

Alcon

JP Morgan Healthcare Conference

David J. Endicott, CEO

January 11, 2023

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 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 transformation program, market growth assumptions, our sustainability and diversity 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; our ability to comply with the US Foreign Corrupt Practices Act of 1977 and other applicable anti-corruption laws, particularly given that we have entered into a three-year Deferred Prosecution Agreement with the US Department of Justice; the impact of a disruption in our global supply chain or important facilities; supply constraints and increases in the cost of energy; our ability to forecast sales demand and manage our inventory levels and the changing buying patterns of our customers; our ability to manage environmental, social and governance matters to the satisfaction of our many stakeholders, some of which may have competing interests; our success in completing and integrating strategic acquisitions; the success of our research and development efforts, including our ability to innovate to compete effectively; global and regional economic, financial, legal, tax, political and social change; our ability to comply with all laws to which we may be subject; 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 reliance on outsourcing key business functions; our ability to attract and retain qualified personnel; the impact of unauthorized importation of our products from countries with lower prices to countries with higher prices; 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; our ability to protect our intellectual property; 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; 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; 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; and the effect of maintaining or losing our foreign private issuer status under U.S. securities laws.

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

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.

Resilient markets driven by favorable megatrends



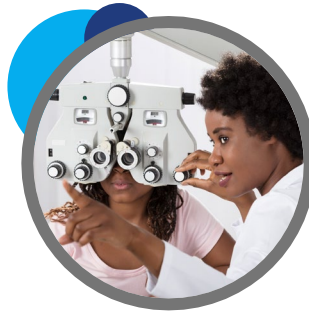
Aging Population

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

Alcon's strategy

We focus on eye care

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



Specialty market expertise

- Customer knowledge
- Market assessment
- Market development
- Global commercialization



Specialty technology expertise

- Materials science
- Surface chemistry
- Fluidics and energy delivery
- Optical engineering



Disciplined capital management

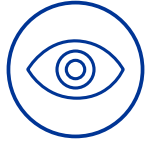
- Smart infrastructure
- Efficient operating model
- Open source innovation (internal/external)

