

Alcon

# Social Impact AND Sustainability

2023 REPORT



# Message from the CEO



## To Our Global Community:

All Alcon associates are driven by a single noble purpose — helping people around the world *See Brilliantly*. This purpose inspires our pursuit of innovation, our investments in training and education, our promise of unwavering quality for customers and patients, and our support for communities and the planet we share.

Today, more than 1 billion people live with some form of uncorrected visual impairment, the vast majority of whom reside in low- to middle-income countries with limited access to quality eye care.<sup>1</sup> The personal, social, and economic impact of these treatable problems is significant. We view social impact and sustainability through this lens, ensuring that nearly everything we do contributes to a future where the opportunity to protect, restore or enhance vision is available to everyone.

As a gauge of our progress, I am very pleased to present the Alcon 2023 Social Impact and Sustainability Report, our fifth report since becoming an independent company. Below you will find details on our global efforts across the three pillars of our work: Brilliant Lives, Brilliant Innovation, and Brilliant Planet. Here are a few highlights:

## Brilliant Lives

This first pillar describes the impact we have on people, either through expanding eye care access and awareness around the globe or by serving the communities in which we live and work. In 2023, we extended our global Phaco Development program — designed to teach advanced ophthalmic surgical techniques to ophthalmologists in developing countries — to sub-Saharan Africa. Since it began in 2008, this multi-national program has trained more than 6,350 surgeons who have restored sight through more than 10 million procedures. Our Phaco and Vitreoretinal Development programs complement the collaborations the Alcon Foundation and Alcon Cares have established with other philanthropic organizations, such as Orbis and SightSavers, as well as our extensive training activities through the Alcon Experience Centers, to build eye care capacity worldwide. Another highlight of the year was the opening of the Alcon Children's Vision Center. With the enthusiastic support of Alcon associates, including 116 new volunteers who completed certification training, we screened more than 30,000 elementary school children to identify correctable vision problems and support their educational success.

## Brilliant Innovation

In 2023 we invested \$828 million in core research & development, supporting 90+ active projects; enhanced the efficiency of our internal development capabilities; and, through our Alcon Seed Fund, evaluated over 400 companies and executed 15 deals. The Alcon Research Institute remains one of the largest corporate-funded vision research organizations. Our Environmental Sustainability Scorecard incorporates environmental stewardship into our product development process.

## Brilliant Planet

At Alcon, our vision for the world includes being responsible stewards of our resources. Across the enterprise, from manufacturing and facility operations to product design and packaging, we are implementing projects to reduce the environmental impact of our activities. Last year we made progress toward our 2030 carbon neutrality goal, reducing our Scope 1 and Scope 2 emissions by approximately 9% over 2022. We also made good strides toward our 2030 non-hazardous waste landfill diversion goal, achieving a 95.9% landfill diversion rate from our manufacturing sites.

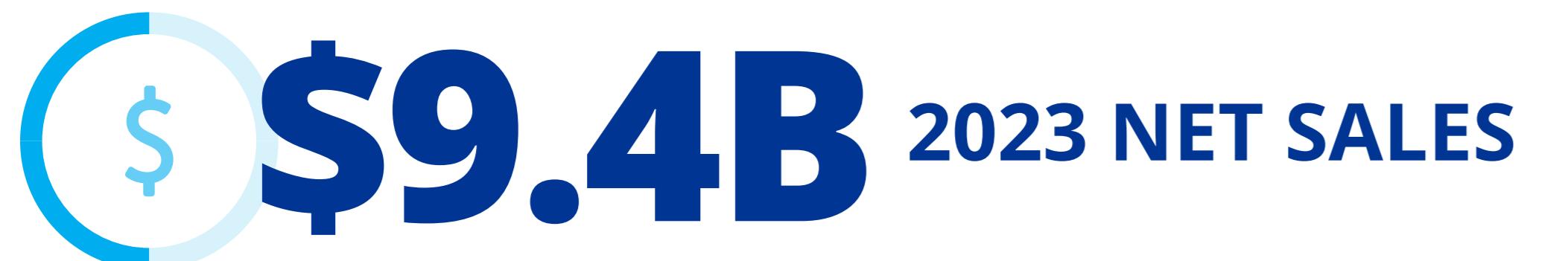
I hope I have given you a sense of how important — and integral — social impact and sustainability are to our operations and our success. Of course, even as we proudly showcase these results, we remain committed to work that is still to be done. That's how we *See Brilliantly*.

Thank you for your interest in Alcon.

David Endicott  
CEO

# About Alcon

Alcon is the global leader in eye care, dedicated to helping people *See Brilliantly*. With a more than 75-year heritage, we are the largest eye care company in the world, with complementary businesses in Surgical and Vision Care. We operate in 56 countries, and serve consumers and patients in more than 140 countries. We invest a substantial amount in research and development (R&D) every year to support ongoing innovation and increase access to quality eye care.



## Surgical

Alcon offers one of the industry's most complete lines of ophthalmic surgical products, enabling surgeons to achieve the best results for their patients. Our Surgical business offers one of the industry's most complete lines of ophthalmic surgical products, encompassing implantables, consumables, equipment and accessories for use in surgical procedures to address cataracts, vitreoretinal disorders, refractive errors and glaucoma. Our Surgical portfolio includes equipment, instrumentation and diagnostics, intraocular lenses (IOLs) and glaucoma devices, as well as a broad line of consumables, including ophthalmic viscosurgical devices, surgical solutions, incisional instruments, surgical custom packs and other products to treat cataracts and refractive errors, such as presbyopia and astigmatism. We also develop specific products to match the needs of different customer segments. For example, premium-tier and mid-tier surgical consoles can be manufactured and sold at various price points in different markets.

## Product Portfolio<sup>2</sup>

### Surgical Portfolio: \$5.3B (57%)

#### Consumables (51%)

- Dedicated consumables
- Custom surgical packs
- Procedural products

#### Implantables (32%)

- Monofocal IOLs
- Advanced technology IOLs
- Glaucoma implants

#### Equipment/Other (17%)

- Cataract, retinal and refractive equipment
- Diagnostic and visualization
- Equipment service
- Procedural eye drops

## Vision Care

We are one of the largest manufacturers of contact lens 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 for dry eye, glaucoma, contact lens care and ocular allergies. We also offer solutions for eye health, such as eye drops for dry eye and ocular allergies and pharmaceutical drops for certain eye conditions.

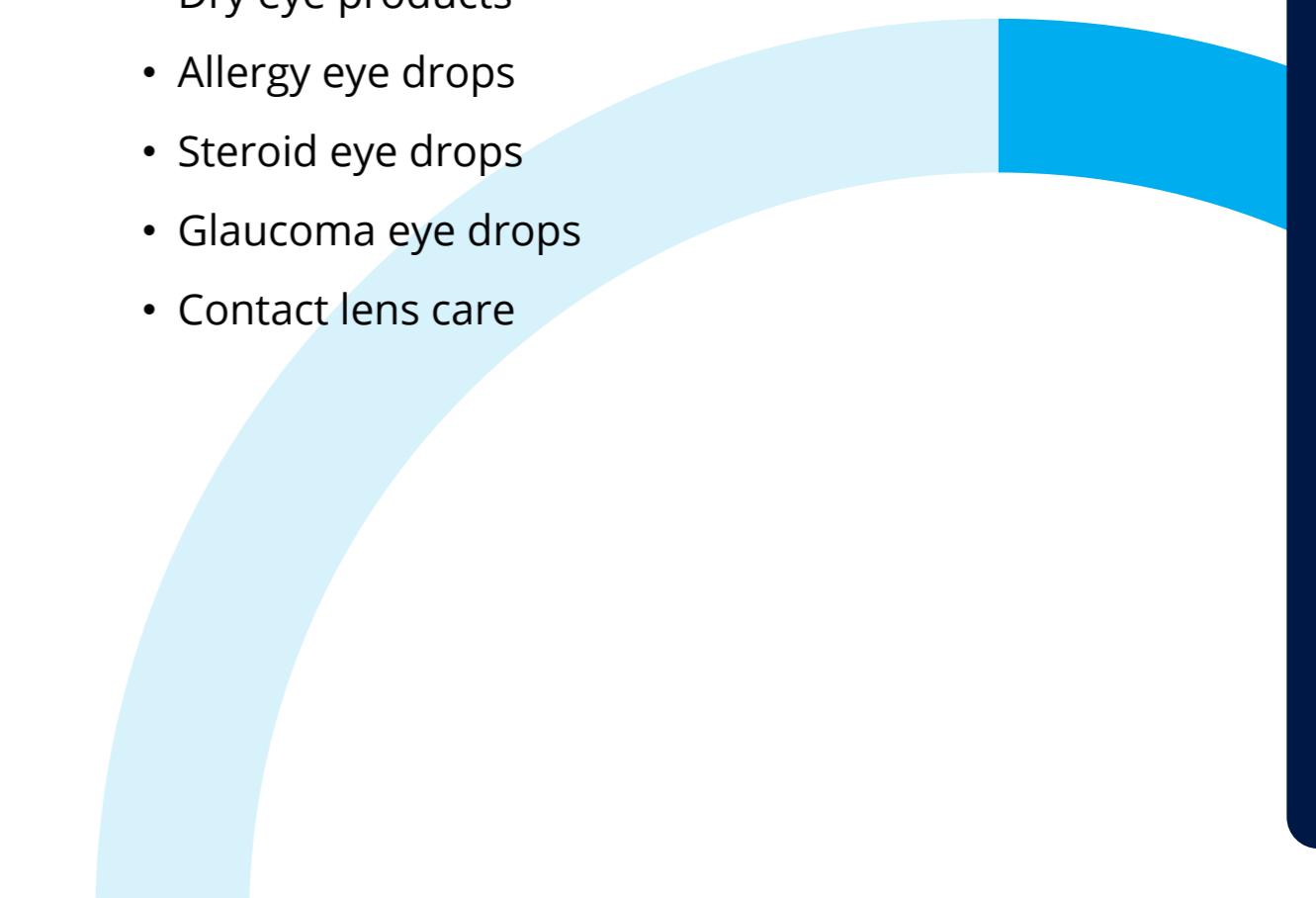
### Vision Care Portfolio: \$4.1B (43%)

