



# Q4 and Full Year 2023 Earnings Presentation

February 28, 2024

**Alcon**

# Safe harbor

## Forward-looking statements

This document contains, and our officers and representatives may from time to time make, certain “forward-looking statements” within the meaning of the safe harbor provisions of the US Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “anticipate,” “intend,” “commitment,” “look forward,” “maintain,” “plan,” “goal,” “seek,” “target,” “assume,” “believe,” “project,” “estimate,” “expect,” “strategy,” “future,” “likely,” “may,” “should,” “will” and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding our liquidity, revenue, gross margin, operating margin, effective tax rate, foreign currency exchange movements, earnings per share, our plans and decisions relating to various capital expenditures, capital allocation priorities and other discretionary items such as our market growth assumptions, our social impact and sustainability plans, targets, goals and expectations, and generally, our expectations concerning our future performance.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties and risks that are difficult to predict such as: cybersecurity breaches or other disruptions of our information technology systems; compliance with data privacy, identity protection and information security laws, particularly with the increased use of artificial intelligence; the impact of a disruption in our global supply chain or important facilities, particularly when we single-source or rely on limited sources of supply; our ability to forecast sales demand and manage our inventory levels and the changing buying patterns of our customers; our ability to manage social impact and sustainability matters; our reliance on outsourcing key business functions; global and regional economic, financial, monetary, legal, tax, political and social change; our success in completing and integrating strategic acquisitions; the success of our research and development efforts, including our ability to innovate to compete effectively; our ability to comply with the US Foreign Corrupt Practices Act of 1977 and other applicable anti-corruption laws; pricing pressure from changes in third party payor coverage and reimbursement methodologies; our ability to properly educate and train healthcare providers on our products; our ability to protect our intellectual property; our ability to comply with all laws to which we may be subject; the ability to obtain regulatory clearance and approval of our products as well as compliance with any post-approval obligations, including quality control of our manufacturing; the effect of product recalls or voluntary market withdrawals; the accuracy of our accounting estimates and assumptions, including pension and other post-employment benefit plan obligations and the carrying value of intangible assets; the impact of unauthorized importation of our products from countries with lower prices to countries with higher prices; our ability to service our debt obligations; the need for additional financing through the issuance of debt or equity; the effects of litigation, including product liability lawsuits and governmental investigations; supply constraints and increases in the cost of energy; our ability to attract and retain qualified personnel; legislative, tax and regulatory reform; the impact of being listed on two stock exchanges; the ability to declare and pay dividends; the different rights afforded to our shareholders as a Swiss corporation compared to a US corporation; the effect of maintaining or losing our foreign private issuer status under US securities laws; and the ability to enforce US judgments against Swiss corporations.

Additional factors are discussed in our filings with the United States Securities and Exchange Commission, including our Form 20-F. Should one or more of these uncertainties or risks materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated. Therefore, you should not rely on any of these forward-looking statements. Forward-looking statements in this document speak only as of the date of its filing, and we assume no obligation to update forward-looking statements as a result of new information, future events or otherwise.

## Intellectual property

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## Non-IFRS measures

Alcon uses certain non-IFRS metrics when measuring performance, including when measuring current period results against prior periods, including core results, percentage changes measured in constant currencies and free cash flow. Because of their non-standardized definitions, the non-IFRS measures (unlike IFRS measures) may not be comparable to the calculation of similar measures of other companies. These non-IFRS measures are presented solely to permit investors to more fully understand how Alcon management assesses underlying performance. These non-IFRS measures are not, and should not be viewed as, a substitute for IFRS measures.

# Agenda

- 01 Key topics
- 02 Sales
- 03 IFRS results
- 04 Core results
- 05 Outlook



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# 2023 Highlights

- FY23 sales of \$9.4B, up 8%, or 10% cc<sup>1</sup>
- FY23 operating margin of 11.1%; core operating margin<sup>1</sup> of 19.7%
- FY23 diluted EPS of \$1.96, up 188%, or 241% cc<sup>1</sup>
- FY23 core diluted EPS<sup>1</sup> of \$2.74, up 22%, or 33% cc<sup>1</sup>
- Generated \$1.4 billion of cash from operating activities and \$730 million of free cash flow<sup>1</sup> in FY23
- Advanced commercial and innovation agenda
- FY24 outlook: 6% to 8% cc<sup>1</sup> sales growth, 13% to 16% cc<sup>1</sup> core diluted EPS<sup>1</sup> growth



# Select financial highlights

## 3<sup>rd</sup> party sales



## Core operating margin<sup>1</sup>

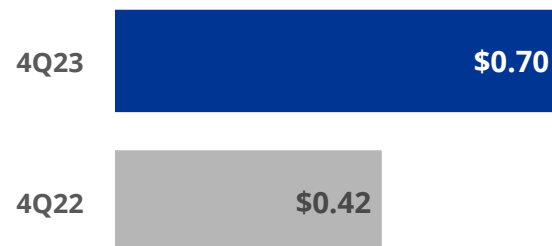


**4Q23 Sales** of \$2.3B, up 8%, or 10% cc<sup>1</sup>

**4Q23 Operating margin** of 8.9%, up 790 basis points (bps) y/y; up 930 bps cc<sup>1</sup>

**4Q23 Core operating margin** of 18.9%, up 250 bps, or up 360 bps cc<sup>1</sup>

## Core diluted EPS<sup>1</sup>



## Free cash flow<sup>1</sup>



**4Q23 Diluted EPS** of \$0.86, vs. a diluted loss in the prior year period

**4Q23 Core diluted EPS** of \$0.70, up 67%, or up 78% cc<sup>1</sup>

**FY23** cash from operating activities of \$1.4 billion

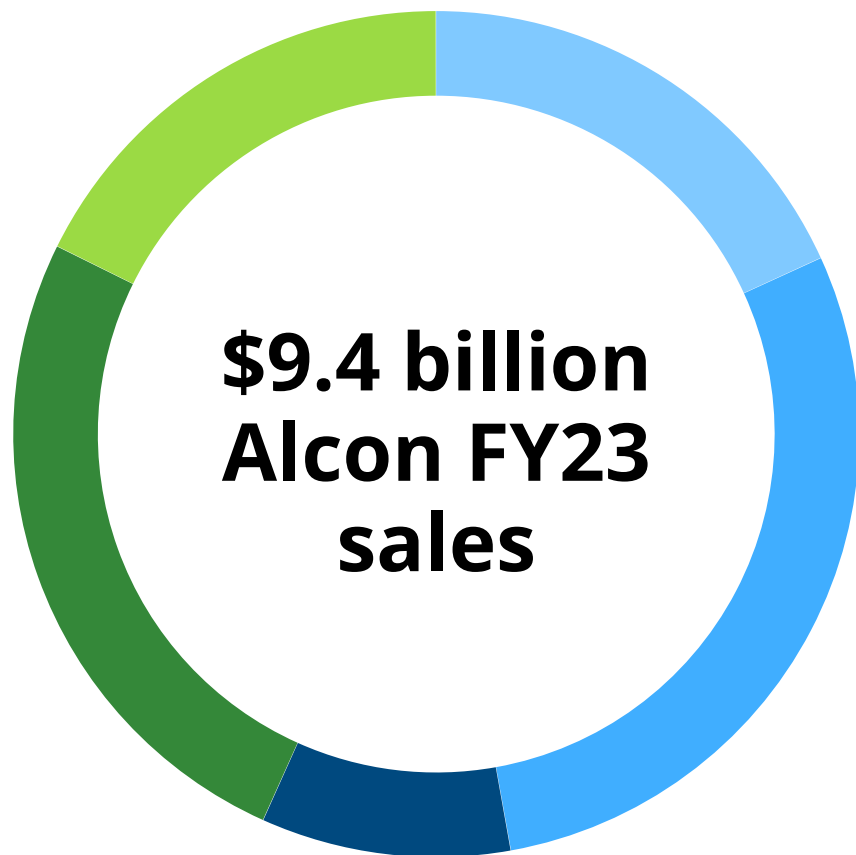
**FY23** free cash flow<sup>1</sup> of \$730 million

