

Alcon

2021 Corporate Responsibility Report



Letter From Our CEO

To Our Global Community:

As we celebrate our 75th anniversary, Alcon continues our commitment to delivering innovations that improve sight while working to expand access to eye care in communities around the world. As a global leader in eye care, we believe we can best serve our community by focusing every day on helping people *See Brilliantly*, so they can live brilliantly.

With that in mind, I am pleased to share our 2021 Corporate Responsibility Report. It highlights the outstanding work our team has done to serve customers and communities and provides details on the important work we are doing on environmental, social and governance (ESG) initiatives.

This report features important evolutions in how Alcon tracks and reports our progress, as well as several new social and environmental goals. Moving forward, our ESG strategy is focused on three pillars that align with and reinforce our purpose: Brilliant Lives, Brilliant Innovation and Brilliant Planet.

Brilliant Lives: We know that access to quality eye care for millions of people around the world is limited or even unavailable — and we believe everyone, regardless of age, location or circumstance — should have access to care. Alcon is one of the few companies in the world focused solely on the eye and is uniquely positioned to address this challenge. In 2021, we heightened our focus on providing training and

education programs for surgeons in developing markets and on developing partnerships to improve access and affordability. Further, through our charitable and product donations, the Alcon Foundation and Alcon Cares are laying the groundwork to treat vision loss in underserved parts of the world. In 2022, we are adding goals in both ophthalmology and optometry that align with our business and philanthropic priorities.

Brilliant Innovation: Our diverse talent from around the world innovates sight-saving and sight-restoring products that change lives. Our core business is product innovation, and we believe that more inclusive ideation creates better products for more people. Inclusive ideation also ensures we consider changing market and customer needs in our product design process — for instance, innovating smaller, more portable devices at a lower cost for certain regions or instrumentation for all hand sizes. In addition, we have developed an Environmental Sustainability Scorecard for new product development. Used by a collaborative group of research and development (R&D), manufacturing and commercial teams, this scorecard integrates key sustainability ideas into new product development.

Brilliant Planet: Being mindful of our environmental impact, we are working to reduce emissions and operational waste. We are committed to becoming carbon neutral across

our global operations by 2030 and will continue building on our use of renewable energy sources. Several of our manufacturing sites are zero waste to landfill certified, and we plan to achieve 100% non-hazardous waste landfill diversion at all our manufacturing sites and distribution centers by 2030. We also continue to pursue opportunities to reduce packaging or to replace packaging materials with sustainable alternatives.

None of this progress would be possible without the hard work and dedication of our more than 24,000 associates. They continue to live our purpose so that everyone has the potential to *See Brilliantly*. With their leadership and commitment, we are integrating corporate responsibility objectives into our decision-making to deliver long-term value for our investors and all Alcon stakeholders.

Thank you for your interest in Alcon.



David J. Endicott,
CHIEF EXECUTIVE OFFICER, ALCON INC.



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About Alcon

Alcon is the global leader in eye care, dedicated to helping people *See Brilliantly*. For 75 years, our work has focused exclusively on the eye, enabling access to vision-correcting and vision-saving products and services to patients around the world. We directly operate in 60 countries, serve customers and patients in more than 140 countries and continue to invest significantly in R&D to support ongoing eye care innovation.

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\$8.2B

2021 net sales

24K+

associates

140+

countries served

100+

pipeline products under development

\$680M+

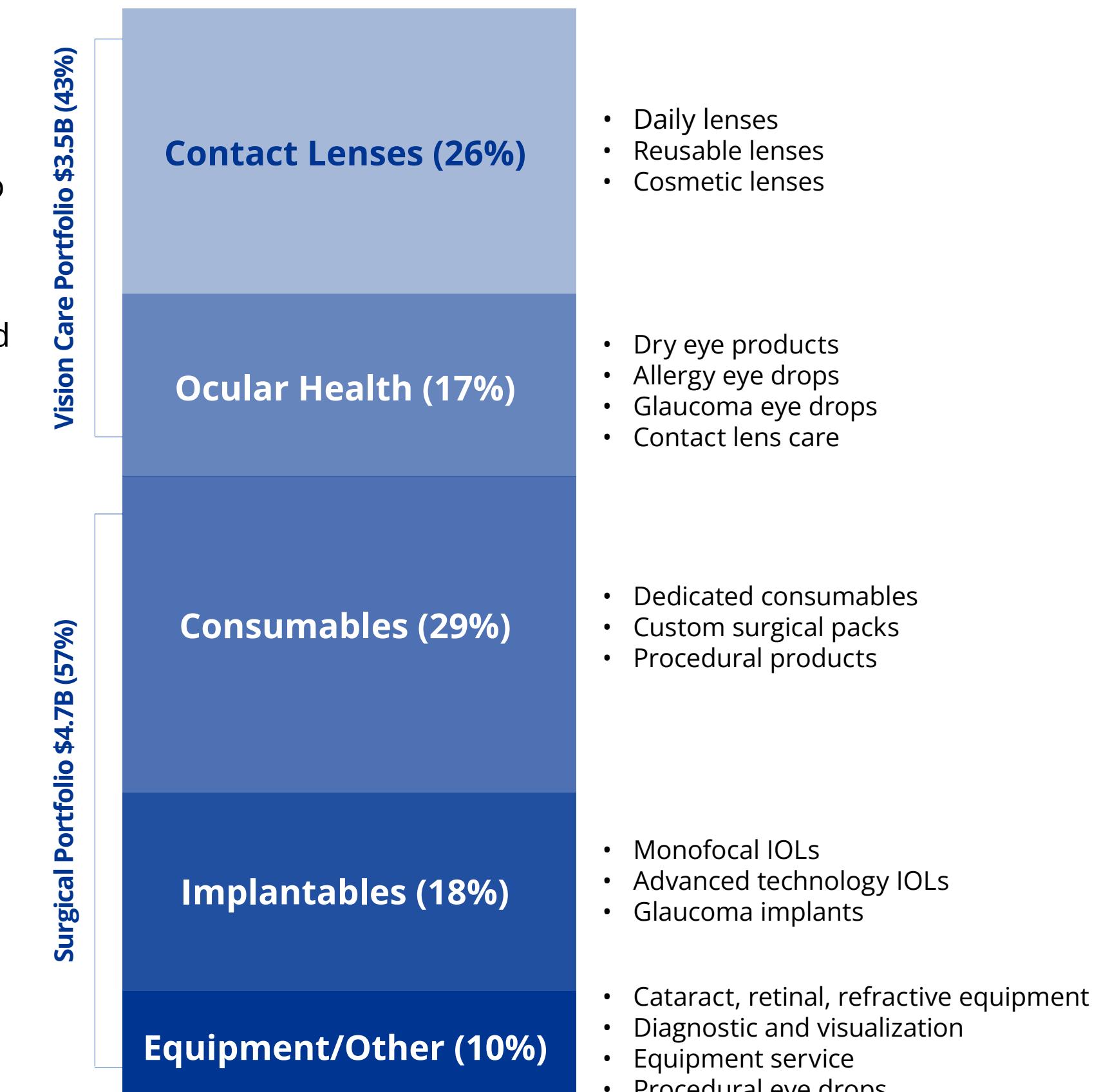
invested in R&D¹

Vision Care

We are one of the largest manufacturers of contact lens products and ocular health products. Our Vision Care portfolio offers a broad range of daily disposable, reusable and color-enhancing contact lenses and a comprehensive portfolio of ocular health products. This includes eye drops for dry eye and ocular allergies, as well as pharmaceutical drops for certain eye conditions.

Surgical

Alcon offers the industry's most complete line of ophthalmic surgical products, enabling surgeons to achieve the best results for their patients. Our Surgical portfolio includes technologies and solutions for cataract, retinal and refractive surgery, as well as advanced-technology intraocular lenses (IOLs) to treat cataracts and refractive errors, including presbyopia, glaucoma and astigmatism.



¹ Core R&D investment (non-IFRS measure) as reported in our [Form 20-F](#), Item 5.A.

2021 Report Highlights

Serving Communities

35,000+

elementary-aged children screened as part of our pilot Children's Vision Program

~2,800

associates globally volunteered with **137 partner organization events** as part of Alcon in Action, our global volunteering day

\$11+ million

in Alcon Cares product and equipment donations, supporting **73 medical missions**, providing **11,000+ surgeries** and treating **40,000+ patients**

Supporting People

Recognized as a DiversityInc

Top Noteworthy Company

Established **multi-year diversity and inclusion strategy**

48%

global female representation in our labor force

11

employee resource groups and special interest groups

Caring for Our Customers and Patients

60+

Alcon-initiated clinical trials started with subjects being screened for inclusion

5,000+

surgeons trained, and **7+ million eyes received sight-enhancing or restoring cataract procedures** as a direct result of our Phaco Development program

Protecting Our Environment

~8,400

metric tons of carbon dioxide equivalent (CO₂e) avoided through **41 energy-saving projects**

7%

decrease in energy intensity compared to our 2019 baseline

~76%

of operational waste recycled

Working With Integrity

~13%

of U.S. procurement sourced from diverse suppliers

99.5%

of full-time associates completed our Code of Business Conduct training



Purpose and Strategy

Alcon aspires to improve lives, strengthen communities and create long-term value by innovating products that improve sight. Our ESG strategy leads with our commitment to enable communities to access critical eye care services so that everyone can *See Brilliantly*. It is focused on three areas: Brilliant Lives, Brilliant Innovation and Brilliant Planet.

- Brilliant Lives:** With our partner organizations, we enable communities to access critical eye care services
- Brilliant Innovation:** Our diverse talent from around the world innovates best-in-class products that change lives
- Brilliant Planet:** We care for our planet by focusing on reducing emissions and waste

Foundational to our strategy are our best-in-class workforce and a strong governance structure.

We've identified metrics and goals to hold ourselves accountable and measure progress, including:

Social	Environmental
<ul style="list-style-type: none">By 2025, Alcon will work with our partners through philanthropic support and training programs to help improve vision for 5 million people afflicted with untreated cataracts in low- and middle-income countries, including 1 million considered cataract-blind² (2021 baseline)By 2025, Alcon associates will help improve vision and enhance academic success by providing 150,000 vision screenings to children and ensuring comprehensive care for those in need (2021 baseline)	<ul style="list-style-type: none">By 2030, Alcon will become carbon neutral across global operations (Scope 1 and Scope 2 emissions)By 2030, Alcon will divert 100% of non-hazardous waste generated at manufacturing sites and distribution centers from landfill

"We're continuously innovating at Alcon to bring high-quality eye care to those in need. We are creating more sustainable products and reducing our environmental impact, which is good for our business and our stakeholders."



**Karen King,
SENIOR VICE PRESIDENT, CORPORATE AFFAIRS**

² As defined by the World Health Organization, [Blindness and Vision Impairment](#).

Our Approach to Sustainability

We approach ESG with the same commitment to continuous improvement and breakthrough innovation we bring to everything we do. We apply the attributes that make us unique, including:

- Our 75-year history of focusing on the eye and working to make the lives of people and their communities better and brighter
- Our global reach and expertise to expand access to essential eye care services so everyone can *See Brilliantly*
- Our associates' commitment to supporting our purpose and advancing our mission

ESG Governance

Alcon strives to integrate ESG objectives into our decision-making to deliver long-term value for all our stakeholders. We have established a robust ESG governance structure that includes Board of Directors' accountability and a dedicated Global Head of ESG who oversees our day-to-day performance and initiatives. Quantifiable ESG metrics are factored into all Executive Leadership Team (ELT) members' individual performance goals that impact annual remuneration.

Board of Directors					
Alcon's Board of Directors is responsible for overall ESG strategy					
Governance and Nominating Committee					
The Governance and Nominating Committee assists the Board in its oversight of our sustainability initiatives					
ESG Executive Steering Committee					
Executives from across departments, including Corporate Affairs, Human Resources, Innovation, Legal and Compliance, Manufacturing and Global Quality and Regulatory Affairs, oversee ESG topics and are responsible for identifying and managing Alcon's environmental and social impacts					
ESG Working Group	Social Impact Committee	Alcon Foundation and Alcon Cares	Global Environmental Sustainability Committee	Executive Diversity Council	Global Privacy Office
Representatives from Philanthropy, Investor Relations, IT and Privacy, Health, Safety and Environment, Human Resources, Legal and Compliance, Market Access, Procurement, Supply Chain, Quality and Research and Development lead our day-to-day work	A dedicated committee is responsible for implementing and tracking our social commitments as well as identifying innovative ways to expand access	Our two charitable foundations provide monetary donations, product and equipment donations and expertise to our partners to help ensure the continuity of eye care in local communities	A dedicated committee is focused on setting and achieving environmental goals for Alcon's global operations	Leaders from across major business lines provide guidance and decision-making related to our enterprise diversity and inclusion strategy and executive sponsorship for our employee resource groups	A dedicated team headed by Alcon's Global Head of Privacy is responsible for our privacy policies, procedures and compliance

Our ESG Reporting

We conducted a thorough ESG materiality assessment to prioritize our efforts and focus our reporting on the ESG topics that are most important to our business and stakeholders. This process included robust research and stakeholder engagement, and we also engaged a third-party ESG consultant to provide valuable assistance and feedback.

The structure and disclosures of our 2021 Corporate Responsibility Report are informed by leading ESG framework initiatives, including the [Global Reporting Initiative \(GRI\)](#), [Sustainability Accounting Standards Board \(SASB\)](#) and [Task Force on Climate-related Financial Disclosures \(TCFD\)](#). In the following pages, we discuss our governance, management approach (including policies, responsibilities, processes and initiatives) and progress for our Tier 1 and Tier 2 ESG topics and other priority topics. This report covers Alcon's 2021 performance unless otherwise stated.

Please note that the COVID-19 pandemic disrupted some of our ESG initiatives and performance in 2020 and 2021, which is reflected in our data.





Serving Communities

Alcon sees a world where treatable, preventable conditions affecting eye health receive the attention they need, regardless of an individual's geography, gender, age or socioeconomic status. Currently, more than 1.1 billion people are living with uncorrected vision impairments — 90% of those individuals live in low- and middle-income countries.³ Through training and education programs and partnerships that improve access and affordability, we are bringing eye care to those who need it.



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³ IAPB, [Vision Atlas](#).

Philanthropy

Untreated vision impairments have significant economic implications for affected individuals, their families and caregivers and broader communities. These individuals are unable to seek proper eye care because they face barriers such as cost, distance, system capacity and lack of awareness. Through our two foundations, the Alcon Foundation and Alcon Cares, we provide monetary donations, product and equipment donations and expertise to eligible nonprofit partners to help ensure the continuity of eye care in local communities.

