

Alcon

JP Morgan
Healthcare
Conference

JANUARY 12, 2022

Investor
Presentation



Legal disclaimers

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 Alcon makes regarding its liquidity, revenue, gross margin, operating margin, effective tax rate, foreign currency exchange movements, earnings per share, its plans and decisions relating to various capital expenditures, capital allocation priorities and other discretionary items, market growth assumptions, plans and decisions relating to the acquisition of Ivantis, Inc., the manufacture, distribution, marketing and/or sale of the *Hydrus* Microstent, the ability of Alcon to execute on these plans, and generally, its expectations concerning its future performance and the effects of the COVID-19 pandemic on its businesses.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on Alcon's current beliefs, expectations and assumptions regarding the future of its 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: the effect of the COVID-19 pandemic as well as other viral or disease outbreaks and the availability and the public's acceptance of vaccines; the commercial success of its products and its ability to maintain and strengthen its position in its markets; the success of its research and development efforts, including its ability to innovate to compete effectively; its success in completing and integrating strategic acquisitions; pricing pressure from changes in third party payor coverage and reimbursement methodologies; global and regional economic, financial, legal, tax, political, and social change; data breaches or other disruptions of its information technology systems; ongoing industry consolidation; its ability to properly educate and train healthcare providers on its products; changes in inventory levels or buying patterns of its customers; the impact of a disruption in its global supply chain or important facilities; ability to service its debt obligations; its ability to comply with the US Foreign Corrupt Practices Act of 1977 and other applicable anti-corruption laws, particularly given that it has entered into a three-year Deferred Prosecution Agreement with the US Department of Justice; uncertainty and impact relating to the potential phasing out of LIBOR and transition to alternative reference rates; the need for additional financing through the issuance of debt or equity; its reliance on outsourcing key business functions; its ability to protect its intellectual property; the impact of unauthorized importation of its products from countries with lower prices to countries with higher prices; uncertainties regarding the success of Alcon's separation and spin-off from Novartis and the subsequent transformation program, including the expected separation and transformation costs, as well as any potential savings, incurred or realized by Alcon; the effects of litigation, including product liability lawsuits and government investigations; its ability to comply with all laws to which it may be subject; effect of product recalls or voluntary market withdrawals; the implementation of its enterprise resource planning system; its ability to attract and retain qualified personnel; the accuracy of its accounting estimates and assumptions, including pension plan obligations and the carrying value of intangible assets; the ability to obtain regulatory clearance and approval of its products as well as compliance with any post-approval obligations, including quality control of its manufacturing; legislative and regulatory reform; the ability of Alcon Pharmaceuticals Ltd. to comply with its investment tax incentive agreement with the Swiss State Secretariat for Economic Affairs in Switzerland and the Canton of Fribourg, Switzerland; its ability to manage environmental, social and governance matters to the satisfaction of its many stakeholders, some of which may have competing interests; its ability to operate as a stand-alone company; whether the transitional services Novartis has agreed to provide Alcon are sufficient; the impact of the spin-off from Novartis on Alcon's shareholder base; the impact of being listed on two stock exchanges; the ability to declare and pay dividends; the different rights afforded to its shareholders as a Swiss corporation compared to a US corporation; and the effect of maintaining or losing its foreign private issuer status under US securities laws. Additional factors are discussed in Alcon's filings with the United States Securities and Exchange Commission, including its 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 Alcon assumes 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, 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.