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# FY 2023 Product mix<sup>1</sup>



**\$9.4 billion  
Alcon FY23  
sales**

## Vision Care \$4.1B (43%)

### Ocular health (41%)

Dry eye products

Allergy eye drops

Steroid eye drops

Glaucoma eye drops

Contact lens care

### Contact lenses (59%)

Daily lenses

Reusable lenses

Cosmetic lenses

## Surgical \$5.3B (57%)

### Implantables (32%)

Monofocal IOLs

Advanced technology IOLs

Glaucoma implants

### Consumables (51%)

Dedicated consumables

Custom surgical packs

Procedural products

### Equipment/other (17%)

Cataract equipment

Retinal equipment

Refractive equipment

Diagnostics & visualization

Equipment service

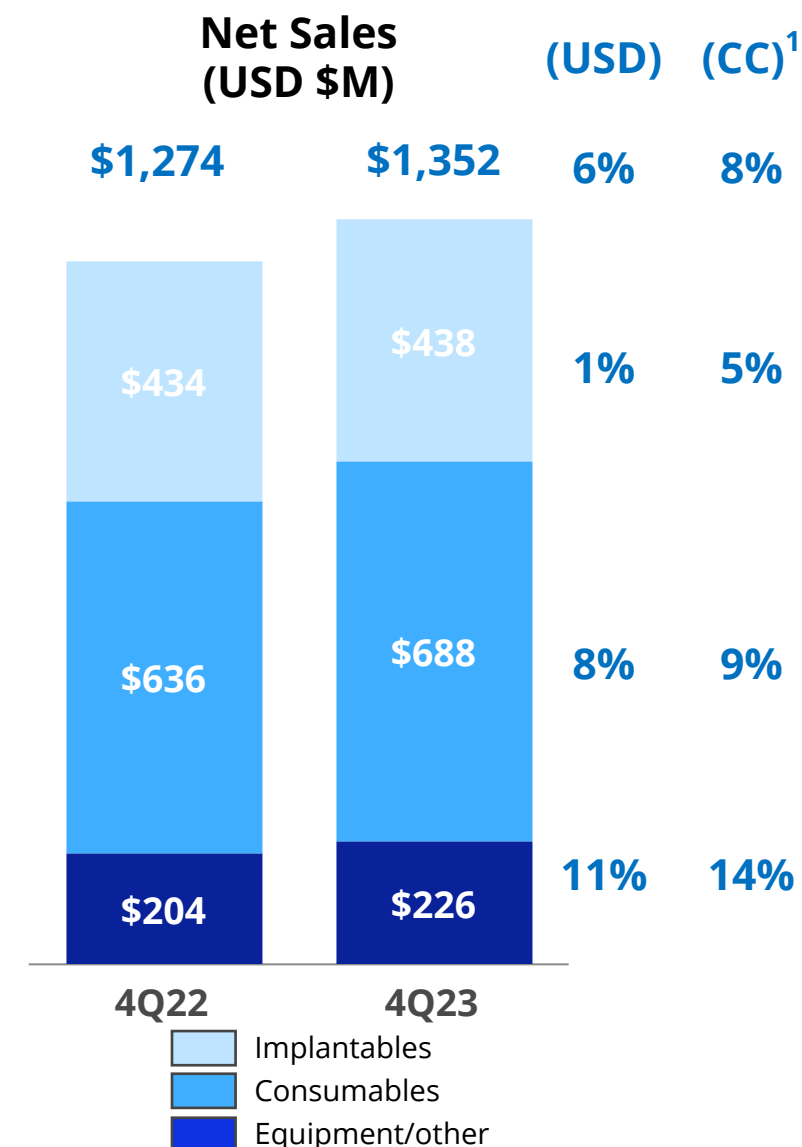
Procedural eye drops



# Q4 2023 Surgical

## Surgical growth driven by international markets

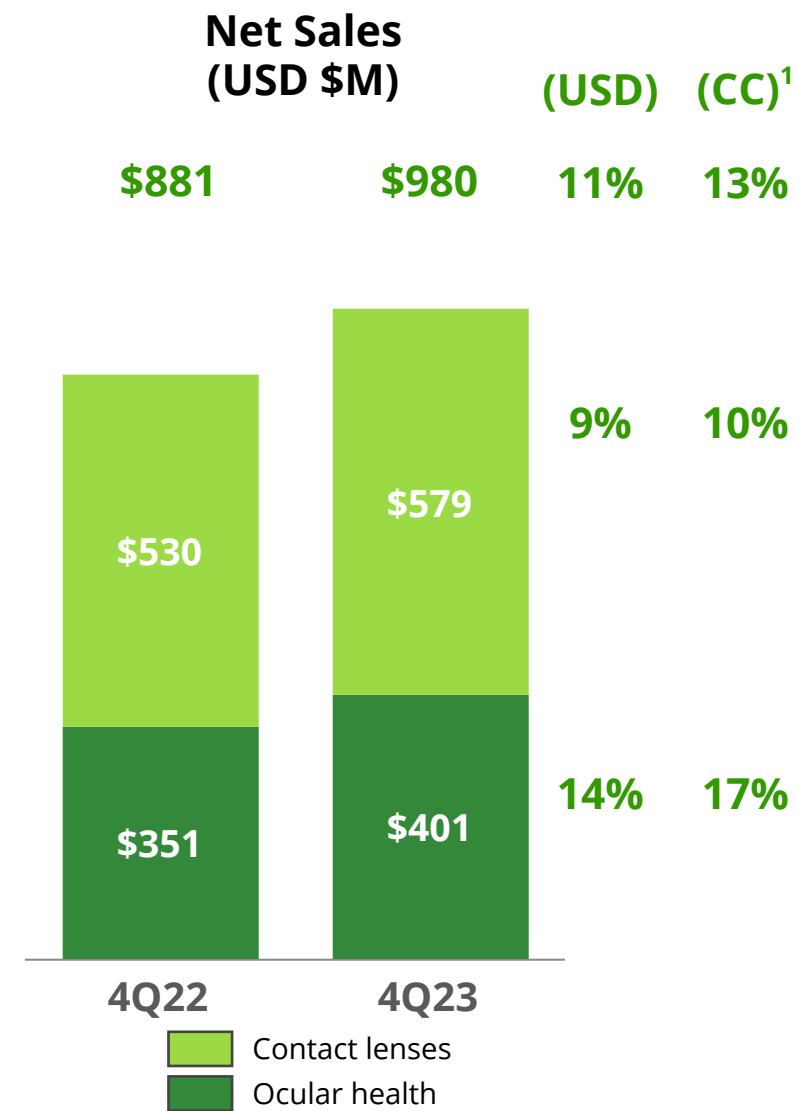
+	<ul style="list-style-type: none"> <li>Implantables growth led by demand for advanced technology intraocular lenses in international markets</li> <li>Continued ATIOL global and US market leadership</li> </ul>
+	<ul style="list-style-type: none"> <li>Consumables growth reflects demand for cataract and vitreoretinal consumables, particularly in international markets, and price increases</li> <li>Equipment growth primarily driven by demand for cataract and vitreoretinal equipment in international markets, and higher service revenues</li> </ul>
-	<ul style="list-style-type: none"> <li>~200 bps of negative impact from FX on Surgical growth</li> </ul>



# Q4 2023 Vision Care

Double-digit Vision Care growth reflects strength across the franchise, including acquired products, and pricing