#### Contact Lenses (59%)

- Daily lenses
- Reusable lenses
- Cosmetic lenses

#### Ocular Health (41%)

- Dry eye products
- Allergy eye drops
- Steroid eye drops
- Glaucoma eye drops
- Contact lens care



# 2023 Reporting Summary

The 2023 Social Impact and Sustainability Report is Alcon's fifth annual report outlining our Social Impact and Sustainability (SIS) strategy and progress towards goals. The report covers our enterprise-wide activities from January 1 through December 31, 2023, unless otherwise stated, and references the Sustainability Accounting Standards Board (SASB) Standard for Medical Equipment & Supplies, the 2021 Global Reporting Initiative (GRI) Standards, and Task Force on Climate-related Financial Disclosures (TCFD).



We Help People  
*See Brilliantly*

We believe we can improve lives and strengthen communities through innovative eye care

# Purpose and Strategy

Alcon aspires to create long-term value by creating products that help improve sight and quality of life. We see a world where treatable, preventable eye health conditions receive the attention they need, regardless of an individual's geography, gender, age or socioeconomic status. Our Social Impact and Sustainability strategy is focused on three pillars — Brilliant Lives, Brilliant Innovation and Brilliant Planet. The pillars include social impact and environmental goals that hold us accountable and measure progress.

## Alcon Social Impact and Sustainability Strategy Platform

### 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 world-class products that change lives



### Brilliant Planet

We care for our planet by focusing on reducing emissions and waste



### OUR COMMITMENTS:

#### SOCIAL IMPACT 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<sup>3,4</sup> (2021 baseline)
- By 2025, Alcon associates will help improve vision and enhance educational success by providing 150,000 vision screenings to children and ensuring comprehensive care for those in need (2021 baseline)



#### ENVIRONMENTAL IMPACT GOALS:

- 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



FOUNDATIONAL TO OUR STRATEGY:  
World-Class Talent | Inclusive Culture | Safety | Ethics & Integrity | Strong Governance



# Brilliant Lives

More than 1 billion people live with some form of uncorrected vision impairment — 90% of those individuals live in low- and middle-income countries.<sup>5</sup> We work closely with our partners so that these communities gain access to the critical eye care services they need to help treat these conditions and improve lives.

Through the work of Alcon Cares, the Alcon Foundation and our business initiatives — the Phaco Development (PD) and Vitreoretinal Development (VRD) programs — we helped improve vision through more than 2.1 million procedures in 2023. With this achievement, we have made strong progress toward our goal to provide philanthropic support and training programs that help improve vision for at least 5 million people afflicted with untreated cataracts in low- and middle-income countries, including 1 million considered cataract blind by 2025.<sup>6,7</sup>

In 2023, Alcon associates helped improve vision and enhance academic success by conducting vision screenings for more than 30,000 children and working with eye care professionals to provide comprehensive care for those in need. We are well positioned to reach our goal of conducting at least 150,000 of these screenings by 2025.



5. <https://www.iapb.org/learn/vision-atlas/>

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

7. Low- and middle-income countries (LMIC) as defined by group policy at time of commitment in 2021.



# Social Impact

Our Social Impact strategy focuses primarily on eye care and secondarily on community investment. The main components of our strategy are financial support, associate time and expertise, and product and equipment donations. By combining the resources of our company, Alcon Cares and the Alcon Foundation, along with the talent of our associates, we are able to maximize our ability to improve sight. In 2023, we donated approximately \$35 million in product and equipment through Alcon Cares and approximately \$5 million in monetary donations through the Alcon Foundation to nonprofit partners working to address barriers to quality eye care around the world.

## Corporate Giving

### Alcon Cares and the Alcon Foundation

We believe in working with our partners to ensure their performance and goals align with our social impact strategy. To manage this, all in-kind and monetary donations made by Alcon Cares and the Alcon Foundation are overseen by each foundation's Board of Directors, who use a rubric to evaluate requests. This rubric helps the boards allocate resources based on needs and objectives, organization financial health, program cost and value, impact, internal evaluation metrics and strategic alignment with the Foundations' philanthropic goals.

Engagements start with an initial discovery meeting to learn about the organization and determine alignment with the Foundations' objectives and strategies. Alcon's Corporate Giving team conducts due diligence reviews on existing and potential partners through our donation management system to verify and monitor regulatory and transparency requirements. Organizations are also required to provide program updates and impact reports that enable us to track their performance and determine our collective impact. Through the duration of the partnership, the Foundation teams work alongside partners to develop a strategy and identify additional ways Alcon can provide support.



**We strive to have a positive social impact on our global communities. We are well positioned to reach our goal of helping improve vision for 5 million people afflicted with untreated cataracts in low- and middle-income countries.**

*Charles Herget  
Global Head of Social Impact and Sustainability*



## Key Alcon Cares and Alcon Foundation Initiatives

### Medical Missions

Since 2019, Alcon Cares has supported approximately 1,400 medical missions, helping deliver eye care to communities across the globe. During these missions, volunteer medical teams treat patients and train local professionals to help ensure continuity of care. For example, an Alcon Cares-supported mission in Serabu, Sierra Leone, treated 2,268 patients, performed more than 450 cataract surgeries—18 of which were pediatric cases—and trained six healthcare professionals from the community.

### Equipment Donations

Equipment donations can help communities increase access to eye care and enable robust training. One example of this was an Alcon Cares donation of equipment to Serge Global that helped improve the quality of surgical training at the Rwanda International Institute of Ophthalmology. Our contribution included a LuxOR microscope with video and teaching scopes that will enable first-year residents to watch surgeries live on the high definition video feed or review recordings of complex cases to further enhance learning.

### VisionSpring

VisionSpring believes in the wonder of clear vision for everyone. They deliver optical products and services in emerging markets to increase lifelong earning, learning, safety and well-being. Since 2001, the organization has distributed 12 million pairs of glasses.<sup>8</sup>

The Alcon Foundation supports VisionSpring's Clear Vision Assam initiative, which partners with hospitals, eye surgery centers and charitable entities in Assam, India. The program offers accessible, affordable and culturally appropriate optical goods and services to workers in sectors that rely heavily on good vision (including agricultural workers, micro-entrepreneurs and artisans.) As a result, workers can better perform their jobs and the surrounding community financially benefits. Clear Vision Assam served 30,000 tea workers in 2023 and has a goal to reach 65,000 tea workers by the end of 2024.

### Sightsavers

Sightsavers works in more than 30 countries to increase access to quality eye care, treat eye conditions and prevent blindness. Since 1950, Sightsavers has contributed more than \$1.6 billion in disease treatments, assisted in more than 11.8 million sight-saving operations and distributed 6 million pairs of glasses.<sup>9</sup>

The Alcon Foundation supports Sightsavers' Inclusive Eye Health program, which expands primary eye care services at the community level and improves secondary eye care services at district hospitals through:

- Deploying public education and awareness campaigns
- Coordinating outreach screening events in communities and schools
- Conducting surgical outreach campaigns
- Training eye care professionals and community health workers

In 2023, the Alcon Foundation's support of the program also helped establish an eye health technical advocacy group to oversee workshops with the Mozambique Ministry of Health and track progress toward their advocacy plan to address eye health product procurement and distribution issues.

### Orbis

For more than 40 years, Alcon Cares has donated state-of-the-art ophthalmic equipment, pharmaceuticals and supplies to Orbis in support of its mission to build strong and sustainable eye care systems globally that put treatment and prevention within reach. The Alcon Foundation continues to support the Orbis Flying Eye Hospital, the world's only fully accredited ophthalmic teaching hospital on board an airplane.

In 2023, the Alcon Foundation supported Orbis' Strengthening Eye Care Globally project, which integrates the nonprofit's Flying Eye Hospital, hospital-based trainings and Cybersight telemedicine and e-learning platform while leveraging expertise from its Volunteer Faculty (medical experts) and staff to deliver tailored training programs that increase capacity, develop diverse eye care talent and build sustainable eye care systems in low- and middle-income countries.