All donations made by the Alcon Foundation and Alcon Cares are overseen by each foundation's Board of Directors, who use a rubric to evaluate grant requests. This rubric helps the Boards make assessments based on needs and objectives, organization financial health, program cost and value, impact, internal evaluation metrics and strategic alignment with Alcon's philanthropic goals.

Charitable Giving

Giving through the Alcon Foundation and Alcon Cares totaled more than \$15 million in 2021. We supported organizations such as the [International Eye Foundation](#), which is strengthening eye systems in India through its Hospital Recovery program, and [VisionSpring](#), which is providing

⁴ As defined by the World Health Organization, [Blindness and Vision Impairment](#).

affordable, quality eyeglasses to people worldwide. Additionally, we expanded our long-time partnership with [SEE International](#) to support its Direct Supply Support program, which is filling the backlog in cataract surgery that resulted from a reduction in medical missions during the COVID-19 pandemic.

"We have the reach, expertise, relationships and dedication to positively impact millions of patients around the world. We will continue to grow our efforts and increase access to quality eye care."

Charles Herget,
GLOBAL HEAD OF ESG



Our Goals

By 2025, Alcon will work with our partners through philanthropic support and training programs to help improve vision for 5 million people afflicted with untreated cataracts in low- and middle-income countries, including 1 million considered cataract-blind.⁴

Foundation Giving

The Alcon Foundation donated \$4 million in monetary grants to more than 150 nonprofit organizations providing charitable services in our communities and around the world. Over 80% of this funding supports eye care programs, training or services.

Alcon Cares product and equipment donations, such as IOLs, sutures, blades and drapes, to nonprofit organizations totaled more than \$11 million. We supported 73 medical missions, providing more than 11,000 surgeries and treating more than 40,000 patients.

Medical Missions

Alcon Cares has supported over 750 medical missions over the last three years, helping deliver eye care to places that need it most. During these missions, volunteer medical teams treat patients and train local eye care professionals to help ensure the continuity of eye care. One mission we supported with donations treated 1,500 patients and performed 750 cataract surgeries and 158 pterygium surgeries in Asamang-Ashanti, Ghana. Additionally, 10 healthcare professionals received training during this program.

Philanthropic Initiatives

Orbis Partnership

Together with our partners, we are providing vital eye care services, enhancing eye care systems and increasing the capacity of eye care providers by providing training and equipment. For example, we partner with [Orbis International](#), which enhances the skills of eye care teams in areas with the greatest need by offering educational programs to train participants. Our partnership with Orbis, utilizing their flying eye hospital, has extended over 40 years. In 2021, we helped train more than 680 eye care professionals in 75 countries, who performed 3.6 million eye screenings and examinations and 38,000 surgeries in Ethiopia, Bangladesh, India, China, Mongolia, Vietnam, Zambia, Ghana, Peru, Nepal, Guyana, Bolivia and South Africa.

Project 100

Our Project 100 initiative is an Alcon Cares charitable program that aims to increase sustainable access to cataract surgery in low-to-middle income countries by providing equipment and training to perform phacoemulsification (phaco) surgeries. Through this program, Alcon is donating a total of 100 phaco machines, the standard of care, to hospitals that demonstrate excellent knowledge of local eye care health systems and meet criteria, such as the ability to monitor, evaluate and report on project metrics.

In 2021, we donated 34 new Legion System™ phaco units to hospitals and clinics in India, Kenya and Mongolia, getting us almost halfway to our goal, with 49 total phaco machines donated to date. In India alone, we trained 126 doctors and surgeons on donated phaco units, and 65% of all free phaco surgeries at partner sites were performed on donated Project 100 machines.





Alcon Children's Vision Program

For over 10 years, the Alcon Foundation has engaged service delivery partners to help children from low-income families in the U.S. *See Brilliantly* so they can learn brilliantly. Eighty percent of classroom learning is visual,⁵ making the ability to read on level by third grade critical to lifelong learning. According to [Read Fort Worth](#), children not reading on level in third grade are four times more likely to not graduate high school, with starker disparities for minority students not reading at a college-ready pace. Although no one factor determines a child's success, Alcon believes providing quality eye exams and glasses for students who need them is one strategy to help ensure students are reading at grade level and on track for future academic success.

In 2021, we partnered with a large local school district in the U.S. to pilot the Children's Vision Program, providing eye exams and glasses to underserved elementary students. In this school district, approximately one-fifth of elementary school children need vision correction, yet most do not have access to eye care. As part of this program, about 100 Alcon associates had the opportunity to become certified vision screeners and then volunteer to screen students.

In the 2021–2022 school pilot program, Alcon volunteers, school nurses and other partners screened more than 35,000 students in grades pre-kindergarten through fifth at 79 elementary schools. Students in need of follow-up care were subsequently served by delivery partners who performed more than 3,000 eye exams and dispensed glasses.

⁵ Maternal and Child Health Journal, [Parent, Teacher and Student Perspectives](#).

In 2022, Alcon will build on the strength of our existing relationships and shared commitment to eye health, opening the Alcon Children's Vision Center to provide continuity of care with a dedicated team of eye care professionals.

Our Goals

By 2025, Alcon associates will help improve vision and enhance academic success by providing 150,000 vision screenings to children and ensuring comprehensive care for those in need.

Community Engagement

Alcon associates help strengthen our global communities through volunteerism and monetary gifts, including our Alcon in Action day of volunteering in markets around the world.

Matching gifts: Alcon provides a variety of giving platforms and campaigns designed to help associates make monetary donations to any nonprofit of their choice. Our corporate giving team partners with key internal departments, such as Diversity and Inclusion (D&I), and international business heads to host one-time special giving initiatives focused on cultural heritage events or emergency relief efforts.

Alcon also matches eligible charitable donations dollar for dollar, up to \$500 a year per associate in the U.S. To further promote associate giving, we participate in special gift-matching initiatives throughout the year, such as double-matching gifts made on Giving Tuesday. In 2021, Alcon associates supported more than 200 charities, donating nearly \$200,000.

Associate volunteerism: In 2021, participating Alcon associates volunteered a total of 10,875 hours to better our communities around the world. This translated into a value of more than \$325,000. They volunteered with a variety of community organizations, such as Serve the City and Caritas in Geneva, Leket in Israel, ACT Care for Humanity in Indonesia and Moms Against Hunger in Texas.

Alcon in Action: Alcon in Action, our global volunteering day, brings our associates together to make a positive impact in communities through health-, hunger- and hygiene-focused volunteer events. In 2021, about 2,800 associates across 43 global sites volunteered in 137 partner organization events, such as building homes with Habitat for Humanity, packing meals with partners like Willing Hearts in Singapore and Rise Against Hunger in Fort Worth, Texas, and creating hygiene and health kits for partners like Berliner Stadtmission in Germany and the Tarrant County Homeless Coalition in Fort Worth, Texas.

For example, in 2021, Alcon in Action brought associates and leaders together to support soup kitchens in Geneva that were still closed due to COVID-19 restrictions. We donated food to those in need by organizing the materials needed to individually create and wrap sandwiches before delivering them to their local Serve the City team distribution across the city on the same day.



Alcon in Action 2021: Health, Hunger and Hygiene, By the Numbers

Created 65,000+ hygiene kits

Packaged 52,000+ meals

Volunteered on 20+ public works projects, such as revitalizing shelters in Ireland

Enhancing Sustainable Access to Eye Care

Alcon is also helping people *See Brilliantly* by expanding the availability of quality eye care and access around the globe. This includes innovative programs that provide free or low-cost eye care to patients in underserved communities. Alcon's business-led Phaco Development (PD) program empowers surgeons to provide sustainable access to phaco procedures — the standard in cataract care — in low-to-middle-income countries.

Since the program's inception in 2008, more than 5,000 surgeons have been trained in core and advanced phacoemulsification courses and gone on to perform more than 7 million sight-enhancing or restoring phaco procedures in Asia, China and India. The patients have primarily lived in underserved cities where care had previously been limited or unavailable. In 2021, we conducted more than 1,470 courses and trained more than 540 doctors who provided approximately 1.4 million procedures.

We are now expanding on the PD program's development model to train doctors on vitreoretinal surgery through the Alcon Vitreoretinal Development (VRD) program in China, India, Bangladesh and Nepal. In 2021, the VRD program experienced a 68% increase in procedures compared to the

previous year. As we look forward, we are focused on helping surgeons provide the best possible refractive visual outcomes to patients, developing the PD Digital Learning Ecosystem-International Virtual Residency Program and rolling out PD tools for international markets next year.

"Cataract blindness is a treatable condition that impacts millions of people around the world. Initiatives like our Phaco Development program are helping more people receive the eye care they need by addressing access barriers from all angles."

Jeannette Banks,
PRESIDENT AND GENERAL MANAGER,
GLOBAL SURGICAL FRANCHISE





Caring for Our Customers and Patients

Our long-standing relationships with customers and eye care providers strengthen our ability to serve patients. Through innovation, strong economic value propositions and engagement with healthcare decision-makers, we strive to promote affordability and access to provide all patients with the quality care they deserve.

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Product Quality and Patient Safety

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Medical Innovation

In 2021, we continued to lead the eye care industry in R&D, with more than 100 pipeline products under development and 1,400 associates, including physicians, doctors of optometry, engineers, scientists and PhDs working throughout our R&D organization. Our position in the market allows us access to a wealth of potential R&D projects, and we continue to be a collaborative leader, working with both industry partners and early-stage development companies.

We invested over \$680 million⁶ to create innovative products that meet our customers' and patients' needs, including 114 new product approvals in major markets and eight first-to-market launches in 2021.⁷

Our R&D priorities include:

- Advanced technology for IOLs, delivery systems and ocular procedures that improve quality of vision, safety and efficiency
- Enhanced visual outcomes through advanced diagnostics and visualization and digital health solutions to improve medical practice efficiency and help deliver optimal outcomes

- New contact lenses
- Technologies to address presbyopia and astigmatism
- Dry eye products and ocular allergy and glaucoma drops

Alcon's R&D governance structure is designed to accelerate innovation while balancing customer and patient needs, technical and regulatory risk, return on investment, capital requirements and other key factors. The Innovation Committee of our Board of Directors provides oversight of R&D initiatives. We use a risk-based methodology, in which projects with a higher risk profile and greater complexity receive increased levels of technical oversight and management attention. The Innovation Committee and Executive Committee of Alcon led by our CEO, oversee Tier 1 projects that are technically complex or capital intensive.

In 2021, we launched a multi-year strategic initiative focused on evolving our R&D capabilities for continued future success. Through this initiative, we have shifted to a capability-oriented R&D model and are embedding standardization, consistency, agility and knowledge sharing into our processes. We have also started enterprise-wide efforts to modernize our ways of working and adopt industry-leading technologies that will accelerate new product development from concept to launch. To further strengthen our pipeline, we are creating new ways to collaborate with external partners that complement our existing internal ideation processes.

R&D Productivity	2019	2020	2021
Number of first-to-market launches	14	8	8
Number of product approvals (major markets) ⁷	80	78	114

The Cataract Education Zone

Long waiting periods and shorter consultation appointments can decrease



a patient's awareness of their eye care options. To address this knowledge gap, we partnered with the Aravind Eye Hospitals in India to create the Cataract Education Zone, an education module in which patients can learn about their cataract and IOL options through a QR code or virtual reality devices provided in the waiting room. This initiative has enabled patients to make more informed decisions earlier and Aravind Eye Hospitals to increase the number of patients they can serve.

⁶ Core R&D investment (non-IFRS measure) as reported in our Form 20-F, Item 5.A.

⁷ Includes U.S., E.U. Canada, Japan, Brazil, Korea, Australia, China, Russia and India.



"A brilliant patient experience is at the core of what we do. Our associates take pride in ensuring our patients receive safe and effective products on time, every time."

Heather Attra,
SENIOR VICE PRESIDENT OF
QUALITY AND REGULATORY AFFAIRS



Product Quality and Patient Safety

Product quality and patient safety are our top priorities. We have high standards and well-established, rigorous safety procedures designed to comply with all quality and safety laws and regulations in every country where we distribute our products.

Alcon's independent Quality organization, led by the Senior Vice President of Global Quality and Regulatory Affairs, upholds our product quality and patient safety standards. Teams within this organization conduct regular site- and franchise-level quality management reviews, monitor trends, signal potential product safety issues, implement our quality management system across all Alcon sites and audit internal processes and suppliers.

Our Chief Medical Officer, reporting to the Chief Scientific Officer and Senior Vice President of Global R&D, leads the Global Medical Safety group, which monitors and evaluates safety trends to support recommendations for cross-functional

alignment of risk management decisions. As needed, the group escalates issues to our Quality Compliance group to determine whether they require market action.

We use benchmarking and stakeholder feedback to set quality targets for various key performance indicators (KPIs). For example, this research led us to adopt the Batch Right First Time Rate, which measures the number of internal deviations. This metric provides data to help Alcon ensure safe and effective products reach our customers when they need them. Our global metrics dashboard automates data collection and facilitates monthly KPI and trend reviews. In 2021, we were recognized by industry stakeholders, public-private partnerships and government agencies on our quality analytics dashboard.

Once products are marketed, we conduct periodic risk reviews with our R&D, Global Medical Safety and Quality teams. All product complaints are assessed by our Post-Market Quality

team and investigated by Alcon's product and process experts. These investigations identify the root cause and prescribe appropriate action based on the risk level. We maintain a robust Corrective and Preventive Action program to address any potential product quality issues identified as a result of these investigations. We will also notify the appropriate regulatory authorities if required by applicable law.

Product Quality	2019	2020	2021
Recall Rate			
Vision Care recall rate	0	0	0
Surgical recall rate	0	0.04% ⁸	0.37%
Number of Recalls Issued			
Number of FDA-initiated recalls	0	0	0
Percentage of recalls that were voluntary, FDA-requested or FDA-mandated	0	100% voluntary	100% voluntary

⁸ Data restated due to improvements in our calculation methodology.



Clinical Trial Standards

We partner with eye care providers across the globe to conduct clinical trials and are committed to doing so safely and ethically across all sites and product development areas.

Patient safety is our highest priority when designing and executing clinical trials. Our Protocol Review Committee — co-chaired by our Chief Medical Officer and Head of Clinical R&D and composed of relevant subject matter experts — reviews all trial designs to ensure scientific integrity, patient safety and compliance with clinical and regulatory requirements. We protect patients' data and uphold their right to privacy by using qualified individuals to supervise the overall conduct of each clinical trial. Our policies and procedures for all phases of the clinical trial process are outlined in our internal Alcon Quality Manual.