- +**
  - Product innovation drove strong demand for contact lenses, including sphere and toric product launches
  - Price increases across contact lenses portfolio
- +**
  - Strong demand for portfolio of eye drops, including *Rocklatan* and *Rhopressa*; 4 percentage points of growth contribution to Ocular Health from products acquired in 2022
  - Price increases across ocular health portfolio
  - Recovery from supply chain challenges in contact lens care
- - Declines in legacy lenses
  - ~200 bps of negative impact from FX on Vision Care growth



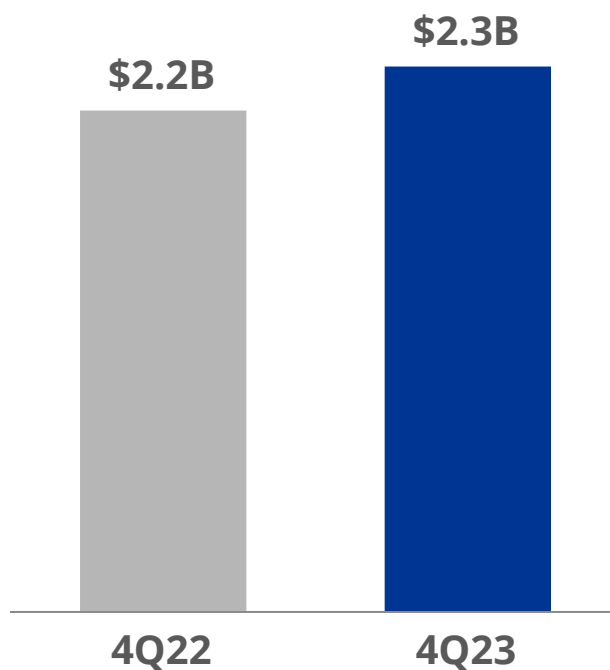
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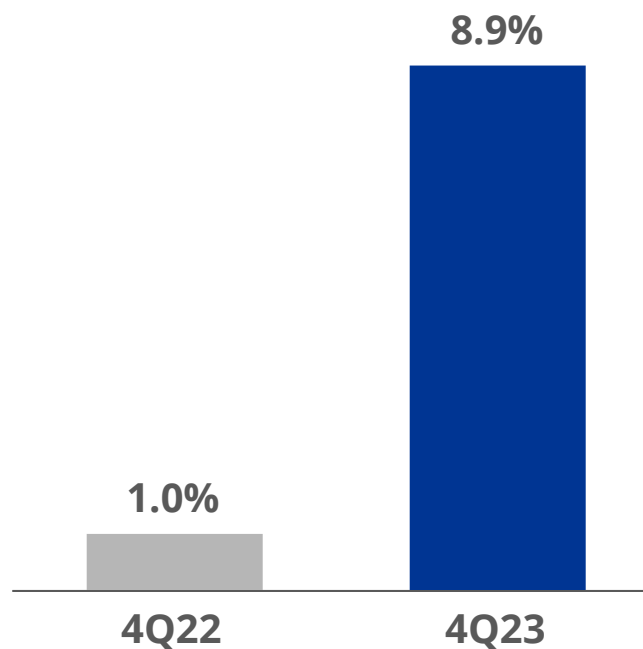