In 2023, Orbis led the completion of over 32,000 trainings by ophthalmologists, other medical doctors, nurses, optometrists, community health workers and others. The organization also developed oculoplastic surgery and neuro-ophthalmology essentials course for Cybersight and hosted a three-week surgical training program in Zambia, through which Orbis clinical and Volunteer Faculty provided hands-on simulation and surgical training to Zambian eye care professionals.

The Alcon Foundation's monetary donation also helped increase Orbis' efforts to strengthen diverse representation in ophthalmology through the creation of Orbis' Gender Champions and diversity, equity and inclusion (DEI) Council.

8. <https://visionspring.org/Files/Images/Financials/Donor/VisionSpring-2023-Year-in-Review-Letter.pdf>

9. <https://www.sightsavers.org/trusts-and-foundations/>

## Phaco Development and Vitreoretinal Development Programs

Alcon associates work with ophthalmic teaching institutions and faculty to increase the standard of cataract and retinal care in low-to-middle-income countries by training surgeons on modern phacoemulsification and vitreoretinal procedures.

Through our PD program, we led 352 cataract courses, helping train more than 600 doctors who performed more than 2 million phaco procedures in 2023. Our initiatives included:

- A collaboration with Lifeline Express to help bring blindness prevention and treatment training to remote areas in China. So far, we have helped train more than 300 doctors who can support cataract care.
- New improvements to our remote learning systems to help doctors access learning around the globe through our Phaco Development Digital Learning Ecosystem-International Virtual Residency Program. There are now 62 medical schools across India and China enrolled in this program—double the number of medical schools enrolled in 2022. Through these efforts, the PD Program in India won the Health Care Excellence award in 2023 from the Federation of Indian Chamber of Commerce & Industry, the national industry association, for “Training & Skill Development Initiative of the Year 2023” for our digital learning system.
- The launch of the Orbis-Alcon International Phaco Development Fellowship program with an inaugural class of eight doctors in South Africa. We plan to expand the program to more countries in Africa in 2024 and beyond.

Since our PD program's inception in 2008, the 6,386 surgeons trained in core and advanced phacoemulsification courses have gone on to perform ~10.9 million sight-enhancing or -restoring procedures in China, India, Russia, Nepal, Bangladesh, Vietnam and South Africa.

In addition, Alcon's VRD program held 59 courses, helped train 227 surgeons and performed close to 50,000 procedures in 2023. The program has enabled more than 219,000 vitreoretinal procedures in China, India, Bangladesh and Nepal since launching in 2011.

Alcon PD and VRD courses in India are now accredited with Health Care Sector Skill Council (HSSC) sector skill development council assessment & certification. Health Care Sector Skill Council is a National Council for Vocational Education and Training, awarding body under ambit of the Ministry of Skill Development & Entrepreneurship. Its mission is to create a robust and sustainable industry-aligned quality skilling ecosystem for the healthcare sector to bridge the demand and supply gap through skilling, reskilling and upskilling.

**The collaboration between Alcon and HSSC for upskilling surgeons in various techniques related to ophthalmology will enhance their knowledge and provide better surgical outcomes for their patients. This partnership is envisaged to co-create an ecosystem that will improve the provision of healthcare in India and will enable surgeons to continue to learn, improve and, consequently, implement best practices in their clinics and hospitals.**

*Mr. Ashish Jain  
CEO, HSSC, India*

## The Alcon Children's Vision Center

Studies show that 80% of classroom learning is visual,<sup>10</sup> making clear vision an important element of academic success. Children who are not reading on level by third grade are four times more likely not to graduate high school, with even starker disparities for minority students.<sup>11</sup>

We launched the Alcon Children's Vision Program because no student should struggle with undetected vision impairments. In partnership with the Fort Worth Independent School District (FWISD), we finished construction on the Alcon Children's Vision Center (ACVC) in 2023, offering comprehensive eye exams, prescription glasses and access to eye care to students who do not pass the vision screening. It also provides follow-up appointments and ongoing eye care, all free of charge for qualified students in need from pre-kindergarten through twelfth grade.

ACVC's opening is a continuation and expansion of a 2021-2022 pilot that conducted 35,000 free vision screenings and provided 3,000 students in prekindergarten through fifth grade eye exams and glasses. This pilot found that 20% of children in the FWISD failed their vision screening, and only 53% received a follow-up exam, hindering their academic success and general health and well-being.<sup>12</sup>

*The Center for Research and Reform in Education (CRRE) and the Wilmer Eye Institute at Johns Hopkins University, in collaboration with the Alcon Children's Vision Center and Fort Worth Independent School District (FWISD), are conducting a mixed-methods evaluation study to assess the implementation of the Alcon Children's Vision Program in FWISD during the 2022-23 and 2023-24 school years. This partnership aims to evaluate the program's implementation activities, measure its impact on students' attitudes, behaviors, and educational performance, providing evidence for continuous improvement.*



## Associate Giving

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

### Associate Volunteerism

In 2023, our participating associates volunteered more than 15,000 hours with organizations such as Plastic Bank in Brazil, Happy Alliance in Korea and Habitat for Humanity in Texas, West Virginia and Georgia.

In celebration of World Sight Day, Alcon's sites around the world hosted eye care education events and hands-on wet lab activities at Alcon Experience Centers and volunteered at vision screening events helping to protect sight and educate the public on how to #LOVEYOURYES. Alcon associates also participated in a global photo contest. The selected winner received a \$10,000 donation to the eye care organization of their choice.

## Alcon in Action

Alcon in Action is our global volunteering day that brings together our associates to make a positive impact in the communities where they live and work. In 2023, more than 3,890 associates across 57 sites worldwide volunteered at 132 partner organization events, including Rise Against Hunger in Fort Worth and Houston, Texas; La Carte Blanche in Switzerland; Liter for Light in the Philippines; Cristel House in Mexico City; and Surplus for Supper in the United Kingdom.

## The Alcon Children's Vision Program

Through the Alcon Children's Vision Program, our associates perform vision screenings for students, and the Center provides no-cost comprehensive exams and glasses. In 2023, we grew the program and screened more than 30,000 eligible FWISD students in prekindergarten through fifth grade. We also added 116 Alcon associates as certified vision screeners in Texas. We plan to use lessons learned from our work with FWISD to expand the Children's Vision Program to other communities in need.

## Matching Gifts

Associates can donate to nonprofits of their choice through Alcon-provided giving platforms and campaigns. Our Associate Giving team partners with departments across the business to host one-time special giving events to work toward a better future for all. In the United States (US), Alcon also offers dollar-for-dollar matching donations up to \$500 per associate per year. We matched \$96,000 of our associates' donations in 2023. Alcon associates supported more than 330 charities worldwide and donated more than \$240,000 throughout the year.

# Brilliant Innovation

Our diverse talent from around the world innovates best-in-class products that change lives. Our culture of continuous improvement fosters increased efficiency in developing more sustainable products that enhance patient outcomes and safety. Through innovation, a deep understanding of our customers' needs, strong economic value propositions and collaboration with healthcare decision-makers, we strive to provide all patients and consumers with the quality eye care they deserve.



# Medical Innovation



Innovation drives every aspect of our business as we strive to deliver new, advanced products to customers and patients. Alcon has a long history of industry firsts, and we continue to lead the eye care market in research and development (R&D) investments with capabilities in the areas of clinical R&D, optical design, material and surface chemistry, software development, automation, and equipment platform engineering.

The Board of Directors' Innovation Committee oversees Alcon's R&D and emerging technologies strategy. The Committee reviews our innovation pipeline, discusses emerging scientific trends and evaluates the challenges, effectiveness and competitiveness of our R&D. It meets at least three times a year, consulting regularly with management and reporting to the full Board on its activities, as outlined in its [charter](#).

Alcon's Chief Scientific Officer, who is also the Senior Vice President and Head of Global R&D, leads our team of over 1,800 R&D associates, including physicians, doctors of optometry and PhDs. We continually expand the scientific advisory capability of this team, which generates new projects and products across our Surgical and Vision

Care portfolios, by hiring additional physicians and experts to bring real-world expertise to eye care innovation and by pursuing strategic partnerships with academic institutions and other companies.

In the spirit of continuous improvement, Alcon has implemented several transformations to make R&D projects faster and more efficient while making the company more agile in responding to changing regulations, audits and customer concerns. For example, we shifted our R&D team's organizational structure, combining expertise into centralized functions to better support different product types. This centralization enables more standardized ways of working, consistency in data generation and agility in resource deployment. In addition, in early 2023 we celebrated the opening of a software development lab in our Alcon Global Services Center located in Bengaluru, India, that allows us to enhance our capabilities by leveraging a "follow the sun" model. We also launched an enterprise platform that streamlines regulatory submissions and simplifies product support activities.