All clinical trials are monitored for patient safety. We track any deviations of our standards through an internal system, where

we document non-conformances and create preventive action plans. We report any clinical trial deviations to the FDA and other regulatory bodies. From 2019 to 2021, the number of deviations decreased by 50%.

Clinical Trial Deviations	2019	2020	2021
Number of clinical trial deviations	10	9	5

In 2021, more than 60 Alcon-initiated clinical trials achieved the First Patient, First Visit (FPFV) milestone, signifying the beginning of subject enrollment for the trial. A similar number of trials achieved database lock (DBL), when the study database is no longer editable, and analysis can begin. This is nearly double our average annual number of FPFVs and DBLs for the past three years. Since establishing a feasibility clinical trial process in 2019 to study early contact lens designs, we nearly tripled the number of feasibility trials this

year, producing data on 17 different products in early-stage development. This feasibility process offers an agile and fast-paced platform to clinically investigate product attributes and outcomes. It has enabled our scientists to make more informed, data-driven decisions to optimize the product before confirmatory testing.

Looking ahead, we are investing in new technology platforms to execute clinical trials. In addition, we will continue to search for opportunities to strengthen how Alcon engages electronically with clinical sites and how sites engage electronically with patients. These advancements will help streamline site activities and enable faster enrollment and better information flow with patients.

Access, Affordability and Pricing

As a global industry leader, we are committed to increasing quality eye care access and delivering affordable technologies to people everywhere. We work closely with healthcare decision-makers to continually improve cost, access and quality of care.

Our Market Access team manages Alcon's access, affordability and pricing efforts, reporting to our Vision Care and Surgical franchise presidents. In 2021, the Market Access team played a critical role in providing support and resources to healthcare decision-makers by helping them navigate reimbursement challenges and opportunities and providing evidence-based economic analyses of Alcon's technologies.

Delivering Affordable Quality Eye Care

We have a variety of strategies to offer high-quality, innovative products for the best value.

- Value to clinicians and other healthcare decision-makers:** We share economic and clinical outcomes, such as cost-effectiveness studies, quality-of-life research and budget impact models, with healthcare decision-makers to support and expand funding and insurance coverage for our products and services.

- Reimbursement mechanisms and funding flows:** We consider available public and private payment mechanisms to make our products affordable. Where reimbursement does not yet exist, we provide evidence of product value to develop funding pathways. In 2021, we reached virtually all of our reimbursement listing and funding targets for new product launches across both our Surgical and Vision Care franchises.
- Market landscape and global environment:** We seek to price our products in a way that is accessible to the local market. We consider each country's stage of market development and healthcare infrastructure, the population's ability and/or willingness to pay, the presence of available alternatives and the geopolitical environment.

We track our product price performance in the markets we serve, as well as our reimbursement and funding success rates.

At Alcon, we are innovating smaller, more portable devices with lower operating costs, like our Legion System, for certain international regions. This brings the benefits of industry-leading phaco technology to the developing world and completes our portfolio of phaco equipment. We are able to provide extensive customized phaco offerings to meet customers' needs, preferences and budget requirements.



Protecting Our Environment



As a global leader in eye care, we believe we can best serve our community and our planet by focusing every day on helping people *See Brilliantly* so they can live brilliantly. We are doing this by innovating more sustainable eye care products and reducing our environmental impact. We manufacture approximately 90% of our products internally, which provides us with the opportunity and responsibility to reduce our water, waste, emissions and chemicals of concern associated with the development and use of our products. We are pursuing a pathway toward carbon neutral (Scope 1 and Scope 2) by implementing energy-saving projects across the organization and incorporating renewable energy where feasible.

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Global Environmental Sustainability Strategy and Leadership

Our global environmental sustainability strategy guides our action with a focus on four pillars: sustainable products and services, energy efficiency and greenhouse gas (GHG) reduction, operational waste reduction and water stewardship.

Our Global Head of Health, Safety and Environment (HSE) establishes the overall direction and effective governance of HSE policies, commitments and strategies across the business, including our environmental management system. Day to day, our Global Environmental Sustainability Committee is focused on setting and achieving environmental goals by collaborating cross-functionally across Alcon's global operations.

The Global Head of HSE updates the ELT on a regular basis on emerging risks and opportunities, as well as overall performance. The Governance and Nomination Committee oversees our environmental strategy and receives periodic updates from our Senior Vice President, Global Manufacturing and Technical Operations and Global Head of HSE.

"Three of our manufacturing sites are now zero waste to landfill certified by GreenCircle. We've also pursued opportunities to replace packaging materials with sustainable alternatives and implemented dozens of energy efficiency and water-savings projects. And those are just a couple of the ways we're challenging ourselves to embed sustainability into the core of our business."

Ed McGough,
SENIOR VICE PRESIDENT,
MANUFACTURING AND TECHNICAL OPERATIONS



Our Global Environmental Sustainability Objectives

Sustainable products and services

Energy efficiency and GHG reduction

Operational waste reduction

Water stewardship



Health, Safety and Environmental Management System

Alcon's HSE management system is aligned with the International Organization for Standardization 14001:2015 Global Certification Program and embedded throughout our company. This system is designed to improve our environmental performance by helping ensure legal compliance, investigating causes of non-compliance and implementing corrective and preventive actions.

In addition to our [Global HSE Policy](#), we created an internal HSE Manual that outlines our management system — including minimum expectations for managing HSE aspects and hazards, risks, opportunities and compliance obligations. It also describes the high-level HSE-related roles and functions across the business. With oversight from our leadership,

our global HSE team is responsible for our environmental management system and must demonstrate progress toward improvements, objectives and targets. The team sets HSE targets at the start of each year, discusses progress toward our targets with site associates quarterly and presents each site's progress toward our targets to the ELT at the end of each year.

Manufacturing Sites

At the site level, our manufacturing associates implement the system and review risk registers, identify compliance obligations and develop mitigation strategies. We have implemented annual internal conformance reviews and safety culture surveys to evaluate performance, in addition

to requiring all of our manufacturing sites to conduct legal compliance every three years with an external party. In 2021, we also collaborated with a third party to audit and certify all of our manufacturing sites to the ISO 14001:2015 environmental management system standard.

100% of manufacturing sites are ISO 14001:2015 certified.

Health and Safety

Guided by our Global HSE Policy, we foster a culture of health and safety and create an environment that supports performance and allows our associates to thrive. Alcon integrates HSE into the lifecycle of our business processes to proactively reduce HSE risks and impacts.

Our CEO and ELT provide strategic direction for the company-wide management of HSE issues and review HSE programs and performance. Day to day, our Global Head of HSE — supported by our global HSE team — is responsible for developing and overseeing the implementation of our corporate HSE policy, standards, management tools and training to help our sites mitigate risk. Each Alcon manufacturing site has an HSE team and a cross-functional HSE Committee so employees can engage with management, as well as designated HSE champions who advocate for safety programs.

Health and Safety Management

Our sites use Alcon's risk management process to identify HSE risks and implement the necessary controls. The results of this process are shared with senior leadership and considered in developing our HSE annual plan and goals.

Manufacturing site leadership proactively manages safety performance through walk-throughs, town hall meetings and team safety huddles. Potentially serious site events are communicated to all manufacturing sites to determine whether the hazard identified may be present at other locations and needs to be addressed.

HSE Business Plan

Alcon's annual Global HSE Business Plan drives continuous improvement in our performance and the HSE management system. Our HSE team reviews injury and illness trend data, site KPI performance, outcomes of HSE management reviews and other inputs to develop specific goals and actions for the calendar year.

One of the key initiatives in our 2021 Global HSE Business Plan was our COVID-19 Crisis Management Response. We continued our COVID-19 response hub to provide sites with protocols to monitor public health guidance, update local prevention plans, report to leadership and participate in crisis management debriefs.





Creating a Culture of Health and Safety

Alcon provides health and safety training for our associates (corporate and site level), third-party personnel, contractors and visitors. This training is developed and rolled out to meet regulatory requirements, align with business needs and equip personnel to perform their job functions.

We encourage our associates and partners to report unsafe conditions and behaviors in accordance with our Speak Up for Safety culture, outlined in our [Code of Business Conduct](#).

Associates can report any actual or perceived problems to management through HSE Net — an application to report good catches, near misses and incidents.⁹ Our management teams and associates promptly correct potential hazards in the workplace to maintain a safe work environment.

Contractor Safety

Alcon conducts third-party contractor health and safety assessments before starting projects. The Contractor Safety Management standard also requires a pre-qualification process for new contractors when they perform a scope

of work identified as high risk or activities that may have the potential for injury. Active contractors must annually register for renewal and complete an HSE refresher training with the third-party contractor management provider. We also audit contractor activities onsite and evaluate contractors' compliance with our HSE requirements.

Employee Safety	2019	2020	2021
Employee total recordable case rate (TRCR) ¹⁰	0.48 ¹¹	0.42	0.55
Employee lost time incident rate (LTIR) ¹²	0.10	0.10	0.19

⁹ Good catches refer to observations of at-risk behaviors or conditions with the potential to cause an adverse impact. Near misses refer to events that happened, but, fortunately, no injury or adverse impact occurred. Incidents refer to events that occurred causing injury, illness or adverse impact.

¹⁰ TRCR represents the frequency of recordable cases (injury and illness) for all Alcon associates and third-party personnel. It is calculated as follows: number of all work-related recordable cases divided by the number of hours worked by Alcon associates and third-party personnel and multiplied by 200,000.

¹¹ Data restated due to Commercial Operations added.

¹² LTIR represents the frequency of work-related lost time cases (injury and illness). It is calculated as follows: the total number of work-related cases of injury or illness with lost time divided by number of hours worked by Alcon associates and third-party personnel and multiplied by 200,000.

Sustainable Products and Services

We evaluate products and materials against HSE compliance, safety and sustainability metrics. Ophthalmology and optometry often require disposable, single-use medical devices and products to protect patient safety and minimize the risk of infection. Rising to the challenge of balancing single-use products with our environmental impact demands that sustainability is an integral part of the R&D process. Minimizing energy use, reducing packaging and post-consumer waste and increasing the use of recycled materials are some areas where we are working to advance the environmental performance of our products and services.

In 2021, we introduced a new process and internal standard for the R&D design phase — read more on our [Environmental Sustainability Scorecard](#). We also launched our global Green Innovations Surgical Team (GreenIST) to identify opportunities to increase sustainability measures and reduce waste for commercialized products within our Surgical franchise. For example, we introduced a centralized process for handling used equipment in all E.U. markets, including repairing and

repurposing used equipment through a robust certification process for continued use. Where possible, we also provide in-house repairs using recycled spare parts. We aim to return 100% of used equipment (wherever possible) to the market as certified equipment and repair 100% of core-spare parts. In the future, we will incorporate processes and best practices into other markets.

Chemicals of Concern

Alcon strives to reduce and eliminate the impact of chemicals of concern in our products and comply with chemical regulations, including the E.U. Registration, Evaluation, Authorization and Restriction of Chemicals; E.U. Medical Device Regulation; California Proposition 65; Toxic Substances Control Act; and E.U. Restriction of Hazardous Substances. We continuously monitor changes in global environmental regulations and collaborate internally to improve the environmental performance of our products. We also work closely with our suppliers to implement upstream compliance.

Product Design and Lifecycle Management	2019	2020	2021
Devices and equipment reused, recycled or donated (metric tons [MT])	131	85 ¹³	108

Pursuing Greener Shipping

In 2021, GreenIST led an initiative in the U.S. to replace packaging Styrofoam for shipping ophthalmic viscosurgical devices with an environmentally friendly Green Cell Foam, eliminating more than 12,800 pounds of waste annually. This foam is certified compostable, providing cushioning and thermal insulation to protect our products in transit to customers and patients.

¹³ Data restated due to improvements in our calculation methodology.

Environmental Sustainability Scorecard

Sustainability is a core aspect of new product development at Alcon. We factor ESG into the earliest stages of our R&D process for new development through our Environmental Sustainability Scorecard. This means that from the time we begin working on new products through lifecycle management, teams across the company are using this scorecard to proactively generate more sustainable product ideas that meet or exceed our efficiency and cost expectations.

We initially developed and piloted our scorecard with several product development teams in 2020. Then, in 2021, a cross-functional team of associates and leadership from across the business came together to develop and launch an improved scorecard that is fully embedded into our enterprise stage-gate process. This scorecard evaluates new and existing products against sustainability KPIs, such as water and energy use, GHG emissions and waste generated. It allows us to determine the sustainability impact of products long before production and make improvements before launch.

In 2022, we aim to implement the scorecard across all early-stage R&D projects.

"By identifying opportunities at the very beginning of our R&D process, we can improve the environmental impact of our products throughout their lifecycle."

Franck Leveiller,

CHIEF SCIENTIFIC OFFICER AND SENIOR VICE PRESIDENT,
HEAD OF GLOBAL RESEARCH AND DEVELOPMENT



Reducing Our Operational Footprint

Alcon sets annual targets for waste, energy and water reduction projects and monitors the results of our ongoing initiatives so we can continually reduce our environmental footprint. In 2021, we embedded an environmental impact assessment into our manufacturing capital investment approval process, recognizing opportunities to address our impacts during the planning stage of projects. In 2022, we added new enterprise-wide goals to further reduce our operational footprint.

Our senior leadership team and Board of Directors meet regularly to review, discuss, manage and mitigate business and financial performance risks, including environmental risks. We consider these risks in our operating and investment decision-making process in all aspects of our business.

Environmental Policies

Our manufacturing sites and products comply with all applicable legal regulations. In addition, we have implemented standards and policies covering our environmental footprint across all operations, activities and products under Alcon's operational control, such as our HSE Compliance Management Policy and Energy and Waste Management Standards. Please see the [Index](#) for a full list and descriptions of our environmental policies.

Our Goals

By 2030, Alcon will divert 100% of non-hazardous waste generated at manufacturing sites and distribution centers from landfill.

Waste

In working toward a circular economy, Alcon seeks ways to minimize waste creation at our manufacturing sites. We recently set our sights on a goal to divert 100% of non-hazardous waste generated at manufacturing sites and distribution centers from landfills by 2030. We establish site-level annual targets for waste reduction and reuse resources, recycle waste and implement measures to generate less hazardous waste and divert non-hazardous waste from landfills, where possible.

In 2021, we recycled approximately 76% of our operational waste. Waste generated at our sites is properly stored, treated and disposed of in compliance with federal and local

regulations. Because our total operational waste consists of both hazardous and non-hazardous waste, we established a company-wide waste policy that prohibits sending hazardous waste to landfills, where applicable. Local regulations take precedence over the policy if there is a requirement for disposal to landfill.

