

Alcon

Capital Markets Day

March 27th, 2025



Alcon

Welcome

Dan Cravens

Vice President, Investor Relations



Agenda

14:00 CET | 08:00 CT

Dan Cravens

Vice President, Investor Relations

Introduction, Housekeeping & Safe Harbor

David Endicott

Chief Executive Officer

Leading in Eye Care

Tim Stonesifer

Chief Financial Officer

Financial Outlook & Expectations

Q&A Session

15:00 CET | 09:00 CT

Break

15:30 CET | 09:30 CT

Sean Clark

General Manager, Surgical

Leading in Ophthalmic Surgery

Max Wolf

General Manager, Contact Lenses

Leading in Contact Lenses

Jonathan Balch

General Manager, Ocular Health & Pharmaceuticals

Leading in Ocular Health

Jeannette Bankes

President, Global Franchises

Innovating for the Future

Q&A Session

17:50 CET | 11:50 CT

Conclusion

Safe harbor

Forward-looking statements

This press release 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; our ability to effectively manage the risks associated with the ethical use of disruptive technologies; 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, including the effect of tariffs, or important facilities, particularly when we single-source or rely on limited sources of supply; 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; the increasingly challenging economic, political and legal environment in China; terrorism, war and other resulting events such as economic sanctions and trade restrictions; our ability to manage the risks associated with operating as a third party contract manufacturer; our ability to forecast sales demand and manage our inventory levels and the changing buying patterns of our customers; our success in completing and integrating strategic acquisitions, including equity investments in early-stage companies; 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 press release 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

This report may contain references to our proprietary intellectual property. All product names appearing in *italics* or ALL CAPS are trademarks owned by or licensed to Alcon Inc. Product names identified by a “®” or a “™” are trademarks that are not owned by or licensed to Alcon or its subsidiaries and are the property of their respective owners.

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, free cash flow and free cash flow conversion. 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.

Alcon

Leading in Eye Care

David J. Endicott
Chief Executive Officer



Alcon

plays in resilient
markets, underpinned
by durable megatrends

1. World Health Organization. Multisectoral action for a life course approach to healthy ageing: draft global strategy and plan of action on ageing and health. 69th World Health Assembly, Geneva, 2016 April 22 (A69/17).

2. Hamel, K and Kharas, H. A global tipping point: Half of the world is now middle class or wealthier. Brookings. 27 September 2018.

3. B. Holden, T. Fricke, et al. Global Prevalence of Myopia and High Myopia and Temporal Trends from 2000 through 2050. Ophthalmology, 2016.



Aging Population

By 2050, more than 2 billion people will be over age 60¹



Increasing Wealth

The middle class will grow by ~1.7 billion people in 10-15 years²



Increasing Myopia

An estimated 50% of the world will be myopic by 2050³



New Technologies

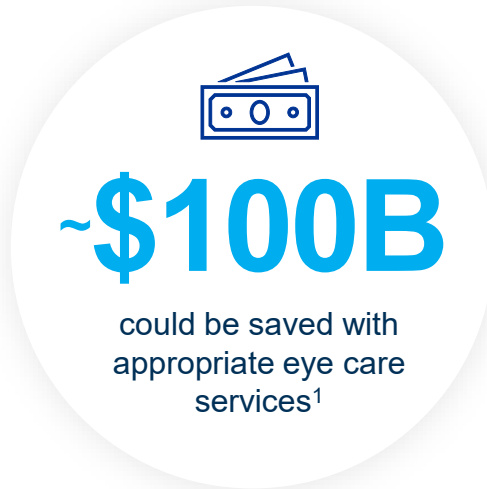
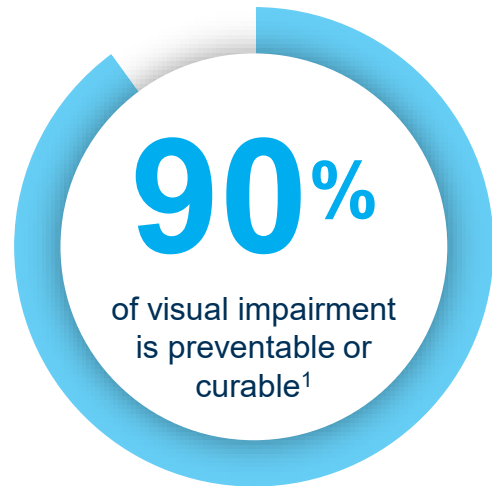
Improving patient outcomes and increasing access



Favorable payment dynamics

Governments globally recognize the economic value of paying for eye care

The need for eye care is significant and largely unmet



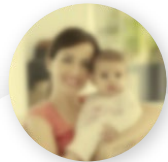
157 million
with moderate-to-
severe uncorrected
refractive errors²



1.8 billion
have
presbyopia³



1.6 billion
live with
dry eyes⁴



65 million
with moderate to severe
vision impairment from
cataracts³



146 million
have
diabetic retinopathy³



131 million
live with
glaucoma⁵

1. World Health Organization (WHO). Infographic. 2017.

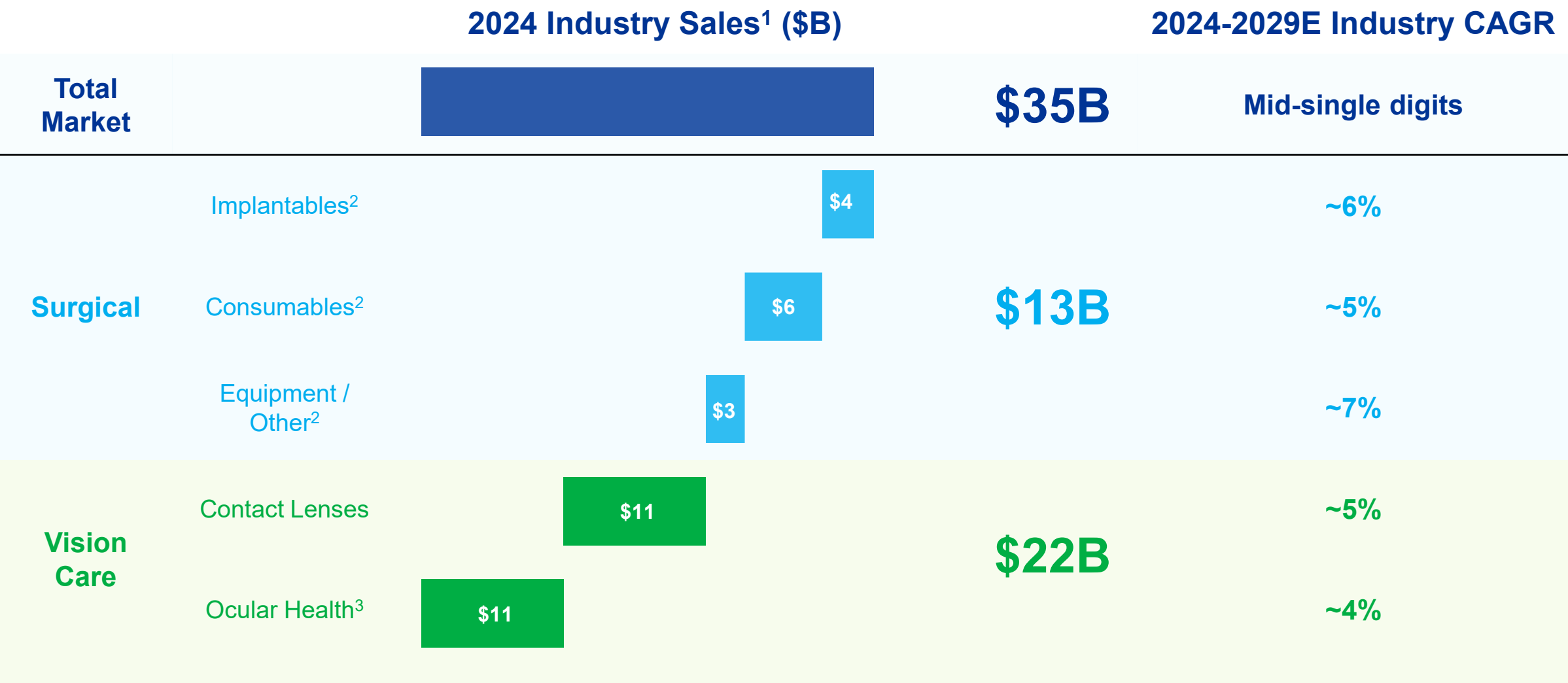
2. Resnikoff S, Pascolini D, Mariotti SP, Pokharel GP. Global magnitude of visual impairment caused by uncorrected refractive errors in 2004. Bull World Health Organ. 2008 Jan;86(1):63-70.

3. WHO. World Report on Vision. 2019.

4. MarketScope: 2020 Dry Eye Products Market Report.

5. MarketScope: 2021 Glaucoma Surgical Device Market Report.

Eye care is a large and growing market



1. Alcon internal estimates based on numerous third-party data sources including GFK, Nielsen, IQVIA, Euromonitor data, MarketScope, company filings, Alcon internal estimates; see safe harbor statement for more information about future industry growth projections. 2. Implantables include IOLs, surgical glaucoma devices; Consumables include cataract, vitreoretinal, and refractive disposable instruments; Equipment includes cataract and vitreoretinal consoles and accessories, FLACS laser, refractive lasers, equipment service & maintenance, microscopes, diagnostics, and drops for mydriatics, cycloplegics, diagnostics and anesthetics. 3. Ocular Health includes artificial tears, allergy, contact lens care, rewetting drops, redness relievers, dry eye devices, general eye care and other categories. Pharma includes Rx glaucoma and dry eye drops in the US.

Alcon strategy

We focus on eye care

We *create value* by applying specialty market knowledge and specialty technical knowledge to create products that improve sight



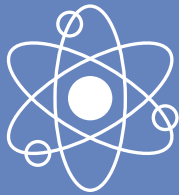
We are specialists who lead the world in eye care innovation



1,900+
R&D associates
in 2024

~5B+

R&D investment
since 2018



20

BD&L
transactions
in 2024

90+

Active projects
as of 2024



8% – 10%

of sales
invested in R&D
each year

Accelerating innovation in Surgical to meet growing eye care needs

2021 – 2024

2025 – 2026



NEXT-GEN PHACO-VIT & CONSUMABLES



CLAREON PANOPTIX PRO



DSLT – GLAUCOMA



NEXT-GEN DIAGNOSTIC

Accelerating innovation in Vision Care to meet growing eye care needs

2021 – 2024

2025 – 2026



for Astigmatism



Sphere



Systane
LUBRICANT EYE DROPS

Complete, Ultra and
Hydration MDPF



Sphere, for Astigmatism,
Multifocal



AR-15512
(Acotremon, Dry Eye)



Multifocal Toric

EYsuVIS

SIMBRINZA

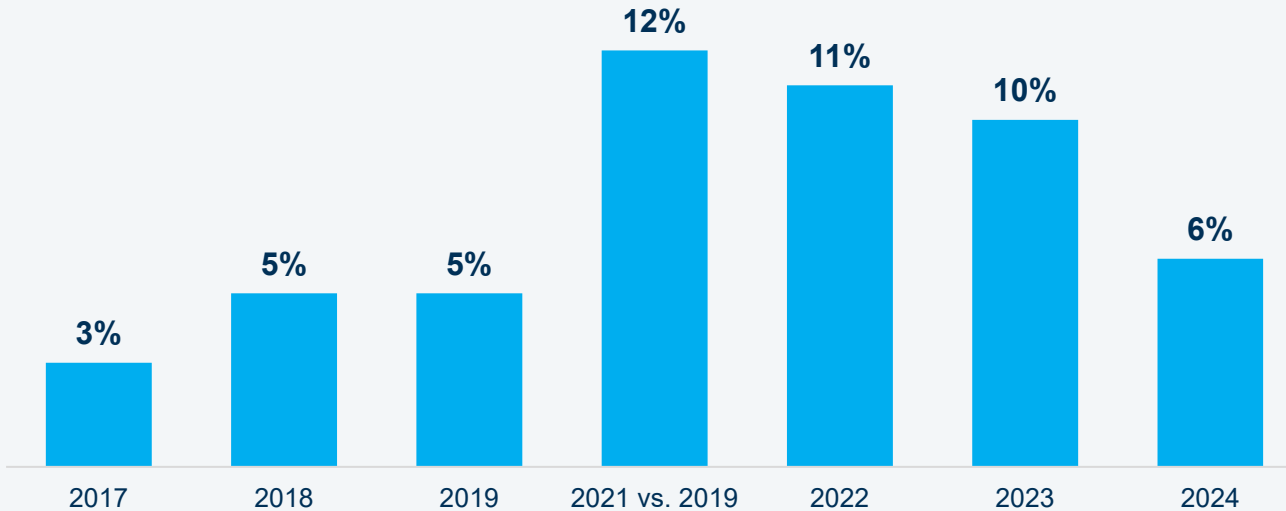
ONCE-DAILY
rocklatan

rhopressa

Accelerating innovation drove accelerated sales growth

Net sales growth

(year-over-year, shown in constant currency¹)



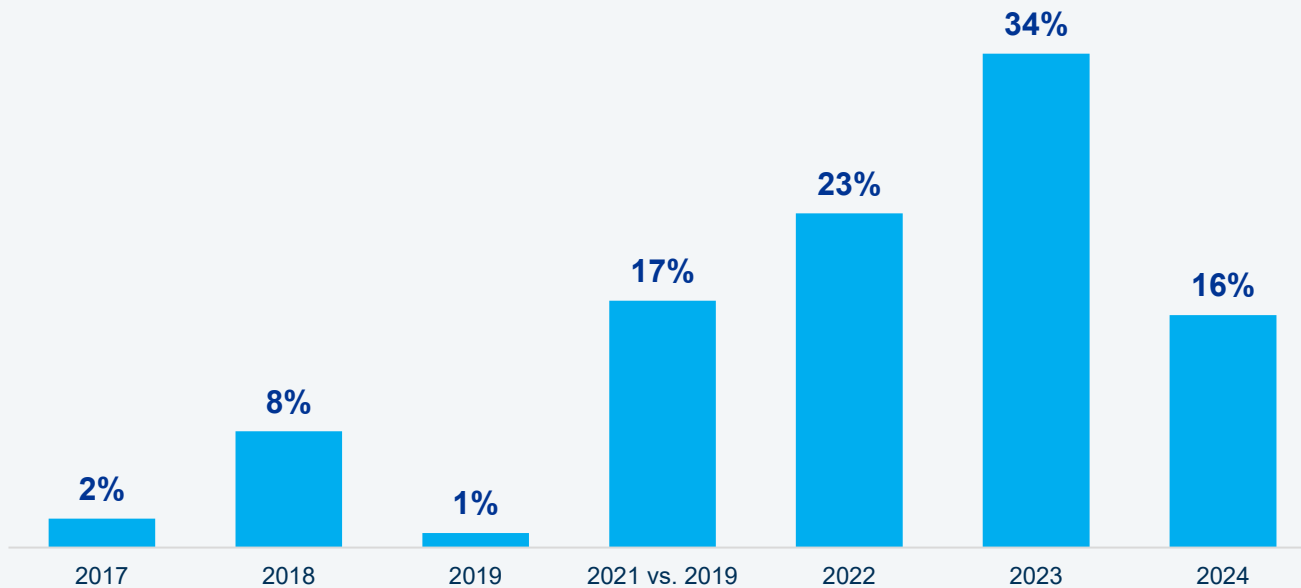
Faster sales growth

Sales growth of low-to-mid single digits pre-spin has accelerated, driven by innovation

1. Constant currency growth is a non-IFRS measure. An explanation of non-IFRS measures can be found in the Appendix.

Faster sales growth drove earnings expansion

Core net income constant currency growth¹

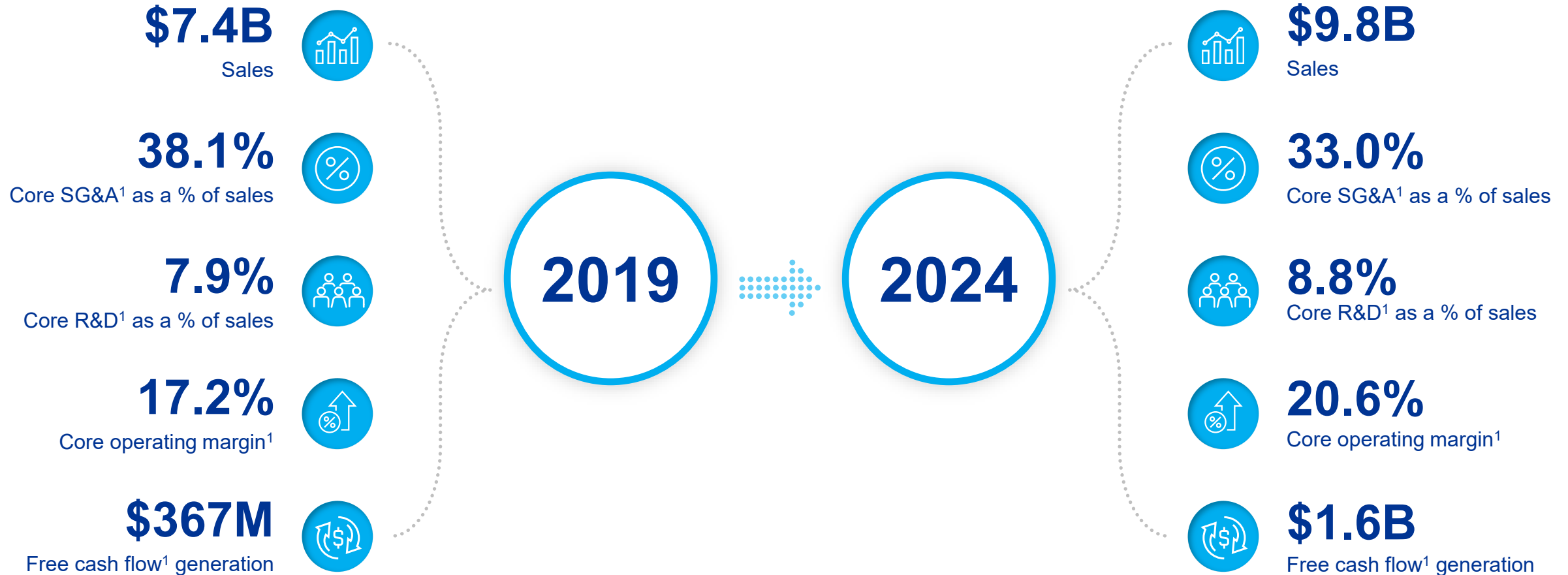


Earnings expansion

Meaningful earnings expansion since spin, driven mainly by operating leverage from accelerating sales growth

1. Core net income and constant currency growth are a non-IFRS measures. An explanation of non-IFRS measures can be found in the Appendix.