In 2023, Alcon invested more than \$800 million in R&D and had 90+ pipeline products under development, including 53 that have been

approved for major markets. We launched innovations to address patient and customer needs, including TOTAL30® for Astigmatism, TOTAL30® Multifocal for patients with presbyopia and WaveLight Plus® for personalized vision correction. And we expanded [AlconScience.com](#) internationally to connect healthcare professionals to regionally relevant scientific information and data.

As the global leader in eye care, Alcon recognizes the need to support an ecosystem of both disruptive and incremental innovation from internal and external sources. We established the Alcon Seed Fund (ASF) in 2022 to create a communication platform between our company and entrepreneurs with early-stage ideas poised to tackle the world's most pressing eye care challenges. In 2023, we completed the ASF pilot phase and finalized its new operating model, designed to complement and support the existing work of the [Alcon Research Institute](#), Business Development and Licensing, and Mergers and Acquisitions. In 2023, the ASF considered over 400 companies and executed approximately 15 deals. We also continued to support the advancement of vision science through the Alcon Research Institute, one of the world's largest corporate-funded vision research organizations.

## Our six priorities are:

- 1** Attracting, developing and retaining a talented diverse workforce to drive collaboration, innovation and success
- 2** Completing R&D integration activities for Alcon's recent pharmaceutical acquisition
- 3** Advancing intraocular lens capabilities; equipment and instrumentation for cataract, vitreoretinal, refractive and glaucoma surgeries; and new platforms for diagnostics and visualization
- 4** Developing new vision care manufacturing platforms; novel contact lens materials, coatings and optical designs for various lens replacement schedules; next-generation contact lens technologies; and ocular health/pharmaceutical products
- 5** Generating robust scientific and medical evidence regarding the safety, efficacy and value of new and existing marketed products
- 6** Executing transformation initiatives to create new capabilities, enhance technologies and streamline work processes

## Medical Innovation Data

Medical Innovation	2021	2022	2023
First to Market Launches	8	10	3 <sup>13</sup>
Product Approvals in Major Markets <sup>14</sup>	114	55	53

13. The number of first to market launches is driven by timing of new product development activities, market readiness for new product introduction and regulatory review cycles in target markets.

14. Major markets include US, EU, Canada, Japan, Brazil, Korea, Australia, China, Russia and India.

# Product Quality and Patient Safety



**Continuous improvement is a central value at Alcon. Our innovative digital initiatives within manufacturing and quality continue to streamline our processes while ensuring our customers consistently receive safe and effective products.**

*Heather Attra  
Senior Vice President Quality and Regulatory Affairs*

Above all, Alcon is committed to delivering quality products that are safe for patients. This commitment is part of our culture—every Alcon associate is trained to uphold our high safety and quality standards—and supported through a suite of robust policies and standard operating procedures to comply with quality and safety laws and regulations in every country where we distribute products. All Alcon products that are manufactured at our own dedicated facilities or by third parties must comply with Good Manufacturing Practices.

Our Quality team collaborates closely with other company functions, including R&D, Manufacturing and Technical Operations (MTO), Supply Chain, and Commercial teams to ensure safe and effective products are readily available to meet patients' needs. Alcon's Senior Vice President of Global Quality and Regulatory Affairs leads this team, reporting directly to our Chief Executive Officer (CEO) to ensure independence of the Quality function and oversight of product quality and safety. Our Global Quality activities are informed by the work of the Global Medical Safety group, led by our Chief Medical Officer, who monitors emerging concerns and enables creation of action plans to respond to potential risks.

## Quality Management System

Our products, which involve complex manufacturing operations, directly impact patients' health and well-being. To achieve our quality and safety objectives, we have implemented a Quality Management System aligned with the internationally recognized standard, International Organization for Standardization (ISO) 13485. This system drives our approach and ensures consistent, compliant execution throughout a product's lifecycle. It covers the design, evaluation and approval of suppliers and service providers as well as the manufacturing, distribution and post-market quality and safety surveillance.

The Quality Management System covers all Alcon R&D centers, manufacturing sites, distribution centers, and our international offices. It establishes procedures and controls that mitigate potential safety and business risks associated with product quality. We also employ a formal risk management process to identify and mitigate potential product risks through design changes, product labeling and/or user training. Risks are escalated based on their nature and severity, with our Executive Leadership Team (ELT) urgently notified of any critical risk. Our Quality Management System is designed to help ensure all products meet established specifications prior to release; however if necessary, Alcon may recall products to protect patient safety — a process managed by a dedicated group within the Quality team.

## Quality Procedures

Before any new product is manufactured in Alcon's network of qualified manufacturing facilities, it undergoes thorough study and evaluation to ensure it meets regulatory and legal requirements. We employ several levels of quality monitoring, including tracking quality metrics such as audit and inspection results, post-market surveillance data, product and process conformity metrics and supplier performance indicators via our periodic Quality Management Reviews. The Alcon Quality Committee, Global Franchise teams and our ELT participate in these reviews, which result in recommendations for improvement and an assessment of the adequacy and effectiveness of the Quality Management System and risk management measures.

Alcon uses qualified internal warehouses and approved distributors, which we routinely audit, to help ensure product quality and safety. When engaging a new manufacturing or distribution partner, we deploy a series of evaluation, approval and monitoring procedures, including a review of their Quality Management System. Depending on the company and associated risk, Alcon may also perform a technical audit and verify the company's registrations. After approval and before engagement, we establish a comprehensive written agreement that details how each party's manufacturing, distribution, vigilance and

other activities will comply with governing regulations. This covers items such as communicating urgent safety issues and collecting post-market reports. Our supplier quality assurance program evaluates new suppliers to confirm established criteria are met, and ongoing oversight and auditing by Alcon ensures the supplier continues to meet Alcon requirements.

## Customer Feedback and Concerns

Customers can report concerns or feedback regarding Alcon products via phone, email or the NotifEYE portal on Alcon.com. Alcon investigates reports of product quality concerns, notifies regulatory authorities where appropriate and evaluates feedback to update policies and procedures for inclusion in next-generation designs or new products. We have established a formal escalation process through which significant deviations or risks are elevated for review and to determine actions required.

**Alcon's Quality Management system complies with external standards and regulations, including ISO 13485:2016 and ISO 14971:2019 for medical devices, United States Food and Drug Administration Code of Federal Regulations (multiple parts), European Union Medical Device Directive EU 93/42/EEC and European Union Medical Device Regulation EU 2017/745. Global health authorities, notified bodies and third-party auditors audit Alcon to verify compliance to these standards and other applicable regulations.**

## Driving Continuous Improvement

The Quality team regularly monitors industry trends and global and local regulatory changes, adjusting our processes and procedures as needed. The team also monitors all manufacturing, distribution, R&D and Alcon affiliate sites for key quality and safety metrics through the Alcon Quality Analytics System.

Benchmarking and feedback inform quality targets, which we set for various key performance indicators (KPIs). Site performance is reviewed by management and through regular audits to ensure compliance and achievement of goals. Audits and other feedback mechanisms help Alcon identify and remedy any systemic quality and safety issues either within the production process or within product design.

In 2023, we launched DigitEYES and Centralized Labeling Lifecycle Excellence Artwork Review (CLEAR). The DigitEYES pilot project involved implementing enterprise-wide solutions to enhance compliance and data integrity positions and reduce the manual transcriptions required to complete product release testing and digitally manage instrument

qualifications and analytical test method validations. These upgrades can reduce errors during manual data transfers between systems or by analysts when completing complex methods that, in turn, lower the potential for test-related nonconformances and follow-on impacts to product quality and/or safety. We are working on expanding this pilot to more Alcon sites, with full adoption anticipated in 2026.

The CLEAR program will simplify Alcon's end-to-end labeling operation model through:

- Providing robust governance for the project scope and prioritization
- Automating digital applications for greater transparency and input accuracy
- Simplifying processes that reduce the opportunity for errors during label revisions
- Mitigating the risk of production and/or distribution delays during rollout of new or revised labeling elements

At full implementation in 2026, CLEAR is anticipated to deliver improvements to the labeling lifecycle management process that reduce the potential for text or artwork errors in the labels, cartons, inserts, directions for use and other labeling elements that provide key safety and regulatory information to Alcon's customers and patients.

Alcon's consistently strong compliance record demonstrates the effectiveness of our integrated, holistic approach to quality and safety. Since beginning operation as an independent company in 2019, Alcon has not been subject to warning letters, seizures, injunctions, mandated recalls, or other enforcement actions by global health authorities. With a focus on proactively improving product quality, patient safety and customer satisfaction, Alcon will continue investing in system enhancements and tools that drive future improvements.

## Product Quality and Patient Safety Data

Product Quality and Patient Safety	2021	2022	2023
Vision Care Recall Rate <sup>15</sup>	0%	0%	0%
Surgical Recall Rate <sup>16</sup>	0.37%	0.38%	0.001%

15. 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. It excludes units affected by actions where units remained available for use by the customer as-is and where no removal, repair, replacement, update or exchange was performed.

16. 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. It excludes units affected by actions where units remained available for use by the customer as-is and where no removal, repair, replacement, update or exchange was performed.