Our Zero Manufacturing Waste to Landfill guidance document defines the scope and requirements for our sites to minimize or eliminate waste streams and defines our waste management hierarchy. Currently, 70%¹⁴ of our manufacturing sites are 100% landfill-free for non-hazardous waste disposal.

In 2021, we completed reduction or elimination projects resulting in approximately 260 MT of waste elimination.

Additionally, our sites diverted 1,165 MT of waste from landfill to recycling and recycling to raw material input.

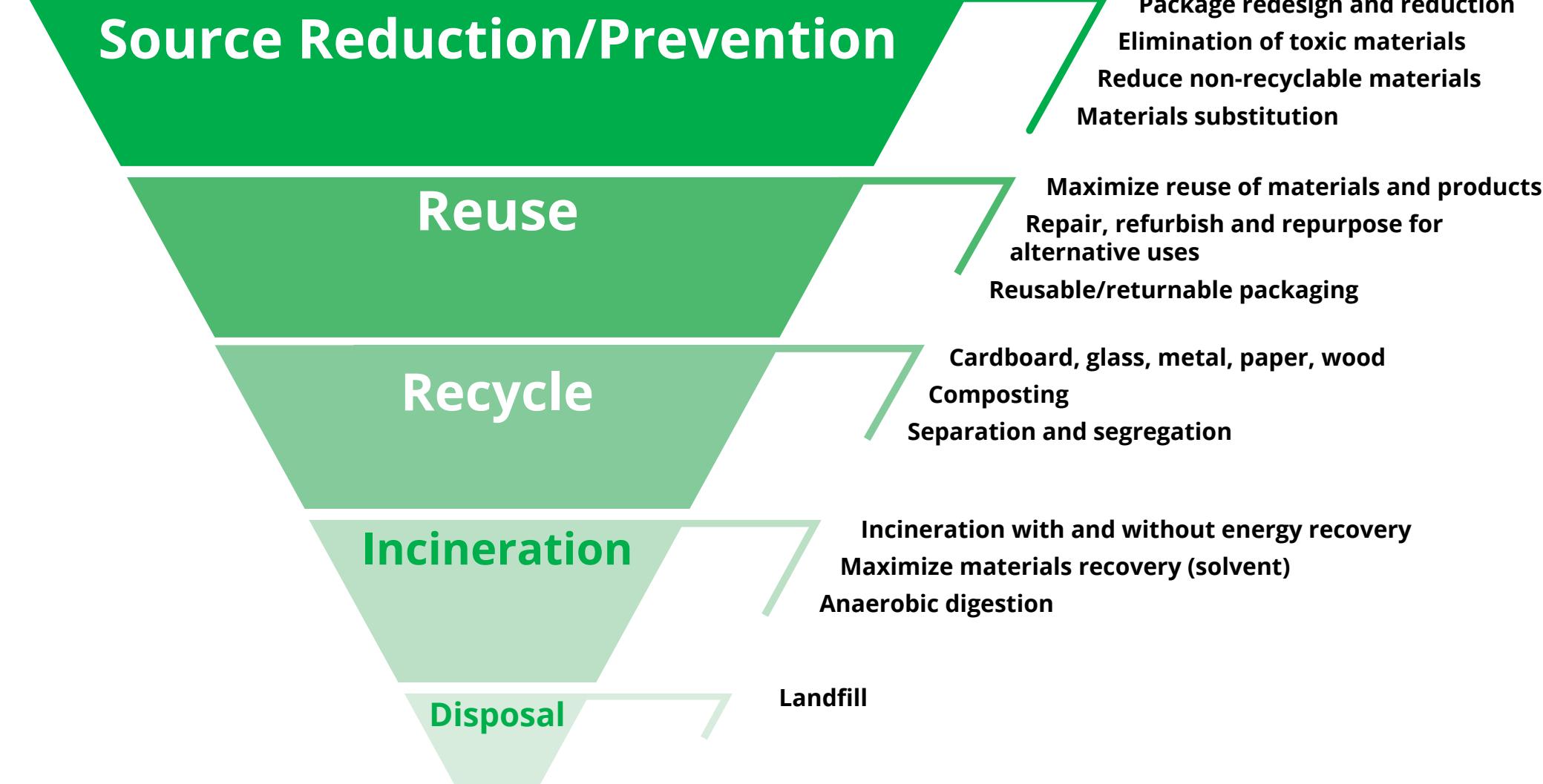
Our hazardous waste increased by 37% compared to our 2019 baseline due to an increase in expired product disposal. Our non-hazardous waste decreased by 9% compared to our 2019 baseline, driven by ongoing site initiatives.

Waste Management	2019 ¹⁵	2020 ¹⁶	2021
Total waste generated (MT)	46,578	45,294	51,782
Total hazardous waste (MT)	20,526	24,112	28,154
Total non-hazardous waste (MT)	26,051	21,182	23,628

¹⁴ Manufacturing and Technical Operations sites only.

¹⁵ Rounded. 2019 values are also restated due to improvements in our sites' data collection and verification processes.

¹⁶ 2020 values are restated due to improvements in our sites' data collection and verification processes.



Polypropylene Molds as Raw Material

Polypropylene (PP) molds are single-use components used in making contact lenses. Typically, these molds must be discarded after producing one contact lens. To improve product circularity, associates at our Grosswallstadt, Germany, facility designed a process for collecting used PP molds, shredding them and transferring them into silos, allowing the molds to be reused as a raw material input for making industrial pipe flanges. This process enabled Alcon to reuse approximately 1,000 MT of PP in 2021.

GreenCircle Certification for Zero Waste to Landfill Manufacturing Facilities

In 2022, three of our facilities — two in Fort Worth, Texas, and one in Singapore — received the [GreenCircle](#) zero waste to landfill certification for diverting 100% of total waste from landfills. With this achievement, Alcon became the first healthcare company to be GreenCircle certified for zero waste to landfill operations.

Climate Change and GHG Emissions

Climate change poses unique challenges to companies across the globe. Alcon monitors and addresses business risks associated with climate change, including physical risks and transition risks. By 2030, we are committed to being carbon neutral across our global operations (Scope 1 and Scope 2 emissions).

One way we are addressing climate change is by reducing our GHG emissions. In 2021, our total Scope 1 and Scope 2 GHG emissions were 309,083¹⁷ MT CO₂e, measured on an absolute basis using a market-based approach. Compared to our 2019 baseline, Scope 1 emissions decreased by approximately 5%, and Scope 2 emissions decreased by approximately 12%. In 2021, we completed an inventory of our Scope 3 emissions for our 2019 baseline year, 1,232,428 MT CO₂e. We will continue to seek ways to reduce emissions across our value chain.

GHG Emissions	2019	2020	2021
Total Scope 1 and Scope 2 GHG emissions (MT CO ₂ e)	346,435	327,882	309,083
GHG emissions intensity ratio — onsite generated energy (t/TJ) ¹⁸	56 ¹⁹	55 ¹⁹	55
GHG emissions intensity ratio — purchased energy (t/TJ) ²⁰	140 ¹⁹	139 ¹⁹	126

Energy

We improve energy efficiency across our operations using renewable energy and energy-saving projects. In 2021, we completed 41 energy-saving projects, including solar array and LED light installations, air handling unit replacements and autoclave cycle reductions. These projects resulted in an estimated energy savings of approximately 42,700 gigajoules (GJ) and avoided approximately 8,400 MT²¹ of CO₂e. One project included installing solar panels at our manufacturing site in Johor, Malaysia, generating 16,880 GJ of renewable energy.

In 2021, our energy intensity decreased by approximately 7% compared to our 2019 baseline. Energy consumption also decreased by 49,451 GJ despite producing more units than in prior years.

7% decrease in energy intensity compared to our 2019 baseline.

Energy Management	2019	2020	2021
Energy usage intensity (GJ/million units produced)	742 ²²	791	691

Our Goals

By 2030, Alcon will achieve carbon neutrality across global operations (Scope 1 and Scope 2 emissions).

¹⁷ Our Manufacturing and Technical Operations sites in Europe purchased renewable energy, resulting in zero net Scope 2 emissions.

¹⁸ Calculated using Scope 1 emissions.

¹⁹ Data restated due to improvements in our calculation methodology.

²⁰ Calculated using Scope 2 emissions.

²¹ Calculated using the U.S. Environmental Protection Agency GHG Equivalencies Calculator.

²² Data restated due to improvements in our sites' data collection and validation processes.

Water

Water is an essential component in the creation of our products. As we expanded our contact lens manufacturing platform this year, we focused on maximizing water efficiency and increasing water recycling and reuse. Although our overall water intensity increased by 2% compared to our 2019 baseline, our year-over-year water intensity decreased by approximately 10%, even with a 5% increase in year-over-year absolute water consumption.

To reduce our water consumption, we focus on water reuse and recycling. In 2021, we implemented 17 water-saving projects at our sites, including a cooling tower optimization, reduced irrigation in landscaping and the installation of a rainwater reuse system. These projects collectively saved approximately 134 megaliters of water. One project at our contact lens manufacturing facility in Batam, Indonesia, involved substituting the use of city water for gardening and toilet flushing with reverse osmosis and ultra-filtration reject water from water treatment systems. As a result of this project, we expect to save approximately 2.1 megaliters (ML) of water annually at the site. In addition to implementing water optimization and efficiency projects, our Vision Care and aseptic sites completed an independent water conservation and efficiency assessment, leading to a three-year action plan to improve water use efficiency at our sites.

Water Management	2019	2020	2021
Total water input (ML/million units produced)	1.13 ²³	1.28	1.15
Total water withdrawal from all areas (ML)	4,458	4,640	4,864

²³ Restated due to improvements our sites' data collection and verification processes.



Supporting People

At the heart of our work to help people *See Brilliantly* is a best-in-class workforce of more than 24,000 associates around the world who are creating a thriving, inclusive culture. We attract and support talent through competitive pay and benefits, training and development programs and engagement opportunities.

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Alcon Blueprint

The Alcon Blueprint articulates our purpose, foundational principles and the values and behaviors that guide how we attract, develop and retain talent and shape our culture. Our success depends on the creativity, dedication and performance of our associates. That's why we foster a performance-oriented, inclusive culture that encourages achievement through collaboration and innovation. We seek diverse talent who embody these values and contribute to a culture that enables our purpose. We provide meaningful work that unleashes the full potential of our associates by setting ambitious performance and career goals, offering personal and professional training and development opportunities and ensuring competitive compensation and benefits.

Talent Attraction and Retention

Alcon recognizes talent is what drives our company's performance and fosters our inclusive culture. Our social mission and culture enhance our global recruiting capabilities. We are proud that Alcon continued to be a top employer of choice in 2021:

- Certified [Great Place to Work](#) in the U.S., Ireland, Singapore, Philippines, Thailand, Malaysia, Australia and New Zealand
- Recognized as a [Top Employer](#) in Brazil, France, Poland, Russia, Spain and Switzerland
- Alcon Singapore named one of Singapore's Best Employers by [The Straits Times](#)
- Recognized as a [DiversityInc Top Noteworthy Company](#)
- Designated as a Best Place to Work for LGBTQ+ Equality through the [Human Rights Campaign Foundation's Corporate Equality Index](#)

Talent attraction and retention are monitored and managed by our Vice President of Culture, Capability and Talent and our

Vice President of Global Talent Acquisition and Chief Diversity and Inclusion Officer, who report directly to the Chief Human Resources Officer. Annual enterprise talent and succession updates, including culture, inclusion and diversity initiatives, are given to the Board of Directors and the Compensation Committee.

We measure our retention against external benchmarks to compare and monitor ourselves against top-performing companies. Even as market and economic factors resulted in increased turnover global rates in 2021, Alcon has maintained retention rates better than the top-quartile pharmaceutical/medical device benchmarks.

Turnover Rates	2019	2020	2021
Total turnover rate	9.0% ²⁵	7.7%	11.4%
Voluntary turnover rate	6.0%	4.6%	7.8%

²⁵ Total turnover rate in 2019 was calculated manually, due to the transition to a new human resources software application for our associates in the U.K. and Ireland in October 2019.

Engagement

Alcon has established a regular cadence of listening to associate feedback through our associate engagement survey called Associate Experience Dashboard (AED). The AED gauges associate sentiment on a variety of topics, including connection to purpose, ability to speak up, empowerment to make decisions and inclusion. The survey results help us improve the associate experience, understand how we execute organizational change and inform our talent strategy. We were pleased that our AED scores continued to outperform external global benchmarks throughout 2021.

Additionally, we implemented several leadership initiatives in support of the associate experience. For example, our Leading Brilliantly forums brought together leaders to discuss and learn from each other on topics like Direct Access: Putting Managers in the Driver's Seat; Leading Brilliantly in a Feedback Culture and Bringing Our Leader Expectations to Life. We also piloted a culture program called Elevate Brilliantly, which helps leaders and associates understand and live out our culture

priorities: Ownership and Accountability, Speed and Simplicity and Inclusion. We are launching this program in 2022.

Our Workforce

In 2021, Alcon employed a total of 24,966 associates. Of that total, 23,867 associates (96%) were employed full-time and 1,099 associates (4%) were part-time. Additionally, 22,831 associates (91%) were permanent and 2,135 (9%) were temporary associates.

Benefits

Alcon offers competitive benefit packages in all markets where we do business. Our benefit programs provide security for life events through life and disability insurance, support saving for retirement, promote good health and well-being and support associates and their families during times of illness.

We offer medical, dental and vision healthcare plans and generous parental leave benefits. This includes telemedicine and telehealth visits supporting both physical and mental health and wellness. We also provide death, accidental death and paid short-term and long-term disability coverage. Our employee assistance program is available in 21 countries, offering 24/7 confidential assistance to deal with a variety of personal issues that could affect health, relationships and job performance. Additionally, we offer competitive pension and retirement benefits in many markets.

Workplace Flexibility

Workplace flexibility allows Alcon to accelerate business growth through our workforce by giving associates the freedom to optimize their work-life balance. It also allows us to tailor needs to our circumstances around the world. We offer many flexible work arrangements for our associates, including flex time and compressed work week.



Training and Development

We achieve success when our associates unlock their full potential. Alcon supports associates' career goals and professional development through mentoring, coaching, training, leadership development programs and employee resource groups (ERGs).

Our ELT leads our annual goal-setting process at the beginning of the year, aligning annual goals with our company's strategic priorities. Leaders ensure associates at all levels have clear

expectations and individual development goals for the upcoming year.