We aspire to lead the world in eye care innovation



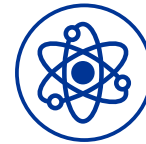
37

Surgical launches¹ since 2018



23

Vision Care launches¹ since 2018



\$680M+

Core R&D investment in 2021



1.4K

R&D associates in 2021



~2.1K

Active patent families²



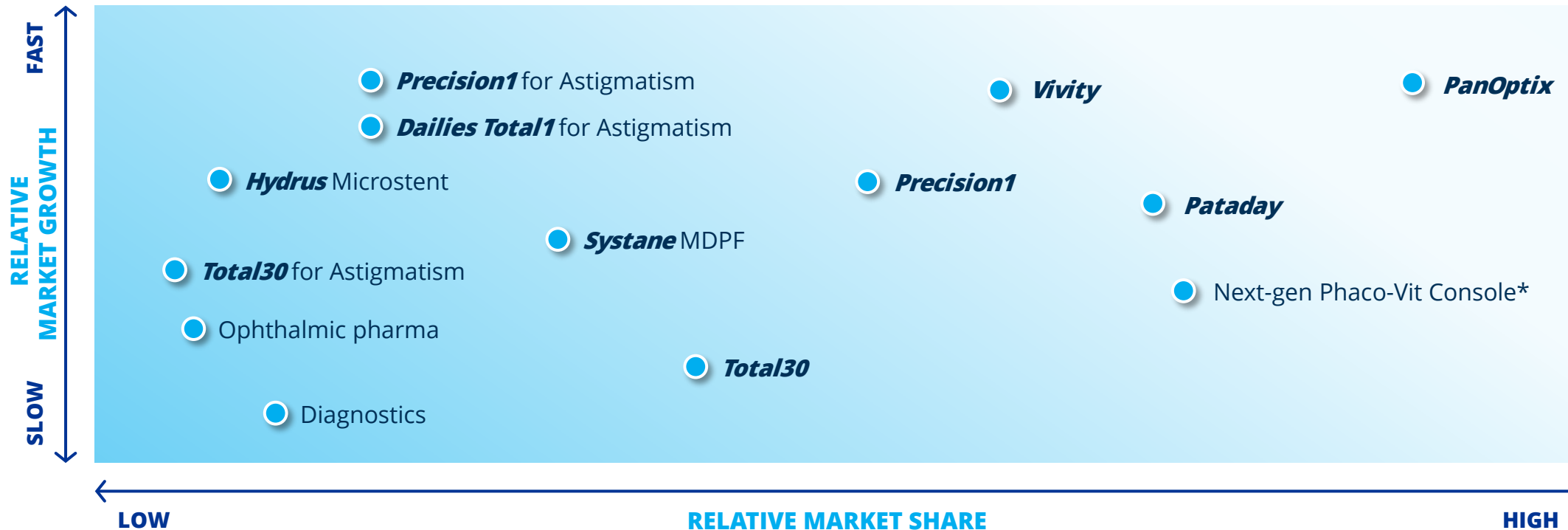
100+

Active projects

1. As of 6 December 2022.

2. As of 14 December 2022. Includes owned and in-licensed patent rights.

Innovating behind high-growth markets and share opportunities



Illustrative purposes only
MDPF: Multi-Dose Preservative-Free
* Not currently in market

Three years of surgical product flow

2019-2020



LEGION (International)



2021-2022



2023+

Next-Gen Diagnostic

Next-Gen Phaco-vit

Novel Delivery System

List is non exhaustive. New product launches may not be listed in chronological order.

Three years of vision care product flow

2019-2020

PRECISION 1™

 **Pataday** Twice Daily and Once Daily (US)

2021-2022

DAILIES
TOTAL 1®
for Astigmatism

PRECISION 1™
for Astigmatism

TOTAL 30®
ONE-MONTH REPLACEMENT CONTACT LENSES

Systane®
LUBRICANT EYE DROPS
Complete, Ultra
and Hydration
Mult-Dose
Preservative-Free.

 **Pataday**
Once Daily
Extra Strength (US)

INVELTYS®

 **EYSUVIS**

SIMBRINZA®

ONCE-DAILY
rocklatan®

rhopressa®

2023+

TOTAL 30®
ONE-MONTH REPLACEMENT CONTACT LENSES for Astigmatism

TOTAL 30®
ONE-MONTH REPLACEMENT CONTACT LENSES Multifocal

List is non exhaustive. New product launches may not be listed in chronological order.



Surgical

The breadth of Alcon's equipment portfolio and service offering is unique in eye care



ARGOS

In-office pre-operative biometer for cataract diagnostics



NGENUITY

1st and only intra-operative digital visualization with 3D heads-up display



LuxOR Revalia

Intra-operative visualization with excellent illumination



CENTURION & CONSTELLATION

Cataract and vitreoretinal surgical platforms



Consumables

Cataract, vitreoretinal and refractive surgery

SMARTCataract: digital platform improving outcomes
Service: rapid technical expertise to support clinics and practices