# Bioethics

Bioethics—the ethical principles that guide biological research, science and medicine—are essential as we pursue clinical research and trials to test new, innovative and effective products for patients. Alcon understands and takes the responsibilities of patient care, informed consent, data privacy and ethical research seriously.

## Clinical Trial Standards

Alcon's clinical trials are governed by rigorous safety and efficacy protocols and prioritize data security to protect patients' privacy rights. Our research protocols align with the ethical research principles outlined in the Declaration of Helsinki. The Alcon Quality Manual contains our policies and procedures for all clinical trial phases.

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 clinical trial designs to ensure scientific integrity, patient safety, and compliance with clinical and regulatory requirements. Our Clinical Quality Assurance function audits our clinical trial sites, vendors, country organizations and Alcon as a clinical sponsor. The audits cover both individual projects and the Alcon Quality System and are conducted against various regulations, including ISO 14155 and International Council for Harmonisation (ICH) E6.

All Alcon trial participants must review and sign the study's Institutional Review Board/Independent Ethics Committee (IRB/IEC)-approved informed consent document, which explains any risks, potential benefits and rights of the participants. The IRB/IEC serves as an independent body that protects the rights, safety and well-being of the study's participants. Patients involved in a clinical trial are instructed to contact the study doctor or the IRB/IEC if they have questions about the study or their rights as a research participant. The contact information is provided in the informed consent document.

The data we receive from clinical trials does not contain participant-identifying information. As part of our informed consent, participants are aware and agree that, while their personal information is kept confidential to the highest degree possible, absolute confidentiality cannot be guaranteed as Alcon must share information with regulatory agencies or other countries where the study was conducted.

Alcon systematically reviews all active trials for patient safety. Clinical trial site personnel are instructed to enter subject data into the electronic data capture system within five days of a patient visit to protect patient privacy. Serious adverse events must be reported to Alcon within 24 hours of the investigator's or site's awareness.

Alcon's certified investigators examine any observed nonconformance incidents. These incidents are then addressed through corrective and preventive action plans. The nonconformances that meet escalation criteria are submitted to the Global Escalation Management team. Investigations and Corrective Actions and Prevention Actions are

reviewed and approved by Alcon Clinical Quality Assurance, which also reviews all nonconformances quarterly.

## Clinical Trial Achievements

In 2023, we initiated 34 trials, defined as reaching the "first patient, first visit" milestone. Of the initiated trials, 18 were executed under Alcon's feasibility process, which offers an agile and fast-paced platform in early-stage development to clinically investigate product attributes and outcomes. This process provided information on 11 different products, allowing our scientists to make informed improvements based on clinical trial data before they moved to the final stages of confirmatory testing. Across new and ongoing clinical trials 40 reached the end of data collection—or "database lock"—for analysis to begin, and 34 trials were completed and had a corresponding clinical study report produced.

Alcon continues to transition in-market devices in the European Union from the Medical Device Directive (MDD) to the Medical Device Regulation (MDR), and remains on schedule to meet the announced MDR timelines. In addition, Alcon's medical device new product development for the EU incorporates the requirements of MDR.

## Pharmaceutical Clinical Research

We updated our clinical standard operating procedures in 2023 to include the International Council for Harmonization regulations. We can now execute clinical trials under the pharmaceutical regulations using our internal Alcon resources. Looking ahead to 2024, we will open our second Alcon Research Clinic in Fort Worth, Texas, to complement the existing clinic in Johns Creek, Georgia. We plan to execute early-phase trials primarily for surgical and pharmaceutical products at the Fort Worth location.

## Bioethics Data

### Bioethics

Number of Clinical Trial Violations<sup>17</sup>

*In 2023, Alcon configured and implemented Veeva Clinical Data Workbench (CDB), a clinical data ecosystem, inclusive of external/non-standard data sources. The adoption of CDB helps us collect and validate clinical data closer to the subject's visit date. It also enables our clinical trial teams to work more efficiently and concurrently with our clinical data, resulting in our trials arriving at a final and locked state quicker for expediency in downstream deliverables.*

	2021	2022	2023
Number of Clinical Trial Violations <sup>17</sup>	5	6	10 <sup>18</sup>



# Access, Affordability and Pricing

Alcon strives to provide greater access to quality eye care by delivering affordable technologies and working closely with healthcare decision-makers to continually improve cost, access and quality of care. Before a new product is launched, we ensure that the price is fair according to standard market access requirements. This process includes providing evidence to support clinical, economic and humanistic requirements, and comparing the price to other standards of care and total cost of care considerations. We also develop products using inclusive design principles that help meet healthcare decision-makers' needs, preferences and budgets.

Multiple factors, such as the innovation value of the technology and market dynamics, inform product pricing. Customer input is also sometimes captured on an anonymized basis through market research. Our evidence and value-based model expands access to Alcon's new, innovative technologies with varying features, benefits and value, all at the highest standards of quality. We review and revise our "good, better, best" pricing structures annually.

There are four main elements to our pricing approach:

- **Clinician and healthcare decision-maker collaboration:** We seek to expand funding and insurance coverage for our products by sharing economic and clinical outcomes, such as cost-effectiveness studies, quality-of-life research and budget impact models, with healthcare decision-makers. This serves as evidence of product value to develop reimbursement options for patients.
- **Reimbursement mechanisms and funding flow considerations:** We evaluate available public and private payment opportunities that can make our products more affordable. Should reimbursement not yet be an option, we offer evidence of product value to establish funding pathways.
- **Market landscape and global environment evaluation:** We aim to set product prices that are accessible to the local market.
- **Market and patient need innovation:** We develop products using inclusive design principles that help meet customers' needs, preferences and budgets.

The Market Access team tracks product value and price performance in the market, as well as our reimbursement and funding success rates. This team collaborates with the R&D, Clinical Research, Marketing and Commercial teams and provides direct support to Alcon franchises. In 2023, we launched a new process called Reimbursement Optimization and Initiative (ROI), a strategic internal process that connects our business strategy and desired product claims with KPIs such as economic evidence and price determination to ensure transparency, alignment, collaboration and optimal reimbursement execution. By leveraging this ROI process as a core consideration throughout the R&D stages, we expect to be able to better optimize our market access strategy and execution at the time of product launch.

We are also focused on addressing access barriers through our social impact work and business initiatives like our PD and VRD programs—read more about these programs under Social Impact.



# Incorporating Sustainability into Product Development

Alcon works to mitigate our products' environmental impact while ensuring we provide our customers with safe medical devices. For example, some of our products must be single-use to protect patient safety. Addressing these challenges starts with our R&D process. We focus on identifying ways to improve material use in our production process, reducing energy consumption, minimizing packaging, reducing post-consumer waste and using more recycled materials.

## Environmental Sustainability Scorecard

Alcon looks to minimize our emissions footprint by incorporating sustainability into our product development process. We measure products' emissions intensity and other environmental key performance indicators at each development phase, including the early stage of the R&D phase using our Environmental Sustainability Scorecard (ESS). The ESS helps us identify opportunities to improve and meet demand for more sustainable, resource-efficient products that meet or exceed cost and efficiency expectations. Considering sustainability throughout product design also helps us reduce costs and improve yields. For example, the ESS identified processing improvements in a surgical device under development that not only led to 20% water reduction in the device manufacturing but also reduced the devices' total material cost. The ESS also helped us log, among other environmental factors, how our new design minimized the amount of concentrated fluorinated carbon gas expelled from our Unifeye equipment, resulting in a 25% reduction in associated greenhouse gas (GHG) emissions per surgery.

We continue to embed the ESS into our enterprise stage-gate process, which helps us look for opportunities to improve and meet demand for more sustainable, resource-efficient products. When developing a new product, teams must create or update an ESS with oversight by the SIS Steering Committee. Teams can compare their scorecard results to others across the enterprise through our online centralized database and share best practices. In 2023, we also launched a training program across Alcon to integrate the ESS into projects more widely and increase the consideration of sustainability throughout operations and project design.

In 2023, all new R&D projects generated an initial ESS in the feasibility stage, and we continued integrating the ESS into late-stage product development projects. Over 98% of projects incorporated the ESS in 2023.

## Inclusivity

Alcon designs products for broad access and use through our inclusive design principles. For example, our Legion® Phaco Systems are smaller and more portable, making them particularly useful in operating rooms in emerging markets. We have also designed surgical instruments for surgeons with different hand sizes, including our Finesse® Reflex Handle, built for surgeons with smaller hands.

