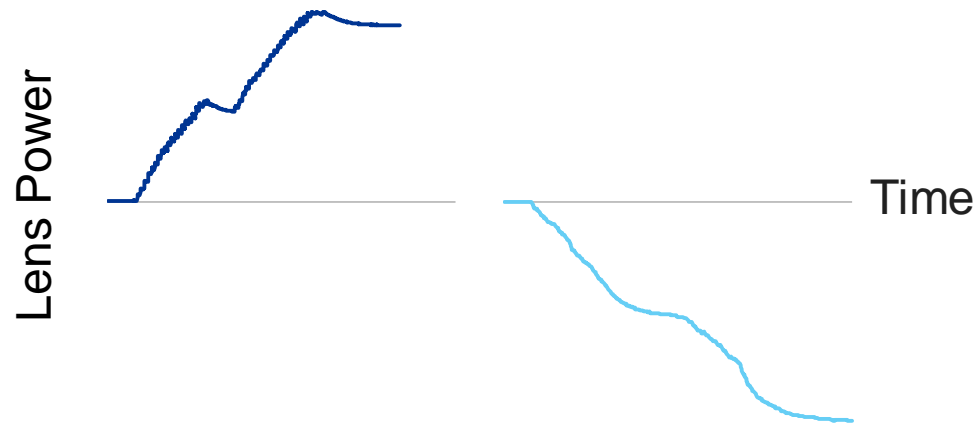
Customizable

Power adjustment
energy applied

Increasing power

Decreasing power

Change in lens power¹
(bench data)

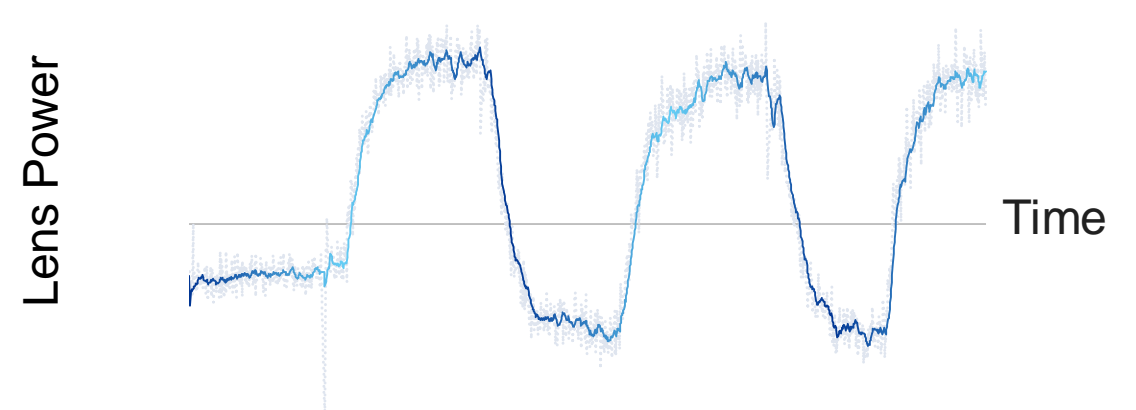


Accommodating

Gaze target
near/far (clinical study subject)



Change in optical power²
(clinical study subject)