Alcon's portfolio of intraocular lenses, now on Clareon



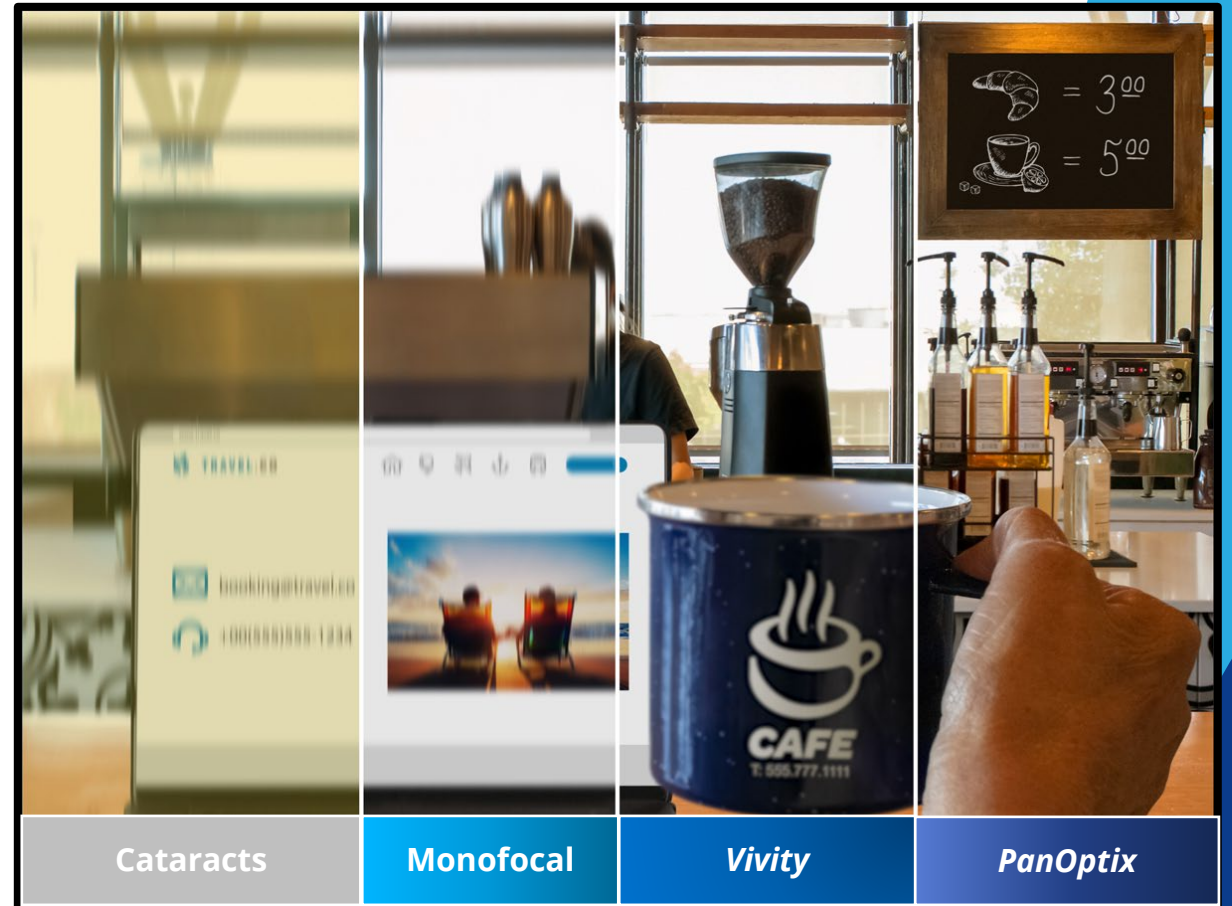
Clareon offers

- Exceptional, long-lasting clarity
- Proprietary precision edge design to reduce secondary cataract and edge glare
- Excellent stability for predictable refractive outcomes