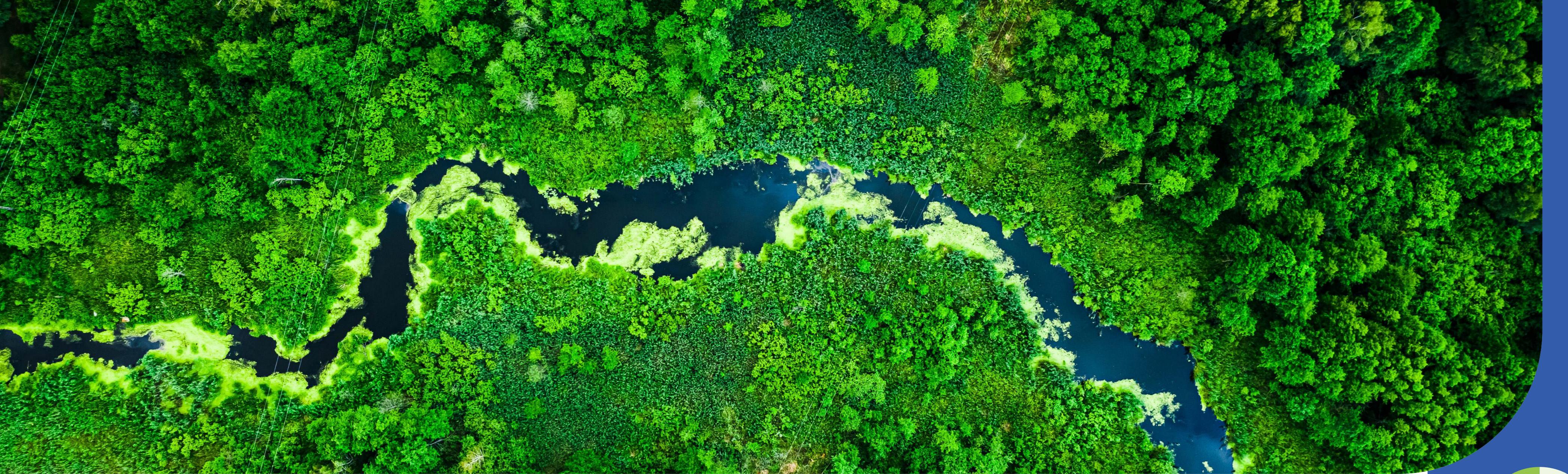


# Brilliant Planet

Alcon is committed to doing our part in protecting the health of our planet. We continually focus on minimizing our environmental footprint through efficiency and optimization to reduce emissions, water, waste and chemicals of concern. Two ambitious goals guide our work to reduce our operational environmental impact—to become carbon neutral across our global operations for Scope 1 and 2 GHG emissions, and 100% landfill diversion of non-hazardous waste at our manufacturing sites and distribution centers, both by 2030.

To achieve carbon neutrality across global operations for our Scope 1 and Scope 2 emissions by 2030, we are reducing energy consumption, transitioning to renewable energy sources and adopting responsible business policies and procedures. Through this work in 2023, we reduced our Scope 1 and Scope 2 emissions by approximately 9% compared to 2022.





# Global Environmental Sustainability Strategy

“

We're proud that our US headquarters received the Industry of the Year award at the City of Fort Worth Environmental Excellence Awards, a testament to our commitment of environmental stewardship.

*Ed McGough  
Senior Vice President, Global Manufacturing and Technical Operations*

Our Global Environmental Sustainability Committee, comprising leaders from Alcon's global operations, establishes and implements our environmental goals. The Governance and Nomination Committee oversees our environmental strategy, receiving updates from our Senior Vice President, Global MTO, and Global Head of Health, Safety and Environment (HSE).

Alcon's senior management and Board of Directors regularly assess financial performance risks, including environmental risks, and identify ways to manage and mitigate these risks. These discussions are critical in our operating and investment decision-making processes. We also gather stakeholder feedback through channels such as our Social Impact and Sustainability Priority Topic Assessment and direct engagement with our Global Head of SIS. External frameworks and analysis help us assess areas for improvement.

*Our Global Environmental Sustainability Strategy focuses on four topics:*



SUSTAINABLE PRODUCTS AND SERVICES



ENERGY EFFICIENCY AND GHG REDUCTION



OPERATIONAL WASTE



WATER STEWARDSHIP



# Reducing Product-Related Environmental Impact

Alcon is committed to reducing packaging waste and addressing chemicals of concern associated with our products and services wherever feasible. We partnered with external consultants in 2023 to conduct lifecycle assessments on specific products, setting a baseline for future product development. We are also investigating more efficient ways to reduce waste by eliminating styrofoam, substituting virgin packaging materials with recycled material and reusing byproducts where feasible and applicable.

Finding more efficient packaging practices for our products is a core aspect of our strategy to reduce product-related waste. In our Surgical franchise, our Green Innovations Surgical Team (GreenIST) identifies opportunities to increase sustainability measures and minimize waste.

## Chemicals of Concern

We identify and eliminate chemicals of concern from our products and comply with chemical regulations, including the EU Registration, Evaluation, Authorization and Restriction of Chemicals; the EU Medical Devices Regulation; California Proposition 65; the Toxic Substances Control Act; and the EU Restriction of Hazardous Substances. Alcon also leverages our position as a purchaser of extensive raw materials to help our suppliers evaluate their own footprint.



Single-use plastic plays an important role in keeping patients safe, yet it has an environmental impact we want to minimize. So, we're looking at what we can address, like packaging and materials, to drive waste out of our products.

*Jeannette Bankes  
Group President, Global Franchises*

## Product Design and Lifecycle Management Data

Product Design and Lifecycle Management	2021	2022	2023
Devices and Equipment Reused, Recycled or Donated (Metric Tons)	108	100	102

# Reducing Our Operational Footprint

We set annual environmental targets related to emissions intensity, non-hazardous waste landfill diversion rates, water conservation and site-specific environmental projects. The MTO function is responsible for leading and tracking progress against these targets as well as our carbon neutral and zero waste goals with support from executive leadership and business functions. The Global Head of HSE and Global Head of SIS oversee the implementation of environmental initiatives and periodically engage with Alcon's CEO and ELT to ensure leadership is strategically aligned and informed on emerging risks and impacts.

The HSE Management System is the foundation of our environmental program, embedded throughout the company and aligned with ISO 14001:2015 Environmental Management System. This system provides a framework that eliminates, minimizes and mitigates the environmental impacts associated with products and services offered by Alcon and our operations. It also ensures legal compliance and addresses non-compliance causes through investigations and corrective and preventive action plans.

Recognizing the importance of considering sustainability in the planning stages of projects, we have incorporated an environmental impact assessment into our manufacturing capital investment approval process since 2021.

## Environmental Compliance

Our manufacturing sites and products comply with all applicable legal regulations. We have also implemented detailed 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.

## Climate Change and GHG Emissions

Alcon is committed to being carbon neutral across global operations by 2030, covering all Scope 1 and Scope 2 emissions. Energy efficiency projects and strategically procuring renewable energy are central to achieving this goal. In 2023, we worked with our Texas energy utility company to secure the physical delivery of renewable energy to our Fort Worth campus and Houston manufacturing site locations. We reduced our total Scope 1 and 2 GHG emissions by approximately 9% compared to 2022.

We annually complete Scope 1 and Scope 2 GHG emissions inventory and are working with EcoVadis to track our suppliers' sustainability performance. The integration with EcoVadis, a leading provider of global business sustainability ratings, will help us determine Scope 3 emissions and incorporate supplier performance into our strategic sourcing process. Beyond emissions reductions, Alcon remains vigilant in safeguarding our business against the physical risks associated with climate change. Furthermore, we examine the potential consequences of emerging policy and legal requirements, technology changes and market shifts, including changes in consumer expectations.

## GHG Emissions Data

GHG Emissions	2021	2022	2023
Total Scope 1 and Scope 2 GHG Emissions (MTCO <sub>2</sub> e) <sup>19</sup>	309,083	256,010	233,482
GHG Emissions Intensity Ratio—On-site Generated Energy (t/TJ) <sup>20</sup>	55	51	50
GHG Emissions Intensity Ratio—Purchased Energy (t/TJ)	126	92	78

19. Metric tons of carbon dioxide equivalent.

20. Tons of CO<sub>2</sub>e per terajoule.

*Alcon's Green Tiger team, a cross-functional team of associates, is pivotal in evaluating business opportunities and risks associated with sustainability requirements, particularly those outlined in the EU Green Deal. Their work helps guide our global organization and key stakeholders, such as the HSE team and GreenIST. Beyond their evaluative role, the Green Tiger team actively leads local "eco-projects" across Alcon's European operations. The team led an initiative to gather training materials and guidelines in 2023. These materials are now posted in operating rooms to help staff responsibly manage surgical leftovers through recycling and properly dispose recyclable materials.*

## Energy

In 2023, we completed 42 energy saving projects with an estimated energy savings of 87,000 gigajoules (GJ), avoiding approximately 8,778 metric tons of CO<sub>2</sub>e. Projects included switching fluorescent bulbs with LEDs, roof replacements, optimizing compressed air consumption, installing insulating sleeves for injection heating units and replacing old compressors with more efficient ones. For example, Alcon Singapore Manufacturing installed rooftop solar panels that generate approximately 7,500 GJ of renewable energy for direct site consumption. Our AML facility realized energy savings of 5,000 GJ by replacing two old compressors with energy-efficient models.