We develop our training and leadership development programs both internally and externally and regularly assess the programs for effectiveness, relevancy and associate satisfaction. One example is our flagship program, BLUE: Building Leaders, Unleashing Excellence, which was launched with senior leaders in 2021. BLUE is a yearlong development program

for leaders to continue to build our leadership pipeline and is facilitated by Alcon's ELT. In 2021, we also invested in an online learning platform to provide on-demand, self-paced learning opportunities for associates globally and launched new programs to support emerging people leaders.



Diversity and Inclusion

Our associates' diverse backgrounds and perspectives enable us to see through our customers' eyes so we can innovate and deliver exceptional patient outcomes, fulfilling our brand promise to help people *See Brilliantly*.

In 2021, we established our multi-year D&I strategy based on a comprehensive global assessment and our performance across core D&I areas, including talent management, talent acquisition, strategy, leadership development, engagement and ERGs. Along with our D&I strategy, we introduced our global D&I vision and commitments.

D&I Leadership

We founded our Executive Diversity and Inclusion Council in 2020 to provide guidance and decision-making related to our enterprise D&I strategy, remove barriers and provide regular D&I updates to the ELT and Board of Directors. Our council members represent gender, racial, ethnic and LGBTQ+ diversity and provide executive sponsorship for our ERGs. In 2021, we expanded council membership by adding leaders from major business lines and we expanded our D&I team.

Our D&I Strategy

Alcon's multi-year strategy is rooted in pillars that organize our priorities and goals and guide our work: Fostering a Culture of Inclusion, Growing Our Diverse Talent and Strengthening Impactful Connections.

In 2021, to support our strategy and ensure leadership accountability, we implemented new D&I metrics and launched functional dashboards for our executive-level leaders. These dashboards give leaders key information about the current diversity makeup of their teams and clear insight into opportunities to improve. The dashboards also include hiring, promotion and retention over time, as well as supplier diversity spend and the inclusion score from our associate engagement survey. Each executive team member's annual bonus is based on the achievement of company financial goals and individual goals, including D&I goals.

Our D&I Commitments

Honor and celebrate all dimensions of diversity

Foster a culture of inclusion founded in mutual respect

Hold ourselves accountable to diverse representation at all levels

Ensure fair treatment, equal opportunity and support to succeed and grow

Fostering a Culture of Inclusion

Our differences make us stronger and ultimately help us innovate better solutions for our customers and patients. To ensure diversity can thrive, we foster an inclusive environment where we act with respect, hold each other accountable and help one another. Our leaders and our associates are champions of our D&I work through functional D&I Councils, D&I Ambassadors and ERGs. We believe the biggest advances will be made through individual accountability, education and examining our practices to ensure equal opportunity and inclusivity.

Alcon is committed to maintaining compensation policies and practices that reflect our company culture and ensure compliance with local regulations and laws. We conduct recurring pay equity analyses across gender, race and ethnicity and other diversity factors to identify potential disparities and make appropriate adjustments to ensure pay equity. We also conduct training and provide resources for leaders to advance their understanding of pay equity practices.

To establish a common baseline understanding of D&I and unconscious bias, all associates at all job levels globally receive D&I training. These training programs address various dimensions of diversity, including respect and civility, unconscious bias (more than 90% of global associates trained in 2021), cross-cultural competency and “marketing brilliantly,” D&I training specific for marketing professionals. In 2021, we launched “How to Talk About...” guides to build our leaders’ and associates’ confidence and understanding of what to do and say in challenging D&I circumstances and conversations. We have also invested in intensive executive-level training and

learning experiences that uncover unconscious bias, promote empathy and understanding and build inclusive leadership capabilities.

Growing Our Diverse Talent

We aim to hire, inspire and develop diverse talent by removing barriers in our recruitment, development and advancement processes and by continuously monitoring and measuring our progress. We are working to increase diversity across all levels of our organization, especially in our leadership. To do so, we are focusing on diversity recruitment and development strategies. Some of our initiatives include reviewing job descriptions for inclusion, requiring a diverse slate of candidates for all U.S. roles, using interview panels to minimize unconscious biases and reviewing and ensuring diversity in leadership development programs.

We are committed to recruiting and hiring diverse talent based on market availability. In university recruiting, we source highly qualified diverse candidates for internships and early career opportunities. We are also focused on expanding our early career hiring opportunities through externships, increased entry-level hiring and additional rotational programs.

We have established programs to grow and retain diverse talent through internal development. In 2021, we implemented experience-based development plans with a focus on women and racial and ethnic minority associates in mid- to senior-level roles to ensure a diverse leadership pipeline. We leveraged external leadership development programs for diverse talent, which were sponsored by executive-level leaders.



Strengthening Impactful Connections

To impact more lives globally, we will continue to strengthen our internal and external relationships, empowering talent everywhere to create meaningful change. We are focused on igniting connections through our ERGs, special interest groups (SIGs), D&I Councils and external partnerships. Our ERGs provide development opportunities for our associates and foster a sense of community and belonging. In 2021, we aligned our ERG annual action plans to our D&I strategy and Alcon's business priorities. Focusing these plans around the themes of career, culture of inclusion and community and commerce ensures our ERGs' efforts create measurable, tangible impact for our associates, the communities we serve and our business.

Alcon has 11 ERGs and SIGs, which include 30 chapters throughout the enterprise, such as African Ancestry Cultivating Excellence, Alcon Chinese Association, Latin Employees at Alcon Driving Success, Military Affinity Group, Open Professional Employee Network (LGBTQ+ and allies) and Women Innovating Now.

For more information on our ERGs, see [Winning in the Workplace](#). Also, read about how our commitment to diversity extends through our supply chain in [Responsible Procurement and Supply Chain](#).

"Our diverse culture makes us a stronger, more innovative company. We want everyone to feel empowered to bring their full self to work, and we are committed to creating awareness and challenging norms to be inclusive in every way."

Kim Martin,
SENIOR VICE PRESIDENT AND CHIEF
HUMAN RESOURCES OFFICER



Diversity Performance ²⁵	2019	2020	2021
U.S. Ethnic Diversity			
Workforce	44%	47%	47%
Manager/Supervisor	26%	31%	32%
Global Female Representation			
Workforce	47%	49%	48%
Manager/Supervisor	34%	34%	34%

²⁵ Ethnic diversity metrics include American Indian/Alaska Native, Asian, Black/African American, Hispanic/Latino, Native Hawaiian/Other Pacific Islander and two or more races.





Associate Well-Being

Health and wellness are critical to creating an energized and productive workforce, on and off the job. The Alcon Global Wellness Committee is responsible for setting wellness program goals, creating initiatives and communicating the value and benefits of wellness programs to employees.

In 2021, we offered several wellness initiatives to achieve the highest level of health and well-being, such as health risk

assessments, COVID-19 prevention measures and fitness for duty, virtual health programs, healthy eating options in the workplace and onsite medical clinics and health counseling. This is in addition to our employee assistance program, which offers confidential assessments, short-term counseling, referrals and follow-up services for associates who have personal or work-related problems.



Working With Integrity

We are committed to doing business the right way, without exception. We extend this expectation to the distributors, suppliers and other business partners that support our work. Our responsibility to ethics, integrity, quality and safety is evident in our marketing and public policy practices and is essential to achieving sustainable growth.

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Business Ethics

Our 75-year reputation of trust is based on acting ethically and responsibly as we make decisions every day. We expect our associates (including part-time and contract workers), executives and Board of Directors to follow our [Code of Business Conduct](#). We expect our third-party business partners to follow similar principles stated in our [Third Party Code of Conduct](#).

Under the oversight of the full Board of Directors, the Audit and Risk Committee supervises Alcon's global integrity and compliance program, meeting quarterly to provide strategic direction and oversight on compliance-related issues. The program is led by our Global Head, Integrity and Compliance, and aligns with the guidance of the U.S. Department of Health and Human Services Office of the Inspector General. Alcon's framework for ethical governance covers behavioral

expectations, associate training, monitoring, auditing, risk assessment, reporting and remedial action, which includes discipline when warranted. The program is designed to prevent, detect and mitigate compliance risks across Alcon. We have also established regional and country-level compliance committees to help oversee compliance and ethics at the local and regional levels.

Our Code of Business Conduct, available in 18 languages, establishes our standards of conduct and the shared responsibility for Alcon to act with integrity in the workplace, the marketplace and society. The importance of following the Code and speaking up is reiterated to associates in our mandatory annual training and certification process.

In 2021, we worked with Ethisphere to conduct an ethical culture assessment that collected associates' feedback to measure their awareness and understanding of our integrity and compliance program. We benchmarked the results against industry peer data and made certain enhancements to our training and awareness activities. Going forward, we will also continue our practice of leveraging industry-standard benchmark data on an ongoing basis to evaluate and strengthen our program.

Alcon's Third Party Code of Conduct establishes expectations for our third-party business partners regarding ethical conduct. It mirrors significant expectations stated in our Code of Business Conduct. For example, our Code states we believe that all people should be treated with dignity and respect and recognize the importance of protecting human rights. Our Third Party

Code of Conduct states our third-party business partners must be committed to upholding the human rights of workers and treating them with dignity and respect. It goes on to address more specific expectations with regard to employment and human rights laws, including protection from child labor, modern slavery and human trafficking. Read more about our expectations in [Responsible Procurement and Supply Chain](#).

Our Code of Business Conduct addresses various topics, including a respectful and safe working environment, conflicts of interest management, proper data and resource management, books and records, quality products, ethical interactions and transactions, environmental sustainability, respect for human rights and fair labor standards, adherence to the law and company policies and the importance of speaking up about concerns.

For more information, please see our [Responsible Business Practices](#) webpage, including our [Modern Anti-Slavery Policy](#), [California Compliance Declaration](#) and [Conflict Minerals Report](#).

Bribery and Corruption

Our Code of Business Conduct, Third Party Code of Conduct and Global Policy on Anti-Bribery prohibit bribery and corruption in any form and require compliance with all anti-corruption and anti-bribery laws, including the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and other local laws globally. To mitigate bribery risks, Alcon conducts risk-based screening and due diligence before engaging third parties. Our third-party compliance processes also include mitigation requirements for identified risks and targeted, risk-based training, monitoring and auditing activities.

Fair Competition Practices

Alcon's Code of Business Conduct, Third Party Code of Conduct and Global Policy on Fair Competition outline our expectations for fair business dealings consistent with applicable competition laws.

Monitoring Ethics Compliance

We conduct risk-based monitoring and auditing to assess the effectiveness of our integrity and compliance program. We continually work to refine our program to address any gaps identified and risks triggered by changes in Alcon business activities and/or changes in external requirements. We implement a risk assessment process at the enterprise and country levels to help identify and plan for mitigating potential risks. Additionally, we review Helpline reporting, investigation reports, regulatory enforcement actions and





audit findings to identify risks and/or remediation needs. Our internal Audit function periodically assesses compliance with our Code and ethics and compliance policies. We investigate all alleged violations of our Code and policies and take action to remediate them promptly.

Training and Awareness

Alcon has a robust training and awareness program to clearly communicate our expectations for ethical business practices to executives and associates — including new hires, part-time associates and contract workers. Our annual Code of Business Conduct training covers topics addressed by the Code in rotation, such as anti-bribery, data protection and anti-trust and fair competition. Associates also complete additional periodic trainings on topics relevant to their roles and responsibilities, including on topics and requirements relevant at the regional and local levels.

Alcon regularly communicates with our associates to reinforce policy expectations through newsletters and messaging from leadership. In 2021, 98% of our associates (including contractors) completed our Code of Business Conduct training. Full-time associates achieved a 99.5% completion rate.

Business Ethics	2019	2020	2021
Code of Business Conduct training completion rate	98%	97%	98%

Reporting Concerns

All associates are encouraged to ask questions and raise concerns about perceived unethical or inappropriate behavior. They can report concerns to their manager, Human Resources, Legal or Integrity and Compliance. They can also report through the Alcon Ethics Helpline, which is hosted externally by EthicsPoint and monitored 24/7 with telephone support. The Helpline accepts anonymous reports where permitted under local law. All reports are reviewed and investigated promptly with oversight by the Integrity and Compliance department. If misconduct is found, we carry out appropriate corrective or disciplinary actions, up to and including termination of employment.

As stated in our Code of Business Conduct, we do not tolerate retaliation against anyone who reports a concern in good faith or participates in investigations. For details on how to ask a question or report a concern, please visit the [Alcon Ethics Helpline](#).

Speak Up Culture	2019	2020	2021
Number of grievances filed per year	513	462	502



Ethical Marketing and Interactions With Healthcare Professionals

We seek to promote our products and services ethically and accurately. The Lens, our global policy on professional practices, governs how we interact with healthcare professionals and others in positions of influence over healthcare purchasing decisions. The Lens features five core ethical principles, and its requirements are aligned with the principles of the medical device industry association codes that govern Alcon's various regions, including AdvaMed, AbiMed, APACMed and MedTech Europe.

Among other expectations, The Lens requires that all communications related to our products and services are accurate, truthful and appropriate for the intended context consistent with their approved use. Our promotional materials are reviewed and approved by appropriate Medical, Legal and Regulatory personnel before external use or distribution.

Off-label promotion of our products and services is strictly prohibited.

Alcon has implemented local procedures in each market or country cluster where we operate related to the following sections of The Lens: engagements with healthcare professionals, Alcon-organized events, funding for events organized by third parties, items of value and demonstration and evaluation products. These local procedures reflect differences among the markets' legal and industry codes.

We require periodic training on The Lens for associates who interact with healthcare professionals and customers and other relevant roles. We also conduct periodic monitoring and auditing to assess compliance. Individual associates found to have violated applicable requirements are subject to discipline, up to and including termination, as warranted by the situation.

Ethical Marketing	2019	2020	2021
Monetary losses as a result of legal proceedings associated with false marketing claims	\$0	\$0	\$0

The Lens





Responsible Procurement and Supply Chain

Our stakeholders expect Alcon to deliver results and do things the right way throughout our supply chain. Our Procurement team and Integrity, Compliance and Quality functions evaluate suppliers for risks and other criteria, monitor our global supply chain to ensure continuity and respect for human rights, track and report on conflict minerals and drive collaboration with diverse suppliers. In 2021, we started working with EcoVadis, a leading provider of global business sustainability ratings, to track, manage and engage our suppliers around GHG emissions and other ESG-related KPIs.

Supplier Expectations and Audits

We expect our suppliers to meet delivery, cost, technical and regulatory requirements, and we evaluate new and existing suppliers based on these criteria. We conduct business reviews quarterly, semi-annually or annually, with critical

suppliers undergoing a business review at least once a year. All Tier 1 (critical) suppliers who follow FDA guidelines on Good Manufacturing Practices (GxP) are subject to Alcon's Supply Quality audit program and required to maintain GxP certification — inclusive of independent third-party audits.