We aspire to lead the world in eye care innovation

32

surgical launches
since 2018

19

vision care
launches since 2018

+15%

core R&D investment
in 2020 versus 2018

1.8K

R&D associates in
2020

~11K

active patent rights¹

100+

active projects
in development

Favorable megatrends underpin solid markets



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

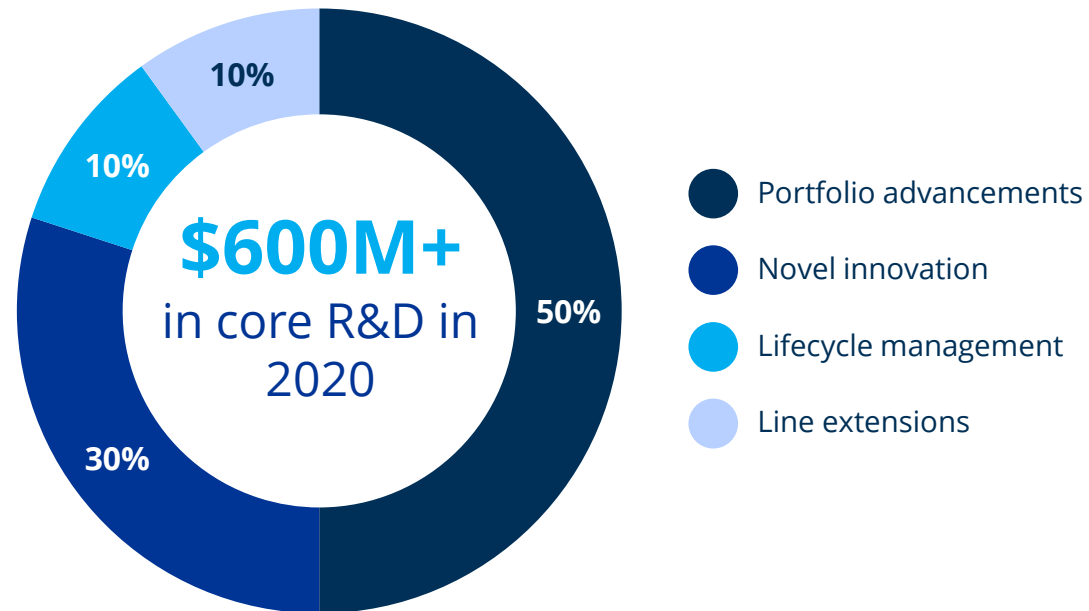


Increasing sense of wellness

People are more determined to stay fit and healthy

Innovation drives our growth and profitability

Research & Development breakdown



Recent launches

- *PanOptix* and *Vivity*
- *Clareon* with *AutonoMe*
- *Clareon Monarch IV* reusable delivery system
- *ARGOS* Biometer
- *Legion*
- *ACTIVE Sentry* Handpiece
- *SMARTCataract*
- *PRECISION1* sphere
- *PRECISION1* for Astigmatism
- *TOTAL30* sphere
- *Pataday* OTC allergy drops
- *Systane* Hydration and Ultra MDPF dry eye drops
- *Simbrinza* glaucoma drops

Future launches

- Next-gen IOL delivery system
- *NGENUITY 2.0*
- All-in-one diagnostics
- *InnovEyes*
- *Hydrus* Microstent
- Next-gen Phaco-Vit
- *Clareon* family of products
- *DAILIES TOTAL1* for Astigmatism
- *TOTAL30* for Astigmatism
- *TOTAL30* Multifocal
- *Systane Complete* MDPF

Investing in high-growth markets and share opportunities



Surgical

Alcon

Advanced technology intraocular lenses



- **20/20** near, intermediate and distance vision
- **99%** patient satisfaction¹
- **500 bps** US PCIOL penetration growth 2019-2020²



- **Non-diffractive** optic delivers minimal visual disturbance
- **20/20** distance, **>20/25** intermediate and **20/32** near vision
- **290 bps** US PCIOL penetration growth in 2021²

- Leading PCIOL market share both in the US and worldwide
- ATIOL penetration rates accelerating in the US
- Limited cannibalization: *Vivity* largely incremental to *PanOptix*
- Continuing geographic rollout