Then versus Now: Alcon in 2019 vs. 2024



1. Core SG&A, core R&D, core operating margin and free cash flow generation are non-IFRS measures. An explanation of non-IFRS measures can be found in the Appendix.

THE NEXT FIVE YEARS

Building on our momentum



Maintain momentum in Surgical and Vision Care portfolios while accelerating R&D productivity



Create world-class efficiency through a digital enterprise



Make select bets in digital health and pharma



Create world-class product development and commercialization capabilities



Drive profitable growth

In the Press: Alcon Acquires Majority Interest in Aurion Biotech, Inc.

AURN001 is an innovative allogeneic cell therapy consisting of corneal endothelial cells and a rho kinase inhibitor

Large unmet need

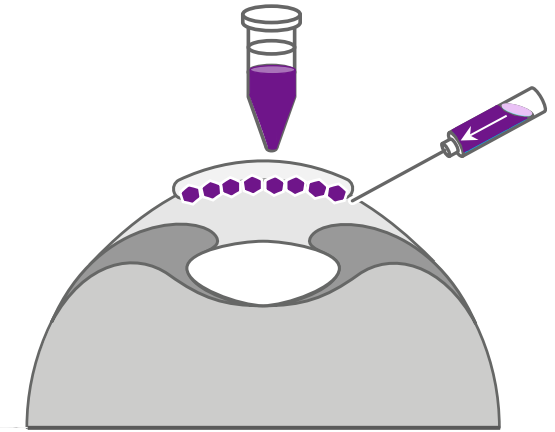
- A leading cause of vision loss; no approved drug therapies
- SoC¹ complex and invasive surgery with ~35k performed in US in 2023²
- Only 1 donor cornea available for every 70 diseased eyes globally³

Robust clinical evidence

- Japan: Approved and launched commercially - 3Q 24⁴
- >225 subjects treated globally & up to 10 years of follow-up⁵
- US Breakthrough / Regenerative Medicine Adv. Therapy designations

Transformative potential

- Significant commercialization potential: \$500M+⁶
- Phase 3 Clinical Trial to commence in Fall 2025
- Potential first corneal cell therapy candidate in ophthalmology



AURION
BIOTECH

1. Standard of care

2. Eye Bank Association of America 2023 Eye Bank Statistical Report

3. Gain, P. et al, *Global Survey of Corneal Transplantation and Eye Banking*, JAMA Ophthalmology, 2016;134(2):167-173

4. Japan product is neltependocel (Vyznova™) for the treatment of bullous keratopathy of the cornea

5. Includes subjects treated in clinical trials for HCEC-1 and AURN001

6. Preliminary Alcon estimate: Projected peak sales, outside of plan

Alcon

A purpose-driven
organization,
dedicated to
helping the world
See Brilliantly



Alcon

Financial Outlook

Tim Stonesifer
Chief Financial Officer



Framework for shareholder returns

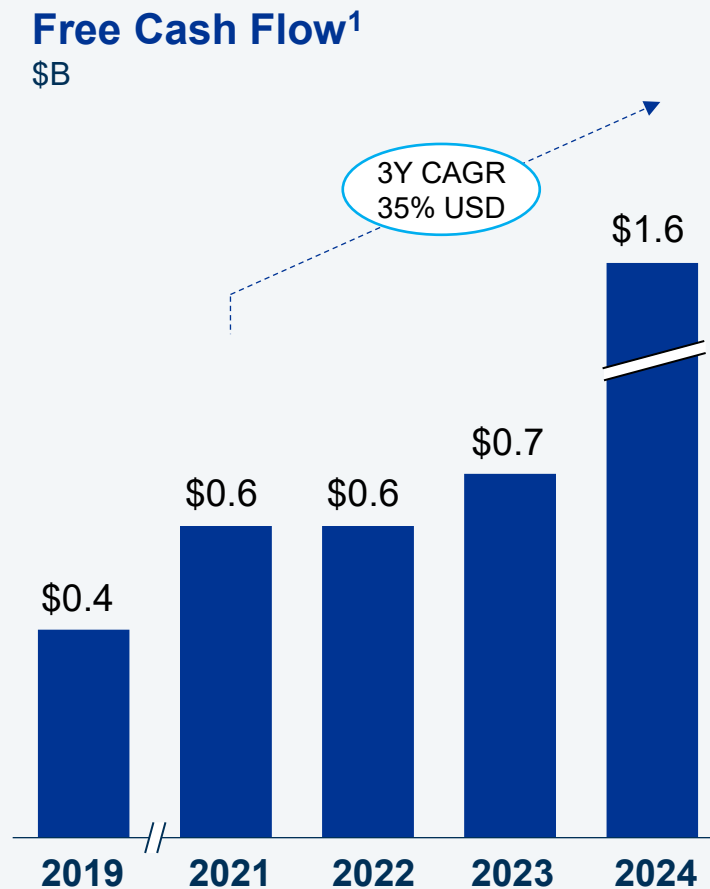
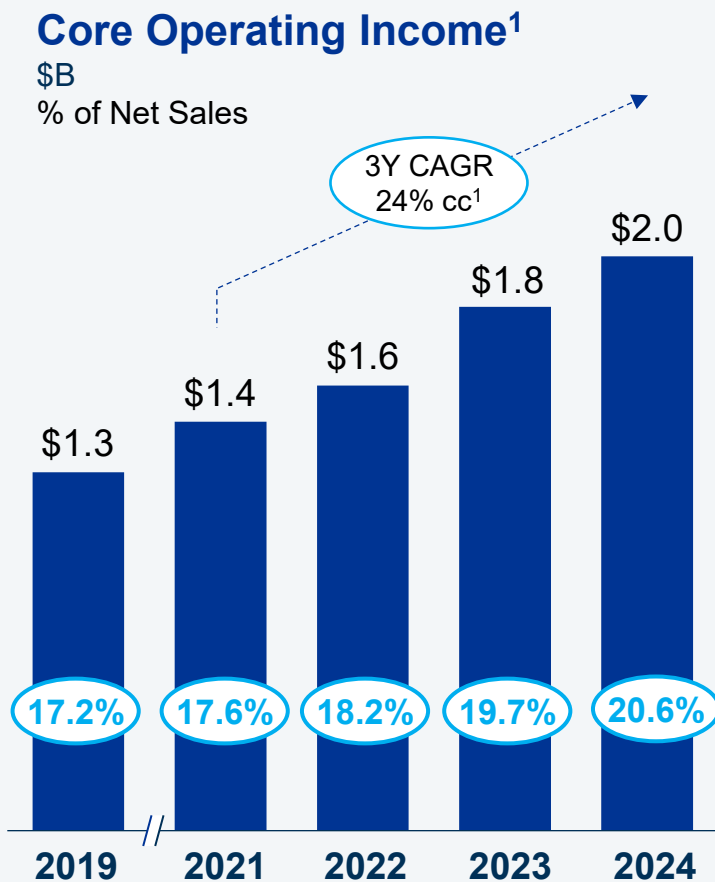
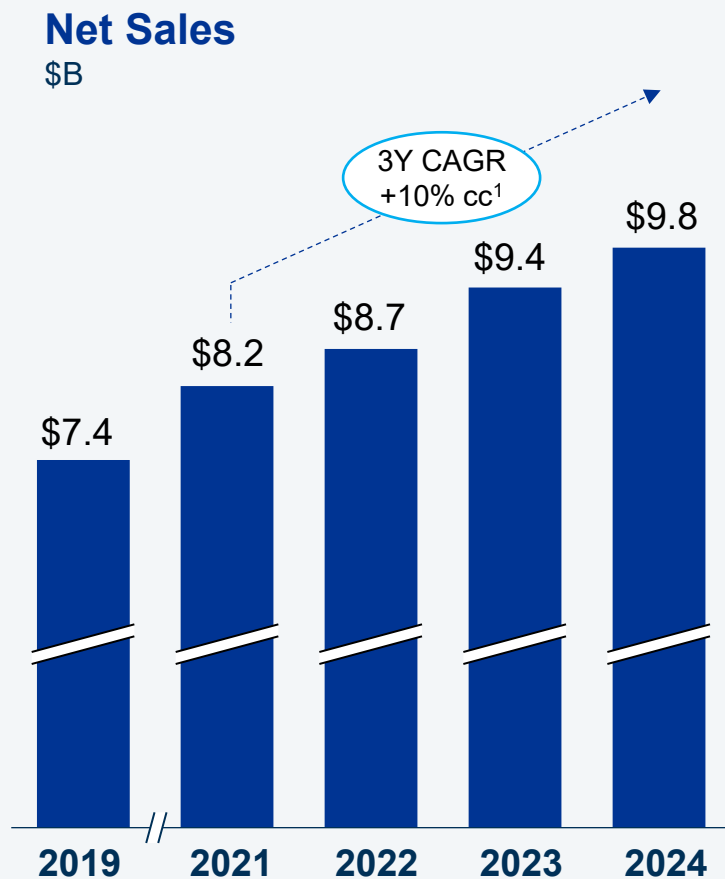
Durable top-line growth underpinned by
resilient and growing markets

Balanced geographic footprint and
innovative product portfolio

Earnings growth from **operating leverage**
while prioritizing R&D investments

Significant cash flow generation to support
capital allocation strategy

We've delivered above-market sales growth and operating leverage with step-change in Free Cash Flow during 2024



1. For additional information regarding Core Operating Income, Core Operating Margin, Free Cash Flow, and constant currency (cc) which are non-IFRS measures, please see appendix

We're ahead¹ of the goals outlined at CMD21 for 2025

	2025 from CMD21	2025 Guidance ^{3,6}	2025 Adjusted ^{4,6}
Net Sales	~\$10B	\$10.2B - \$10.4B	\$10.8B - \$11.0B ✓
Core Operating Margin ² (%)	Approaching mid-20s	21% - 22%	24% - 25% ✓
Free Cash Flow ²	~\$1.8B - \$2.0B		On track ⁵ ✓

1. On a constant currency basis, based on foreign exchange rates as of CMD 2021. Constant currency growth is a non-IFRS measure. An explanation of non-IFRS measures can be found in the Appendix.

2. Core operating margin and free cash flow are non-IFRS measures. An explanation of non-IFRS measures can be found in the Appendix.

3. Company does not provide annual guidance on free cash flow.

4. 2025 Guidance translated at 2021 average exchange rates and excluding the sales contribution from acquisitions since CMD21.

5. 2024 actual free cash flow: \$1.6B; ~\$1.8B-\$1.9B when translated at 2021 average exchange rates

6. As of February 25, 2025.

Long-Term Outlook Assumptions

Outlook assumes:

- Markets grow at mid-single digits on average (historical rates)
- Innovation drives above-market growth for Alcon
- Core R&D¹ at 8% to 10% of net sales to accelerate product flow
- Continued operating leverage
- Core effective tax rate² of ~20%
- Capex at mid-single digits throughout the plan
- No significant impact from foreign exchange rates

Outlook does not assume:

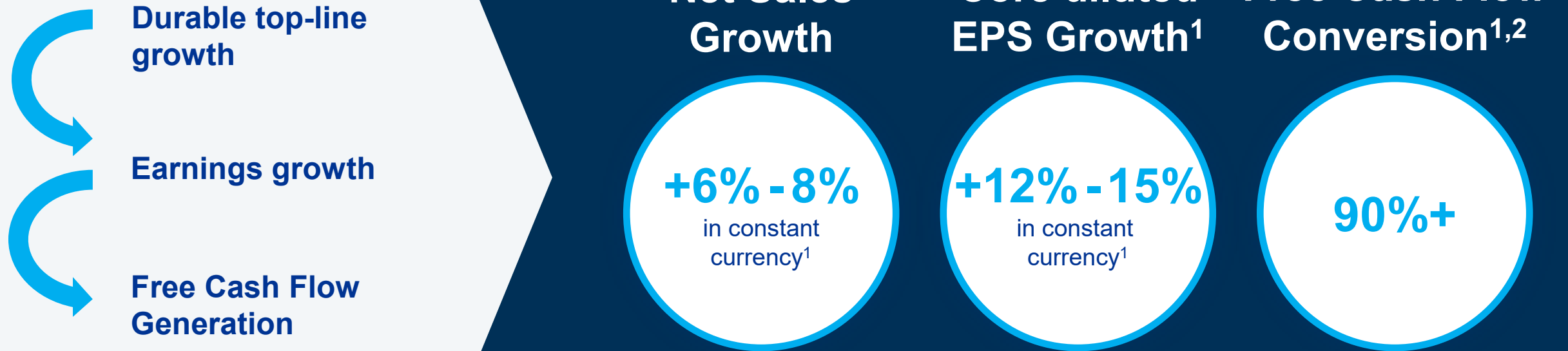
- New M&A and business development opportunities³

1. For additional information regarding Core R&D which is a non-IFRS measure, please see appendix

2. Core effective tax rate, a non-IFRS measure, is the applicable annual tax rate on core taxable income

3. Deals announced ahead of CMD, including the intended acquisition of Aurion Biotech, are reflected in the long-range goals

Our long-term financial goals position us well for sustainable shareholder returns



1. Core diluted EPS, Free Cash Flow, Free Cash Flow Conversion and constant currency are non-IFRS measures.

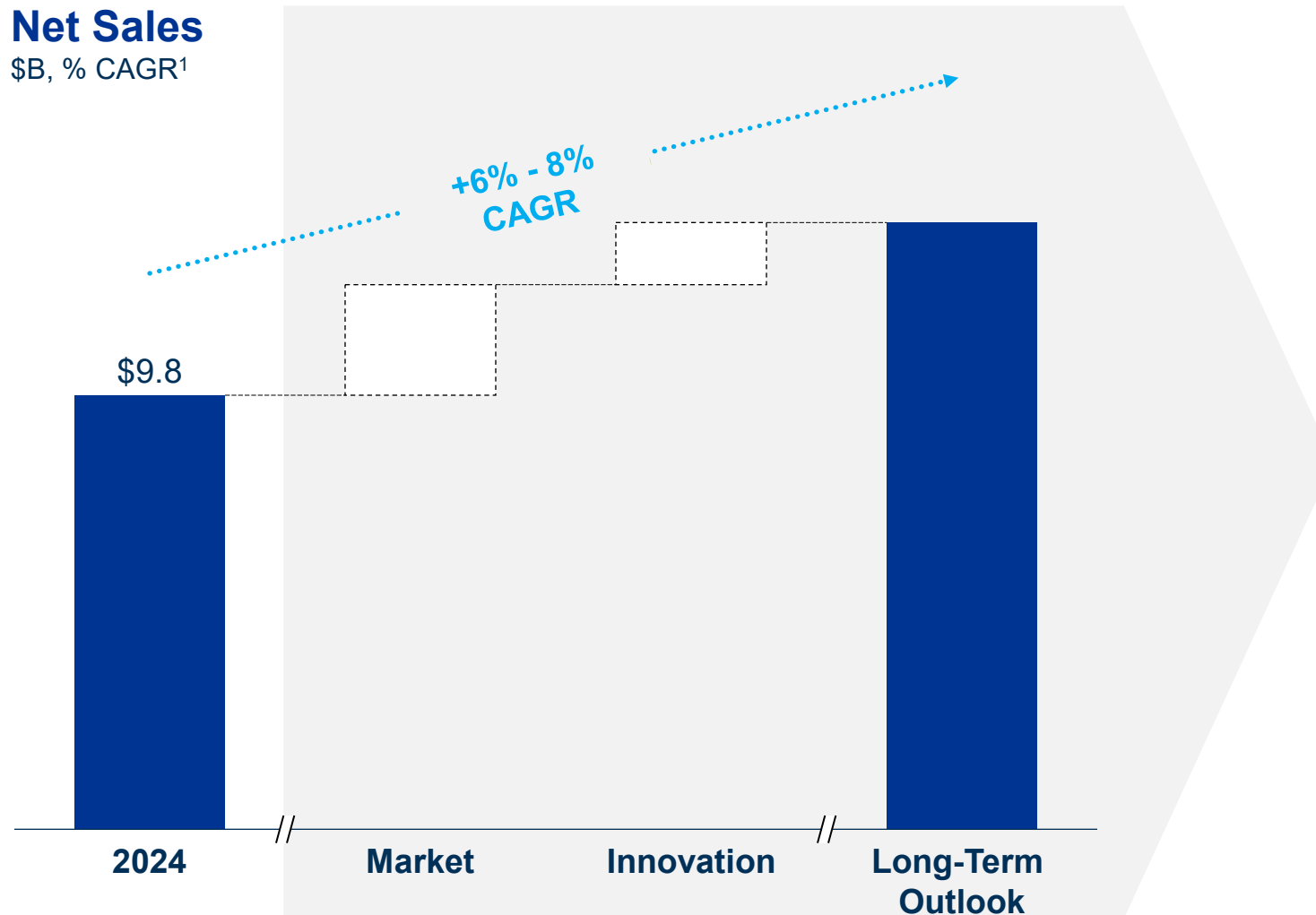
2. Defined as Free Cash Flow as a % of Core Net Income; Core Net Income is a non-IFRS measure.