# Q4 2023 IFRS results

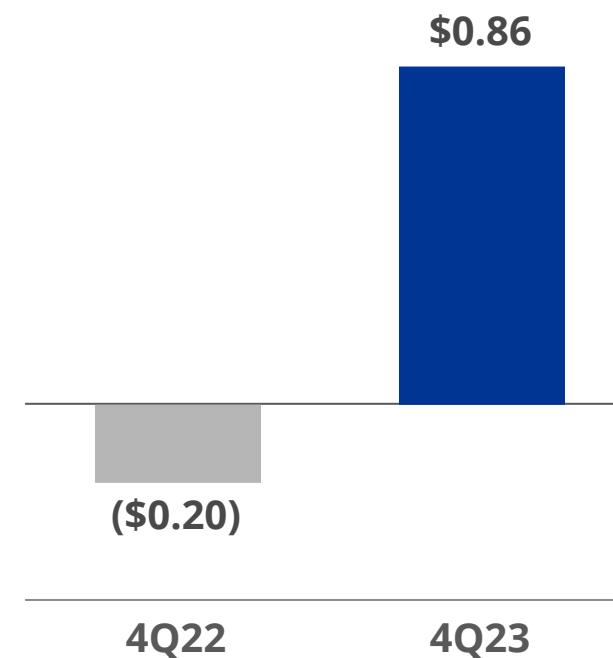
## Worldwide net sales



## Operating margin



## Diluted EPS<sup>1</sup>

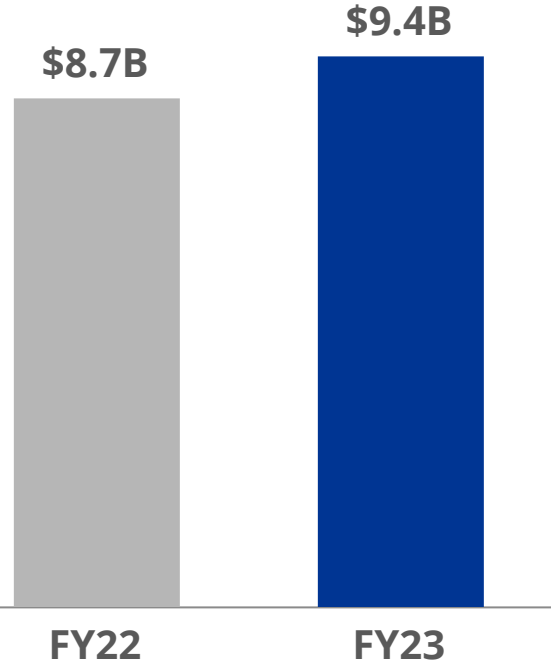


Y/Y change (USD): **+8%**

**+790 bps**

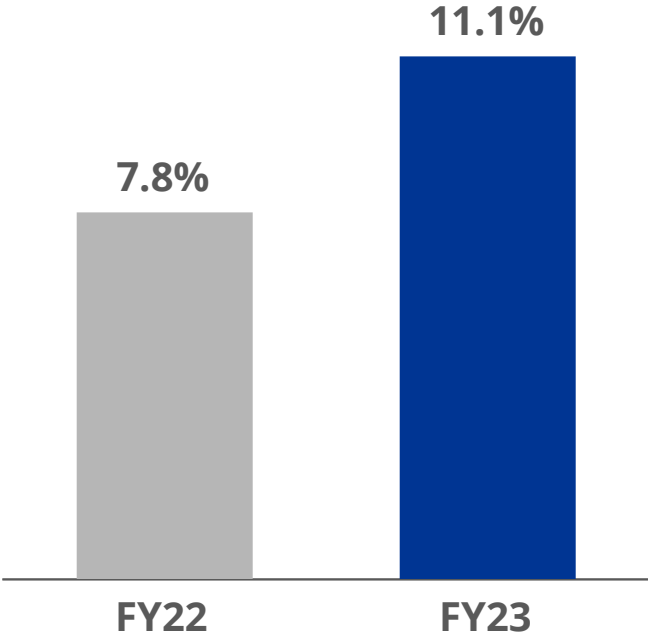
# FY 2023 IFRS results

## Worldwide net sales



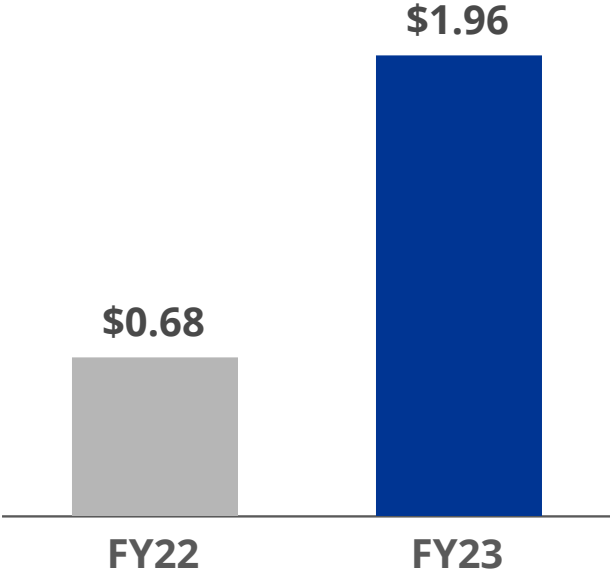
Y/Y change (USD): **+8%**

## Operating margin



**+330 bps**

## Diluted EPS<sup>1</sup>



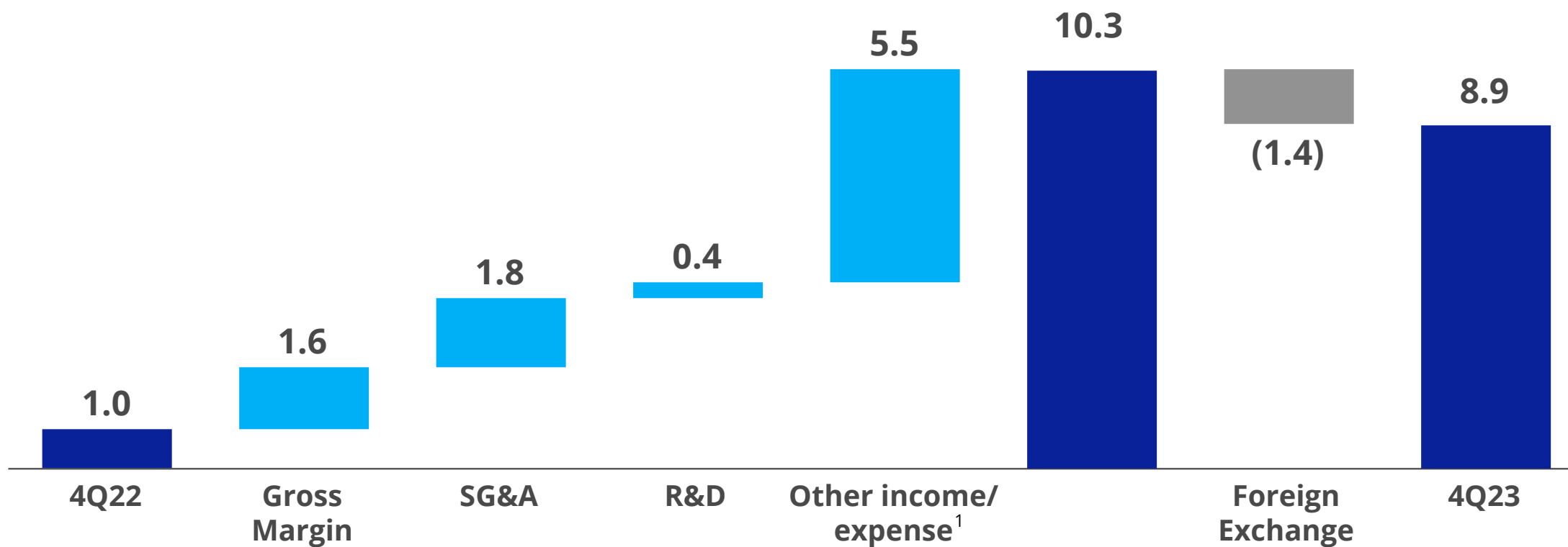
**+188%**

1. FY22 included legal settlement costs and the tax impact of an Advanced Pricing Agreement. FY23 includes a tax benefit of \$263M associated with a long-term agreement with Swiss tax authorities for deductibility of a statutory expense.