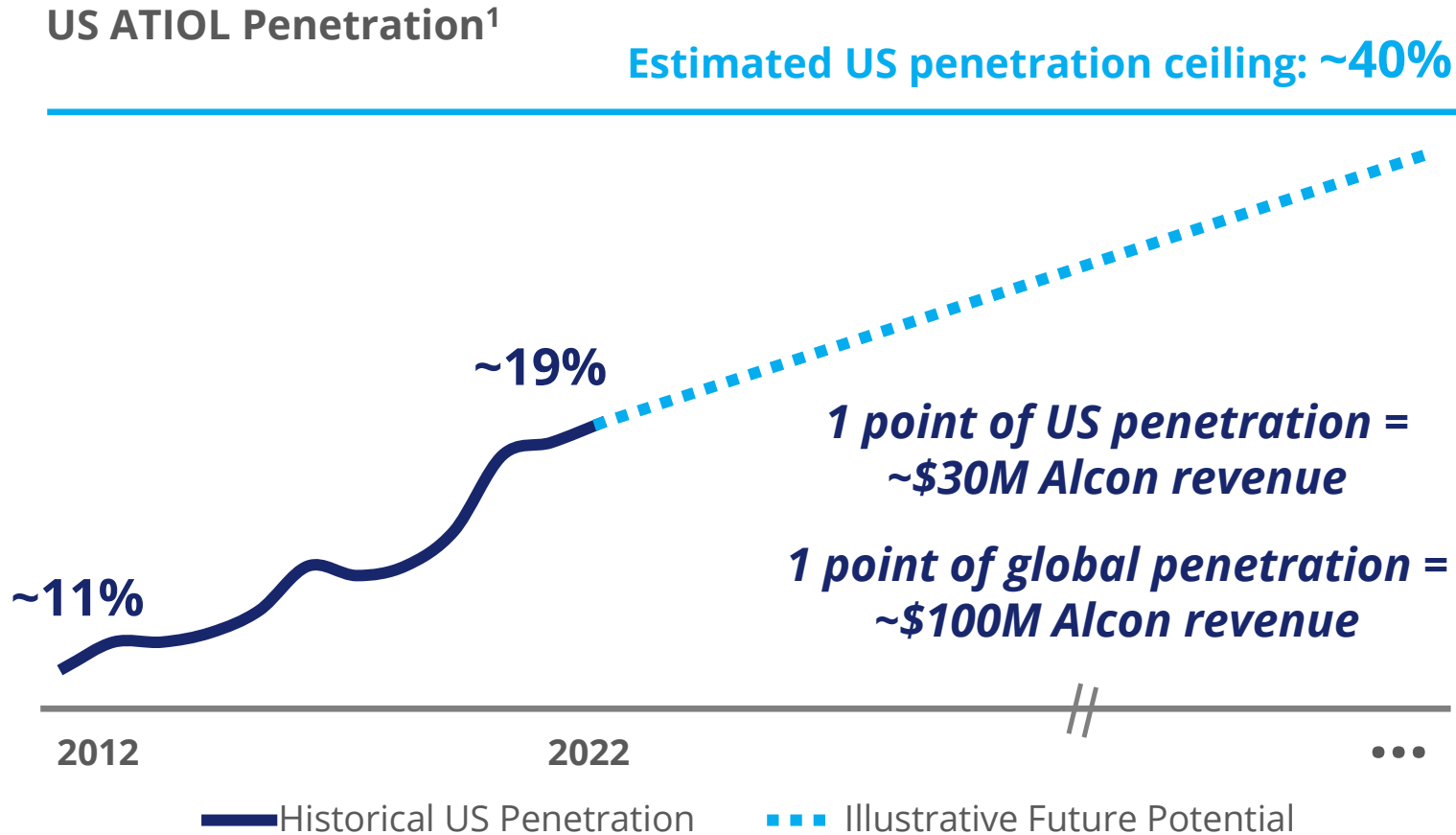
Alcon leads the PCIOL market¹

- ~50% share globally
- >80% share in the US



1. Source: MarketScope, as of Q3 2022.

Significant headroom for ATIOL penetration



4 out of 10 US patients are willing to pay for a better performing IOL²

1. Chart is for illustrative purposes only. Historical data source: MarketScope.
2. Alcon data on file, based on a survey of US patients.



Vision Care

Contact lenses: winning with torics

The daily toric market

- Fast growing segment of the market¹
- Opportunity to grow international toric penetration

Proprietary technology improves wearer experiences

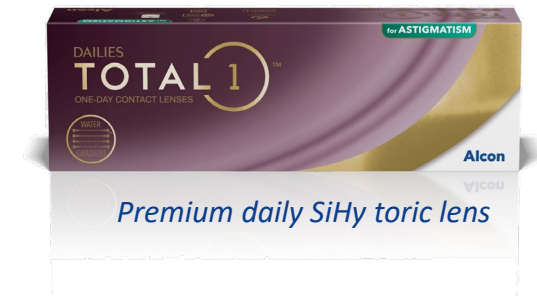
- Proven PRECISION BALANCE 8|4[®] lens design delivers stable wearing experience²

Significant share growth

- Alcon has grown daily toric share ~5 points¹ since launching *Precision1* for Astigmatism and *Dailies Total1* for Astigmatism