Breakthrough ATIOLs: customization & accommodation

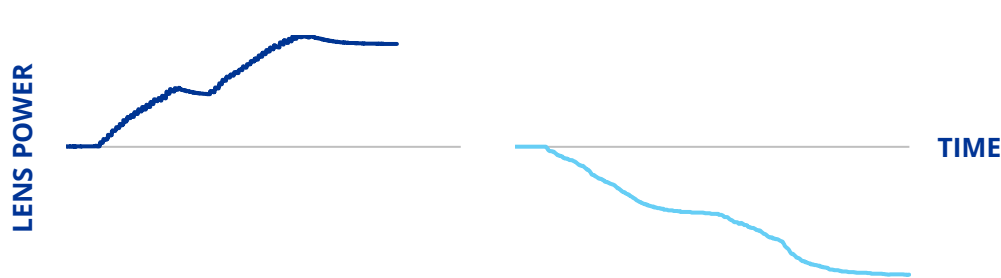


Customizable

- Lens power adjusted with non-invasive application of energy
- Refining technology and addressing commercialization topics

Change in lens power¹

(bench data)

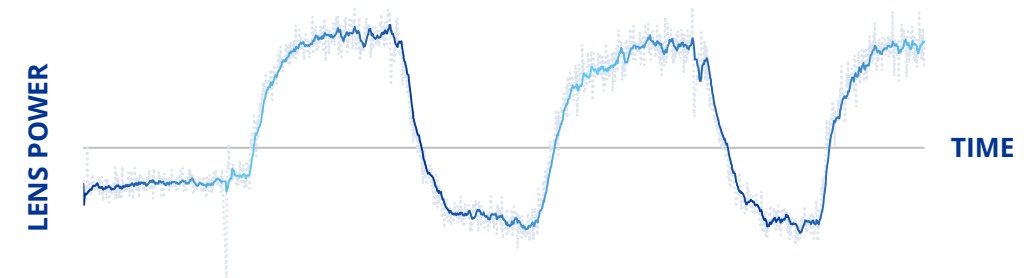


Accommodating

- Lens mimics the eye's natural crystalline lens
- Optimizing technology and addressing commercialization topics

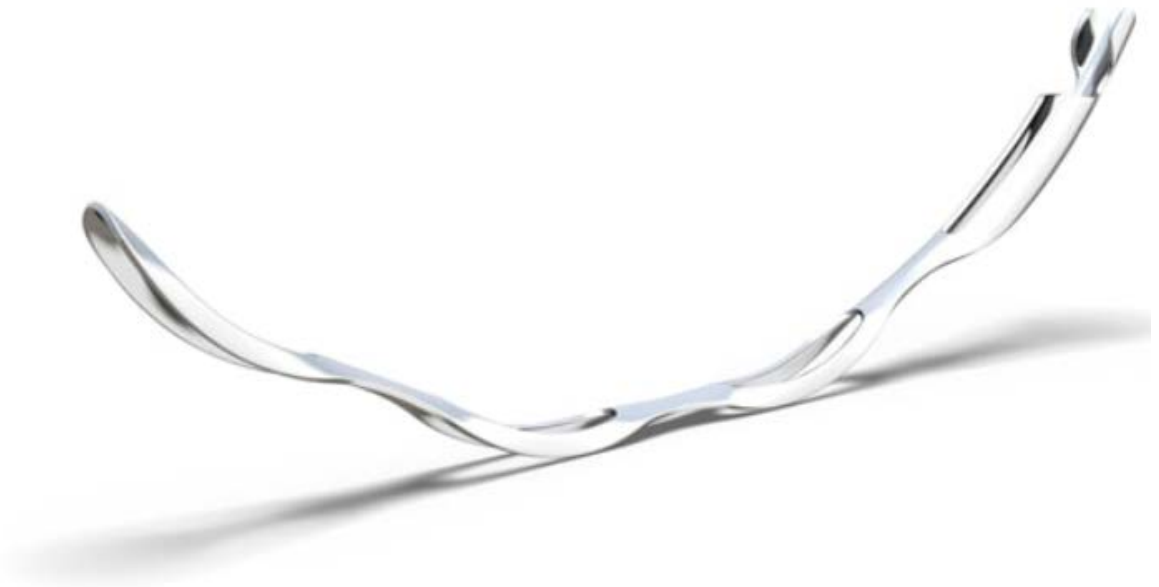
Change in optical power²

(clinical study subject)