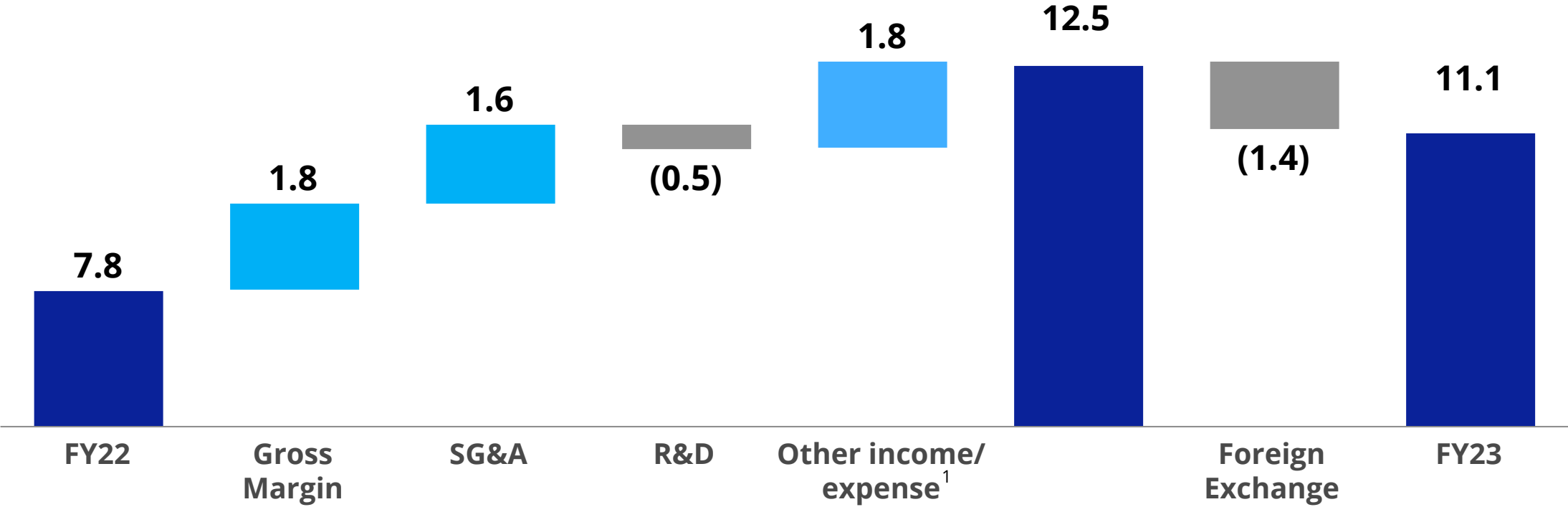
# Q4 2023 IFRS operating margin bridge

4Q23 vs. 4Q22, % of net sales



# FY 2023 IFRS operating margin bridge

FY23 vs. FY22, % of net sales



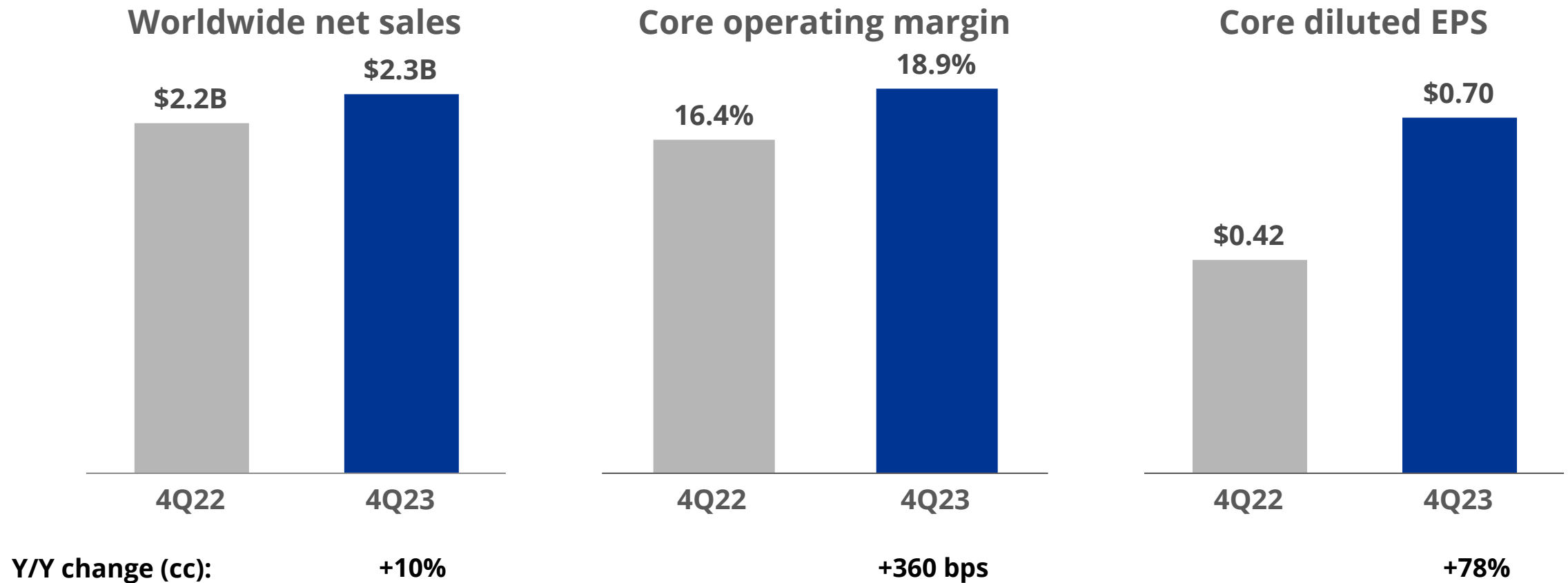
1. Other income and expense in FY22 included legal settlement costs. Other income and expense in FY23 included a benefit from the release of a contingent liability related to a recent acquisition.

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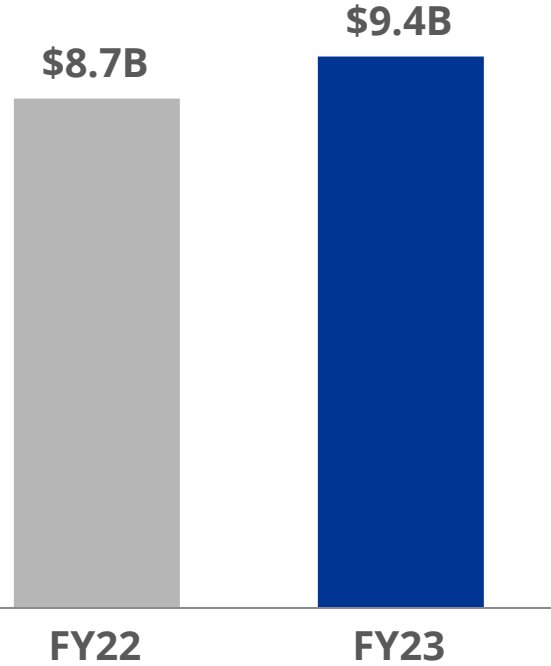


# Q4 2023 Core results<sup>1</sup>



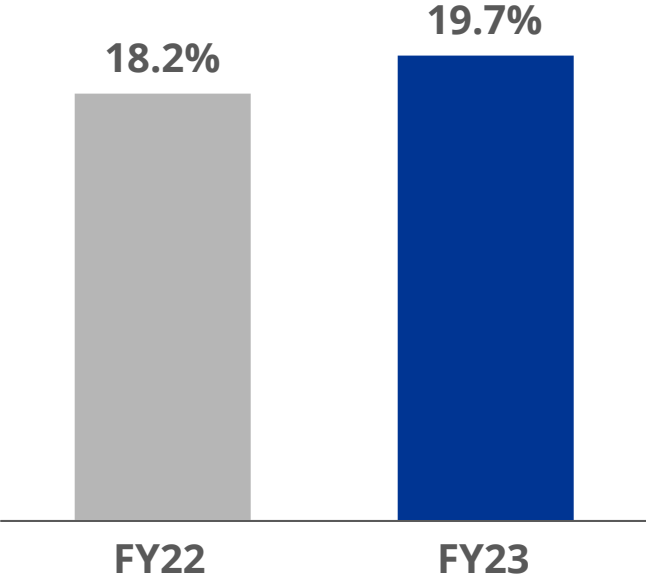
# FY 2023 Core results<sup>1</sup>

## Worldwide net sales



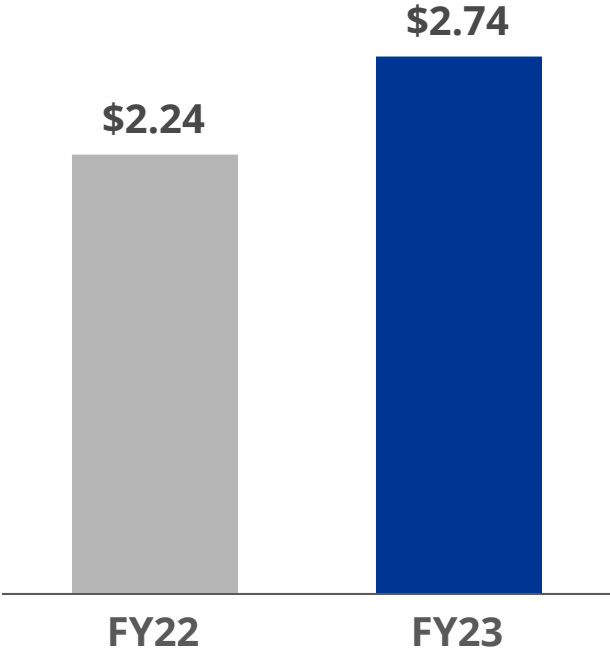
Y/Y change (cc): **+10%**

## Core operating margin



**+280 bps**

## Core diluted EPS



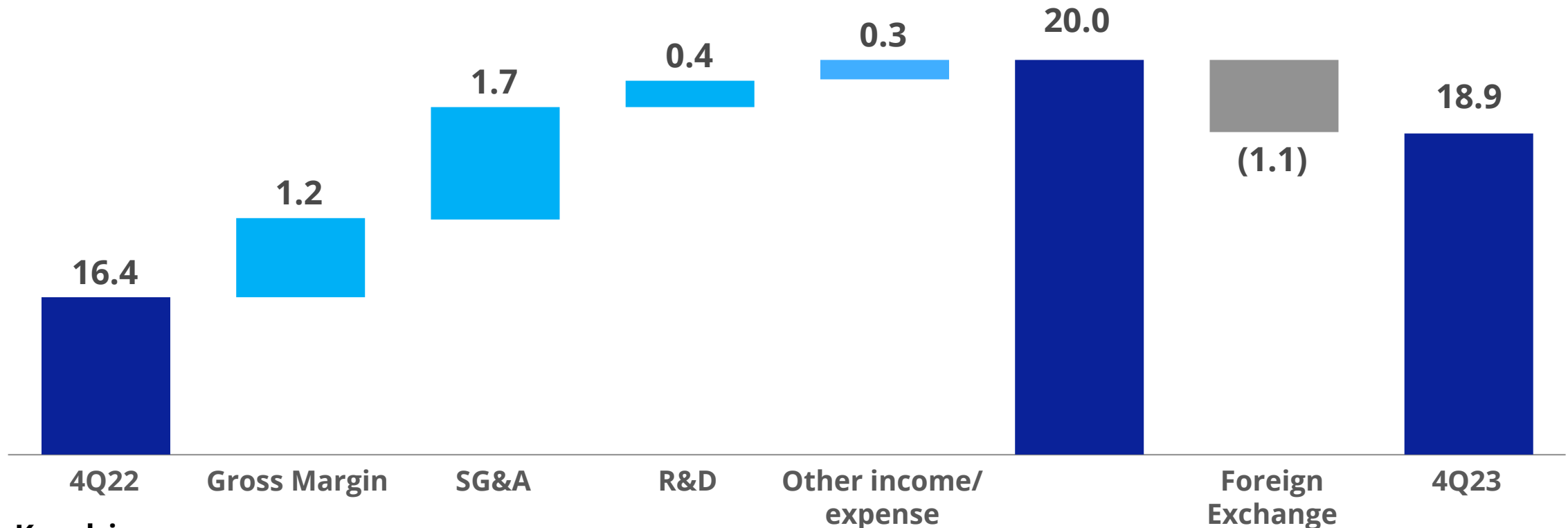
**+33%**

1. Core operating margin, core diluted EPS, and constant currency growth, including FX impacts, are non-IFRS measures. An explanation of non-IFRS measures can be found in the Appendix.