For additional information regarding non-IFRS measures, please see appendix.

Resilient markets and innovative product portfolio support our above-market growth goals

Net Sales

\$B, % CAGR¹



1. % CAGR at constant exchange rates

Surgical Innovation Highlights

Equipment: *UNITY* suite

Consumables: Procedure value

Implantables: Penetration & next-gen IOLs

Vision Care Innovation Highlights

Contact Lenses: Portfolio & specialty lenses

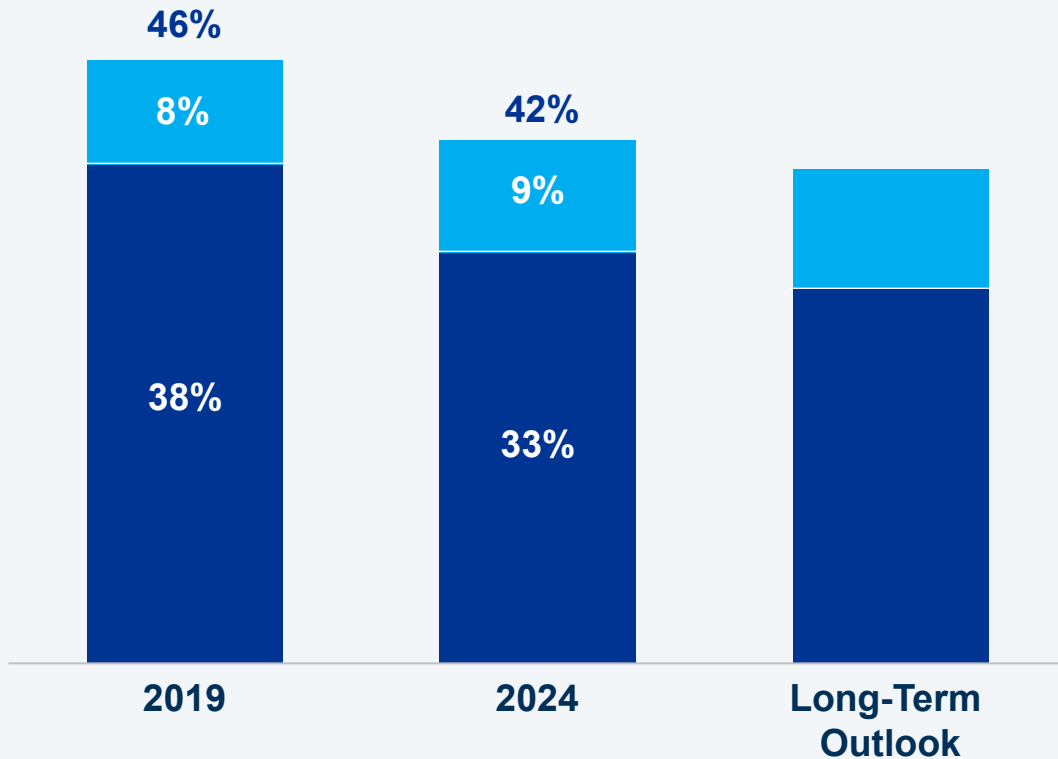
Ocular Health: *SYSTANE* & AR-15512

Profitability expansion from operating leverage while prioritizing R&D investments

Core Functional Costs

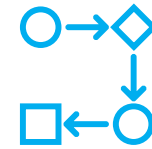
% of Net Sales

Core R&D¹
Core SG&A¹



1. For additional information regarding Core R&D and Core SG&A which are non-IFRS measures, please see appendix

Drivers of Continued Margin Expansion



End-to-end process optimization



Digital enterprise efficiencies



Capitalizing on shared service footprint

Capital allocation priorities remain consistent



Invest in organic growth

- R&D investment
- New product launches
- Capacity expansion
- Operational excellence



Invest in BD&L and M&A

- Agnostic to the source of innovation
- Bolt-on acquisitions and adjacencies
- White space opportunities



Return to shareholders

- Payout policy of 10% of Core Net Income^{1,2}
- Share repurchases

Maintain investment grade credit rating

1. Subject to shareholder approval

2. For additional information regarding Core Net Income which is a non-IFRS measure, please see appendix

Framework for shareholder returns

Durable top-line growth underpinned by
resilient and growing markets

Balanced geographic footprint and
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Earnings growth from **operating leverage**
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Significant cash flow generation to support
capital allocation strategy

Alcon

Leading in Ophthalmic Surgery

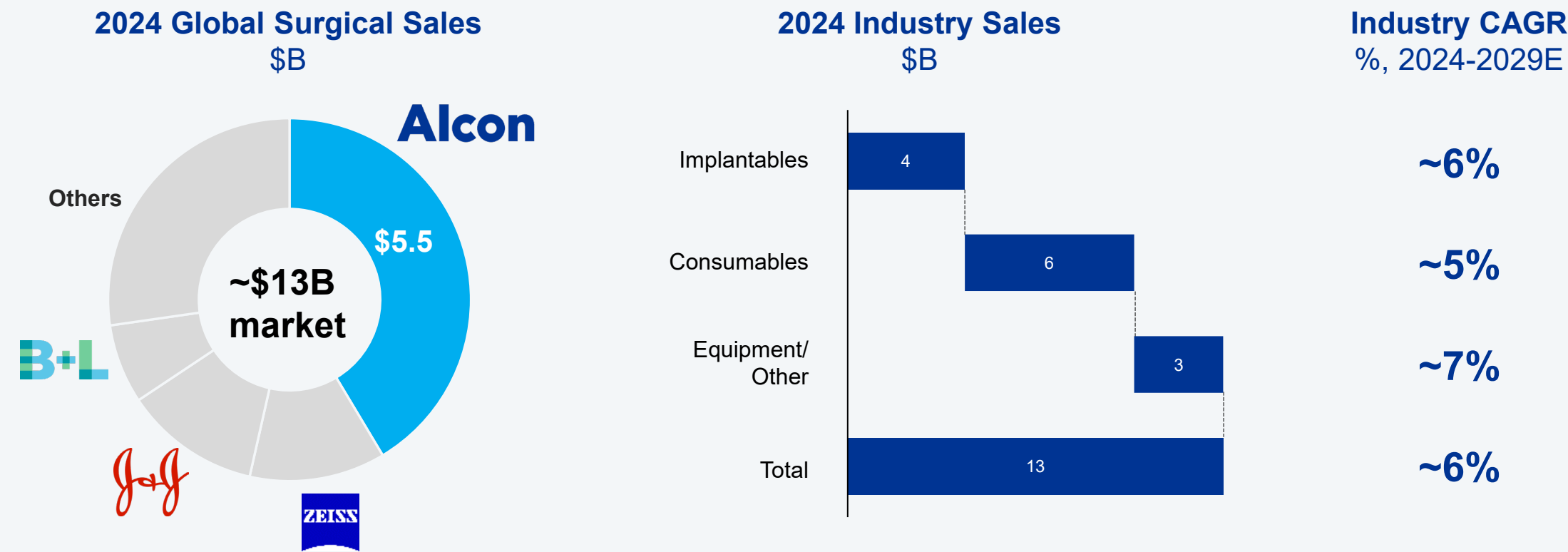
Sean Clark

General Manager, Surgical



Surgical | Overall market

Leading in a strong global surgical market



Market Scope; Alcon internal estimates; Company press release; see safe harbor statement for more information about future industry growth projections.
Implantables include IOLs, surgical glaucoma devices; Consumables include cataract, vitreoretinal, and refractive disposable instruments; Equipment includes cataract and vitreoretinal consoles and accessories, FLACS laser, refractive lasers, equipment service & maintenance, microscopes, diagnostics, and drops for mydriatics, cycloplegics, diagnostics and anesthetics
All trademarks are property of the respective owner.

Surgical | Alcon portfolio

Driving growth across three categories



Implantables

\$1.8B

Alcon sales (2024)



Consumables

\$2.9B

Alcon sales (2024)



Equipment/Other

\$0.9B

Alcon sales (2024)

Figures are rounded.

Surgical | Equipment, consumables & connected ecosystem

Equipment and consumables: a key driver of growth in the Sx portfolio

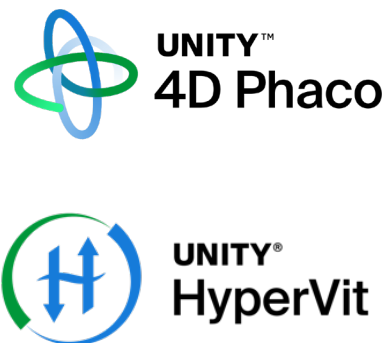
UNITY VCS/CS console

Operating Room (OR) anchor with best-in-class combo and standalone phaco console



UNITY consumables

Next-generation single-use consumables to drive recurring sales



Connected ecosystem

New and connected diagnostic, microscope & digital platform to maximize OR synergies



Equipment | Next-gen vit-cataract system

Superior efficiency in a dual-function console to drive upgrades and capture share

Today



CENTURION & CONSTELLATION

30K+ units installed worldwide (#1)

Pipeline: **UNITY VCS/CS**



Vitreoretinal Cataract System

Dual function and Cataract-only

SUPERIOR EFFICIENCY¹



Designed to safely improve OR throughput



Up to 2X faster phaco with 40% less energy from *UNITY 4D Phaco*



1.5X faster vitreous cutting with *HyperVit 30K cpm*



Streamlined set up, tear down and intra-op workflows

Expected launch May 2025

1. Alcon data on file

Equipment | *UNITY* VCS/CS comparison vs. *CENTURION*

UNITY 4D Phaco is twice as fast as *CENTURION* Ozil

4D Phaco
Phacoemulsification



Ozil
Phacoemulsification
on the bench

UNITYTM VCS | CS
Vitreoretinal
Cataract &
Cataract Systems

The logo is set against a dark blue background with a green, ethereal, swirling light effect on the right side. The word "UNITY" is in large white capital letters, with a blue arc above it. To its right, "VCS | CS" is in smaller white capital letters. Below "UNITY", the text "Vitreoretinal Cataract & Cataract Systems" is written in a smaller white font.

Consumables | Next-gen *UNITY* consumables

Designed to increase operating room efficiency and improve user experience

UNITY Cataract Consumables



Premium cassette with balanced tip to power 4D phaco for a more efficient surgery

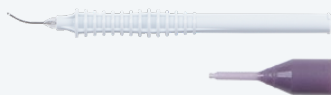
- Up to 2x faster lens removal
- 40% less energy



CS cassette



Balanced tip



IA handpiece / tip



OVD/BSS

UNITY Vitrectomy Consumables



Premium cassette with a less invasive 27-gauge instrumentation for:

- 1.5x faster vitreous removal
- Up to 3x faster laser delivery (*TetraSpot*)



VCS cassette



Trocár / entry system



HyperVit 30K



27G dynamic stiffener

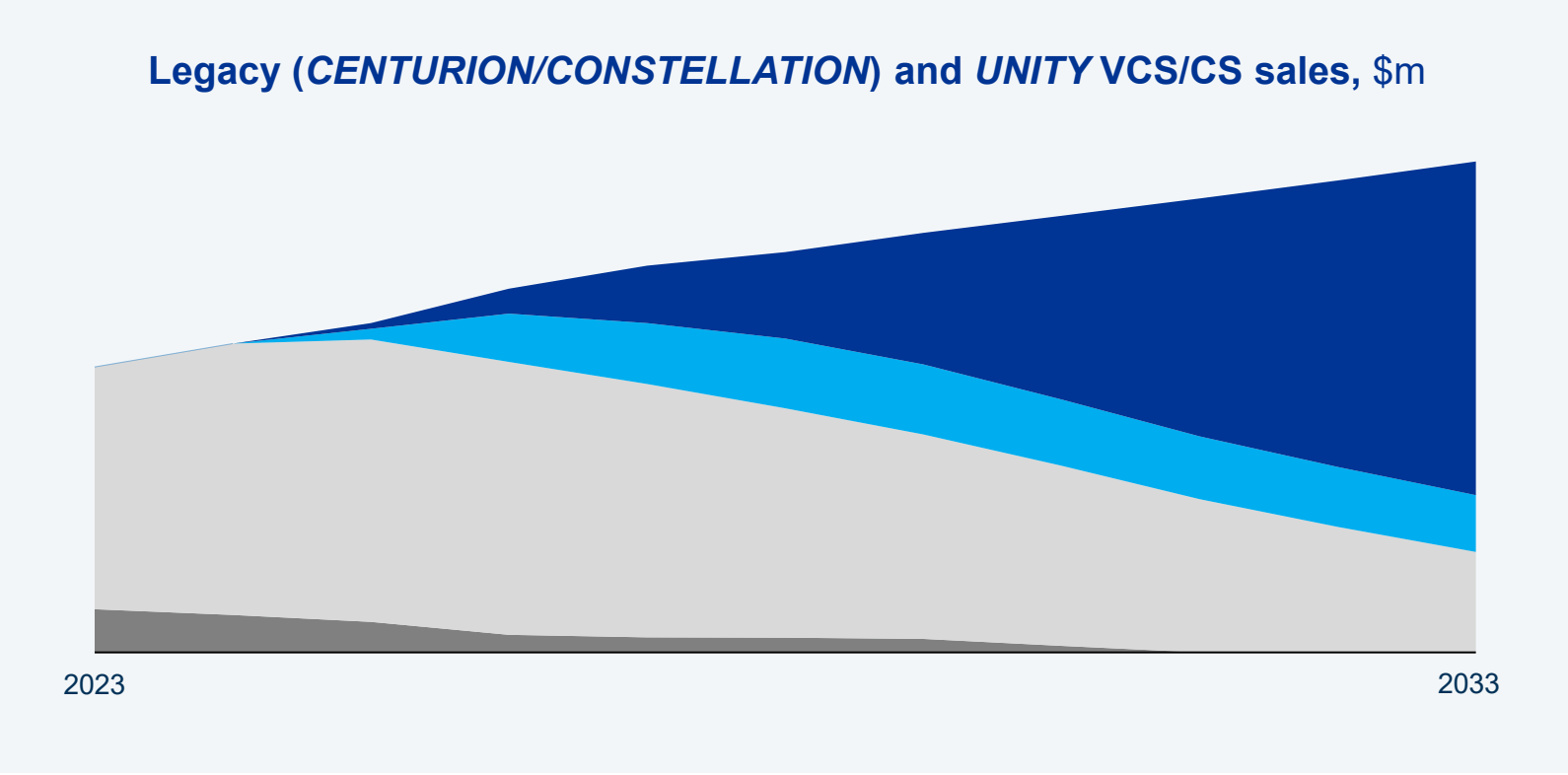
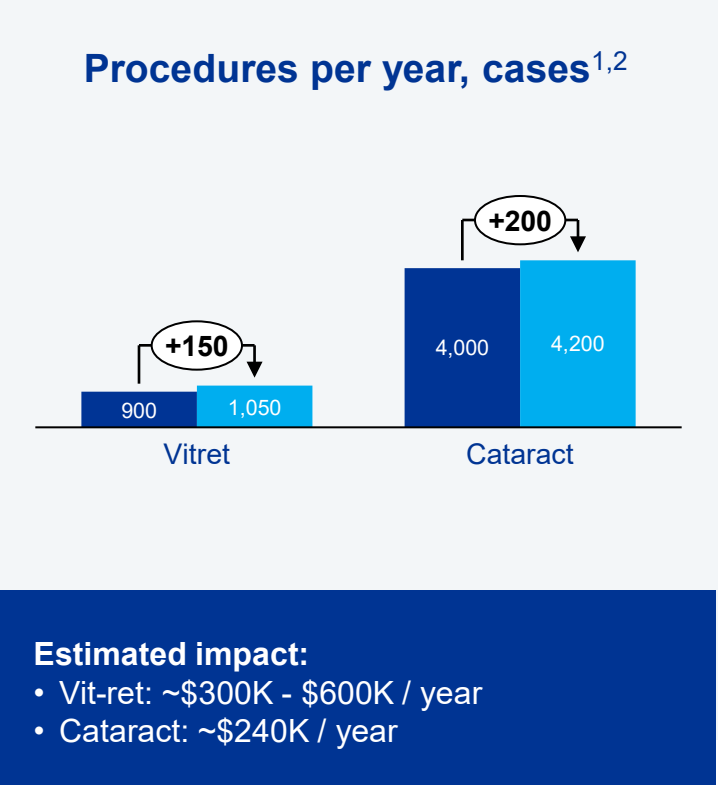