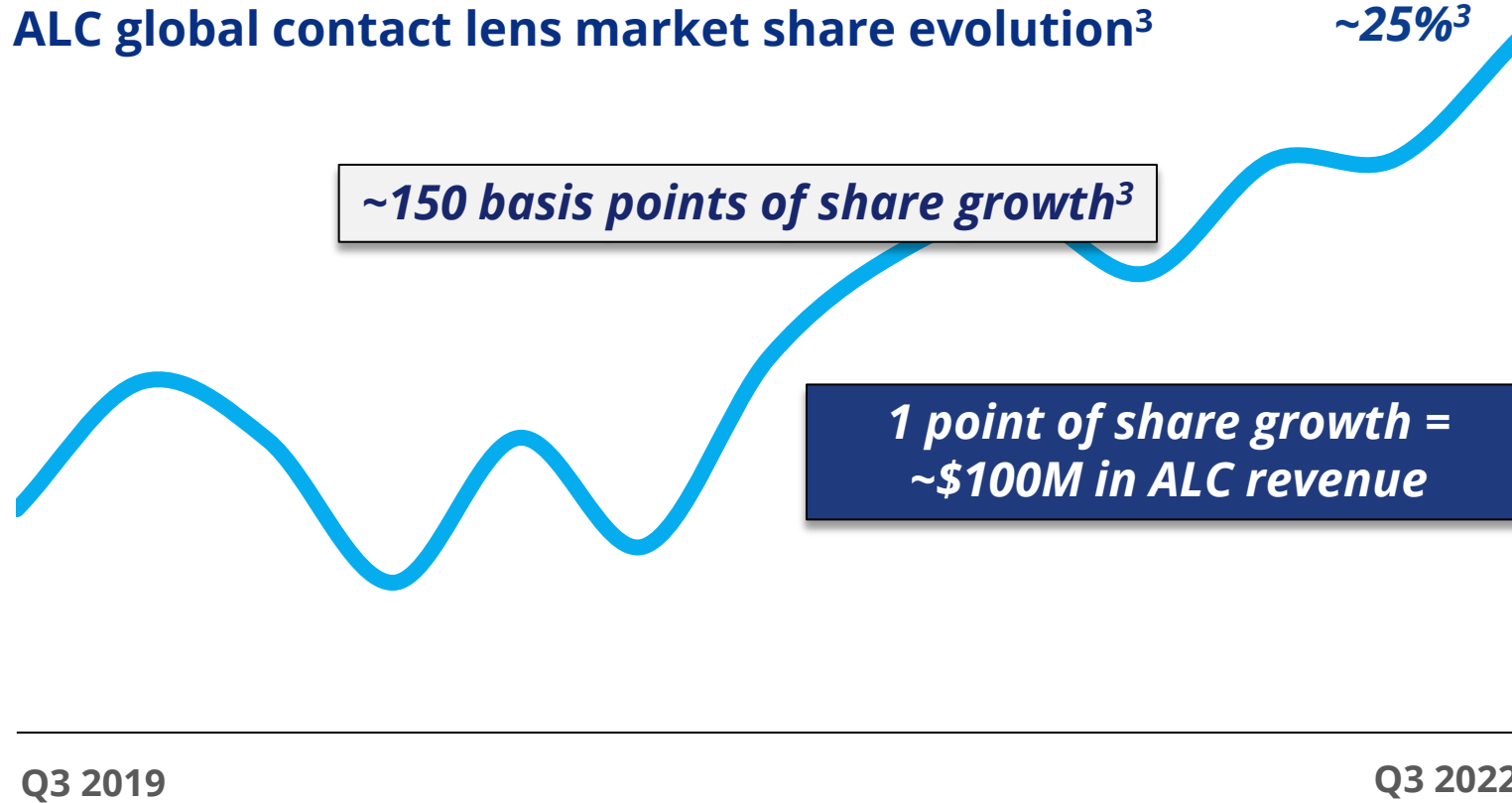
Introducing *Total30* for Astigmatism

- Extends Alcon's portfolio with mainstream daily, premium daily and premium reusable contact lenses



1. Source: GfK Market Intelligence.
2. Alcon data on file.

New product launches driving market share gains in key segments



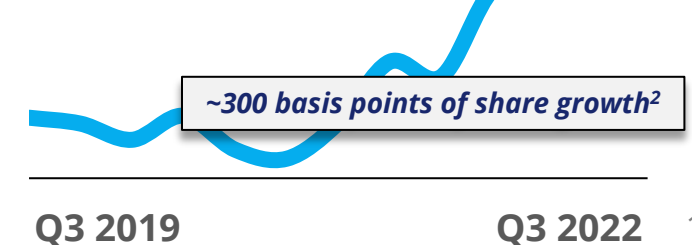
ALC global daily sphere contact lens market share evolution³



ALC global daily toric contact lens market share evolution¹



ALC US reusable sphere contact lens market share evolution²



1. Source: GfK Market Intelligence; growth rate Q3 2022 vs Q3 2019 in sales value for Panel Markets comparing replacement frequency (Daily/Reusable) and type of correction in US, JP, KR, SG, MY, CH, DE, ES, DK, FR, GB, IR, IT, NO, PL, RU, SE. Excludes China.
2. Source: GfK Market Intelligence; sales value for Panel Markets comparing replacement frequency (Daily/Reusable) and type of correction in same countries as in 1.
3. Source: GfK Market Intelligence; brand share based on sales value in Q3 2019 and Q3 2022 for Panel Markets in same countries as in 1.