Suppliers are also required, as part of our Global Master Service Agreement and electronic purchase orders, to comply with the standards outlined in the [Alcon Third Party Code of Conduct](#), which combines the United Nations (U.N.) Global Compact, the U.N. Guiding Principles on Business and Human Rights and other international standards or accepted good practices. Our Third Party Code of Conduct is aligned with Alcon's [Code of Business Conduct](#) and covers ESG topics, including labor rights, health and safety, environment, animal welfare, anti-bribery and fair competition, data privacy and information protection, conflict minerals, management systems and trade sanctions and export controls. We also expect our suppliers to adopt standards for their third-party

partners that broadly cover the same principles contained in our Third Party Code of Conduct.

Supply Chain Continuity and Safety

We use market intelligence providers to monitor global supply chain trends. We also have a track and trace program, which complies with global regulatory requirements to monitor end-to-end traceability and identification through all stages of manufacturing and distribution.

To maintain the safety and security of our supply chain, Alcon uses Unique Device Identifiers (UDI) on required medical device packaging and finished product-level serialization on all prescription drugs. Both the UDI and drug product serialization incorporate human- and machine-readable identification that provides enhanced product tracing at the customer level.

Critical Materials

Most critical materials and production processes used in manufacturing our products are dual-sourced. Our risk mitigation project team manages critical material risks in our supply chain. The supply risks most critical to Alcon include the raw material component supply to our second- and third-tier vendors. We conduct business with a wide range of suppliers, and our manufacturing operations are not overly dependent on a single supplier, except where intellectual property and/or other exclusivity agreements exist. Alcon also holds a strategic inventory of raw materials at our suppliers to further mitigate risk while continuously exploring alternative and substitute materials. In 2021, our annual spend with the largest direct material supplier to Alcon accounted for less than 3.2% of our total direct material expenditure.

Conflict Minerals

We evaluate our products annually to assess the presence and sources of conflict minerals. Our Conflict Minerals Core Team uses standardized documentation to capture data, key decisions and processes and procedures related to the use and sources of conflict minerals. For more information, please see our [Conflict Minerals Report](#).

We are improving our due diligence process by increasing supplier responses to our Reasonable Country of Origin

Inquiry (RCOI) in terms of accuracy, timeliness and completeness. As a result of our increased diligence, our RCOI tracked 83% of our in-scope supplier spend in 2021.

Responsible Procurement and Supply Chain	2019	2020	2021
Facilities participating in third-party audit programs for manufacturing and product quality ²⁶	100%	100%	100%
Tier 1 supplier facilities participating in third-party audit programs for manufacturing and product quality ²⁷	100%	100%	100%

Supplier Diversity Program

Alcon identifies and collaborates with best-in-class diverse suppliers. To this end, we are committed to building a strong supplier diversity program in the U.S. by:

- Expanding the inclusion of large and small diverse suppliers in the procurement process
- Seeking diverse and small²⁸ suppliers through outreach efforts
- Communicating the value of suppliers
- Leveraging supplier diversity results to meet internal and external goals
- Measuring KPIs for supplier diversity quarterly and annually

As a member of the Dallas Fort Worth Minority Supplier Development Council and the Women's Business Council Southwest, Alcon participates in various outreach activities to support our supplier diversity goals and objectives.

In 2021, our spending with diverse and small suppliers increased but made up a smaller percentage of our total supplier spend, decreasing from 14.2% in 2020 to 12.6%. To continue improving, we created a three-year supplier diversity roadmap in 2021, which we will implement in 2022.

Diverse Supplier Spend	2019	2020	2021
All diverse and small suppliers	\$226M	\$273M	\$300M
Minority-owned business enterprises	\$33M	\$41M	\$38M
Women-owned business enterprises	\$50M	\$69M	\$82M
Veteran-owned business enterprises	\$7M	\$9M	\$8M
Small business enterprises	\$199M	\$247M	\$274M
LGBTQ+-owned business enterprises	\$0.31M	\$0.34M	\$0.32M

²⁶ All Alcon production facilities are audited by third-party and regulatory notified bodies for ISO and other GxP compliance certification. Audit frequency and validity varies by audit type.

²⁷ Alcon's internal quality risk assessment determines the criticality of supplier (Tier 1) and thus triggers auditing requirements. Frequency and duration may vary. Alcon reserves the right to audit for cause (either directly or via third party) when infractions to agreed quality standards are found. In 2021, we conducted third-party manufacturing and product audits on 18% of our tier 1 suppliers. 100% of suppliers selected for audit participated.

²⁸ We define small business enterprises as those that meet the size standards as prescribed in government regulations by the Small Business Association. The business may be a sole proprietorship.



Cybersecurity and Data Privacy

We protect sensitive data — especially data our customers entrust to us — through a centralized, layered (defense-in-depth) security framework and risk management program aligned with the National Institute of Standards and Technology and ISO 27001 standards.

Alcon's Chief Information and Transformation Officer leads our IT Security organization, reporting to the Audit and Risk Committee of our Board of Directors twice a year on

cybersecurity risks. Global IT security incident management and response is part of our enterprise crisis management, ensuring appropriate business-level communications and involvement in any significant cyber-related incidents. Identified cybersecurity risks are addressed strategically through our cybersecurity maturity program. We test this process twice a year through cross-functional security tabletop exercises. Alcon executes third-party assessments of our IT Security program annually against industry standards and

industry peers. Results of these assessments drive strategic roadmaps for the IT Security program.

The Alcon Global Privacy Office (GPO), headed by Alcon's Global Head of Privacy, is responsible for our privacy policies, procedures and compliance. Our GPO, including the Global Head of Privacy, the regional privacy officers and local privacy contacts, as part of the Legal and Compliance function, work closely with IT Security. We continually monitor compliance

with privacy-related laws in each of our markets around the globe, such as the Health Insurance Portability and Accountability Act of 1996, General Data Protection Regulation in Europe, California Consumer Privacy Act and other state privacy laws. Our Global Head of Privacy updates the Audit and Risk Committee of the Board of Directors twice a year, and privacy compliance forms part of our ongoing enterprise risk management process.

Third-Party Risks

The IT Security organization manages third-party risk events and conducts vendor cybersecurity due diligence. As part of the privacy program, the team, led by the GPO, helps facilitate privacy assessments for Alcon's partners and suppliers to further reduce risk. These assessments are based on the vendor's risk level and conducted throughout our relationship with the third party. Additionally, we regularly execute targeted third-party assessments of our security controls and measure these assessments against industry standard maturity models to determine gaps in technology, process or staffing. We annually incorporate these insights into our IT strategic plan and use them to drive improvements in the IT Security program.

Collection and Use of Personal Information

Our Global Policy on the Protection of Personal Data establishes minimum requirements for the fair and lawful collection, processing and handling of personal

information. We provide clear and detailed notice, collect consent when required and only collect as much personal information as necessary for a specific purpose.

Security Awareness

Training and awareness are core aspects of our security framework. Associates are regularly informed of risks and protective actions to ensure a safe operating environment and the protection of Alcon's information assets. Our privacy and cybersecurity training programs focus on responsibly and safely collecting, using and disclosing personal information. Our IT Security training covers topics such as phishing, credential management and secure file storage. Additionally, we have monthly security awareness communications, host special events like Cybersecurity Awareness Month and execute regular phishing prevention campaigns across the enterprise.

"Innovation and effective IT security are inextricably linked. We're working across the business with a mindset of relentless continual improvement to protect the data that customers and other partners entrust to us."

Sue-Jean Lin,
SENIOR VICE PRESIDENT AND
CHIEF INFORMATION AND
TRANSFORMATION OFFICER





Public Policy and Political Influence

Being an ethical global citizen includes active and informed participation in policy discussions that impact our industry and our business. This work is essential to doing business the right way according to our purpose and values. Our Vice President of Government Affairs and Health Policy oversees public policy at Alcon, and our [Code of Business Conduct](#) outlines our policies for engaging with government and public officials.

We dialogue with policymakers and other external stakeholders to raise industry standards and advance our commitment to helping people *See Brilliantly*. We seek to identify, monitor and collaborate to shape public

policies — such as regulations around market access and environmental and healthcare systems — that affect our ability to deliver our products to patients. For example, in 2021, as we faced new regulatory requirements on medical device imports and exports between the E.U. and Switzerland, we joined industry peers and engaged with Swiss authorities, patient groups, medical societies and others. As a result, Swiss authorities agreed to revise guidelines and legislation, giving the industry additional time to transition to these new regulatory requirements. We were also able to ensure

uninterrupted product availability for our Swiss customers and patients.

We are a member of many chambers of commerce and medical technology associations in our key markets. To improve patient outcomes and healthcare system sustainability, we also provide data and insights to trade associations. We participate in the political process only through associates who are appropriately trained and follow designated company processes and applicable laws.



ESG Performance Data

Alcon measures our ESG performance in the areas most important to our stakeholders and business. Our KPIs are informed by the GRI, SASB and TCFD. Please note that the COVID-19 pandemic disrupted some of our ESG initiatives and performance in 2020 and 2021, which is reflected in our data.

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Serving Communities

Philanthropy	2019	2020	2021
Medical Missions²⁹			
Number of medical missions supported	529	151	73
Number of patients treated (including optometric and surgical care)	308,000	85,462	40,253
Number of surgeries	38,000	10,700 ³⁰	11,080

Caring for Our Customers and Patients

Medical Innovation	2019	2020	2021
R&D Productivity			
Number of first-to-market launches	14	8	8
Number of product approvals (major markets) ³¹	80	78	114

²⁹ For safety reasons, Alcon does not support medical missions to countries with U.S. State Department Level 4 travel advisories. The number of medical missions supported includes only medical missions supported by Alcon Cares. In 2020 and 2021, COVID-19 presented challenges to Alcon Cares product and equipment donations.

³⁰ Restated to include all surgeries (cataract and other surgeries) volunteer surgeons performed.

³¹ Includes U.S., E.U., Canada, Japan, Brazil, Korea, Australia, China, Russia and India.

Product Quality and Patient Safety	2019	2020	2021
Recall Rate³²			
Vision Care	0	0	0
Surgical	0	0.04% ³³	0.37%
Number of Recalls Issued			
Number of FDA-initiated recalls	0	0	0
Percentage of recalls which were voluntary, FDA-requested or FDA-mandated	0	100% voluntary	100% voluntary
Quality Management System			
Products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	0	0	0
Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	0	0	0
Number of FDA enforcement actions taken in response to violations of Current Good Manufacturing Practices	0	0	0
Access, Affordability and Pricing	2019	2020	2021
Relative Price Performance			
Ratio of weighted average rate of net price increases in the U.S. (for all products) to the annual increase in the U.S. Consumer Price Index	0.73	1.29	0.10 ³⁴

³² Recall rate is defined as the number of units subject to recall per total sold globally, based on recall actions where there is a reasonable chance that a product will cause serious health problems, or where a product may cause temporary or medically reversible health problems or pose a slight chance of causing serious health problems.

³³ Data restated due to improvement in our calculation methodology.

³⁴ From December 2020 to December 2021, consumer prices for all items rose 7.0 percent, the largest December to December percent change since 1981. As such, the relative price performance in 2021 has decreased significantly from 2020.

Protecting Our Environment

Health and Safety	2019	2020	2021
Employee Safety			
Employee fatalities	0	0	0
Employee fatality rate	0	0	0
High-consequence work-related injuries and illnesses (excluding fatalities)	0	0	0
High-consequence work-related injuries and illnesses rate (excluding fatalities)	0	0	0
Recordable work-related injuries and illnesses (including fatalities)	130 ³⁵	110	139
Recordable work-related injuries and illnesses rate (including fatalities)	0.48 ³⁵	0.42	0.55
TRCR ³⁶	0.48 ³⁵	0.42	0.55
LTIR ³⁷	0.10	0.10	0.19
Management walk-through rate ³⁸	20.58	23.76	21.13
Near miss and good catch rate ³⁹	35.74	27.97	29.14
Contractor Safety			
Contractor fatalities	0	0	0
Contractor fatality rate	0	0	0
TRCR	1.05 ³⁵	0.68 ³⁵	0.54
LTIR	0.17 ³⁵	0 ³⁵	0

³⁵ Data restated due to Commercial Operations added.

³⁶ TRCR represents the frequency of recordable cases (injury and illness) for all Alcon associates and third-party personnel. It is calculated as follows: number of all work-related recordable cases divided by the number of hours worked by Alcon associates and third-party personnel and multiplied by 200,000.

³⁷ LTIR represents the frequency of work-related lost time cases (injury and illness). It is calculated as follows: the total number of work-related cases of injury or illness with lost time is divided by number of hours worked by Alcon associates and third-party personnel and multiplied by 200,000.

³⁸ Management walkthrough rate is the number of HSE-related walk-throughs by management per 200,000 working hours for Alcon associates and third-party personnel.

³⁹ Near miss and good catch rate is the number of near misses and good catches per 200,000 working hours for Alcon associates and third-party personnel.

Sustainable Products and Services	2019	2020	2021
Product Design and Lifecycle Management			
Devices and equipment reused, recycled or donated (MT)	131	85 ⁴⁰	108
Reducing Our Operational Footprint	2019	2020	2021
Energy Management			
Energy usage intensity (GJ/million units produced)	742 ⁴¹	791	691
Total fuel consumption — non-renewable sources (GJ)	1,077,731	1,073,230	1,104,907
Total fuel consumption — renewable sources (GJ)	306	283	1,129
Electricity consumption (GJ)	1,858,457	1,786,384	1,809,006
Steam consumption (GJ)	36,132	49,039	48,934
Electricity sold (GJ)	236	202	216
Total energy consumption within the organization (GJ)	2,936,257	2,859,695	2,914,826
Total reduction in energy consumption (GJ) ⁴²	N/A	N/A	49,451
Emissions			
Total Scope 1 and Scope 2 GHG emissions (MT CO ₂ e)	346,435	327,882	309,083
Direct (Scope 1) GHG emissions (MT CO ₂ e)	85,781	78,924	81,151
Location-based energy indirect (Scope 2) GHG emissions (MT CO ₂ e)	277,210	265,641	265,301
Market-based energy indirect (Scope 2) GHG emissions (MT CO ₂ e)	260,655	248,957	227,933

⁴⁰ Data restated due to improvements in our calculation methodology.

⁴¹ Data restated due to improvements in our sites' data collection and validation processes.