TetraSpot laser

Note: Performance compared to Alcon's current portfolio (Constellation and Centurion)

UNITY VCS/CS driving value creation for ECPs and Alcon

Installed base conversion to drive growth for Alcon's cataract and vit-ret businesses over the next 10 years



Legacy UNITY VCS/CS

UNITY Consumables UNITY Equipment Legacy Consumables Legacy Equipment

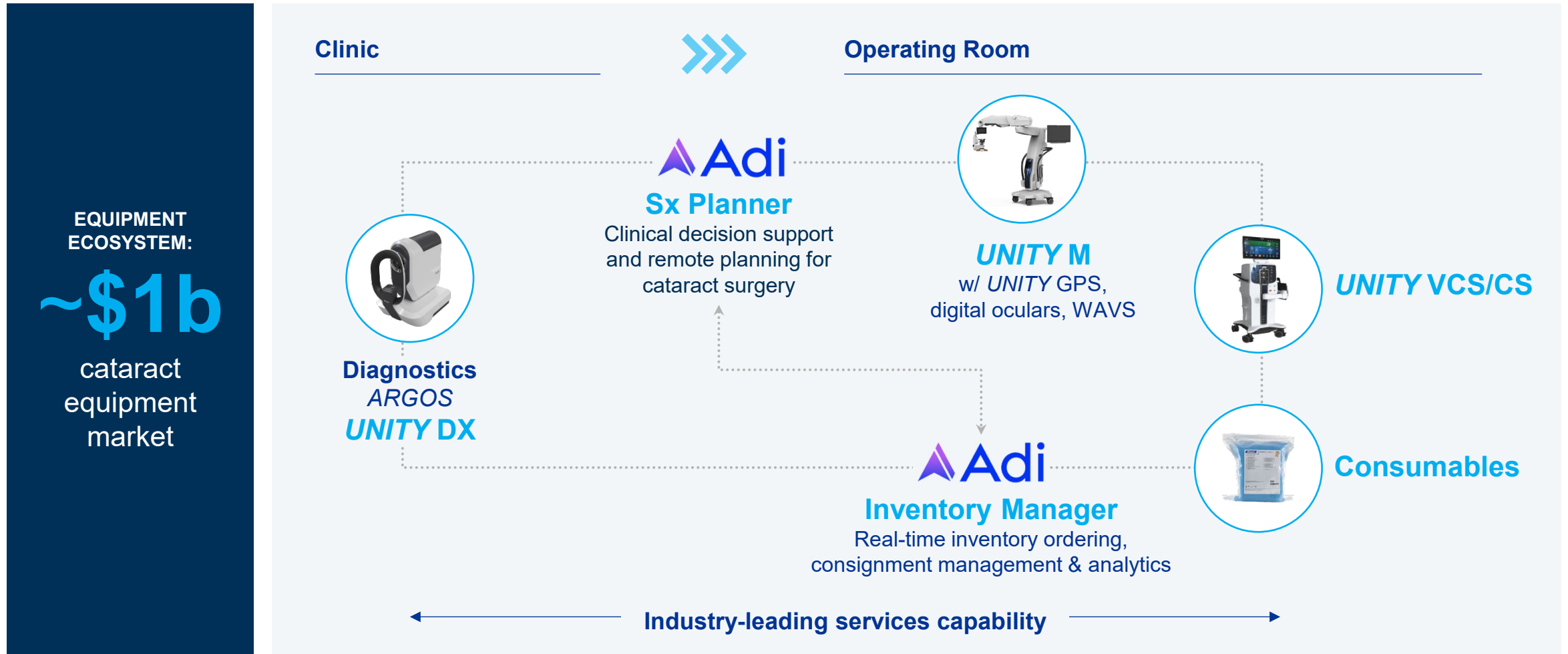
1. Estimates based on bench data assuming cat accounts perform at least 20 cases per day and vitret accounts perform at least 6 cases and an increase of 1 case per day for cat and vit; time in motion HEOR study ongoing (estimate May-25 completion); final results from time in motion study may be better or worse vs bench estimates

2. \$1.2k cataract ASC facility fee; \$2k (ASC) to \$4k (HOPD) for retinal detachment; all figures are for US reimbursement excluding surgeon fees; annualized figures assume 50 wks, 4 surgery days / wk for cat and 3 surgery days / wk for vit, +1 case per day

Connected ecosystem | *Adi* & next-gen equipment

Building holistic digital experiences with a robust equipment pipeline to enhance customer value

Alcon's cataract equipment ecosystem



Equipment | LENSAR acquisition

Strengthening Alcon's cataract equipment and technology portfolio

ALLY



Cataract Laser Systems

Strategic rationale



International expansion of ALLY's technology



Complements Alcon's cataract portfolio



Improved efficiency of cataract surgery

Deal terms



\$14 per share (with additional contingent value of \$2.75)¹



Total acquisition value \$356M - \$430M¹



Timeline dependent on regulatory and shareholder approvals

1. Assuming Treasury Stock method

Surgical | IOL portfolio

Near-to-medium portfolio launches span across PCIOLs, toric and monofocal

2025

Medium term

New trifocal



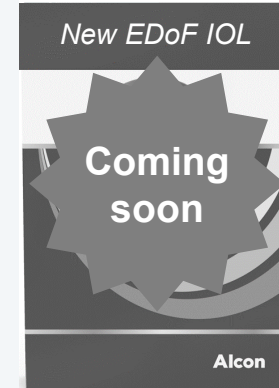
Reduce visual disturbances

New monofocal+/mono toric+



Enhanced intermediate

New extended depth-of-focus IOL



More depth of focus for near vision

PanOptix Pro | Next-gen trifocal

The Power of Pro – more light, less scatter

Most light utilization
in a trifocal IOL

Clareon® PanOptix® Pro

Clareon® PanOptix®

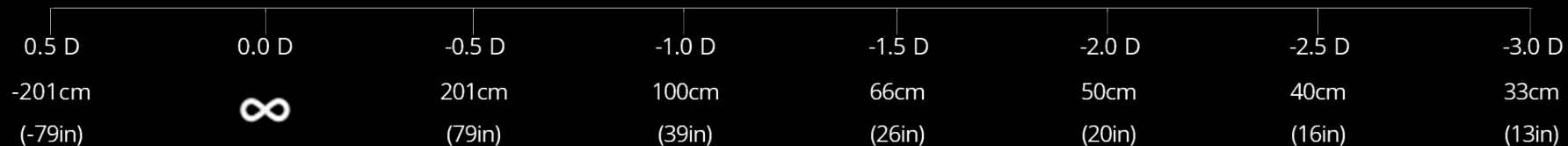
TECNIS Odyssey^

TECNIS Synergy^

Light distribution comparison

Designed for:

- 50% less light scatter vs PanOptix
- 16% better image contrast and smoother transition between distance and intermediate

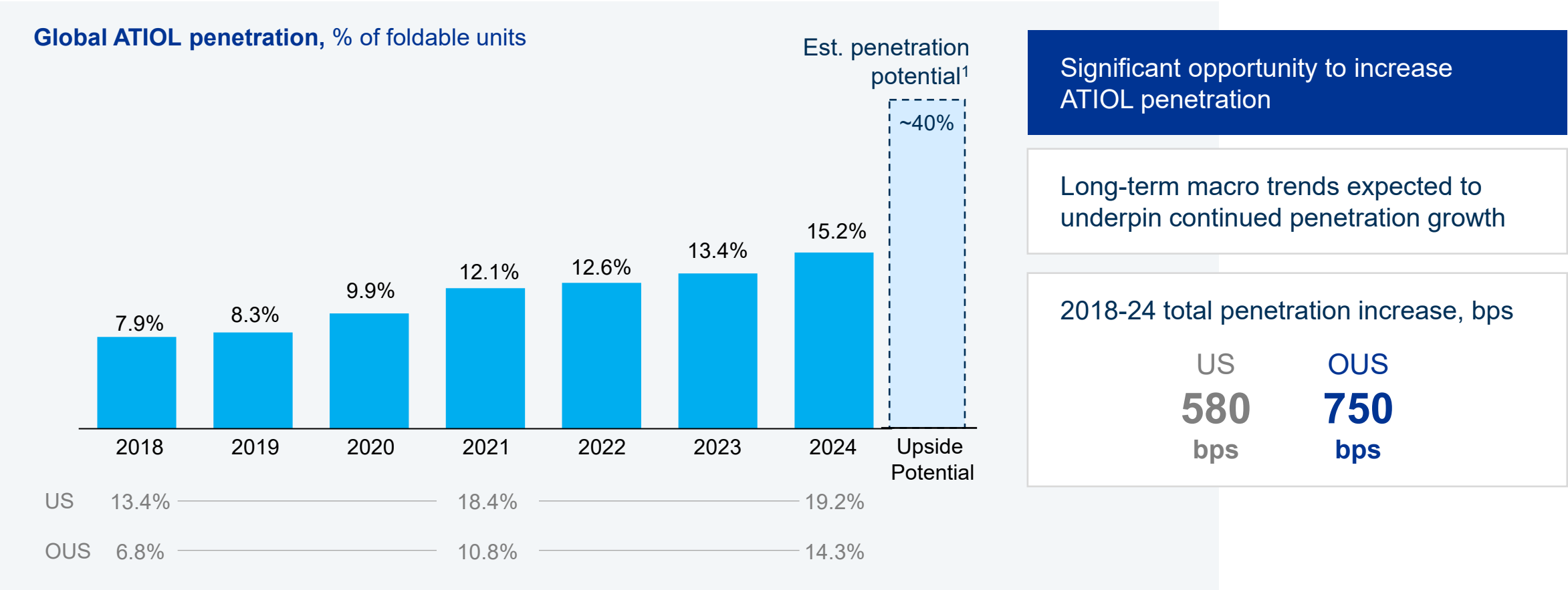


*Simulated photopic through-focus point spread function (light intensity [energy])—polychromatic.

^Trademarks are the property of their respective owners.

IOL portfolio | ATIOL penetration impact

Continued gains in ATIOL penetration in international markets driving growth



1. Alcon data on file; based on survey of US patients

Our glaucoma portfolio covers implantables, equipment & consumables

Shifting the treatment paradigm from pharma to laser-first with DSLT

Disease progression

Early stage



Mild-to-moderate
Pharma



Mild-to-moderate
Surgical cataract combo



Severe
Surgical

Est. US
procedures

600K

6,500K¹

250K

100K

Alcon's
portfolio



 **Voyager™**
DSLT



 **rocklatan®**
(netarsudil and latanoprost
ophthalmic solution) 0.02%/0.005%



 **HYDRUS®**
MICROSTENT



 **EXPRESS®**
Glaucoma Filtration Device

1. Annual patients on glaucoma medication

Expanding the SLT category: *VOYAGER* DSLT

First-in-line for treatment of glaucoma

VOYAGER DSLT



Laser energy to stimulate eye's natural response to reduce intraocular pressure

Business model



Existing reimbursement



Recurring revenue of >80% in steady state



High-margin treatment pack

Launch timeline



Received US FDA 510k clearance in Dec 2023



Launched with direct sales force in select EU markets



Full US commercial launch in Q1 2025

SALES POTENTIAL:

\$75M - \$150M

Summary Surgical

Most comprehensive pipeline to continue growing faster than competition:

Upcoming equipment launches across Surgical portfolio driving growth, bolstered by **value capture** through premium consumables tied to new equipment

Maintain ATIOL leadership with solid pipeline to expand market share and capitalize on growing penetration

Innovating in emerging areas with unmet needs and large addressable markets (e.g., glaucoma, retina)

Cutting-edge digital & connectivity solutions protecting the core business

Industry-leading service (top quartile NPS score last 12 quarters) strengthened by continuous innovation and evolving business models