Growing our leadership in ocular health

Long history and significant expertise in eye drops

- Commercial & market access, R&D, product development and significant manufacturing capabilities

Commercial expertise

- Efficiently utilizing existing US sales force dedicated to selling eye drops in the ophthalmic channel
- Products include *Systane*, *Pataday*, recently acquired *Rhopressa* & *Rocklatan*, and *Simbrinza* and *Eysuvis*

Research & development

- Leveraging Aerie R&D expertise, expanding our pipeline

Manufacturing

- Leveraging existing capacity for a wide range of eye drops



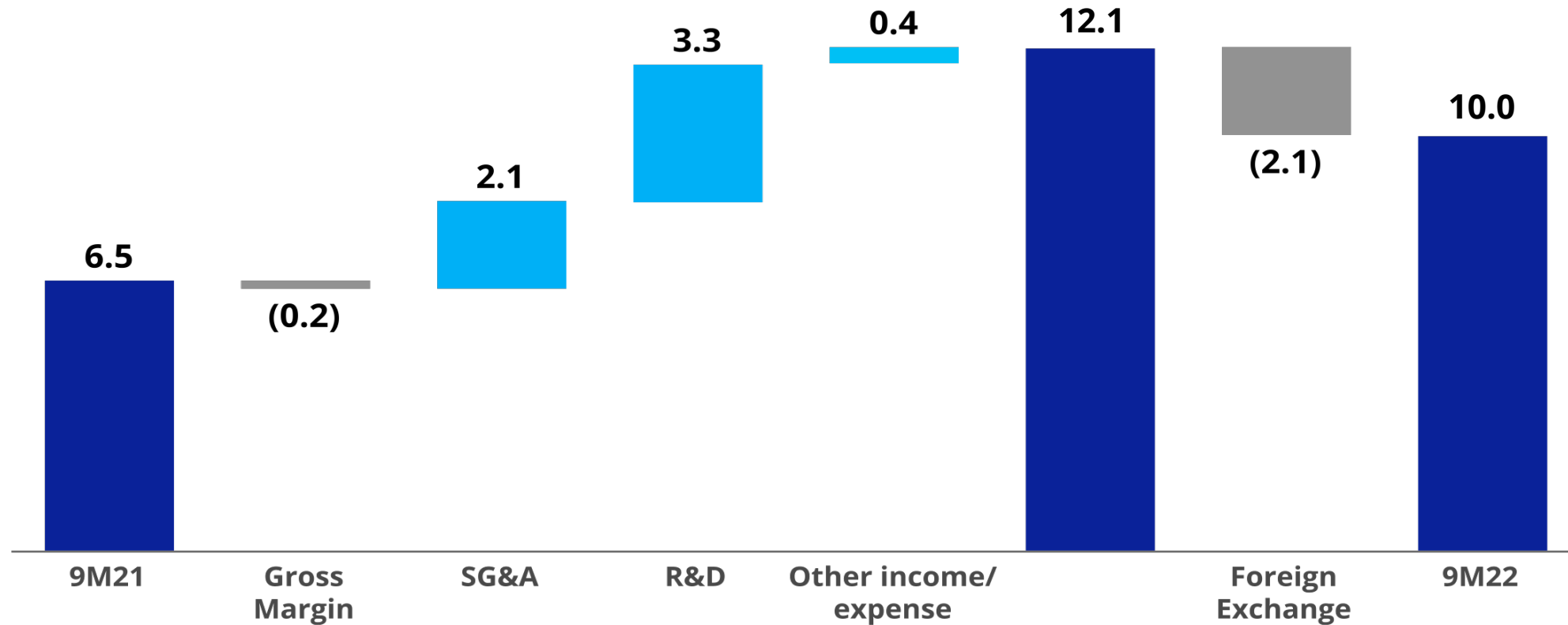


Finance

Delivering operating leverage

9M22 IFRS operating margin bridge

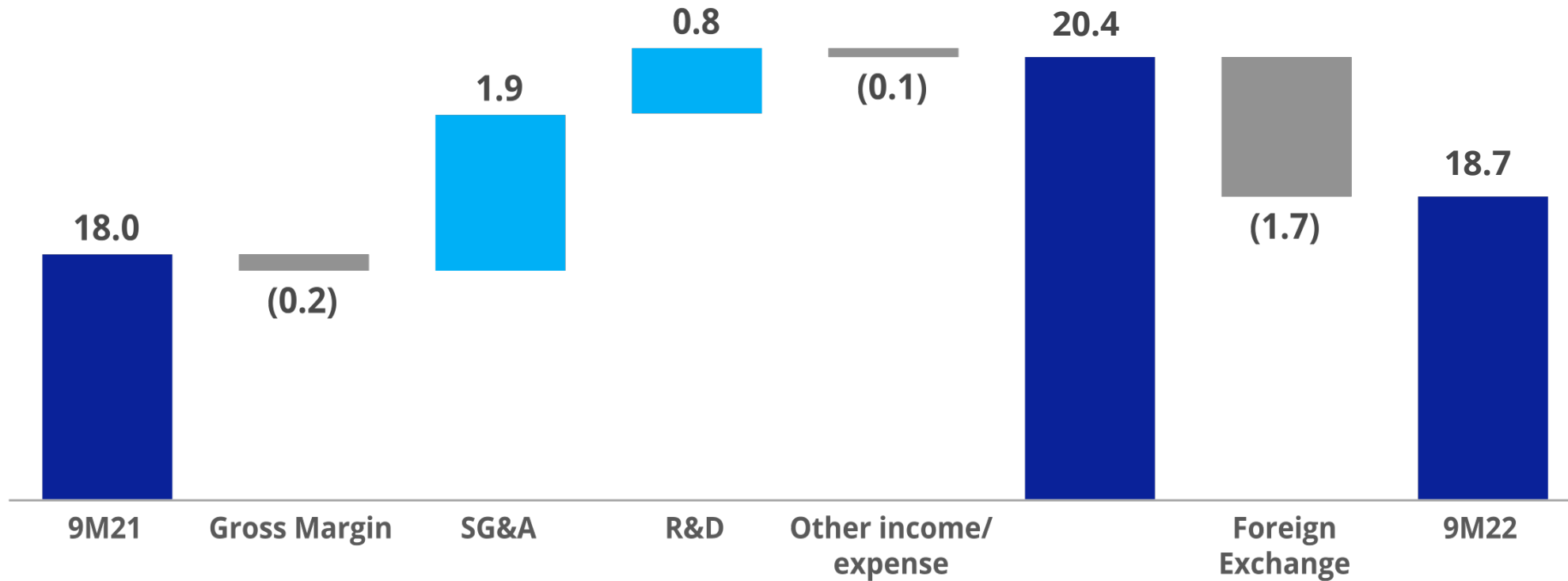
9M22 vs. 9M21, % of net sales



Delivering operating leverage

9M22 core operating margin¹ bridge

9M22 vs. 9M21, % of net sales



1. Core operating margin is a non-IFRS measure. An explanation of non-IFRS measures can be found in the Appendix.

Capital allocation priorities remain consistent

Invest in organic growth

- R&D investment
- New product launches
- 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
 - Ophthalmic pharma

Return to shareholders

- Continued dividend pending annual Board and shareholder approval
- Payout policy of 10% of core net income

Maintain investment-grade credit rating

Key takeaways

- **Leader in resilient markets**
- **Successfully launching new products in high-growth and high-share opportunities**
- **A broad surgical portfolio with scale**
- **Significant opportunity in contact lenses with new products**
- **Expanding ocular health presence**
- **Delivering margin expansion**



Alcon

Thank You

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 IFRS results to core results