Our energy conservation and efficiency efforts in Singapore were recognized through the Energy Efficiency National Partnership program, a collaborative effort led by the Singapore National Environment Agency (NEA). Alcon Singapore Manufacturing received awards for Excellence in Energy, Greenhouse Gas Management, and Best Practices for Energy Efficiency Improvement and Carbon Abatement.

## Waste

Our goal is to divert 100% of non-hazardous waste generated at manufacturing sites and distribution centers from landfill by 2030. In 2023, we achieved a landfill diversion rate of 95.9%.<sup>21</sup> We also set an interim goal of reducing waste by a combined total of approximately 480 metric tons, which we far exceeded, achieving a reduction of approximately 956 metric tons by the end of the year.

Our waste management strategy starts with reduction and prevention, such as eliminating toxic materials and reducing of non-recyclable materials, followed by reuse and recycling. Sites must develop and annually review a waste management plan that includes a waste inventory and set waste-reduction targets. We also conduct annual third-party audits for participating sites to validate our Zero Waste to Landfill status. Sites that have already achieved 100% landfill diversion consistently maintained this status in 2023, and all others worked towards this objective in 2023.

Our Cork manufacturing site reused the pallets received with components to ship IOL products to one of our distribution centers, eliminating approximately 12 metric tons of waste. Our Johns Creek, Georgia, site diverted approximately 430 metric tons of the spent molds generated after the lens curing process from incineration to use as a raw material for an injection molding company.

## Hazardous Waste

Alcon's Global HSE Policy prohibits sending hazardous waste to landfills unless mandated otherwise by the jurisdiction in which a site operates. Waste is handled, stored, labeled and managed within our locations to reduce the risk of contamination. Our internal Waste Management Standard establishes minimum requirements for safe and sustainable waste management programs at our sites and helps ensure that waste is properly stored, treated and disposed of in compliance with federal and local regulations.

See page 44 for waste-related metrics.

## Water

Alcon sites are implementing projects to address water consumption based on our Water Conservation and Efficiency Plan. Because contact lens and solution production requires purified water, our focus is on reducing water intake through optimization projects. We also prioritize the incorporation of water recycling and reuse practices where feasible.

In 2023, we implemented 12 water projects, saving more than 110 megaliters (ML) of water across our operations. Our Singapore site reduced approximately 22 ML by diverting reverse osmosis reclaimed water to the incoming water tank. Other projects included installing new water treatment systems and decommissioning old product lines, which reduces the water intake.

## Energy Data

### Energy Management

	2021	2022	2023
Energy Usage Intensity (GJ/Million Units Produced)	688	730	717

## Water Management Data

### Water Management Data

	2021	2022	2023
Total Water Input (ML/Million Units Produced)	1.15	1.21	1.19
Total Water Withdrawal from All Areas (ML)	4,864	5,057	5,156

# World-Class Talent

More than 25,000 Alcon associates work together each day to advance our mission to help people *See Brilliantly*. With a strong culture of integrity, Alcon invests in attracting and retaining talent through competitive pay and benefits, training and development programs, and engagement opportunities.





# Inclusive Culture and Engagement

Alcon's Blueprint articulates seven values and behaviors that unite us globally in a shared commitment to an integrity-based culture. It articulates our purpose and guides how we engage in all business interactions.

Policies like our Code of Business Conduct and Global Policy on Human Rights also outline our expectations for all associates to act respectfully and professionally. We do not tolerate improper or disrespectful conduct in any form.

Input from associates is critical to how we bring these policies and the Blueprint to life. Biannually, we send out an Associate Experience Dashboard (AED) engagement survey to help facilitate associate feedback and improve the associate experience. The survey asks questions about empowerment to make decisions, inclusion, connection to our purpose, collaboration, opportunities to learn and grow, and more. In 2023, we introduced new questions on belonging and manager effectiveness. Leaders discuss the survey results with their team to improve engagement and ways of working. Overall, we continue to maintain high engagement that is consistently above external global benchmarks, with approximately 84% of Alcon associates responding.

Based on survey results, inclusion and continuous improvement were our 2023 focus areas. We pursued three initiatives to help us make progress: SimplifEye, Elevate Brilliantly and My Alcon Experience. We are proud that as a result of our efforts, both inclusion and continuous improvement scores remain above external global benchmarks.

## SimplifEye

To grow our continuous improvement capacity, we launched an initiative called SimplifEye to equip associates with skills to drive operational excellence proactively within their own teams.

## Elevate Brilliantly

Our Elevate Brilliantly initiative helps leaders and associates focus on inclusion, and understand and live out our culture priorities: Ownership and Accountability, Speed and Simplicity. All associates across Alcon's global sites were invited to participate in this program in 2023. They had the opportunity to practice tools and approaches that bring these culture priorities to life in their daily work.

## My Alcon Experience

We introduced our internal employer brand, "My Alcon Experience," to our associates in 2023 to continue to engage and connect associates with Alcon. My Alcon Experience is built around four pillars: Make a Brilliant Impact, Innovate Boldly, Unleash Your Full Potential and Achieve More Together. Associates across Alcon engaged with My Alcon Experience by sharing their six-word stories on their Alcon experience and why they are excited and inspired about being part of Alcon.



## Compensation and Benefits

Alcon is committed to maintaining compensation policies and practices that reflect our company culture and ensure compliance with local regulations and laws. Our Total Benefits program includes wellness initiatives, such as annual health checks, vaccinations, on-site medical clinics and mental health awareness training. We also provide death, accidental death and paid short-term and long-term disability coverage. Additionally, the Alcon Global Employee Assistance program helps associates access a wide range of medical and social services. We offer competitive pension and retirement benefits in many markets.

Alcon's Total Rewards Philosophy and documents library detail our global benefits policies and guidelines for making competitive and equitable pay decisions and the administering benefits aligned with locally competitive standards. This Philosophy is regularly revised and updated. We also factor market information about salaries and market trends to define our salary strategy and merit increases.

All global compensation and benefits processes and their results and impacts are managed by the Total Rewards Head and Chief Human Resources Officer. Under the oversight of Total Rewards, the Global Compensation and Benefits departments have daily oversight of Alcon's compensation and benefits plans. We also partner with internal and external legal experts and vendors who specialize in supporting these programs from a compliance perspective. The Global Compensation and Benefits departments also partner with our Employee Relations and Legal teams to ensure we comply with internal governance practices and applicable regulations. Changes to our compensation and benefits policies require approval from the Compensation Committee.

To support and empower our associates, the Human Resources team provides education about our compensation and benefits, and the topic is covered in conversations with managers. During the year, we have multiple opportunities for associates to learn about salary definitions and market practices.

### Pay Equity

Alcon's senior leadership, under the oversight of the Board of Directors' Compensation Committee, is committed to pay equity. Our Total Rewards team conducts recurring pay equity analyses across gender, race, ethnicity and other diversity factors to identify potential disparities and makes appropriate adjustments to ensure pay equity. We assess the wage gap, which compares the annual base salary of male and female associates in the same job family per level, and the pay equity gap, which identifies compensation gaps among male and female associates in similar roles. Some countries conduct additional local pay equity analyses and report results based on local regulations.

For the second consecutive year, Alcon conducted a worldwide study with an independent consulting firm to probe for equitable pay outcomes for associates. The study assessed pay equity for gender globally and for gender and ethnicity in the US based on Annual Base Salary. This global analysis includes associates in all locations where we have legal entities and covers diversity factors to identify potential disparities. We make appropriate adjustments based on the reviewed,