Enriching our installed base to win the next decade of consumables

Leading installed equipment base

30,000+

active phaco and vitreoretinal consoles



Driving procedural consumables annuity

\$2B+

Alcon consumables business



Coming soon

Superior fluidics for cataract and vitreoretinal

Near-physiological IOP with less ultrasound

Improved occlusion break surge control

Shorter case times

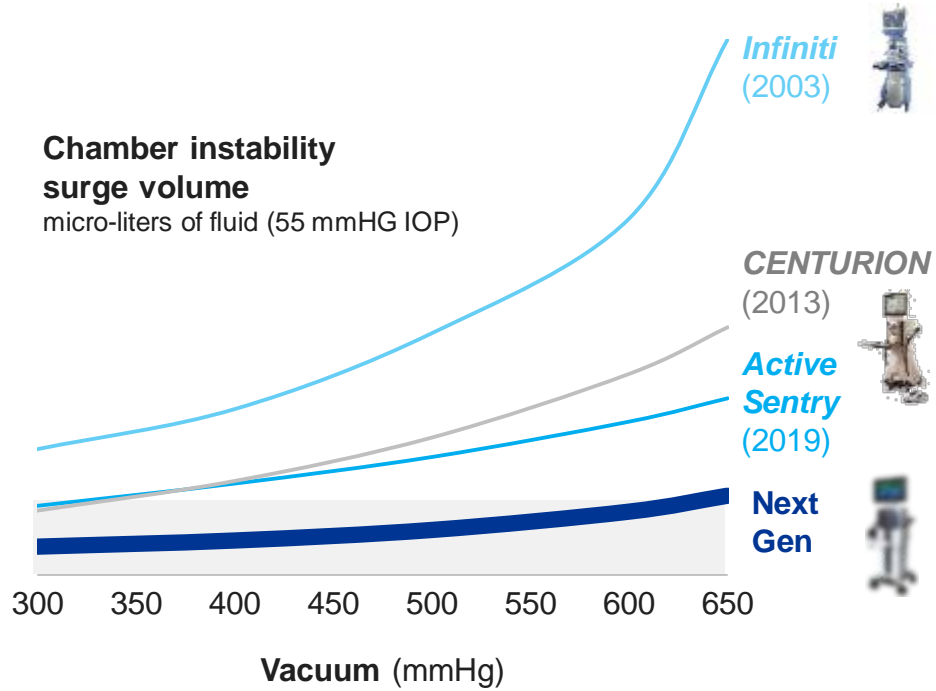
Meaningful solutions that deliver value to practices

Clinical challenge

Occlusion break surge

- Transient fluid rush after clearance of a lens fragment
- Can cause IOP to fall or the capsule to vault forward
- Increases potential risk of posterior capsule rupture

Technology advancement



- ▶ Lower surge break volumes
- ▶ More efficient cataract clearing
- ▶ Lower risk of ruptures and tears
- ▶ Shorter case times

Leveraging our global installed base

Best-in-class dual
function console



Renewing our **anchoring technologies** in the OR



Securing the **next decade of consumables**



Harvesting **manufacturing cost savings** with a single platform across cataract and vitreoretinal



Creating positive economics for the provider



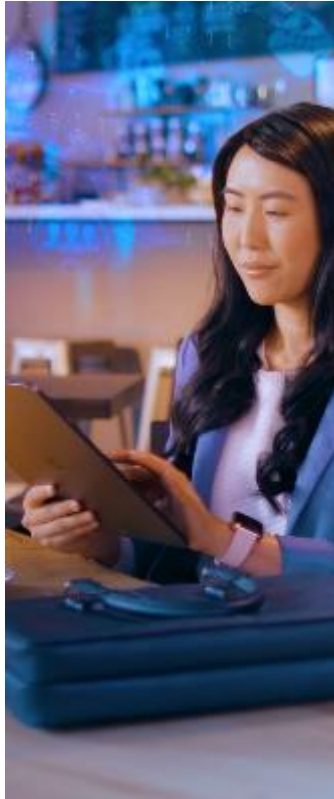
Establishing a **cornerstone digital technology** as the next consumable in our ecosystem