# Q4 2023 Core operating margin<sup>1</sup> bridge

4Q23 vs. 4Q22, % of net sales

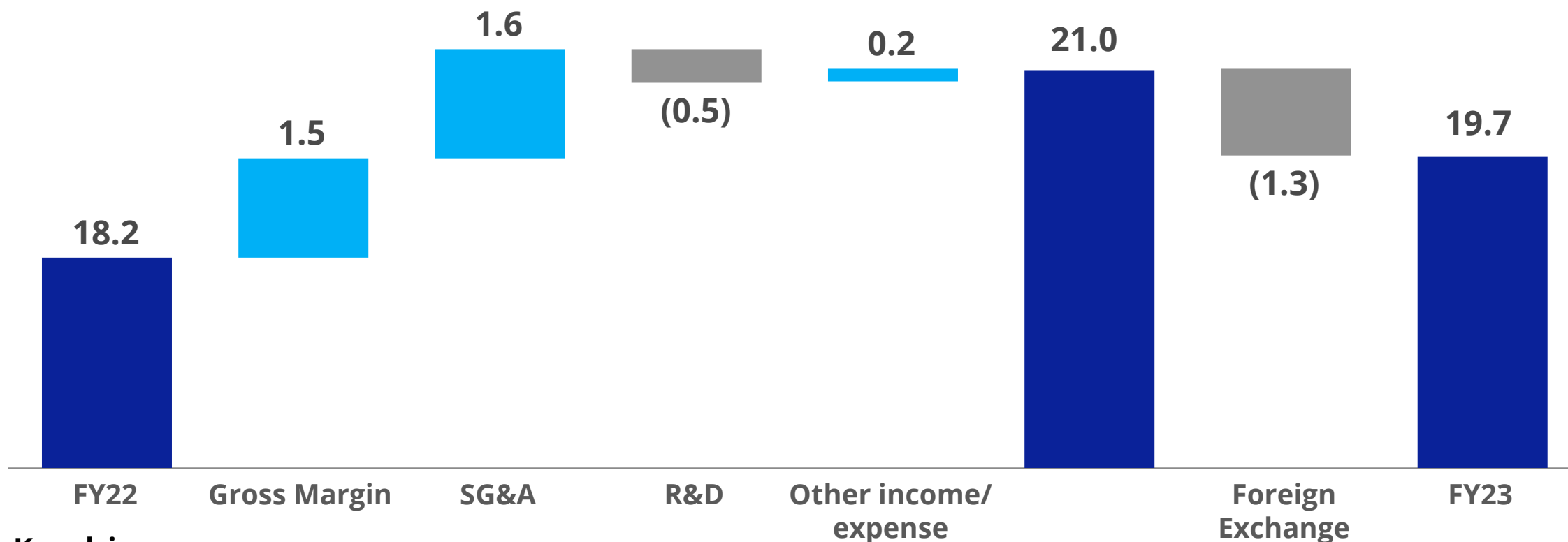


## Key drivers

- Improved underlying operating leverage from higher sales, including price increases and manufacturing efficiencies, partially offset by increased inflationary impacts
- Negative 110 bps impact from currency

# FY 2023 Core operating margin<sup>1</sup> bridge

FY23 vs. FY22, % of net sales



## Key drivers

- Improved underlying operating leverage from higher sales, including price increases and manufacturing efficiencies, partially offset increased inflationary impacts, increased investment in R&D, including spend following the acquisition of Aerie and a shift in product mix in Surgical, including the impact from South Korea
- Negative 130 bps impact from currency

# FY 2023 Cash flow and balance sheet highlights

## Cash and cash equivalents **\$1.1 billion**

FY23 cash flows from operations \$1.4 billion  
FY23 free cash flow<sup>1</sup> \$730 million

## Capex **\$658 million**

Investments in new contact lens manufacturing capacity

## Debt **\$4.7 billion**

No financial covenants



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# FY 2024 Outlook

## 2024 outlook

## February

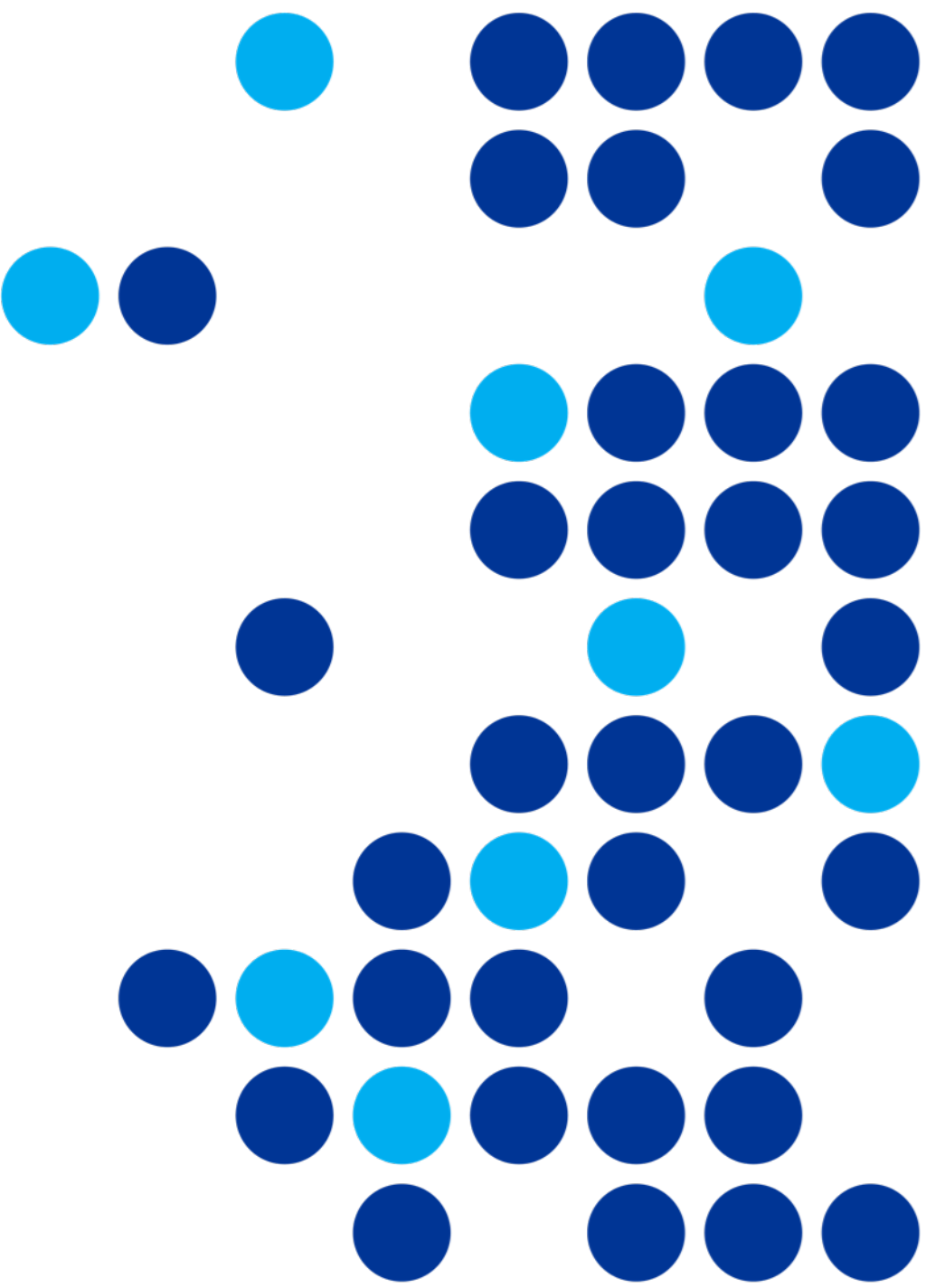
Net sales (USD)	\$9.9 to \$10.1 billion
Change vs. prior year (cc) <sup>1</sup> (non-IFRS measure)	+6% to +8%
Core operating margin <sup>1</sup> (non-IFRS measure)	20.5% to 21.5%
Interest expense and OFI&E <sup>2</sup>	\$190 to \$210 million
Core effective tax rate <sup>3</sup> (non-IFRS measure)	~20%
Core diluted EPS <sup>1</sup> (non-IFRS measure)	\$3.00 to \$3.10
Change vs. prior year (cc) <sup>1</sup> (non-IFRS measure)	+13% to +16%