Alcon

Leading in Contact Lenses

Max Wolf

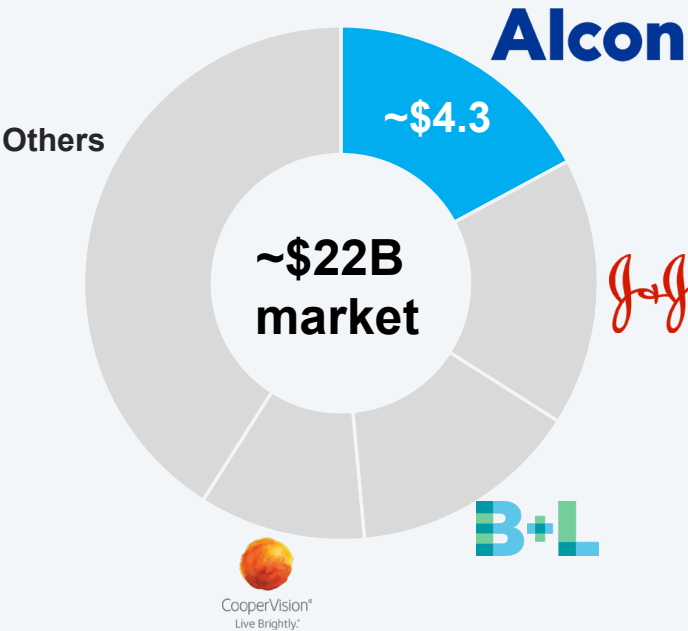
General Manager, Contact Lenses



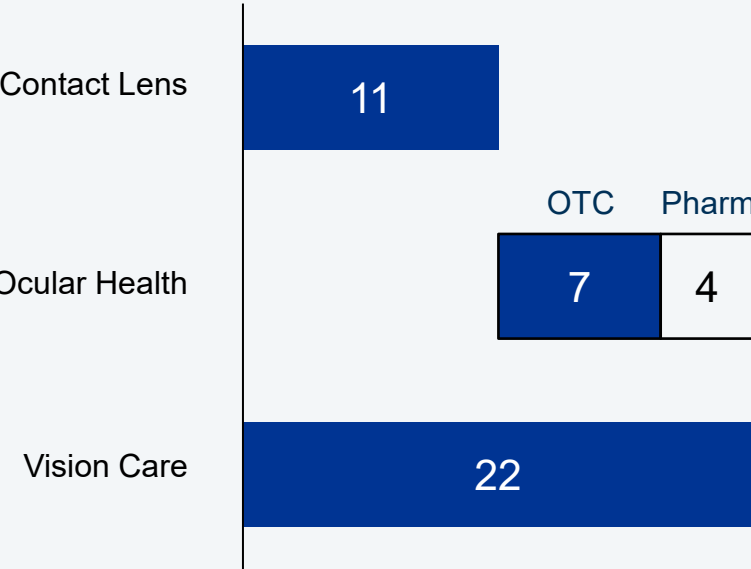
Vision Care | Overall market

Large market that continues to grow at ~4% overall, Alcon has a strong position

2024 Global Vision Care Sales¹
\$B



2024 Industry Sales
\$B



Industry CAGR
%, 2024-2029E

~5%

~4%

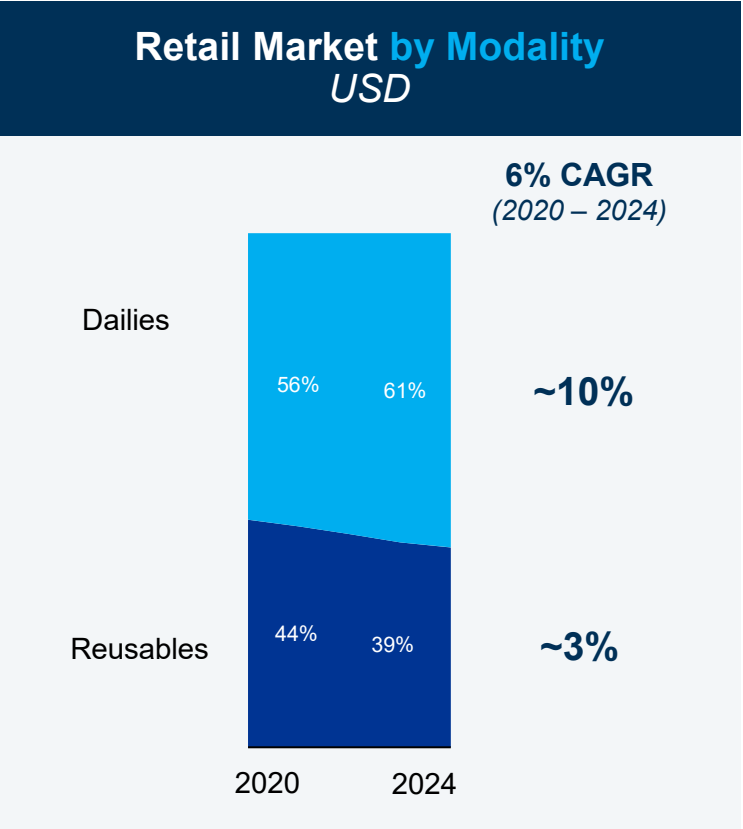
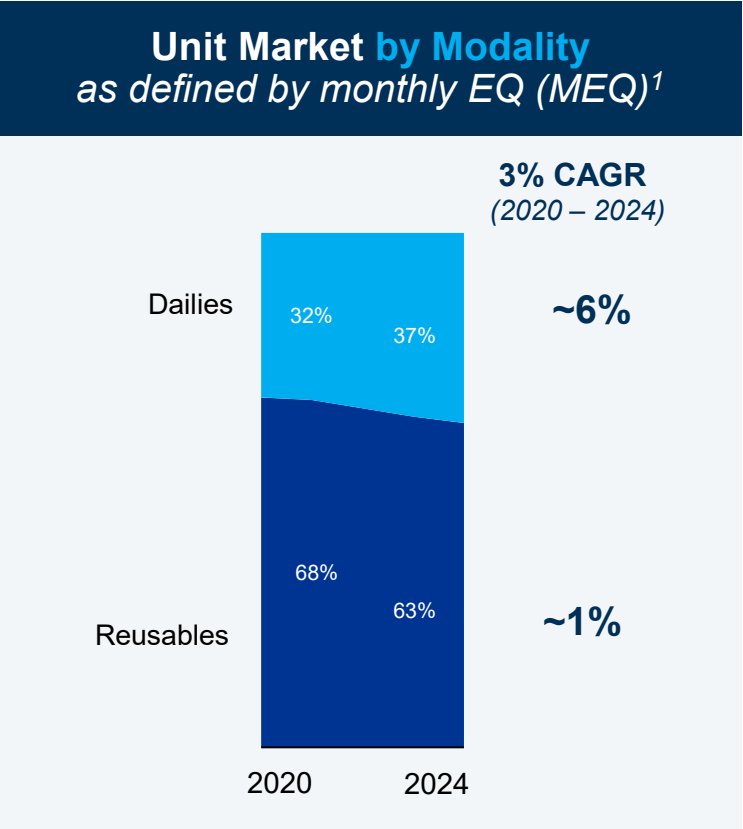
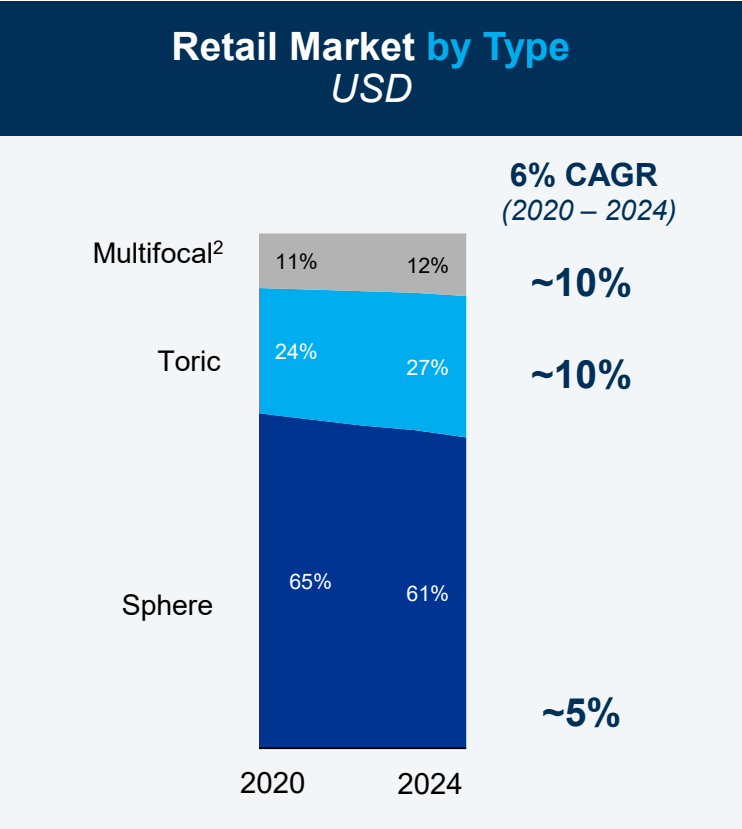
~4%

1. Alcon internal estimates based on numerous third-party data sources including GFK, Nielsen, IQVIA, Euromonitor data, MarketScope, company filings, Alcon internal estimates; see safe harbor statement for more information about future industry growth projections. Alcon sales based on 2024 actual rates. All trademarks are property of the respective owner.

Note: Ocular Health includes artificial tears, allergy, contact lens care, rewetting drops, redness relievers, dry eye devices, general eye care and other categories. Pharma includes Rx glaucoma and dry eye drops in the US. Pie chart for illustrative purposes. Competitor share not to scale.

Contact lens | Market dynamics

Two dynamics driving contact lens market growth:
Specialty lenses and a shift towards Daily Disposables



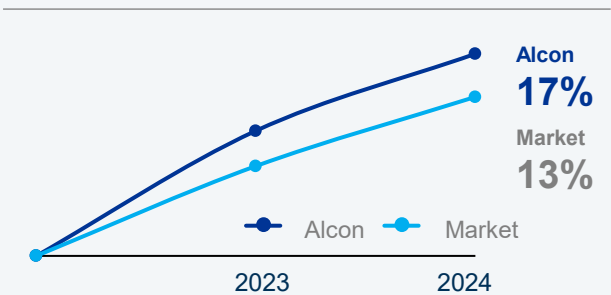
1. Monthly equivalent quantity (MEQ) is measured as number of pair of lenses needed to wear a month.
2. Multifocal and multifocal toric.
Source: Internal estimate based on 3rd party data, including CLI and GfK point of sales data through Q4 2024. All countries, all modalities and types.

Contact lens | Recent performance

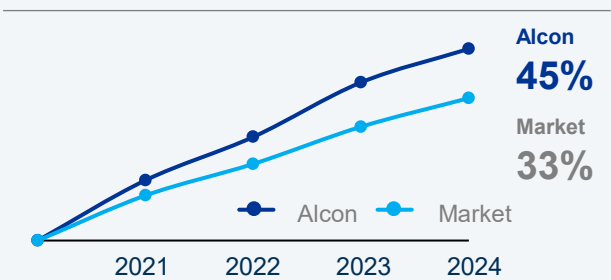
We have consistently outperformed the market driven by our innovation



Cumulative Growth vs. Market
(GfK data, indexed to 2022 and 2020)
2-Year Performance



4-Year Performance



1. Source: GfK Market Intelligence; growth rate Q4 2024. Excludes China.
2. Source: GfK Market Intelligence; brand share based on sales value in FY 2024 vs FY 2020 for panel markets in same countries as in 1.
3. Source: GfK Market Intelligence; brand share FY 2024 for panel markets in same countries as in 1.

Contact lens | Short-term focus areas

Continue to drive growth with innovative product portfolio



**Building the most innovative
product portfolio**



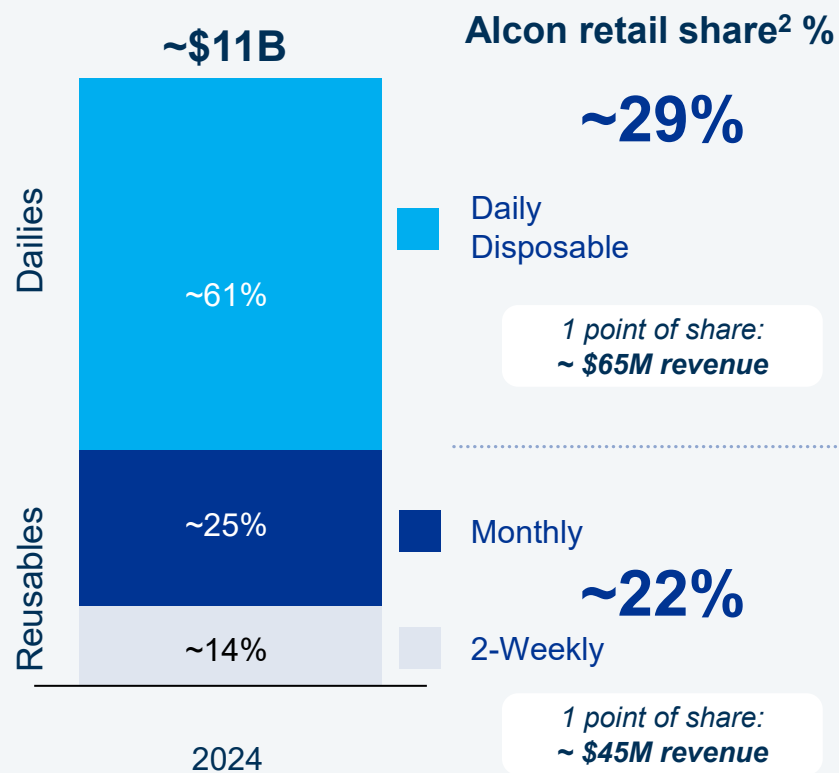
**Continue to win in
Specialty lenses**

1

Building most innovative contact lens portfolio

Sizable market share opportunity in Reusables segment

2024 sell-in by modality¹



Leading Alcon products

Premium Segment



Mainstream Segment



Future Launch



Future Launch

1. Global CLI Q4 2024, YTD Q4-23 to Q4-24 sales including Cosmetic.

2. GfK FY 2024. All countries and all modalities (includes cosmetic) and excluding China.

Source: Global CLI Q4 2024 including cosmetic.

1

Introducing a new, weekly modality: *PRECISION7*

Start and end every week fresh



PRECISION7

Start and end every week fresh™^{1,2}

The new 1-week replacement lens for when daily disposable lenses are not an option.



Fresh new lens every week

Featuring the *ACTIV-FLO* System



Superior comfort

Even when looking at digital devices (vs. ACUVUE OASYS[^] 2-week^{**}, at the end of their respective wear periods^{2,3*})

Breakthrough clinical performance

ACTIV-FLO System



SALES POTENTIAL:

\$250M – \$350M

*Based on agreement to "The lenses felt comfortable – even when looking at my smart phone or computer screen for an extended period of time" as measured at 16 hours on Day 7 for PRECISION7 and Day 14 for ACUVUE OASYS lenses.

**Refers to lens replacement schedule

[^]Trademarks are property of their respective owners.

References: 1. In a 2-week prospective clinical study in the US; n=181; CLEAR CARE® Cleaning & Disinfecting Solution used for cleaning and disinfection;

Alcon data on file, 2023. (p=0.0353) 2. Zheng Y, Dous, Wang Y, et al. Sustained release of a polymeric wetting agent from a silicone-hydrogel contact lens material. ACS Omega 2022;7(33):29223-29230. do: 10.1021/acsomega.2c03310. 3. In a 28-day prospective clinical study; n=67; Alcon data on file, 2023. p<0.05

1 PRECISION7

Strong positive reactions to PRECISION7 from customers and wearers

NOVEL INNOVATION

PRECISION7 Sphere and
PRECISION7 Toric

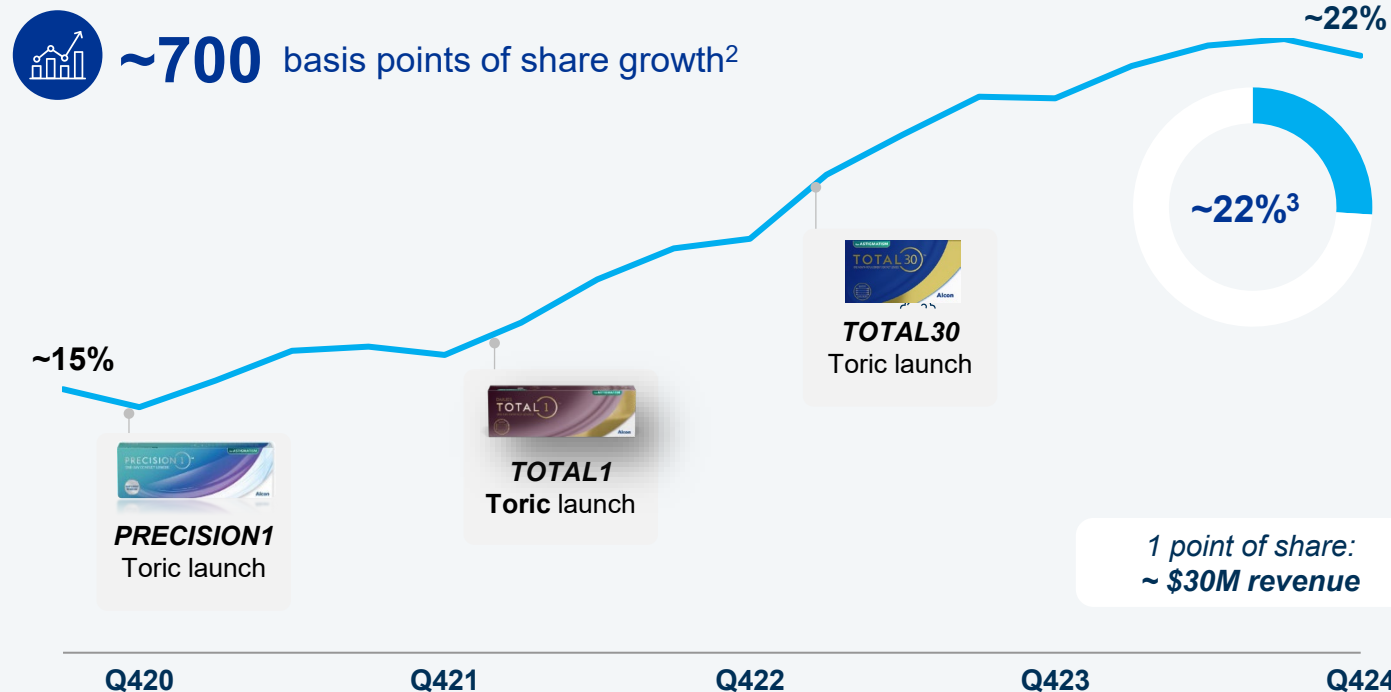


**WELCOME TO THE DAWN OF
A NEW CONTACT LENS ERA**

Winning in specialty lenses

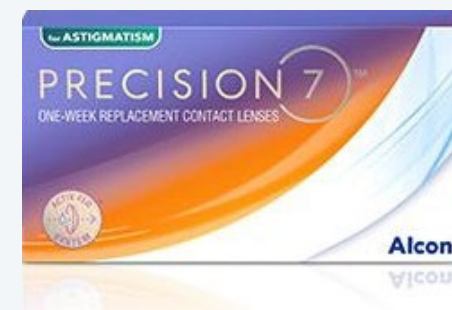
Alcon innovation driving outstanding share growth with additional opportunities ahead of us

ALC global Toric market share evolution¹ (2020-2024, GfK data)



Next Toric launches

Launching now



Future launch



1. Source: GfK Market Intelligence; growth rate Q4 2024. Excludes China.

2. Source: GfK Market Intelligence; brand share based on sales value in FY 2024 vs FY 2020 for panel markets in same countries as in 1.