⁴² Compared to our 2019 baseline. Purchased electricity is included in this reduction.

Reducing Our Operational Footprint	2019	2020	2021
GHG emissions intensity ratio — onsite generated energy (t/TJ) ⁴³	56 ⁴⁴	55 ⁴⁴	55
GHG emissions intensity ratio — purchased energy (t/TJ) ⁴⁵	140 ⁴⁴	139 ⁴⁴	126
Production, imports and exports of ODS (tR11e)	0.77	0.73	0.57
Waste Management			
Total waste generated (MT)	46,578 ⁴⁶	45,294 ⁴⁶	51,782
Total hazardous waste (MT)	20,526 ⁴⁶	24,112 ⁴⁶	28,154
Total non-hazardous waste (MT)	26,051 ⁴⁶	21,182 ⁴⁶	23,628
Total Waste Diverted from Disposal			
Total waste diverted from disposal (MT)	34,963	36,829	42,024
Hazardous waste diverted from disposal (MT)	20,174	23,834	27,795
Hazardous waste recycled — offsite (MT)	20,124	23,783	27,744
Hazardous waste diverted through other operations — offsite (MT)	49.46	50.79	51.65
Non-hazardous waste diverted from disposal (MT)	14,789	12,995	14,228
Non-hazardous waste recycled — offsite (MT)	13,283	11,062	11,615
Non-hazardous waste diverted through other operations — offsite (MT)	1,506	1,933	2,613

⁴³ Calculated using Scope 1 emissions.

⁴⁴ Data restated due to improvements in our calculation methodology.

⁴⁵ Calculated using Scope 2 emissions.

⁴⁶ Restated due to improvements in our sites' data collection and verification processes.

Reducing Our Operational Footprint	2019	2020	2021
Total Waste Directed to Disposal			
Total waste directed to disposal (MT)	11,615	8,465	9,759
Hazardous waste directed to disposal (MT)	353	278	359
Hazardous waste incinerated with or without energy recovery — offsite (MT) ⁴⁷	340	275	N/A
Hazardous waste incinerated with energy recovery — offsite (MT)	N/A	N/A	253
Hazardous waste incinerated without energy recovery — offsite (MT)	N/A	N/A	106
Hazardous waste landfilled — offsite (MT)	12.80	2.47	0
Total non-hazardous waste directed to disposal (MT)	11,262	8,187	9,400
Non-hazardous waste incinerated with or without energy recovery — offsite (MT) ⁴⁸	8,382	5,956	N/A
Non-hazardous waste incinerated with energy recovery — offsite (MT)	N/A	N/A	6,590
Non-hazardous waste incinerated without energy recovery — offsite (MT)	N/A	N/A	993
Non-hazardous waste landfilled — offsite (MT)	2,881	2,231	1,818

⁴⁷ In 2021, we started tracking hazardous waste incinerated with and without energy as separate metrics.

⁴⁸ In 2021, we started tracking non-hazardous waste incinerated with and without energy as separate metrics.

Reducing Our Operational Footprint	2019	2020	2021
Water Management			
Total water input (ML/million units produced)	1.13 ⁴⁹	1.28	1.15
Total water withdrawal from all areas (ML)	4,458	4,640	4,864

⁴⁹ Data restated due to improvements in our calculation methodology.

Supporting People

Talent Attraction and Retention	2019	2020	2021
Turnover Rates			
Total turnover rate	9.0% ⁵⁰	7.7%	11.4%
Voluntary turnover rate	6.0%	4.6%	7.8%
Diversity and Inclusion			
Global Female Representation			
Workforce	47%	49%	48%
Manager and supervisor	34%	34%	34%
Board of directors ⁵¹	30%	30%	30%
U.S. Ethnic Diversity⁵²			
Workforce	44%	47%	47%
Manager and supervisor	26%	31%	32%

⁵⁰ Total turnover rate in 2019 was calculated manually, due to the transition to a new human resources software application for our associates in the U.K. and Ireland in October 2019.

⁵¹ Includes the Alcon Board of Directors and Compensation Committee.

⁵² Ethnic diversity metrics include American Indian/Alaska Native, Asian, Black/African American, Hispanic/Latino, Native Hawaiian/Other Pacific Islander and two or more races.

Working With Integrity

Business Ethics	2019	2020	2021
Code of Conduct and Speak Up Culture			
Code of Business Conduct training completion rate (associates and contractors)	98%	97%	98%
Number of grievances filed per year	513	462	502
Bribery and Corruption			
Monetary losses as a result of legal proceedings associated with bribery or corruption (<i>in millions</i>)	\$0	\$8.93	\$0
Ethical Marketing and Interactions With Healthcare Professionals	2019	2020	2021
Ethical Marketing			
Monetary losses as a result of legal proceedings associated with false marketing claims	\$0	\$0	\$0

Responsible Procurement and Supply Chain	2019	2020	2021
Supplier Sustainability			
Facilities participating in third-party audit programs for manufacturing and product quality ⁵³	100%	100%	100%
Tier 1 suppliers' facilities participating in third-party audit programs for manufacturing and product quality ⁵⁴	100%	100%	100%
Diverse Supplier Spend			
All diverse and small suppliers	\$226M	\$273M	\$300M
Minority-owned business enterprises	\$33M	\$41M	\$38M
Women-owned business enterprises	\$50M	\$69M	\$82M
Veteran-owned business enterprises	\$7M	\$9M	\$8M
Small business enterprises	\$199M	\$247M	\$274M
LGBTQ+-owned business enterprises	\$0.31M	\$0.34M	\$0.32M

⁵³ All Alcon production facilities are audited by third-party and regulatory notified bodies for ISO and other GxP compliance certifications. Audit frequency and validity varies by audit type.

⁵⁴ Alcon's internal quality risk assessment determines the criticality of suppliers (Tier 1) and thus triggers auditing requirements. Frequency and duration may vary. Alcon reserves the right to audit for cause (either directly or via third party) when infractions to agreed quality standards are found. In 2021, we conducted third-party manufacturing and product audits on 18% of our Tier 1 suppliers. 100% of suppliers selected for audit participated.

ESG Reporting Frameworks

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TCFD Disclosure

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SASB Index

Topic	Accounting Metric	Alcon's Response
Affordability and Pricing	HC-MS-240a.1 Ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. Consumer Price Index	See ESG Performance Data (Access, Affordability and Pricing).
	HC-MS-240a.2 Description of how price information for each product is disclosed to customers or to their agents	See Access, Affordability and Pricing . Note: disclosure does not include whether the range, median or typical price are provided to customers or the frequency of use of confidentiality clauses in purchasing agreements with healthcare providers that restrict them from sharing with third parties the price they paid.
Product Safety	HC-MS-250a.1 Number of recalls issued; total units recalled	See ESG Performance Data (Product Quality and Patient Safety).
	HC-MS-250a.2 List of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	See ESG Performance Data (Product Quality and Patient Safety).
Ethical Marketing	HC-MS-250a.3 Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	See ESG Performance Data (Product Quality and Patient Safety).
	HC-MS-250a.4 Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP) by type	See ESG Performance Data (Product Quality and Patient Safety).
Product Design and Lifecycle Management	HC-MS-270a.1 Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	See ESG Performance Data (Ethical Marketing and Interactions with Healthcare Professionals).
	HC-MS-270a.2 Description of code of ethics governing promotion of off-label use of products	See Ethical Marketing and Interactions With Healthcare Professionals .
Supply Chain Management	HC-MS-410a.1 Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	See Sustainable Products and Services .
	HC-MS-410a.2 Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	See ESG Performance Data (Sustainable Products and Services).
Business Ethics	HC-MS-430a.1 Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	See ESG Performance Data (Responsible Procurement and Supply Chain).
	HC-MS-430a.2 Description of efforts to maintain traceability within the distribution chain	See Responsible Procurement and Supply Chain . Note: disclosure does not identify the critical materials that present a significant risk to Alcon's operations or the type of risk(s) they represent.
Activity Metrics	HC-MS-430a.3 Description of the management of risks associated with the use of critical materials	See Responsible Procurement and Supply Chain .
	HC-MS-510a.1 Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	See ESG Performance Data (Business Ethics).
	HC-MS-510a.2 Description of code of ethics governing interactions with healthcare professionals	See Ethical Marketing and Interactions With Healthcare Professionals .
	HC-MS-000.A Number of units sold by product category	Alcon does not disclose this data given the breadth and diversity of Alcon's product portfolio. See About Alcon and our 2021 Annual Report for more information on our company's scale.

GRI Index

General Disclosures

GRI Standard	Disclosure	Alcon's Response
GRI 102: General Disclosures 2016	102-1	Name of the organization
	102-2	Activities, brands, products and services
	102-3	Location of headquarters
	102-4	Location of operations
	102-5	Ownership and legal form
	102-6	Markets served
	102-7	Scale of the organization
	102-8	Information on employees and other workers
	102-9	Supply chain
	102-10	Significant changes to the organization and its supply chain
	102-12	External initiatives
	102-13	Membership of associates
	102-14	Statement from senior decision-maker
	102-16	Values, principles, standards and norms of behavior
	102-17	Mechanisms for advice and concerns about ethics
	102-18	Governance structure
	102-20	Executive-level responsibility for economic, environmental and social topics

GRI Standard	Disclosure	Alcon's Response
GRI 102: General Disclosures 2016	102-23 Chair of the highest governance body	Alcon has separate Chief Executive Officer and Chairman of the Board positions. See the Board of Directors page of our website for more information.
	102-24 Nominating and selecting the highest governance body	See the Governance and Nominating Committee charter .
	102-32 Highest governance body's role in sustainability reporting	The Governance and Nominating Committee of Alcon's Board of Directors reviewed and approved this report.
	102-40 List of stakeholder groups	See our 2021 Annual Report (page iii).
	102-41 Collective bargaining agreements	11.28% of our associates were covered by collective bargaining agreements in 2021.
	102-42 Identifying and selecting stakeholders	Alcon's ESG Working Group is responsible for identifying and engaging stakeholders on sustainability-related matters.
	102-43 Approach to stakeholder engagement	Alcon's ESG Working Group is responsible for identifying and engaging stakeholders on sustainability-related matters.
	102-44 Key topics and concerns raised	See Our ESG Reporting .
	102-45 Entities included in the consolidated financial statements	See our 2021 Annual Report for a list of all entities included in our consolidated financial statements.
	102-46 Defining report content and topic Boundaries	See Our ESG Reporting .
	102-47 List of material topics	See Our ESG Reporting .
	102-48 Restatements of information	Restatements of information are documented in footnotes throughout our Corporate Responsibility Report.
	102-49 Changes in reporting	We have not made any significant changes in reporting for 2021.
	102-50 Reporting period	This report covers Alcon's operations from January 1, through December 31, 2021, unless otherwise indicated.
	102-51 Date of most recent report	This is Alcon's most recent Corporate Responsibility Report.
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	Please email the Investor Relations team at investor.relations@alcon.com .
	102-54 Claims of reporting in accordance with the GRI Standards	We referenced the GRI Standards in the development of this Corporate Responsibility Report.
	102-55 GRI content index	This is the GRI content index.
	102-56 External assurance	Alcon is not currently conducting external assurance of our Corporate Responsibility Report.

Material Topics

GRI Standard	Disclosure	Alcon's Response
Business Ethics		
GRI 103: Management Approach 2017	103-1	Explanation of the material topic and its Boundary See Our ESG Reporting and Business Ethics .
	103-2	The management approach and its components See Business Ethics .
	103-3	Evaluation of the management approach See Business Ethics .
GRI 205: Anti- Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures See Business Ethics .

Energy Efficiency & GHG Reduction

GRI 103: Management Approach 2017	103-1	Explanation of the material topic and its Boundary See Our ESG Reporting and Reducing Our Operational Footprint (Energy and Climate Change and GHG Emissions) .
	103-2	The management approach and its components See Environmental Management System and Reducing Our Operational Footprint (Energy and Climate Change and GHG Emissions) .
	103-3	Evaluation of the management approach See Reducing Our Operational Footprint (Energy and Climate Change and GHG Emissions) .

GRI Standard Disclosure

Alcon's Response

GRI 302: Energy
2016

302-1 Energy consumption within the organization

Total fuel consumption within the organization from non-renewable sources: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Energy Management).

Total fuel consumption within the organization from renewable sources: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Energy Management).

Electricity consumption and steam consumption: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Energy Management).

Electricity Sold: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Energy Management).

Total energy consumption within the organization: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Energy Management).

Standards, methodologies, assumptions and/or calculation tools used: The data collection and data management procedures criteria are established with reference to the Global Reporting Initiative's guidelines.

Source of the conversion factors used: Transformation between volume and mass of fuels with standard densities from IEA; Transformation between volume / mass and energy content of fuel with calorific values from IEA, World Coal Org., U.S. Bio Diesel Board and Plastics Europe.

302-3 Energy intensity

Energy intensity ratio for the organization: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Energy Management).

Organization-specific metric (the denominator) chosen to calculate the ratio: Million units produced.

Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all: Energy generated from fossil fuels, purchased electricity.

Whether the ratio uses energy consumption within the organization, outside of it, or both: Within the organization.

302-4 Reduction of energy consumption

Total reduction in energy consumption achieved through conservation and efficiency initiatives: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Energy Management).

Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all: Purchased electricity

Base year for calculating reductions in energy consumption: 2019.

GRI 305:
Emissions 2016

305-1 Direct (Scope 1) GHG emissions

Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Emissions).

Gases included in the calculation: CO₂, CH₄, N₂O.

Base year for the calculation: 2019.

Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source: Intergovernmental Panel on Climate Change (IPCC) based on a 100-year timeframe, GHG protocol GWP Values, EPA eGrid factors.

Consolidation approach for emissions; whether equity share, financial control, or operational control: Operational control.

Standards, methodologies, assumptions and/or calculation tools used: Alcon reports GHG and ODS inventory and emissions in line with the GRI Guidelines and the GHG emissions in accordance with the WRI/WBCSD GHG Protocol.

305-2 Energy indirect (Scope 2) GHG emissions

Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Emissions).

Gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent: See [Reducing Our Operational Footprint page](#) (GHG Emissions).

Gases included in the calculation: CO₂, CH₄, N₂O.

Base year for the calculation: 2019.

Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source: Intergovernmental Panel on Climate Change (IPCC) based on a 100-year timeframe, GHG protocol GWP Values, EPA eGrid factors.

Consolidation approach for emissions; whether equity share, financial control, or operational control: Operational control.

Standards, methodologies, assumptions and/or calculation tools used: Alcon calculates and reports GHG inventory and emissions in line with the GRI Guidelines and the GHG emissions in accordance with the WRI/WBCSD GHG Protocol.