Nine months ended September 30, 2022

(\$ millions except earnings per share)	IFRS results	Amortization of certain intangible assets ⁽¹⁾	Impairments ⁽²⁾	Transformation costs ⁽⁴⁾	Legal items ⁽⁵⁾	Other items ⁽⁶⁾	Core results
Gross profit	3,578	423	59	—	—	(1)	4,059
Selling, general & administration	(2,306)	—	—	—	—	—	(2,306)
Research & development	(506)	14	2	—	—	(16)	(506)
Other income	17	—	—	—	—	—	17
Other expense	(132)	—	—	41	20	25	(46)
Operating income	651	437	61	41	20	8	1,218
Income before taxes	494	437	61	41	20	8	1,061
Taxes ⁽⁷⁾	(62)	(73)	(14)	(6)	(5)	(2)	(162)
Net income	432	364	47	35	15	6	899
Basic earnings per share (\$)	0.88						1.83
Diluted earnings per share (\$)	0.87						1.82
Basic - weighted average shares outstanding (millions) ⁽⁸⁾	491.4						491.4
Diluted - weighted average shares outstanding (millions) ⁽⁸⁾	494.3						494.3

Refer to the associated explanatory footnotes at the end of the 'Reconciliation of IFRS results to core results' tables.

Reconciliation of IFRS results to core results

Nine months ended September 30, 2021

(\$ millions except earnings per share)	IFRS results	Amortization of certain intangible assets ⁽¹⁾	Impairments ⁽²⁾	Separation costs ⁽³⁾	Transformation costs ⁽⁴⁾	Legal items ⁽⁵⁾	Other items ⁽⁶⁾	Core results
Gross profit	3,446	386	45	—	—	—	(1)	3,876
Selling, general & administration	(2,263)	—	—	12	—	—	—	(2,251)
Research & development	(662)	5	178	—	—	—	(31)	(510)
Other income	18	—	—	—	—	—	(1)	17
Other expense	(141)	—	—	11	40	50	3	(37)
Operating income	398	391	223	23	40	50	(30)	1,095
Income before taxes	277	391	223	23	40	50	(30)	974
Taxes ⁽⁷⁾	(40)	(70)	(51)	(4)	(8)	(12)	(1)	(186)
Net income	237	321	172	19	32	38	(31)	788
Basic earnings per share (\$)	0.48							1.61
Diluted earnings per share (\$)	0.48							1.60
Basic - weighted average shares outstanding (millions) ⁽⁸⁾	489.9							489.9
Diluted - weighted average shares outstanding (millions) ⁽⁸⁾	493.2							493.2

Refer to the associated explanatory footnotes at the end of the 'Reconciliation of IFRS results to core results' tables.

Reconciliation of IFRS results to core results

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. Separation costs, primarily related to IT and third party consulting fees, following completion of the spin-off.
4. Transformation costs, primarily related to restructuring and third party consulting fees, for the multi-year transformation program.
5. For the nine months ended September 30, 2022, includes a legal settlement.

For the nine months ended September 30, 2021, includes an increase in provisions for legal matters.

6. For the nine months ended September 30, 2022, 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. Research & development includes fair value adjustments to contingent consideration liabilities. Other expense includes acquisition and integration related expenses and fair value adjustments of financial assets.

For the nine months ended September 30, 2021, Gross profit includes fair value adjustments to contingent consideration liabilities. Research & development includes fair value adjustments to contingent consideration liabilities of \$41 million, partially offset by \$10 million for the amortization of option rights. Other income and Other expense include fair value adjustments of financial assets.

7. For the nine months ended September 30, 2022, total tax adjustments of \$100 million include tax associated with operating income core adjustments, partially offset by discrete tax items. Tax associated with operating income core adjustments of \$567 million totaled \$103 million with an average tax rate of 18.2%.

For the nine months ended September 30, 2021, total tax adjustments of \$146 million include tax associated with operating income core adjustments of \$697 million with an average tax rate of 20.9%.

8. 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 4 to the Condensed Consolidated Interim Financial Statements.

The Alcon logo is centered on a dark blue background. The background is composed of several overlapping, curved shapes in various shades of blue, ranging from a deep navy to a bright cyan. The word "Alcon" is written in a bold, white, sans-serif font. The letters are thick and clean, with a slight shadow effect that makes them stand out against the dark blue background. The overall design is modern and professional.

Alcon