### Assumptions:

- Aggregated markets grow in-line with historical averages (mid-single digits)
- Exchange rates as of the end of January 2024 prevail through year-end
- Approximately 498 million weighted-averaged diluted shares



# Appendix



# Appendix: Non-IFRS measures as defined by the Company

Alcon uses certain non-IFRS metrics when measuring performance, including when measuring current period results against prior periods, including core results, percentage changes measured in constant currencies and free cash flow. Because of their non-standardized definitions, the non-IFRS measures (unlike IFRS measures) may not be comparable to the calculation of similar measures of other companies. These supplemental non-IFRS measures are presented solely to permit investors to more fully understand how Alcon management assesses underlying performance. These supplemental non-IFRS measures are not, and should not be viewed as, a substitute for IFRS measures.

## Core results

Alcon core results, including core operating income and core net income, exclude all amortization and impairment charges of intangible assets, excluding software, net gains and losses on fund investments and equity securities valued at fair value through profit and loss ("FVPL"), fair value adjustments of financial assets in the form of options to acquire a company carried at FVPL, obligations related to product recalls, and certain acquisition related items. The following items that exceed a threshold of \$10 million and are deemed exceptional are also excluded from core results: integration and divestment related income and expenses, divestment gains and losses, restructuring charges/releases and related items, legal related items, gains/losses on early extinguishment of debt or debt modifications, past service costs for post-employment benefit plans, impairments of property, plant and equipment and software, as well as income and expense items that management deems exceptional and that are or are expected to accumulate within the year to be over a \$10 million threshold.

Taxes on the adjustments between IFRS and core results take into account, for each individual item included in the adjustment, the tax rate that will finally be applicable to the item based on the jurisdiction where the adjustment will finally have a tax impact. Generally, this results in amortization and impairment of intangible assets and acquisition-related restructuring and integration items having a full tax impact. There is usually a tax impact on other items, although this is not always the case for items arising from legal settlements in certain jurisdictions.

Alcon believes that investor understanding of its performance is enhanced by disclosing core measures of performance because, since they exclude items that can vary significantly from period to period, the core measures enable a helpful comparison of business performance across periods. For this same reason, Alcon uses these core measures in addition to IFRS and other measures as important factors in assessing its performance.

A limitation of the core measures is that they provide a view of Alcon operations without including all events during a period, such as the effects of an acquisition, divestment, or amortization/impairments of purchased intangible assets and restructurings.

## Constant currencies

Changes in the relative values of non-US currencies to the US dollar can affect Alcon's financial results and financial position. To provide additional information that may be useful to investors, including changes in sales volume, we present information about changes in our net sales and various values relating to operating and net income that are adjusted for such foreign currency effects. Constant currency calculations have the goal of eliminating two exchange rate effects so that an estimate can be made of underlying changes in the Consolidated Income Statement excluding (i) the impact of translating the income statements of consolidated entities from their non-US dollar functional currencies to the US dollar and (ii) the impact of exchange rate movements on the major transactions of consolidated entities performed in currencies other than their functional currency. Alcon calculates constant currency measures by translating the current year's foreign currency values for sales and other income statement items into US dollars, using the average exchange rates from the historical comparative period and comparing them to the values from the historical comparative period in US dollars.

## Free cash flow

Alcon defines free cash flow as net cash flows from operating activities less cash flow associated with the purchase or sale of property, plant and equipment. Free cash flow is presented as additional information because Alcon management believes it is a useful supplemental indicator of Alcon's ability to operate without reliance on additional borrowing or use of existing cash. Free cash flow is not intended to be a substitute measure for net cash flows from operating activities as determined under IFRS.

## Reconciliation of guidance for forward-looking non-IFRS measures

The forward-looking guidance included in this presentation cannot be reconciled to the comparable IFRS measures without unreasonable efforts, because we are not able to predict with reasonable certainty the ultimate amount or nature of exceptional items in the fiscal year. These items are uncertain, depend on many factors and could have a material impact on our IFRS results for the guidance period.

# Reconciliation of IFRS results to core results (non-IFRS measure)

Three months ended December 31, 2023

(\$ millions except earnings per share)	IFRS results	Amortization of certain intangible assets <sup>(1)</sup>	Transformation costs <sup>(3)</sup>	Other items <sup>(5)</sup>	Core results (non-IFRS measure)
<b>Gross profit</b>	<b>1,290</b>	<b>164</b>	<b>—</b>	<b>(6)</b>	<b>1,448</b>
<b>Operating income</b>	<b>208</b>	<b>167</b>	<b>57</b>	<b>8</b>	<b>440</b>
<b>Income before taxes</b>	<b>168</b>	<b>167</b>	<b>57</b>	<b>8</b>	<b>400</b>
Taxes <sup>(6)</sup>	259	(30)	(12)	(272)	(55)
<b>Net income</b>	<b>427</b>	<b>137</b>	<b>45</b>	<b>(264)</b>	<b>345</b>
Basic earnings per share (\$)	0.87				0.70
Diluted earnings per share (\$)	0.86				0.70
Basic - weighted average shares outstanding (millions) <sup>(7)</sup>	493.3				493.3
Diluted - weighted average shares outstanding (millions) <sup>(7)</sup>	496.4				496.4

Refer to the associated explanatory footnotes at the end of the 'Reconciliation of IFRS results to core results (non-IFRS measure)' tables.

# Reconciliation of IFRS results to core results (non-IFRS measure)

Three months ended December 31, 2022

(\$ millions except (loss)/earnings per share)	IFRS results	Amortization of certain intangible assets <sup>(1)</sup>	Impairments <sup>(2)</sup>	Transformation costs <sup>(3)</sup>	Legal Items <sup>(4)</sup>	Other items <sup>(5)</sup>	Core results (non-IFRS measure)
<b>Gross profit</b>	<b>1,170</b>	<b>149</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3</b>	<b>1,322</b>
<b>Operating income</b>	<b>21</b>	<b>151</b>	<b>1</b>	<b>78</b>	<b>70</b>	<b>32</b>	<b>353</b>
<b>(Loss)/income before taxes</b>	<b>(31)</b>	<b>151</b>	<b>1</b>	<b>78</b>	<b>70</b>	<b>32</b>	<b>301</b>
Taxes <sup>(6)</sup>	(66)	(26)	—	(14)	(17)	31	(92)
<b>Net (loss)/income</b>	<b>(97)</b>	<b>125</b>	<b>1</b>	<b>64</b>	<b>53</b>	<b>63</b>	<b>209</b>
Basic (loss)/earnings per share (\$)	(0.20)						0.42
Diluted (loss)/earnings per share (\$)	(0.20)						0.42
Basic - weighted average shares outstanding (millions) <sup>(7)</sup>	491.8						491.8
Diluted - weighted average shares outstanding (millions) <sup>(7)</sup>	491.8						495.0

Refer to the associated explanatory footnotes at the end of the 'Reconciliation of IFRS results to core results (non-IFRS measure)' tables.