Digitalizing ophthalmology

SMARTSuite Cataract Planner



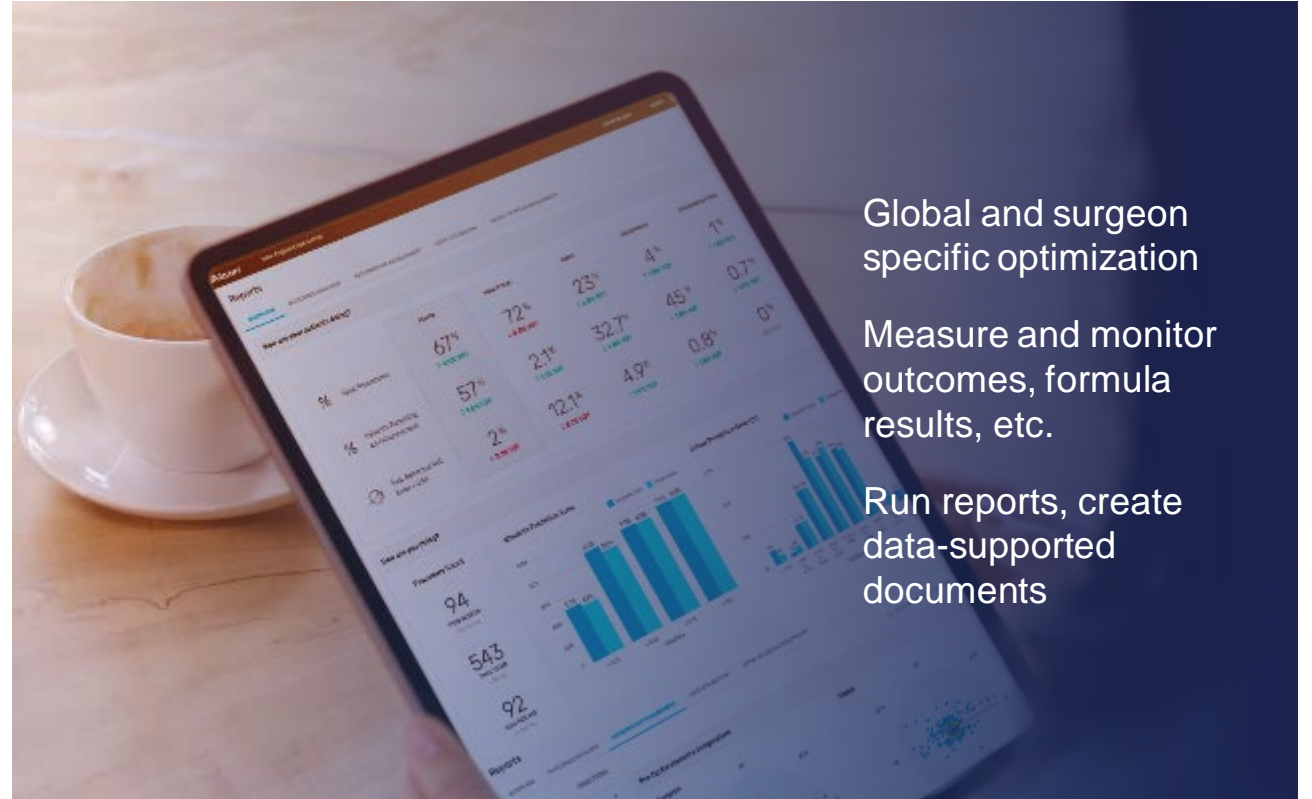
EMR and device connectivity



Comprehensive planning and management



Secure automated data transfer



Global and surgeon specific optimization

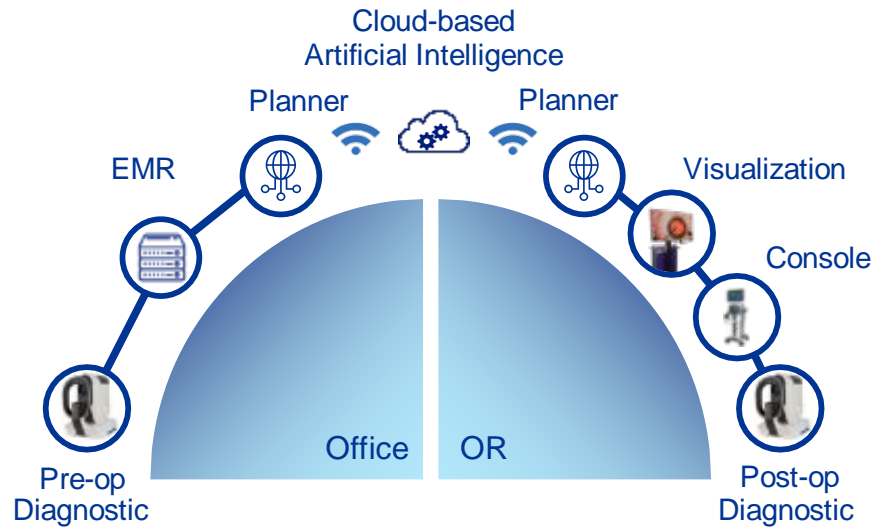
Measure and monitor outcomes, formula results, etc.