3. Source: GfK Market Intelligence; brand share FY 2024 for panel markets in same countries as in 1.

Summary

Contact Lens

Well-positioned to continue to grow ahead of market:

Building the **most innovative portfolio** of high-performance lenses

Creating a **new one-week segment** with *PRECISION7* to gain fair share in the reusable segment

Winning in biggest and **fast-growing specialty segment of toric lenses** for astigmatism



Alcon

Leading in Ocular Health

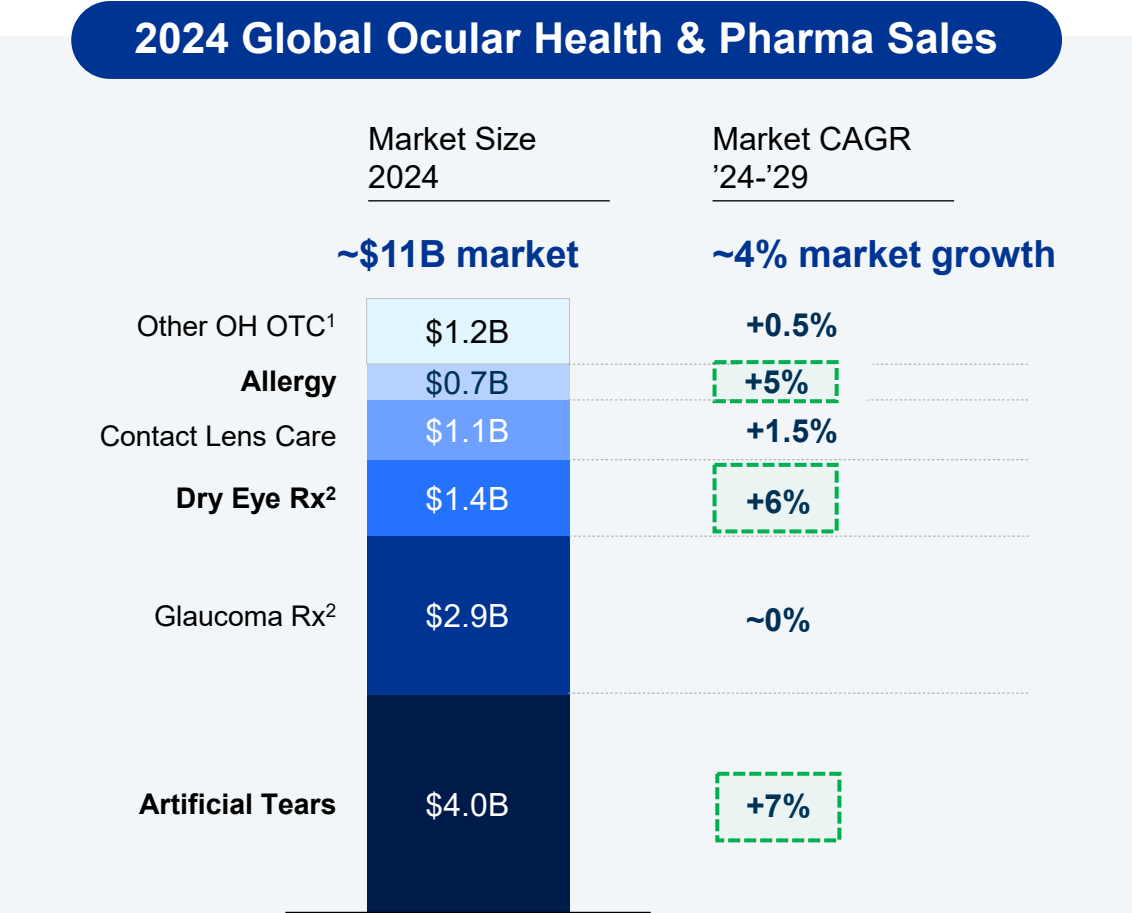
Jonathan Balch


General Manager,
Ocular Health & Pharmaceuticals



Ocular Health & Pharma | Portfolio and market opportunity

Drive growth through continuous innovation



 Categories driving OH/Pharma growth

1. Other ocular health over-the-counter category includes rewetting drops, redness relievers, vitamins, and general eye care.

2. Includes Rx drop markets in the US

Source: GfK, Nielsen, IQVIA, CBG, Euromonitor data, MarketScope, company filings, internal estimates.

Artificial Tears



Allergy



Contact lens care



Pharma



acoltremon 0.003%
(AR-15512)

Ocular Health & Pharma | Focus areas

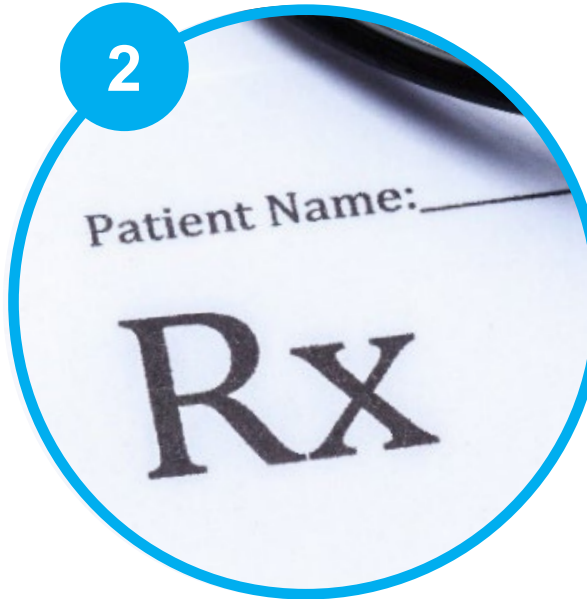
Our near-term focus areas seek a path to sustainable growth

1



**Drive
SYSTANE Growth**

2



**Accelerate
Pharma Re-Entry**

3

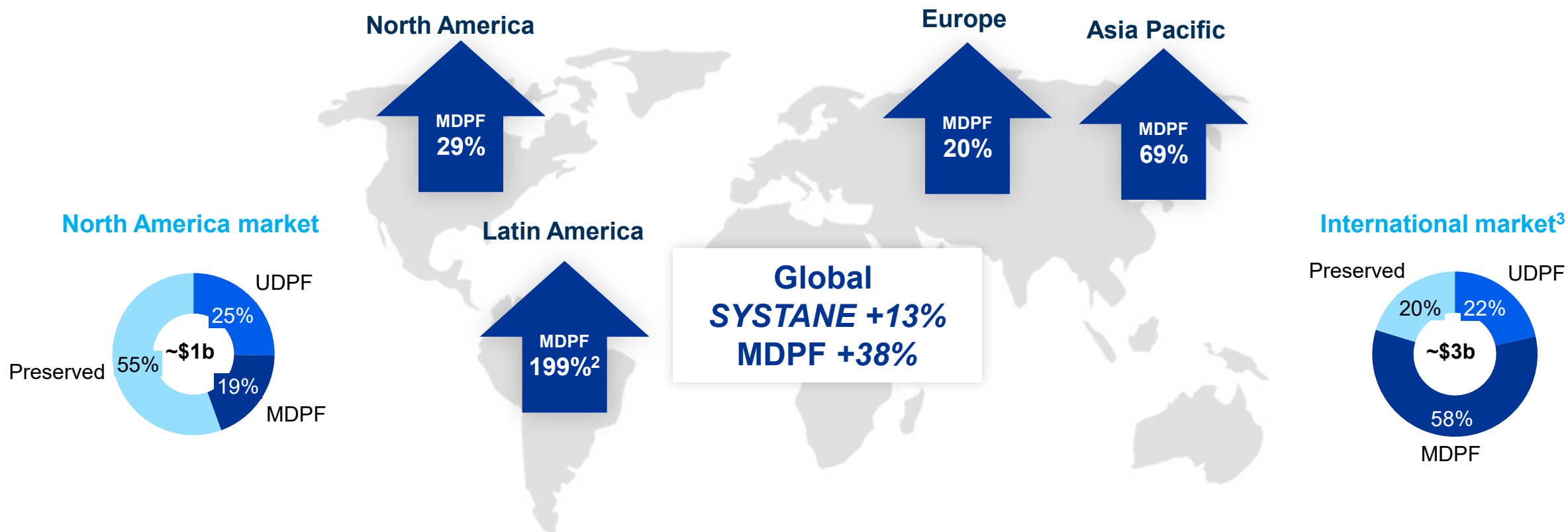


**Launch
Novel Dry Eye Rx**

Ocular Health | *SYSTANE* PF growth opportunity

SYSTANE growing double digits around the world with long runway ahead for MDPF

2024 (growth in cc¹)



Sources: IQVIA, Circana, Internal analysis.

1. Constant currency is a non-IFRS measure, please see appendix,

2. Latin America growth on small base due to 2022 market entry,

3. Countries included in UDPF/MDPF/Psv breakout: France, Italy, Spain, UK

1

Ocular Health | Alcon's longest lasting artificial tear

SYSTANE Pro PF: The only MDPF triple-action formulation: launched 1Q '25



10+ Hours of Symptom Relief

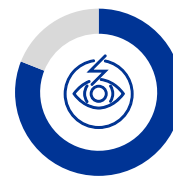
Triple Action Dry Eye Relief with Hyaluronate (HA)

Hydrates, Restores & Protects for All Types of Dry Eye



86%

Doctor intent to recommend¹



81%

Consumer intent to purchase¹

1. Alcon concept research, Q4 2022, top 2 box intent (definitely/probably would), US dry eye consumers & US ECPs

Pharmaceuticals | Accelerating growth

Strategic intent to re-establish Alcon as an industry leader

Right to Win



Fragmented Market: Many assets <\$1B - too small for “Big Pharma”



Natural Aggregator: Largest & best capitalized. Leverage scale (e.g., Aerie)



Deep Ophtha Expertise: R&D, Formulation and Manufacturing capabilities. Focused on late-stage development

Progress to Date

Portfolio Build:



R&D Build:

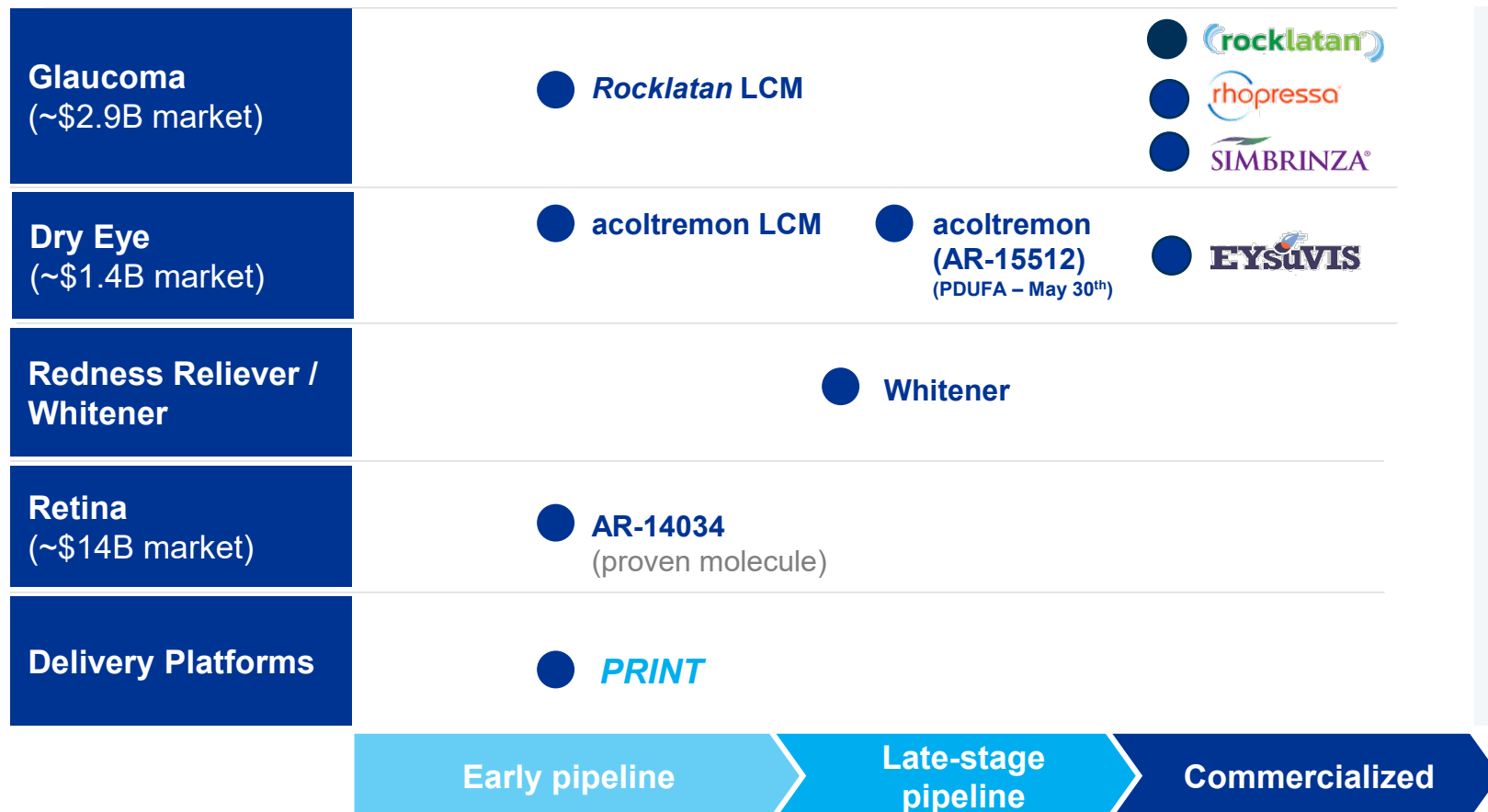
- At Scale Pharma R&D
- Emerging Pipeline - mid/late-stage assets
- Strong R&D & Formulation capabilities

Commercial Execution:

- Established Glaucoma Sales Force & hiring Dry Eye Sales Force
- Driving *Rocklatan & Rhopressa* share
- OcuMension Partnership in China

Pharmaceuticals | Accelerating growth

We continue to build our pharma pipeline focusing on promising and large categories



We continue to look for:

- Internal opportunities to:
 - Reformulate or repurpose existing APIs
 - Advance **proven molecules** (e.g., AR-14034 anti-VEGF inhibitor¹)
- External assets:
 - Typically with established **proof-of-concept** (phase 2 or 3)
 - In key **focus areas** (dry eye, MGD, cornea, NK, wAMD)

1. Axitinib approved for systemic use in renal cell carcinoma.

Pre-commercialized assets are development stage product candidates; not approved by any regulatory agency.

PRINT = Particle Replication In Non-wetting Templates

Source (market sizing): MarketScope, IQVIA IMS.

Unmet Needs in Dry Eye | Speed & Efficacy

Patients report limitations of existing Dry Eye prescription medications

Top Priorities for Dry Eye Patients*

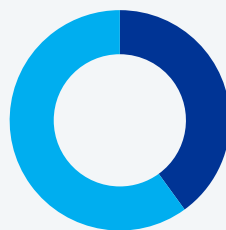


Time to onset



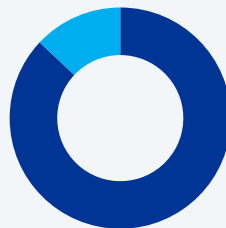
Treatment effectiveness
for symptoms of dry eye

Dry Eye Patients Report Discontinuation rates of ~90% §



60%

of patients reported **mild to no improvement** ‡



ONLY 13%

of patients **felt their dry eye was well managed** †

*Survey of Patients with Moderate-to-Severe DED from Australia, Germany, UK and the USA (N=160).

§ Discontinuation was defined as a gap of ≥60 days between the end of the previous supply and next refill of the index medication or a treatment switch. Index period: 01/2018 and June 2021.

‡ Based on the Chronic Dry Eye in America survey that was conducted from February through April 2021.