305-3 Other indirect (Scope 3) GHG emissions

In 2021, we completed an inventory of our Scope 3 emissions for our 2019 baseline year.

GHG emissions intensity ratio for the organization: See [ESG Performance Data](#) (Reducing Our Operational Footprint: Emissions).

Organization-specific metric (the denominator) chosen to calculate the ratio: Terajoules.

305-4 GHG emissions intensity

Types of GHG emissions included in the intensity ratio (Scope 1, Scope 2, Scope 3): Scope 1 and 2 only. Note, Scope 1 excludes fleet emissions as there is no energy consumption.

Gases included in the calculation: CO₂, CH₄, N₂O.

GRI Standard Disclosure		Alcon's Response
		Production, imports and exports of ODS: See ESG Performance Data (Reducing Our Operational Footprint: Emissions).
GRI 305: Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)	Substances included in the calculation: HCFCs. Source of the emission factors used: ODS Transformation Factors for HFCs, CFCs, HCFCs and Halons (GHG Factors) as defined by the Intergovernmental Panel on Climate Change (IPCC) for a 100-year time horizon). Standards, methodologies, assumptions and/or calculation tools used: Alcon calculates and reports GHG inventory and emissions in line with the GRI Guidelines and the GHG emissions in accordance with the WRI/WBCSD GHG Protocol.
Operational Waste Reduction		
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	See Our ESG Reporting and Reducing Our Operational Footprint (Waste) .
	103-2 The management approach and its components	See Environmental Management System and Reducing Our Operational Footprint (Waste) .
	103-3 Evaluation of the management approach	See Reducing Our Operational Footprint (Waste) .
GRI 306: Waste 2020	306-3 Waste generated	See ESG Performance Data (Reducing our Operational Footprint: Waste Management).
	306-4 Waste diverted from disposal	See ESG Performance Data (Reducing our Operational Footprint: Waste Management).
	306-5 Waste directed to disposal	See ESG Performance Data (Reducing our Operational Footprint: Waste Management).
Talent Attraction, Retention and Employee Well-Being		
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	See Our ESG Reporting , Talent Attraction and Retention and Engagement .
	103-2 The management approach and its components	See Talent Attraction and Retention and Engagement .
	103-3 Evaluation of the management approach	See Talent Attraction and Retention and Engagement .
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	See Talent Attraction and Retention and ESG Performance Data (Talent Attraction and Retention).
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	In the U.S., all regular associates working at least 20 hours a week are eligible for all benefits including paid parental leave. Regular associates working less than 20 hours per week are eligible to participate in Alcon's U.S. retirement plans but are not entitled to other benefits. Temporary employees are not eligible for U.S. benefits. Outside the U.S., there are some limited differences in benefits for full-time vs. part-time regular employees but this is country- and benefit-specific. In addition, it is common practice to include fixed term temporary employees in Alcon's benefit programs (this varies from country to country). See Talent Attraction and Retention and Engagement for information about our global benefits.

GRI Standard Disclosure		Alcon's Response
Diversity and Inclusion		
GRI 103: Management Approach 2017	103-1	Explanation of the material topic and its Boundary See Our ESG Reporting and Diversity and Inclusion .
	103-2	The management approach and its components See Diversity and Inclusion .
	103-3	Evaluation of the management approach See Diversity and Inclusion .
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees See ESG Performance Data (Diversity and Inclusion).
Cybersecurity and Data Privacy		
GRI 103: Management Approach 2017	103-1	Explanation of the material topic and its Boundary See Our ESG Reporting and Cybersecurity and Data Privacy .
	103-2	The management approach and its components See Cybersecurity and Data Privacy .
	103-3	Evaluation of the management approach See Cybersecurity and Data Privacy .
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data Alcon does not disclose this data as it is confidential and proprietary to the company.
Access, Affordability and Pricing		
GRI 103: Management Approach 2017	103-1	Explanation of the material topic and its Boundary See Our ESG Reporting and Access, Affordability and Pricing .
	103-2	The management approach and its components See Access, Affordability and Pricing .
	103-3	Evaluation of the management approach See Access, Affordability and Pricing .
N/A	Access, Affordability & Pricing Alcon discloses SASB metrics related to affordability and pricing. See ESG Performance Data (Access, Affordability and Pricing) for the ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. CPI and for a description of how price information for each product is disclosed to customers or to their agents.	

GRI Standard Disclosure**Alcon's Response****Ethical Marketing**

GRI 103: Management Approach 2017	103-1	Explanation of the material topic and its Boundary	See Our ESG Reporting and Ethical Marketing and Interactions With Healthcare Professionals .
	103-2	The management approach and its components	See Ethical Marketing and Interactions With Healthcare Professionals .
	103-3	Evaluation of the management approach	See Ethical Marketing and Interactions With Healthcare Professionals .
N/A	Ethical Marketing		Alcon discloses SASB metrics related to ethical marketing. Please see ESG Performance Data (Ethical Marketing and Interactions With Healthcare Professionals) for the total amount of monetary losses as a result of legal proceedings associated with false marketing claims and a description of our code of ethics governing promotion of off-label use of products.

Medical Innovation

GRI 103: Management Approach 2017	103-1	Explanation of the material topic and its Boundary	See Our ESG Reporting and Medical Innovation .
	103-2	The management approach and its components	See Medical Innovation .
	103-3	Evaluation of the management approach	See Medical Innovation .
N/A	Medical Innovation		We invested over \$680 million to create innovative products that meet our customers' and patients' needs in 2021. See ESG Performance Data (Medical Innovation) for the number of first-to-market launches and product approvals.

Philanthropy

GRI 103: Management Approach 2017	103-1	Explanation of the material topic and its Boundary	See Our ESG Reporting and Serving Communities .
	103-2	The management approach and its components	See Serving Communities .
	103-3	Evaluation of the management approach	See Serving Communities .
N/A	Philanthropy		The Alcon Foundation and Alcon Cares donated more than \$15 million in 2021. See Serving Communities and ESG Performance Data (Philanthropy) for more information on the number of medical missions, surgeries and patients supported.

GRI Standard Disclosure		Alcon's Response
Product Quality and Patient Safety		
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Our ESG Reporting and Product Quality and Patient Safety . See Product Quality and Patient Safety . See Product Quality and Patient Safety .
N/A	Product Quality & Patient Safety	Alcon discloses SASB metrics related to product safety. See ESG Performance Data (Product Quality and Patient Safety) for the number of recalls issued, number of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database, number of facilities related to products as reported in the FDA manufacturer and user fatality device experience and the number of FDA-enforced actions taken in response to violations of current Good Manufacturing Practices.
Responsible Procurement and Management		
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Our ESG Reporting and Responsible Procurement and Supply Chain . See Responsible Procurement and Supply Chain . See Responsible Procurement and Supply Chain .
N/A	Responsible Procurement & Management	Alcon discloses SASB metrics related to supply chain management. See ESG Performance Data (Responsible Procurement and Supply Chain) for the percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality, a description of efforts to maintain traceability within the distribution chain and a description of the management of risks associated with use of critical materials.
Sustainable Products and Services		
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Our ESG Reporting and Sustainable Products and Services . See Sustainable Products and Services . See Sustainable Products and Services .
N/A	Sustainable Products & Services	Alcon discloses SASB metrics related to product design and lifecycle management. See ESG Performance Data (Sustainable Products and Services) for our process to assess and manage environmental and human health considerations associated with chemicals in products and the total amount of products accepted for takeback and reused, recycled or donated.

TCFD Disclosure

Our Board of Directors and executive leadership team oversee and manage our environmental risks and opportunities.

Governance

Board oversight: Our Board of Directors oversees environmental risks, including those related to energy use, carbon emissions and water resources. The Governance and Nomination Committee is responsible for reviewing and providing guidance on the company's climate change-related programs and policies as part of its wider sustainability oversight. Sustainability is a subject discussed at least annually by the full Board, and sustainability-related topics are a standing agenda item at Governance and Nominating Committee meetings.

Management oversight: Sustainability and environmental topics are integrated into our overall management model. Alcon's Global Environmental Sustainability Committee is responsible for identifying and managing our environmental and social impacts, reporting to the ESG Steering Committee on an annual basis. This senior management team includes executives from across the business, including Legal, Innovation and Corporate Affairs and regularly discusses risks and opportunities related to environmental issues, and how to apply policies and strategies to address those in each aspect of the business. The ESG Steering Committee reports to our Governance and Nomination Committee on an annual basis.

Strategy

We are aware of the business risks from climate change, and we continuously monitor environment-related risks and opportunities that may impact our business over the short-, medium- and long-term. The nature of these risks depends on both the physical aspects of climate change as well as market regulations, pressure to reduce our carbon footprint and our ability to understand and respond to rapidly evolving developments. Our identified risks include the following:

Regulatory risks: We could be impacted by regulatory risks such as potential future carbon disclosure and compliance requirements. Possible carbon tax, or regulatory incentives to encourage the use of renewable energy could affect energy costs. Regulatory action can also include pressure to reduce the carbon footprint of specific medical devices as well as a greater focus on environmental considerations in manufacturing and responsible procurement.

Physical risks: The physical aspects of climate change can have an impact on our ability to continue operations. We regularly assess how potential business disruptions from extreme weather and natural disasters could impact our business. These risks and responses are reviewed as part of the overall sustainability risk evaluation.

Risks related to resource use: There is increasing scrutiny on the use of water in manufacturing and the amount of plastic waste. Pressure from regulators, consumers and other stakeholders to find alternatives or green solutions to reduce our use of natural resources is escalating. In 2021, we embedded our Environmental Sustainability Scorecard into our enterprise stage-gate process to evaluate new and existing products against sustainability KPIs. In 2022, we aim to implement the scorecard across all early stage R&D projects.

Opportunity to reduce costs and support reduction goals of partners: Cost savings for Alcon and our customers could be achieved through energy efficiency initiatives and efforts to reduce our use of raw materials in both device manufacturing

and packaging. Additionally, energy consumption throughout our supply chain also has implications for climate change and product costs. In 2021, we started working with EcoVadis to track our suppliers' ESG performance. This platform will also help us engage and encourage our suppliers to reduce energy consumption and emissions, lessen their use of resources and share best practices.

See [Reducing Our Operational Footprint](#) and [Sustainable Products and Services](#) for more information.

Risk Management

Our senior leadership team and Board of Directors are focused on managing and mitigating various risks to our business and financial performance, including environmental risks. Such risk management topics are reviewed and discussed on an annual basis among our leadership team across the entire organization. Consideration of such risks is implemented as part of operating and investment decision-making processes in all aspects of the business.

Metrics and Targets

We monitor and report our greenhouse gas emissions:

- Scope 1 emissions: 81,151 MT of CO₂ equivalent
- Scope 2 emissions (market-based): 227,933 MT of CO₂ equivalent

By 2030, we are committed to being carbon neutral across our global operations (Scope 1 and Scope 2 emissions). We have also established site-level environmental goals at many of our facilities, including energy and carbon emission reduction goals. Additionally, in 2021, we completed an inventory of our Scope 3 emissions for our 2019 baseline year.

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Environmental Policies

- **HSE Compliance Management Policy:** Describes our approach to managing our HSE compliance obligations, as well as our interactions with governmental agencies regulating HSE aspects of our activities, operations and products.
- **Air Permitting, Emissions and Prevention of Significant Deterioration Policy:** Establishes procedures to permit and monitor sources of air emissions at our sites, as well as procedures to evaluate discharges and regulatory requirements and ensure compliance.
- **Energy Management Standard:** Describes our sustainable management principles for energy and related GHG emissions throughout all of our company's activities.
- **Waste Management Standard:** Establishes minimum requirements for waste management programs at our sites, aiming for safe and sustainable waste management for all types of waste.
- **Water Effluent Discharges Standard:** Ensures that sanitary, process and stormwater discharges (effluents) from Alcon facilities comply with legal regulations.
- **HSE Risk Management Standard:** Outlines mandatory requirements for our locations to proactively identify and address internal and external HSE hazards and risks.

Disclaimer

About This Report

This report covers our business and does not address the performance or operations of our suppliers, our contractors, our customers, or other third parties, unless otherwise noted. All financial information is presented in U.S. dollars. The goals and projects described in this report are aspirational; as such, no guarantees or promises are made that these goals and projects will be met or successfully executed. Furthermore, data, statistics and metrics included in this report have not been prepared in accordance with international financial reporting standards (IFRS), continue to evolve and may be based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees and may be subject to future revision. This report uses certain terms, including those that the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures, or others refer to as "material" to reflect the issues of greater importance or priorities of Alcon and our stakeholders. Used in this context, however, these terms are distinct from, and should not be confused with, the terms "material" and "materiality" as defined by or construed in accordance with securities, or other laws or as used in the context of financial statements and reporting. Finally, we did not seek, nor was there, external assurance from third parties with respect to the information contained in this report.

This report, which speaks only as of its date, is not comprehensive, and for that reason, this report should be read in conjunction with our 2021 Annual Report on Form 20-F and subsequent interim financial reports, particularly the "Forward-Looking Statements" and "Risk Factors" sections, all of which can be found at <https://investor.alcon.com/financials>.

Cautionary Note Regarding Forward-Looking Statements

This report 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 sustainability and diversity plans, developments, targets, goals, and expectations.

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 U.S. Department of Justice; our success in completing and integrating strategic acquisitions; the impact of a disruption in our global supply chain or important facilities; the effect of the COVID-19 pandemic as well as other viral or disease outbreaks; global and regional economic, financial, legal, tax, political and social change; Russia's invasion of Ukraine and the resulting global response; the commercial success of our

products and our ability to maintain and strengthen our position in our markets; the success of our research and development efforts, including our ability to innovate to compete effectively; pricing pressure from changes in third party payor coverage and reimbursement methodologies; ongoing industry consolidation; our ability to properly educate and train healthcare providers on our products; the impact of unauthorized importation of our products from countries with lower prices to countries with higher prices; our reliance on outsourcing key business functions; changes in inventory levels or buying patterns of our customers; our ability to attract and retain qualified personnel; our ability to service our debt obligations; the need for additional financing through the issuance of debt or equity; our ability to protect our intellectual property; the effects of litigation, including product liability lawsuits and governmental investigations; our ability to comply with all laws to which we may be subject; effect of product recalls or voluntary market withdrawals; the implementation of our enterprise resource planning system; 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 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; legislative, tax 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; our ability to manage environmental, social and governance matters to the satisfaction of our many stakeholders, some of which may have competing interests; 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 U.S. 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 report 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.