Run reports, create data-supported documents

Robust optimization and outcomes-based reporting

Driving efficiency and improving outcomes with an interconnected digital ecosystem

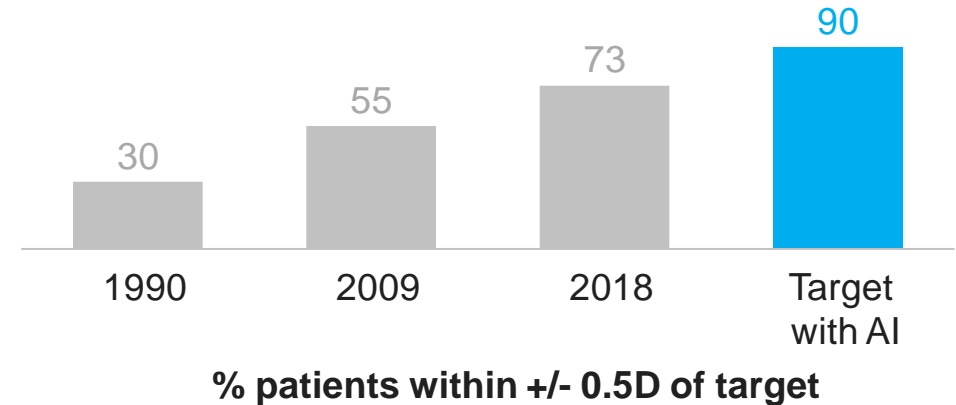
Efficiency



Targeting ~35% improvement in time spent planning a case

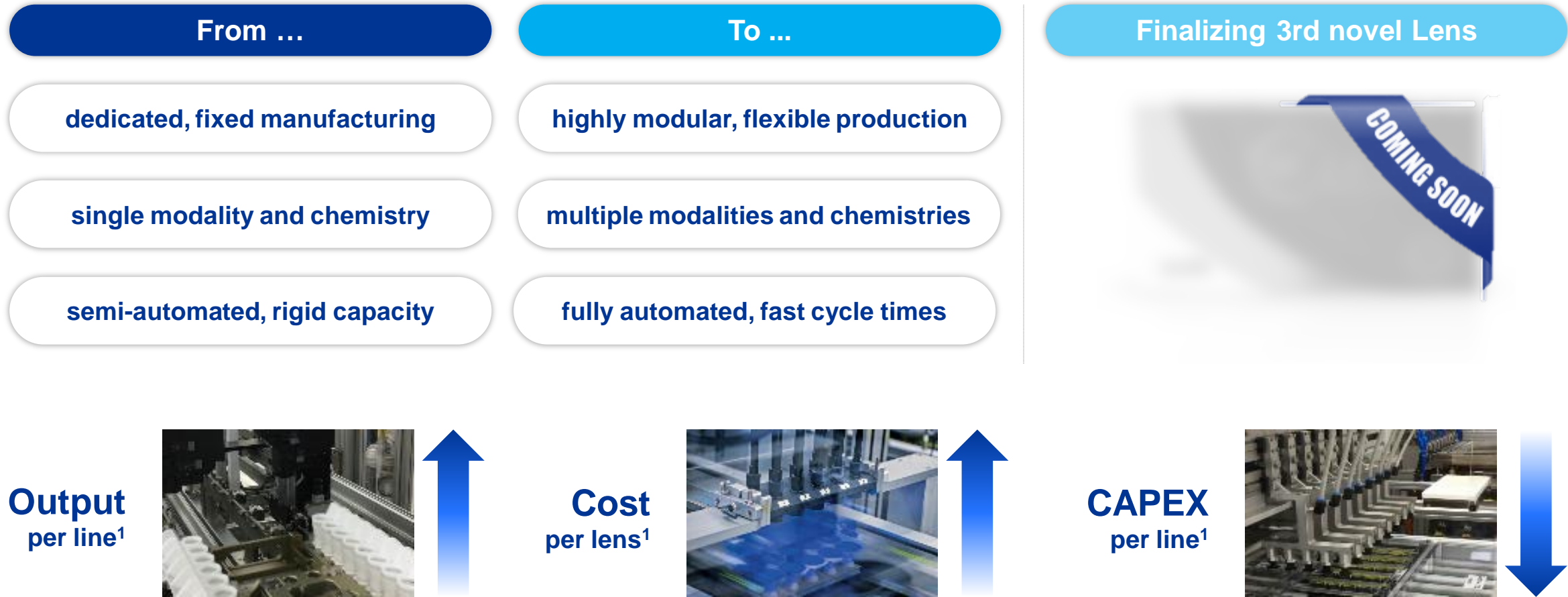


Outcomes¹



Targeting ~90% within +/-0.5D

New manufacturing platform: creating a powerful engine for future innovation in contact lenses



Presbyopia correction: an untapped market opportunity



Multifocal solutions today compromise on distance visual acuity

Presbyopia prevalence estimated to be **80%** by age 45-55¹

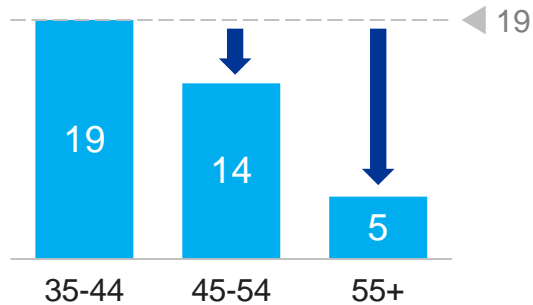
~60% of those needing multifocal correction are interested in contacts¹

Multifocal category growing ~15% annually¹

High contact lens drop-out rate related to presbyopia for older consumers

Contact lens drop-out accelerates after age 45¹

US contact lens penetration
% by users by age bracket



Top reasons for drop-out:

1. Problems with vision
2. Discomfort

Today's multifocal solutions remain suboptimal

For high add powers, today's lens technologies compromise on distance visual acuity



What we have done

1. Water gradient technology

2. Improved surface treatment

3. Better multifocal contact lens



Traditional eye drop delivery remains ripe for innovation

Pain points

70% have difficulty aiming eye drops¹

50% miss on the first try¹

40% use the wrong product for dry eye

33% dry eye patients are diagnosed²

1. Davies et al, Journal of Ophthalmology (June, 2017).

2. Market Scope – 2019 Dry Eye Products Report.

Ocular Health innovation going beyond the drop

Innovative packaging
options to meet unique
consumer needs



Premium delivery of
finely misted solutions



Impregnated films that
dissolve over time



Eluting devices that
deliver over time



**Unique delivery advantage for new and existing agents
used to treat a spectrum of eye conditions**

Key Takeaways



Robust product pipeline driving sustainable growth



Developing breakthrough innovation to expand markets



Driving the digitalization of eye care



Protecting the core business with next generation products

Conclusion

Alcon is a world-class leader
in an attractive market

Exciting innovation sustains leadership
position and expands markets

Best-in-class products fuel growth
and market share

Operating leverage drives
significant margin expansion and
free cash flow