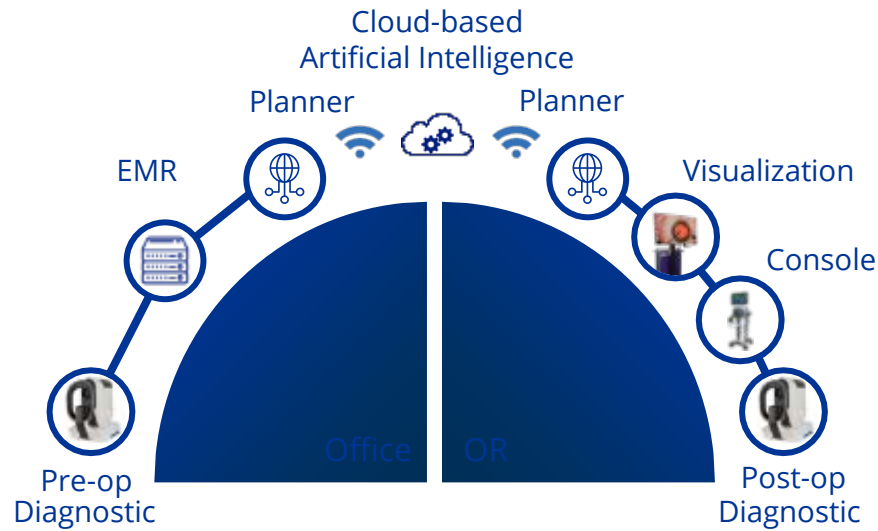
Glaucoma: *Hydrus* Microstent

- Five-year pivotal data, the longest continuous follow-up of a MIGS device
- Strong safety and efficacy profile evidenced by clinical data
- Compelling efficacy effectiveness and sustained treatment duration
 - **65% of patients** medication free at 5 years
 - **Over 60% reduction** in risk of invasive secondary glaucoma surgeries compared to cataract surgery alone
 - **First MIGS device** to demonstrate visual field loss was diminished by half
- Pursuing standalone indication in the US with clinical trials underway



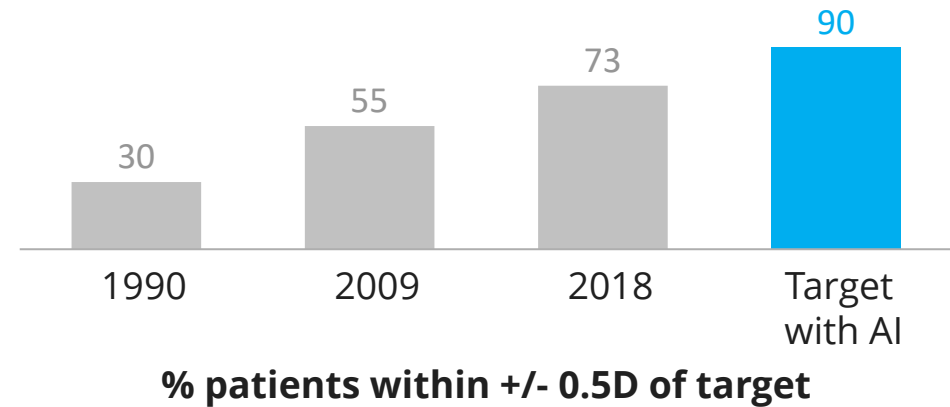
Driving efficiency and improving outcomes with an interconnected digital ecosystem