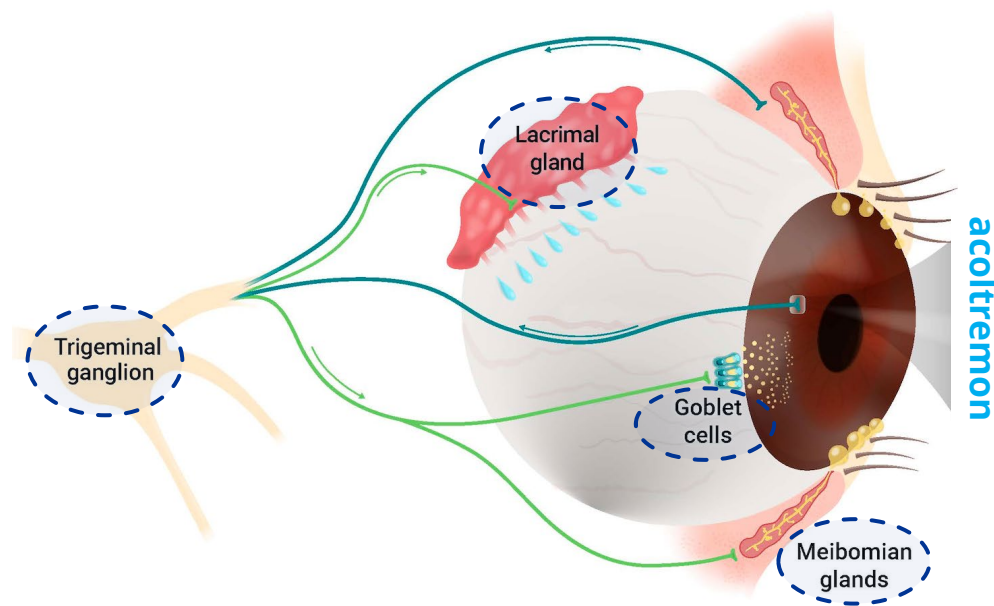
† Retrospective review of patients with a clinical diagnosis of DED treated with both Restasis and Xiidra over the course of the disease, N=64.

Source: Locatelli et al., *Cornea*, 2024, Jan 1; 43(1):88-94. Messmer et al., *BMJ Open Ophthalmol.*, 2019 Dec 15;4. 2021 In America Survey Findings: Living With Chronic Dry Eye. Mbagwu et al., ASCRS Annual Meeting 2024.

Pharmaceuticals | Novel Dry Eye Rx

acoltremon ophthalmic solution 0.003% is an investigational product and is pending US FDA approval

Acoltremon 0.003% is the only eye drop that rapidly increases natural tears: PDUFA Date – May 30th



Phase 3 Clinical Trial Findings*

Delivers rapid onset as early as Day 1 and sustained through Day 90

Up to 80% of patients achieved normal tear production at Day 1

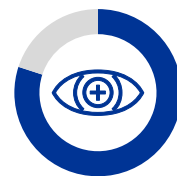
Consistent reduction in DED symptoms at 1 month

Favorable safety profile / Most common AE: ~50% burning or stinging (98% report mild & transient)

Acoltremon is a first-in-class TRPM8 receptor agonist (neuromodulator) that stimulates corneal nerves to rapidly increase natural tear production

SALES POTENTIAL:

\$250M - \$400M



80%
Optometrist intent to prescribe¹



78%
Ophthalmologist intent to prescribe¹

1. Alcon concept research, 2024, top 2 box intent (definitely/probably would), US ECPs

*Ph 3 pivotal trials; COMET-2: N=465 patients; and COMET-3: N=466 patients

Introducing Acoltremon

acoltremon ophthalmic solution 0.003% is an investigational product and is pending US FDA approval

**Acoltremon ophthalmic
solution 0.003%**

Acoltremon Ophthalmic Solution 0.003% is an
investigational product and is pending US FDA approval

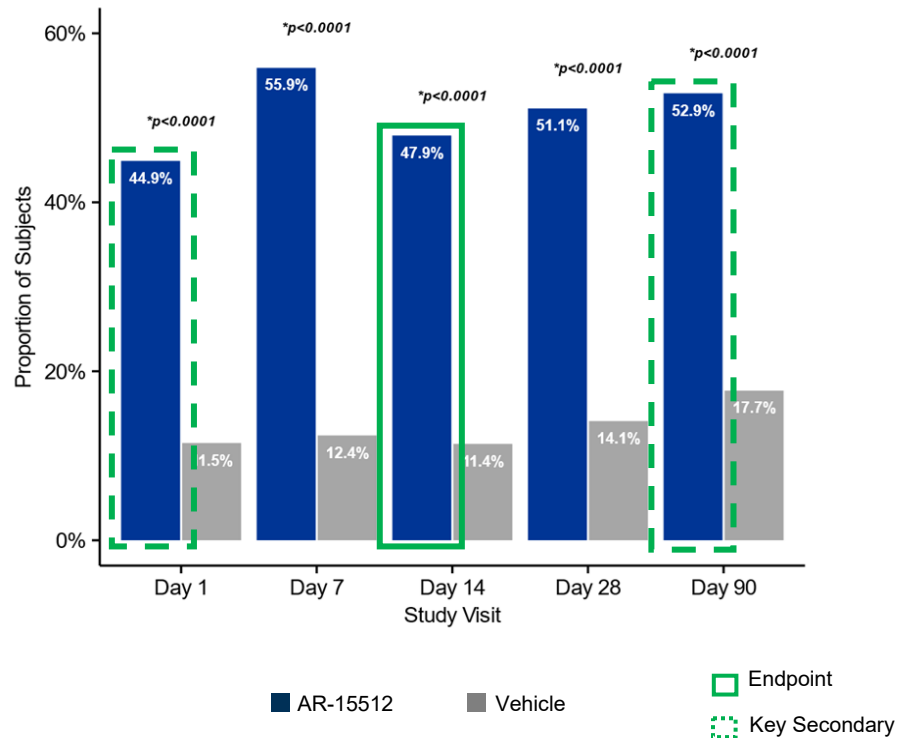
acoltremon ophthalmic solution 0.003%

3

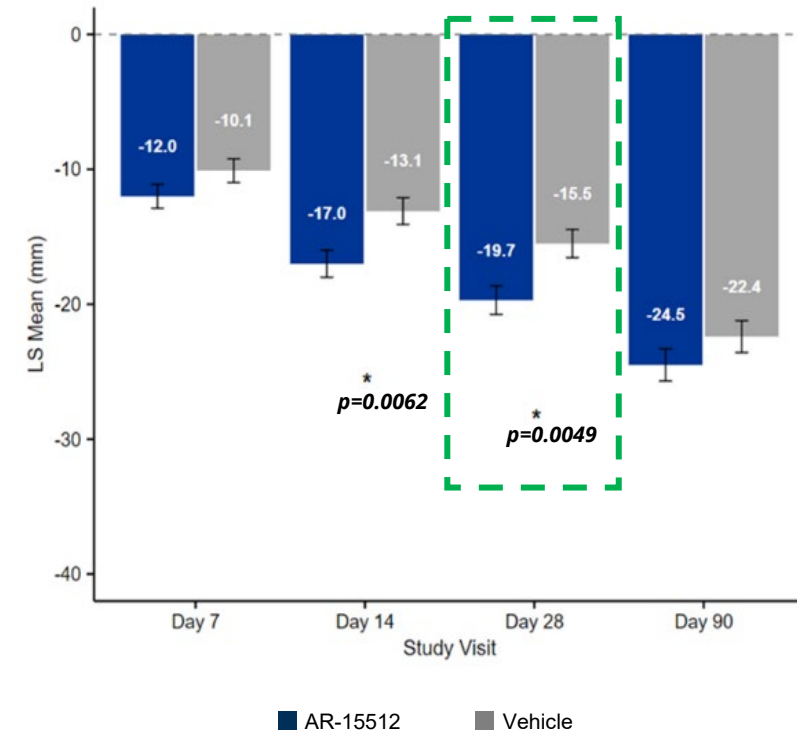
Pharmaceuticals | Phase 3 pooled data

COMET data supports path to full indication of “treatment of signs & symptoms of DED”

COMET-2 + COMET-3:
Proportion with ≥ 10 mm Increase in
Schirmer¹ Score on Day 14



COMET-2 + COMET-3:
Change from Baseline Global SANDE²
Score on Day 28



COMET-2: N=465 patients; and COMET-3: N=466 patients.

1. Primary End Point: Unanesthetized Schirmer test measures tear production using a strip of filter paper placed under the lower eyelid for 5 minutes. Wetting less than 10mm indicates dry eyes.

2. Key Secondary End Point: SANDE: Symptoms Assessment Questionnaire In Dry Eye Scale: 0-100 (0 = no symptoms; 100 = severe symptoms). Pooled data shown: COMET-2 was statistically significantly better vs. vehicle while COMET-3 was directionally better vs. vehicle

Summary

Ocular Health & Pharmaceuticals

Drive continued **SYSTANE revenue growth** through strong commercial execution against **MDPF formulations** and the launch of **SYSTANE PRO PF**

Execute a **world-class launch of acoltremon 0.003%**, first-in-class Dry Eye Rx

Accelerate **Alcon's re-entry into pharmaceuticals** by progressing our pipeline and targeted acquisitions

Alcon

Innovating for the Future

Jeannette Bankes

SVP, President, Global Franchises



Innovation | Long-term focus areas

Combining technical expertise across surgical and vision care domains

Surgical



Next-Gen
ATIOLs

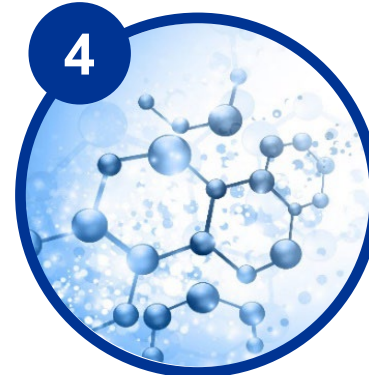


Next-Gen Lasers,
Robotics



Specialty Contact
Lenses – Next-Gen
Presbyopia

Vision Care



Next-gen Artificial
Tear (OTC)

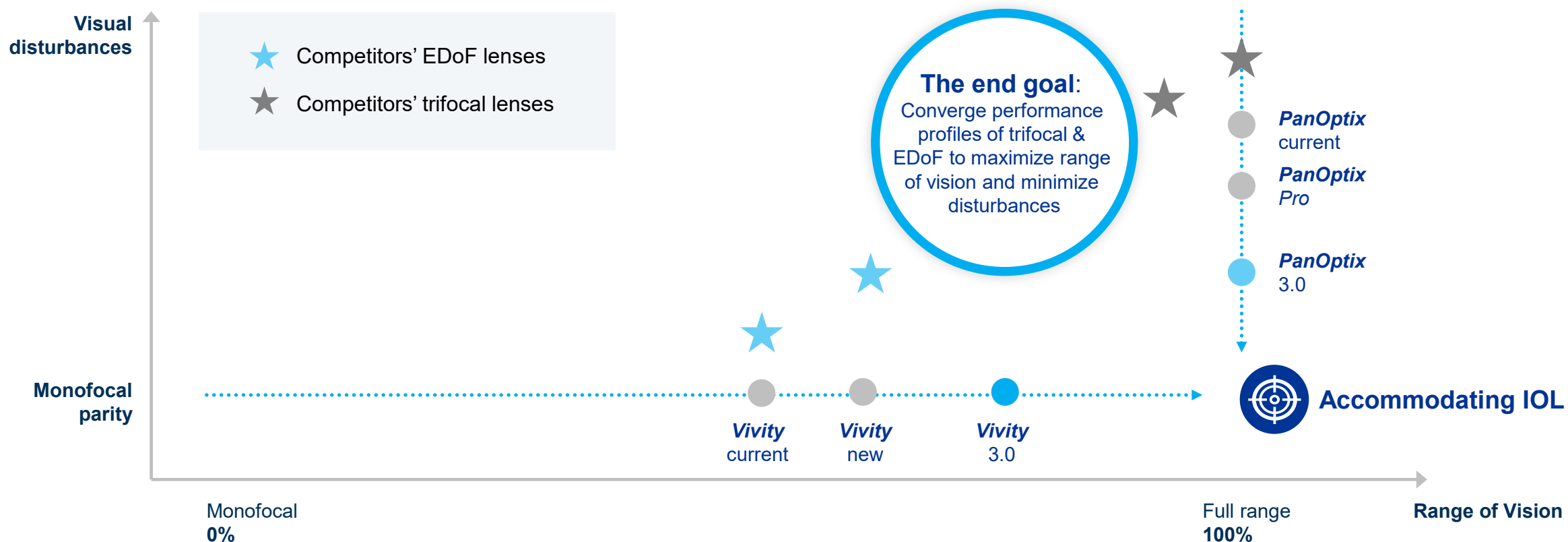


Rx
Pharma

Long-term innovation | Pushing the limits of *PanOptix* and *Vivity*

Pushing the limits of traditional trifocal and EDoF to converge on PCIORL performance ceiling

Presbyopia correction tradeoffs



1

Long-term innovation | Accommodating IOL program

Our program is the only one to achieve 1 diopter of accommodation and 2 diopter of tunability

Accommodating IOL MOA



Investigational Product. Not Approved For Sale or Use.

Long-term innovation | Accommodating IOL program

Only accommodating IOL program with true accommodation and tunability

Where we stand



Robust clinical data proving objective accommodation, $>1.5D$ on average



Tunability demonstrated on bench, up to 2 diopters of sphere adjustment



Proven safety profile shown in multiple clinicals









Portion of patient population experienced overcorrection at distance and did not achieve the expected visual outcome



Long-term innovation | Surgical long-term investments

Long-term surgical investments, focusing on lasers and robotics

	Retinal Diseases		Refractive	Glaucoma	Cataract – Laser	Cataract – Other
Description	Treatment for dry AMD	Laser for floaters	All-in-one laser refractive suite (excimer/femto)	Precision laser for glaucoma	Laser-based cataract system	Robotics for cataract
Population afflicted	~200m patients with dry AMD	~100m patients with floaters	>4m laser refractive procedures / yr	>50m patients w/ open angle glaucoma	>30m cataract procedures per year	>30m cataract procedures per year
Market potential	 <\$0.5b	 <\$0.5b	 \$1b+	 <\$1b	 \$1b+	 <\$1b

Flexibility in Contact Lens manufacturing asset base

Unparalleled manufacturing flexibility enables strategic competitive advantages to innovate

Manufacturing Flexibility



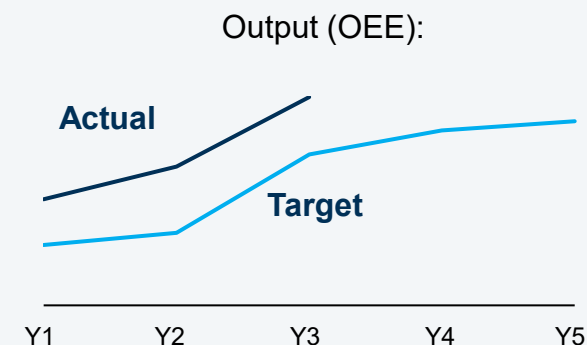
- High flexibility for all Alcon chemistry - **from bulk to surface**
- **Can make multiple lens types at same time**, improving utilization

Breakthrough Innovation



- **Faster innovation** cycle by removing line design from timeline
- **Enables structural breakthrough innovation** (e.g., novel material properties)

Improved Utilization



- **Fast ramp-up to high utilization** (OEE) optimizes costs
- **Increases efficiency of capital**

Note: OEE = overall equipment effectiveness

Specialty contact lenses: Next-gen presbyopia

We have unparalleled optical design capabilities to leverage for a better presbyopia solution

Current Limitations of Multifocal Contact Lenses

Insufficient visual outcomes

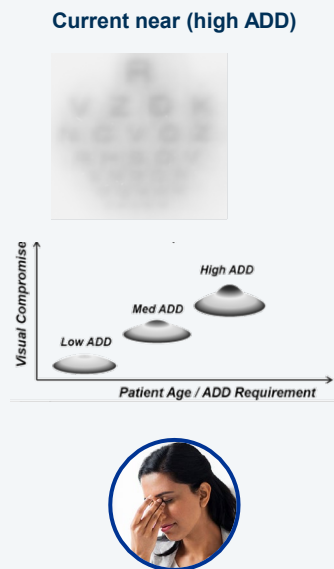
Tradeoff between distance and near vision quality

Difficult to fit

Time consuming (multiple trials, pupil dependent etc.)

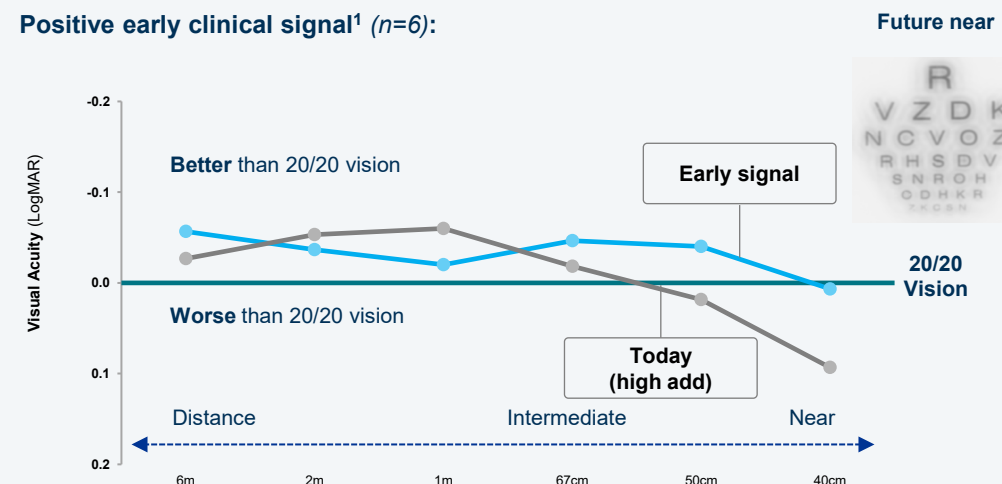
Comfort (esp. dry eye in older pop.)