# Reconciliation of IFRS results to core results (non-IFRS measure)

Twelve months ended December 31, 2023

(\$ millions except earnings per share)	IFRS results	Amortization of certain intangible assets <sup>(1)</sup>	Transformation costs <sup>(3)</sup>	Other items <sup>(5)</sup>	Core results (non-IFRS measure)
<b>Gross profit</b>	<b>5,247</b>	<b>663</b>	<b>—</b>	<b>7</b>	<b>5,917</b>
<b>Operating income</b>	<b>1,039</b>	<b>675</b>	<b>139</b>	<b>(4)</b>	<b>1,849</b>
<b>Income before taxes</b>	<b>832</b>	<b>675</b>	<b>139</b>	<b>(4)</b>	<b>1,642</b>
Taxes <sup>(6)</sup>	142	(121)	(26)	(277)	(282)
<b>Net income</b>	<b>974</b>	<b>554</b>	<b>113</b>	<b>(281)</b>	<b>1,360</b>
Basic earnings per share (\$)	1.98				2.76
Diluted earnings per share (\$)	1.96				2.74
Basic - weighted average shares outstanding (millions) <sup>(7)</sup>	493.0				493.0
Diluted - weighted average shares outstanding (millions) <sup>(7)</sup>	496.5				496.5

Refer to the associated explanatory footnotes at the end of the 'Reconciliation of IFRS results to core results (non-IFRS measure)' tables.



# Reconciliation of IFRS results to core results (non-IFRS measure)

Twelve months ended December 31, 2022

(\$ millions except earnings per share)	IFRS results	Amortization of certain intangible assets <sup>(1)</sup>	Impairments <sup>(2)</sup>	Transformation costs <sup>(3)</sup>	Legal items <sup>(4)</sup>	Other items <sup>(5)</sup>	Core results (non-IFRS measure)
<b>Gross profit</b>	<b>4,748</b>	<b>572</b>	<b>59</b>	<b>—</b>	<b>—</b>	<b>2</b>	<b>5,381</b>
<b>Operating income</b>	<b>672</b>	<b>588</b>	<b>62</b>	<b>119</b>	<b>90</b>	<b>40</b>	<b>1,571</b>
<b>Income before taxes</b>	<b>463</b>	<b>588</b>	<b>62</b>	<b>119</b>	<b>90</b>	<b>40</b>	<b>1,362</b>
Taxes <sup>(6)</sup>	(128)	(99)	(14)	(20)	(22)	29	(254)
<b>Net income</b>	<b>335</b>	<b>489</b>	<b>48</b>	<b>99</b>	<b>68</b>	<b>69</b>	<b>1,108</b>
Basic earnings per share (\$)	0.68						2.25
Diluted earnings per share (\$)	0.68						2.24
Basic - weighted average shares outstanding (millions) <sup>(7)</sup>	491.4						491.4
Diluted - weighted average shares outstanding (millions) <sup>(7)</sup>	494.4						494.4

Refer to the associated explanatory footnotes at the end of the 'Reconciliation of IFRS results to core results (non-IFRS measure)' tables.

# Reconciliation of IFRS results to core results (non-IFRS measure)

## Explanatory footnotes to IFRS to core reconciliation tables

- (1) Includes recurring amortization for all intangible assets other than software.
- (2) Includes impairment charges related to intangible assets.
- (3) Transformation costs, primarily related to restructuring and third party consulting fees, for the multi-year transformation program. The transformation program was completed in the fourth quarter of 2023.
- (4) Includes legal settlement costs.
- (5) For the three months ended December 31, 2023, Gross profit includes fair value adjustments to contingent consideration liabilities, partially offset by the amortization of inventory fair value adjustments related to a recent acquisition. Operating income also includes integration related expenses for a recent acquisition and the amortization of option rights, partially offset by fair value adjustments of financial assets.

For the three months ended December 31, 2022, Gross profit includes the amortization of inventory fair value adjustments related to recent acquisitions. Operating income also includes acquisition and integration related expenses and fair value adjustments of financial assets.

For the twelve months ended December 31, 2023, Gross profit includes the amortization of inventory fair value adjustments related to a recent acquisition, partially offset by fair value adjustments to contingent consideration liabilities. Operating income also includes the release of a contingent liability related to a recent acquisition and fair value adjustments to contingent consideration liabilities, partially offset by integration related expenses for a recent acquisition, the amortization of option rights and fair value adjustments of financial assets.

For the twelve months ended December 31, 2022, Gross profit includes the amortization of inventory fair value adjustments related to recent acquisitions, partially offset by fair value adjustments to contingent consideration liabilities. Operating income also includes acquisition and integration related expenses, partially offset by fair value adjustments to contingent consideration liabilities and fair value adjustments of financial assets.

# Reconciliation of IFRS results to core results (non-IFRS measure)

## Explanatory footnotes to IFRS to core reconciliation tables

- (6) For the three months ended December 31, 2023, total tax adjustments of \$314 million include tax associated with operating income core adjustments and discrete tax items. Tax associated with operating income core adjustments of \$232 million totaled \$45 million with an average tax rate of 19.4%. Core tax adjustments for discrete tax items totaled \$269 million, primarily due to a \$263 million tax benefit associated with a long-term agreement related to deductibility of a statutory expense in Switzerland.

For the three months ended December 31, 2022, total tax adjustments of \$26 million include tax associated with operating income core adjustments, partially offset by a discrete tax item. Tax associated with operating income core adjustments of \$332 million totaled \$63 million with an average tax rate of 19.0%. Core tax adjustments for discrete tax items totaled \$37 million related to the recognition of an Advanced Pricing Agreement between US and Switzerland tax authorities for fiscal years 2019 through 2021.

For the twelve months ended December 31, 2023, total tax adjustments of \$424 million include tax associated with operating income core adjustments and discrete tax items. Tax associated with operating income core adjustments of \$810 million totaled \$155 million with an average tax rate of 19.1%. Core tax adjustments for discrete tax items totaled \$269 million, primarily due to a \$263 million tax benefit associated with a long-term agreement related to deductibility of a statutory expense in Switzerland.

For the twelve months ended December 31, 2022, total tax adjustments of \$126 million include tax associated with operating income core adjustments, partially offset by discrete tax items. Tax associated with operating income core adjustments of \$899 million totaled \$166 million with an average tax rate of 18.5%. Core tax adjustments for discrete tax items totaled \$40 million, primarily related to the recognition of an Advanced Pricing Agreement between US and Switzerland tax authorities for fiscal years 2019 through 2021.

- (7) Core basic earnings per share is calculated using the weighted-average shares of common stock outstanding during the period. Core diluted earnings per share also contemplate dilutive shares associated with unvested equity-based awards as described in Note 5 to the Condensed Consolidated Interim Financial Statements.

# Reconciliation of free cash flow (non-IFRS measure)

The following is a summary of free cash flow for the twelve months ended December 31, 2023 and 2022, together with a reconciliation to net cash flows from operating activities, the most directly comparable IFRS measure:

(\$ millions)	2023	2022
<b>Net cash flows from operating activities</b>	<b>1,388</b>	<b>1,217</b>
Purchase of property, plant & equipment	(658)	(636)
<b>Free cash flow</b>	<b>730</b>	<b>581</b>

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