Efficiency



Targeting ~35% improvement in time spent planning a case

Outcomes¹



Targeting ~90% within +/-0.5D

A connected and integrated surgical ecosystem

NGENUITY

Intra-operative visualization, heads-up 3D display



LuxOR Revalia

Intra-operative visualization, digital microscope



Consumables

Cataract, vitreoretinal, refractive surgery



ARGOS

In-office pre-operative biometer for cataract diagnostics



SMART Solutions: SMARTCataract

Cloud-based platform, improving patient outcomes



CENTURION and CONSTELLATION

Cataract and vitreoretinal surgical platforms

Next-generation Phaco-Vitreoretinal console that increases safety, surgeon confidence and efficiency

Best-in-class dual-function console



Renewing our **anchoring technologies** in the OR



Securing the **next decade of consumables**



Customer optionality with a dual- or single-function console



Creating positive economics for the provider



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

Vision Care

Alcon

Leading the premium contact lens category with the TOTAL brand

DAILIES TOTAL1 for Astigmatism:

- Completes the TOTAL portfolio of lens offerings for SiHy premium dailies
- Toric is the fastest-growing contact lens segment*

TOTAL30:

- The first-and-only water gradient reusable lens
- Favorable early customer feedback
- Launching sphere globally throughout 2022
- TOTAL30 toric and multifocal launch plans following sphere



The TOTAL brand is the premium lens of choice featuring water gradient lens material for the ultimate lens-wearing experience

Winning the mainstream contact lens category with *PRECISION1*

Preference study finds 5x more customers prefer *PRECISION1* over the leading daily lens*

Concurrent *PRECISION1* sphere and toric launches to drive share in the fast-growing, daily disposable SiHy toric category

Establishing a leading position in the fast-growing DD SiHy category



Born from Water Gradient Technology, *PRECISION1* features *SMARTSURFACE*, a permanent, high-performance layer of moisture at the lens surface



*Alcon internal data on file.
SiHy: silicone hydrogel
DD: daily disposable contact lenses

Delivering the eye drop portfolio to the ophthalmic channel

- Dedicated sales force to deliver eye drops to the ophthalmic channel
- Portfolio includes ophthalmic Rx (*Simbrinza*), dry eye (*Systane*) products and ocular allergy (*Pataday*)
- Extending the *Systane* product family with preservative-free formulations in a convenient multi-dose bottle
- *Pataday* has captured the #1 share position in the US



Envisioning the future of Vision Care

Leverage Alcon's expertise in optical design and surface chemistry technology to create breakthrough presbyopia solutions



Leverage our new flexible contact lens manufacturing platform for further innovation



Explore novel delivery – beyond the drop – to treat a range of conditions



Capital Allocation

Alcon

Capital allocation priorities remain consistent

Invest in organic growth

- R&D investments in developing next-gen IOLs, surgical suite, contact lenses and ocular health
- Marketing key product launches across geographies
- Continued investment into capacity expansion

Invest in BD&L and M&A

- Agnostic to the source of innovation
- Bolt-on acquisitions and adjacencies
- White space opportunities:
 - New device categories
 - Eye drop delivery devices
 - Ophthalmic pharma

Return to shareholders

- Continued dividend pending annual board approval
- Payout policy of 10% of core net income

Maintain investment grade credit rating

Key takeaways

- Eye care markets are **durable** and underpinned by **favorable megatrends**
- Investing in **high growth markets and share opportunities**
- **Strengthening our leadership in Surgical** with best-in-class products, innovation and a digital ecosystem
- **Accelerating growth in Vision Care** with innovative new products
- **Investing in products** that improve patient and customer outcomes
- **A balanced capital allocation framework** of smart investments and returns to shareholders

The Alcon logo is displayed in a bold, white, sans-serif font. It is positioned in the lower right quadrant of a dark blue background. The background features a series of concentric, light blue circular lines that create a ripple effect, centered around the logo. A vertical bar of a lighter blue color is visible on the far left edge of the image.

Alcon