Comfort is a leading driver of contact lens **drop-out**



Leveraging Alcon SX Optical Design Capabilities

Positive early clinical signal¹ (n=6):

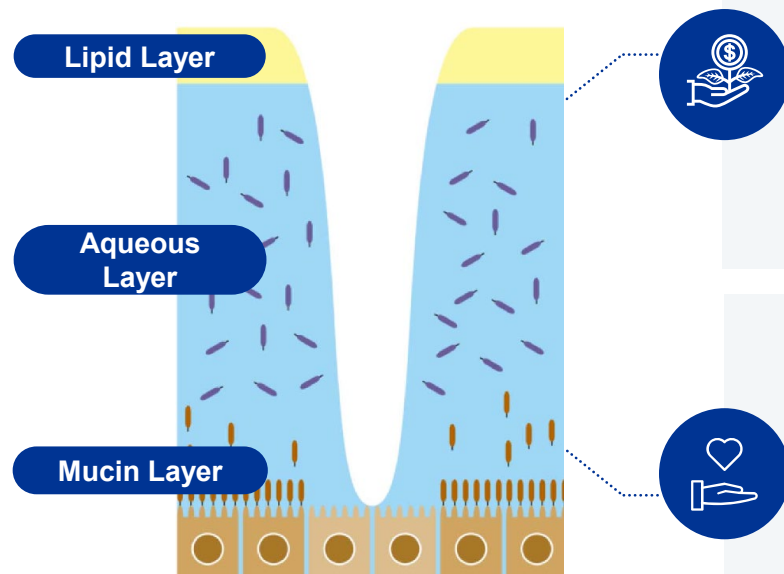


1. Alcon data on file

Next-gen tear film therapy

Next phase of innovation for artificial tears targeting the mucin layer
(the foundation of healthy tears)

Illustration¹
Dry Eye Tear Film



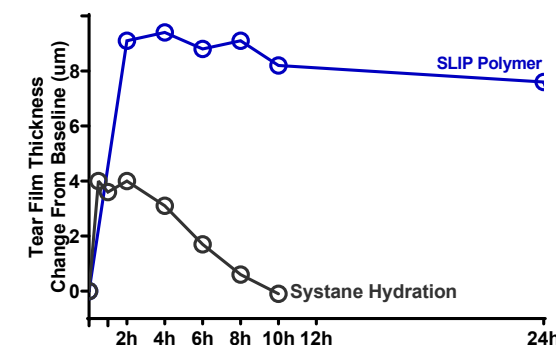
Unmet Need

- Today's artificial tears do not address the tear film foundation (mucin layer)
- Longer-lasting duration and symptom relief (e.g., 1 drop, 24-hour duration)

Next-Gen Tear Film Therapy

- Engineered to restore functionality of mucin layer and improve the Tear Film
- Mucin-interaction results in enhanced retention and residence time

Tear Film Thickness²



Superior tear film thickness and durability for >24 hrs

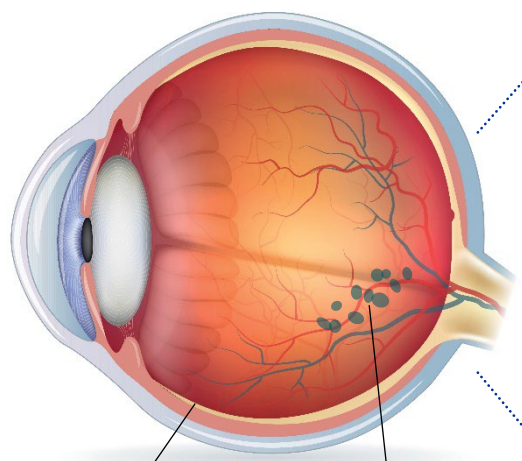
1. Adapted from Yokoi, N., Georgiev, G.A. Tear-film-oriented diagnosis for dry eye. Jpn J Ophthalmol 63, 127–136 (2019)

2. Alcon data on file. Assessed in preclinical studies using rabbit eyes (n=6) for multiple formulation candidates 2024.

Sustained Drug Delivery for Wet AMD

PRINT technology for sustained release of Axitinib for durable treatment of Wet AMD

Wet AMD



Retina

Abnormal leaky
blood vessels



Unmet Need

- Current wet AMD treatments require injections every 4-16 weeks
- Significant patient treatment burden

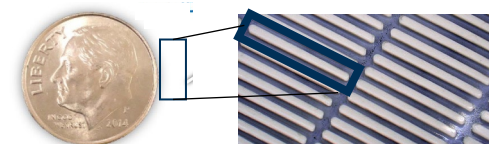


PRINT Delivery with Axitinib

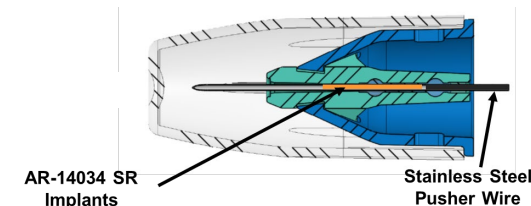
- Up to 12 months of durability¹
- Tune-able drug delivery
- Proprietary applicator

PRINT Technology

Bio-erodible *PRINT* Implant



Applicator design



1. Source: Alcon data on file, 2023. Assessed in a preclinical study using Dutch Belted rabbits, 2 implants/eye, N = 10-12 eyes per time point. After induction therapy with anti-VEGF biologic. PRINT = Particle Replication In Non-wetting Templates

Aurion: Product overview & opportunity

AURN001 is an investigational product and has not been submitted to US FDA for approval

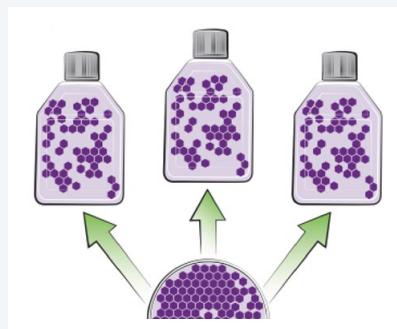
AURN001 has received Breakthrough Therapy and Regenerative Medicine Advanced Therapy designations from the FDA

Disease:

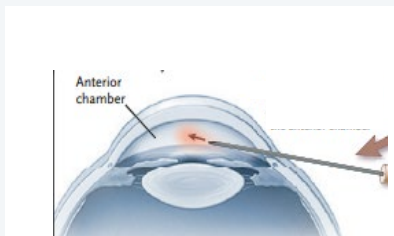
Corneal Endothelial Disease affects the innermost layer of the cornea and can lead to corneal swelling (edema), vision loss, and potential blindness

Cell therapy combination product:

Corneal Endothelial Cells (CECs) + ROCK inhibitor



Process



Procedure

More convenient and potentially safer vs. SoC¹;
~3 hours in prone position post op

Mitigate graft shortage;
Up to 1,000 doses from a single donor

Curative option for earlier stage disease;
Potentially expands population

Phase 3 Clinical Trial to commence in Fall 2025

Summary Long-Term Innovation

Rich pipeline of early-stage innovation driving our future growth potential

Innovation Capacity: World-class technical capability, knowledge estate and understanding of eye care needs

Surgical:

- **Implantables:** Advancing disruptive IOL technologies to be first to market
 - **Equipment:** Develop novel equipment solutions to meet unmet needs
-

Vision Care:

- **Contact Lenses:** Developing breakthrough innovations in lenses leveraging our unparalleled manufacturing platform and flexibility
- **Ocular Health and Pharma:** Developing next-gen solutions for dry eye and expanding our pharma portfolio into biopharma and cell therapy

Alcon

Conclusion & Thank You



Appendix

Non-IFRS financial 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, compound annual growth rates, free cash flow and free cash flow conversion. 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.

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.

Core results

Alcon core results, including core R&D, core SG&A, core operating income, core operating margin, core net income and core diluted EPS, 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 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. Core effective tax rate, a non-IFRS measure, is the applicable annual tax rate on core taxable income.

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.

Non-IFRS financial measures

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 to 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.

Compound annual growth rates ("CAGR") '21 – '24 in US dollars and at constant exchange rates

CAGR is a measure of an annual growth rate over time, with the effect of compounding taken into account, for measures including net sales, core operating income and free cash flow. It is often used to measure and compare the past performance or to project expected future returns. 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 core operating income that are adjusted for such foreign currency effects. A limitation of the CAGR '21 – '24, as a supplemental non-IFRS measure, is it provides a view of Alcon operations without including the impacts of currency and should not be viewed as, a substitute for IFRS measures. CAGR '21 – '24 at constant exchange rates is calculated by translating 2024 foreign currency values for net sales and core operating income 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. The goal of the CAGR at constant exchange rates calculation is consistent with our constant currencies methodology. The goal of the US dollar CAGR is consistent with those above calculated using the actual foreign exchange rates of the relevant comparable periods.

(\$ millions, except %)	2024	2021	CAGR to 2021	
			\$	CER ¹
			CAGR	CAGR
			'21 - '24	'21 - 24
Net sales	9,836	8,222	6%	10%
Core operating income	2,027	1,443	12%	24%
Free cash flow	1,604	645	35%	

(1) Constant exchange rates; Free cash flow at CER not calculated

Non-IFRS financial measures

2025 Estimates translated at 2021 average exchange rates and adjusted for M&A impacts on sales

Guidance for 2025 translated at the average exchange rates of 2021 and excluding impacts on Net Sales of M&A not yet executed at the time of the 2021 CMD presentation (March 2021). Management believes this view provides meaningful information on the underlying business performance as compared to the goals laid out during the 2021 CMD presentation. Excluding foreign currency exchange rate fluctuations as well as the impacts on Net Sales of M&A not executed at the time of CMD 2021, the CMD goals are noted to be on track or ahead of expectations. The benefit of this information is limited based on actual currency and M&A impacts.

2024 Actual results translated at 2021 constant currency

Alcon does not provide annual guidance on free cash flow. As an alternative, when taking our actual 2024 free cash flow of \$1.6 billion and translating at the average exchange rates of 2021, we estimate 2024 free cash flow to be \$1.8 to \$1.9 billion. Management believes this information is useful when comparing the underlying business performance versus the goals laid out during the 2021 CMD presentation. Excluding foreign currency exchange rate fluctuations, the CMD goals are noted to be on track or ahead of expectations. The benefit of this information is limited based on actual currency impacts.

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.

Free cash flow conversion

Alcon defines free cash flow conversion as free cash flow as a percentage of core net income. Alcon management believes it is a useful supplemental indicator of Alcon's ability to convert core net income into free cash flow. Free cash flow conversion is not intended to be a substitute measure for net cash flows from operating activities or other metrics as determined under IFRS.

Reconciliation of IFRS results to Core results

(\$ millions, except %)	IFRS Results	% of Net sales	Amortization of certain intangible assets ⁽¹⁾	Impairments ⁽²⁾	Separation costs ⁽³⁾	Other items ⁽⁴⁾	Core results	Core as a % of Net sales
2019								
Net sales	7,362		-	-	-	-	7,362	
Research & development	(656)	8.9%	33	-	4	35	(584)	7.9%
Selling, general & administration	(2,847)	38.7%	-	-	30	15	(2,802)	38.1%
Function costs	(3,503)	47.6%	33	-	34	50	(3,386)	46.0%
2024								
Net sales	9,836		-	-	-	-	9,836	
Research & development	(876)	8.9%	5	9	-	(5)	(867)	8.8%
Selling, general & administration	(3,250)	33.0%	-	-	-	-	(3,250)	33.0%
Function costs	(4,126)	41.9%	5	9	-	(5)	(4,117)	41.9%

1. Includes recurring amortization for all intangible assets other than software.

2. Includes impairment charges related to intangible assets.

3. Separation costs, primarily related to IT and third-party consulting fees, following the completion of the spin-off.

4. For 2019, Selling, general & administration primarily includes spin readiness costs and the integration of recent acquisitions. Research & development includes \$73 million for the amortization of option rights , post-marketing study following a products voluntary market withdrawal and the integration of acquisitions, partially offset by \$38 million in fair value adjustments to contingent consideration liabilities.

For 2024, Research & development includes fair value adjustments to contingent consideration liabilities, partially offset by the amortization of option rights.

Reconciliation of IFRS results to Core results

(\$ millions, except %)	2019	% of sales	2021	% of sales	2022	% of sales	2023	% of sales	2024	% of sales
Net sales	7,362		8,222		8,654		9,370		9,836	
Operating (loss)/income and margin	(187)	(2.5%)	580	7.1%	672	7.8%	1,039	11.1%	1,413	14.4%
Amortization of certain intangible assets ⁽¹⁾	1,040		529		588		675		667	
Impairments ⁽²⁾	-		225		62		-		9	
Separation costs ⁽³⁾	237		36		-		-		-	
Transformation costs ⁽⁴⁾	52		68		119		139		-	
Post-employment benefits ⁽⁵⁾	-		(16)		-		-		-	
Legal items ⁽⁶⁾	32		50		90		-		-	
Divestment of product rights ⁽⁷⁾	-		-		-		-		(57)	
Other items ⁽⁸⁾	91		(29)		40		(4)		(5)	
Core operating income and margin	1,265	17.2%	1,443	17.6%	1,571	18.2%	1,849	19.7%	2,027	20.6%

1. Includes recurring amortization for all intangible assets other than software.

2. Includes impairment charges related to intangible assets.

3. Separation costs, primarily related to IT and third-party consulting fees, following the completion of the spin-off.

4. 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

5. For 2021, includes impacts from pension and other post-employment benefit plan amendments.

6. For 2019, includes legal settlement costs and certain external legal fees.

For 2021, includes an increase in provisions for legal matters.

For 2022, includes legal settlement costs.

7. For 2024, includes a net gain related to the divestment of certain product rights in China.

8. For 2019, Gross profit includes \$37 million in fair value adjustments to contingent consideration liabilities, partially offset by \$21 million in spin readiness costs, manufacturing sites consolidation activities and integration of acquisitions. Operating income also includes \$154 million for the amortization of option rights, spin readiness costs, acquisition and integration related expenses, fair value adjustments of financial assets and post-marketing study costs following a product's voluntary market withdrawal, partially offset by \$47 million in fair value adjustments for contingent consideration liabilities, a realized gain on a financial asset and other items.

For 2021, Gross profit includes fair value adjustments to contingent consideration liabilities. Operating income also includes fair value adjustments to contingent consideration liabilities, partially offset by the amortization of option rights and fair value adjustments of financial assets.

For 2022, Gross profit includes the amortization of inventory fair value adjustments related to 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

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

For 2024, Gross profit includes the amortization of inventory fair value adjustments related to an acquisition. Operating income also includes fair value adjustments to contingent consideration liabilities and fair value adjustments of financial assets, partially offset by the amortization of option rights.

Constant currencies

	Change %		
	\$	cc (non-IFRS measure)	Percentage point currency impact
<u>2017 compared to 2016</u>			
Net sales	3	3	-
Net income/(loss)	nm	nm	nm
Core net income	(2)	2	(4)
<u>2018 compared to 2017</u>			
Net sales	5	5	-
Net (loss)/income	nm	nm	nm
Core net income	7	8	(1)
<u>2019 compared to 2018</u>			
Net sales	3	5	(2)
Net (loss)	(189)	(163)	(26)
Core net income	(5)	1	(6)
<u>2021 compared to 2019</u>			
Net sales	12	12	-
Net income/(loss)	nm	nm	nm
Core net income	15	17	(2)
<u>2022 compared to 2021</u>			
Net sales	5	11	(6)
Net income	(11)	37	(48)
Core net income	4	23	(19)
<u>2023 compared to 2022</u>			
Net sales	8	10	(2)
Net income	191	243	(52)
Core net income	23	34	(11)
<u>2024 compared to 2023</u>			
Net sales	5	6	(1)
Net income	5	11	(6)
Core net income	11	16	(5)

nm = not meaningful

Reconciliation of Free cash flow to Net cash flows from operating activities

(\$ millions)	2019	2021	2022	2023	2024
Net cash flows from operating activities	920	1,345	1,217	1,388	2,077
Purchase of property, plant & equipment	(553)	(700)	(636)	(658)	(473)
Free cash flow	367	645	581	730	1,604

The Alcon logo is centered on a solid blue background. The logo itself is the word "Alcon" in a white, bold, sans-serif typeface. The background is decorated with a pattern of light blue circles of varying sizes, arranged in a way that suggests a molecular or cellular structure, with some clusters and some isolated circles.

Alcon