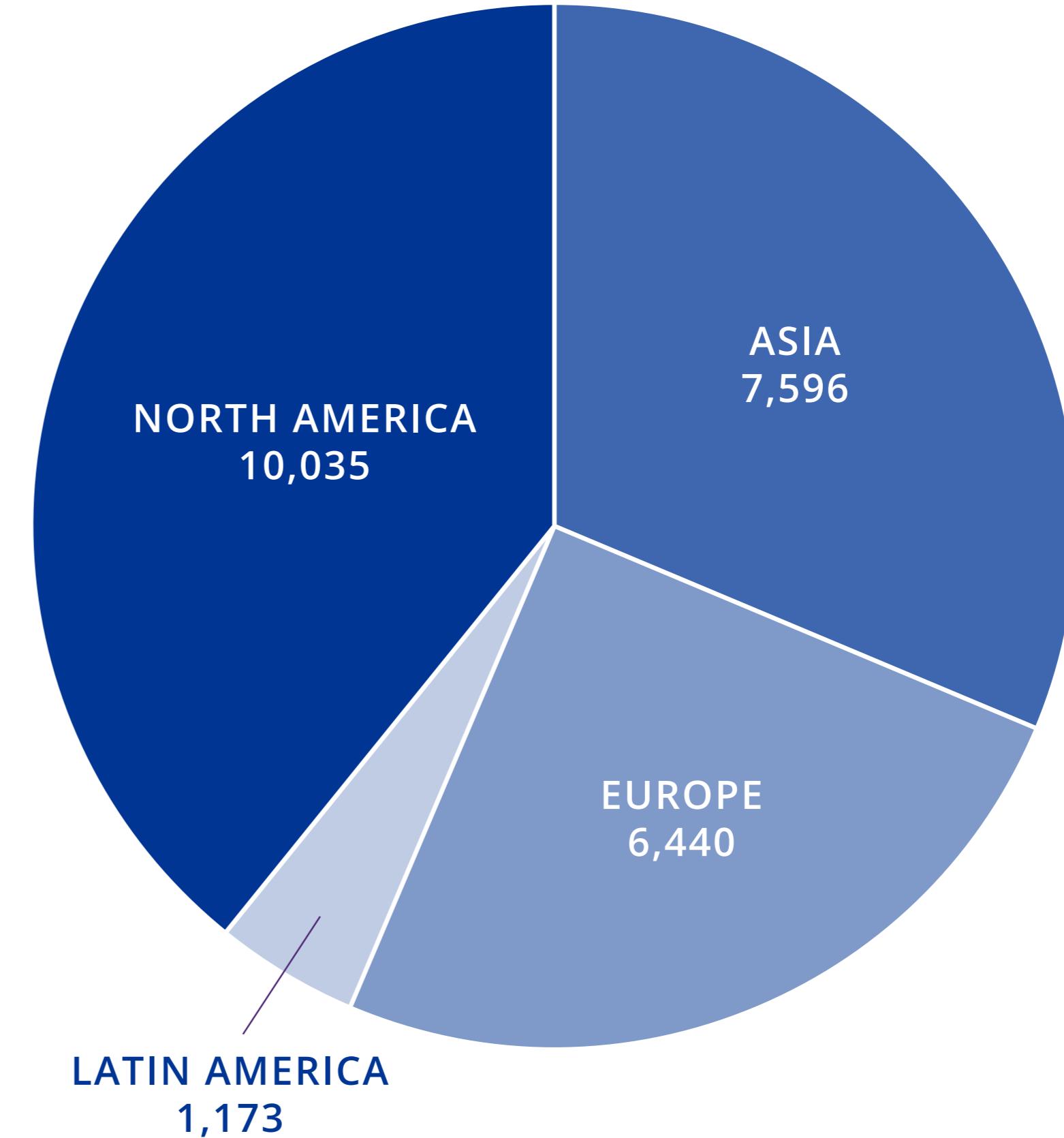
validated information to ensure pay equity. The Global Compensation and Leadership team reviewed results from the study.

The Compensation team, in partnership with third-party specialized consulting firms, deploys pay equity training to the Human Resources team as well as people leaders. Human Resources also conducts training and provides resources for leaders to advance their understanding of pay equity practices and ensure it is done according to our purposes and values.

## Workplace Flexibility

Alcon balances our strong culture of in-person collaboration with workplace flexibility. We believe that giving associates options to optimize their work-life balance drives innovation and business performance. This approach also allows us to be sensitive to geographical differences. We offer many flexible work arrangements for our associates, including flex time and a compressed work week.

## Our Global Workforce: TOTAL 25,244





# Diversity and Inclusion

We are building an even stronger Alcon by cultivating a diverse and inclusive culture. Leaders across our global footprint and business units are committed to cultivating an inclusive workplace aligned with our Diversity & Inclusion (D&I) Strategy, which consists of three pillars and four D&I commitments.

## D&I Strategic Pillars

1. Grow our diverse talent
2. Foster a culture of inclusion
3. Strengthen impactful connections

## 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

## D&I Leadership

Our Chief D&I Officer is responsible for setting our D&I vision, defining and executing our strategy, engaging leaders and helping associates drive outcomes. The officer works alongside the Executive D&I Council, which consists of executives across major business lines, to provide decision-making related to our enterprise D&I strategy and executive sponsorship for employee resource groups (ERGs).

All Alcon ELT members have adopted D&I into their annual goals to make progress in achieving diverse representation within their team and created an accompanying action plan in their respective functions. These diversity improvement goals focus on priority areas by job levels over a set period of time. Progress is factored into Short-Term Incentive compensation. To track D&I performance across our three D&I pillars, each ELT member has a D&I dashboard for their organizations that shows workplace representation by job level and function compared to talent market availability across gender, race and ethnicity, inclusion scores from our global AED engagement survey and supplier diversity progress. Each ELT member also receives a global Women in Management dashboard highlighting progress towards increasing female representation in management and a global Gender dashboard depicting representation of women compared to talent market availability in management and non-management roles in our top

markets. These dashboards help inform each ELT member's functional D&I action plan. Plans are reviewed every quarter. Progress and impact are noted, and plan tactics may be added or adjusted based on new opportunities and changing business dynamics.

More specifically, our D&I dashboards include:

- Workforce demographics
  - US dashboards depict our workforce representation of women and various race/ethnic populations for each function and job level compared to talent market availability
  - Global Gender dashboards depict workforce representation of women compared to talent market availability in management and non-management roles in our top markets
  - Global Women in Management dashboards depict overall representation of women in management within each function
- Inclusion scores from our associate engagement surveys, including scores by total function or country, gender, and race and ethnicity
- New hires and turnover by gender, race and ethnicity
- Supplier diversity goals and spend as a percentage of total procurement

## Our D&I Strategy

Sites implement D&I action plans with the support of our D&I Councils, comprised of associates across various functions and levels, and guidance from senior leadership. These Councils help ensure we engage associates and factor their insights into our efforts. They partner with Alcon's D&I team and Human Resources to activate plans and promote D&I. In 2023, we introduced a new D&I Council at our global headquarters in Geneva, Switzerland, and three in our US R&D, Quality & Regulatory Affairs (QRA) and MTO functions, bringing the total of D&I Councils to 12.

We regularly assess our D&I strategy based on stakeholder feedback. One of the ways we do this is through a bi-annual review of our AED engagement survey's inclusion questions, which gives us results about Alcon associates' sentiments regarding inclusion within their leadership and team. We [also annually benchmark our D&I performance against peer companies](#) to ensure we meet market standards.

In 2023, we scored 100% on the Human Rights Campaign Foundation's Corporate Equality Index, designating Alcon to be among the Best Places to Work for LGBTQ+ equality in the US and Mexico. Our Switzerland office earned the Swiss LGBTI Label certification, signifying our inclusive culture and demonstrating our commitment to equal rights. And we were recognized by Fair360 (formerly known as DiversityInc) as a Noteworthy Company and a Top Company for High Potentials. These designations join an array of acknowledgments noted on Alcon's website.

## Fostering a Culture of Inclusion

Diversity fuels our innovation, helping deliver better outcomes for our customers and their patients. Our extensive D&I programming helps increase our associates' D&I awareness and appreciation of differences, improve inclusive behaviors and leadership capabilities, and embed diversity and inclusion in all of our talent practices.

In 2023, we expanded some of our existing trainings.

- *Inclusive Leadership Journey*, an intensive, five-part immersive learning journey that grows and develops associates in their knowledge and capability of D&I. We expanded availability, enabling more associates and leaders globally to gain the skills to confidently and effectively conduct conversations about D&I and successfully lead diverse individuals and teams.
- *Elevate Brilliantly*, a training that builds leadership capability and cross-cultural competency, teaching our leaders to think and act with an enterprise mindset while confidently speaking and working through collaboration challenges. The first two sessions of this six-part series focus on inclusion, promoting empathy, and understanding and building inclusive leadership capabilities.

We also introduced new trainings.

- *Quarterly Global D&I Forums* hosted by the Chief Diversity & Inclusion Officer and D&I teams provided an opportunity to update associates around the world on our D&I efforts and progress and take a deeper look into topics of their interest. Topics in 2023 included diverse talent acquisition and development practices, supplier diversity, community and associate engagement, and the work of our ERGs and D&I Councils.
- *D&I LinkedIn Learning*, created in response to associates' interest in learning more about diversity and driving inclusion within Alcon. Our LinkedIn Learning paths consist of short (3-5 minute) videos to increase understanding and action-taking to demonstrate inclusive behaviors. The three paths offer options for individuals looking to increase their knowledge in D&I, teams who want to create more dialogue and support D&I efforts, and leaders who would like to lead their teams from an inclusive lens.

Associates also have access to an online platform with direct access to trainings and video-based learning and development courses, including a variety of D&I-related content.

**Over 6,000 associates globally participated in the newly launched D&I Days, hosted by the MTO and Quality and Regulator Affairs (QRA) D&I Councils. These days brought associates together to create connections and learn about Alcon's approach to D&I. The QRA D&I Day also served to strengthen the bridge between the recently merged QRA function and the QRA site leaders at sites across the globe.**



## Growing Our Diverse Talent

We have implemented a wide range of programs to increase the diversity of talent at all career levels through internal talent development, promotions and external hiring. This programming feeds directly into our functional D&I action plans and enterprise-wide goals. We also identified ownership and accountability for ensuring D&I is a consideration in every talent practice in 2023. This included identifying and forming new partnerships with external diverse talent organizations to improve our employer brand recognition, build a broad network of talent and provide our existing talent with leadership and development opportunities.

To draw awareness and additional focus to diversity recruiting and sourcing, we implemented a new feature within our applicant tracking system that notifies recruiters and hiring managers when an open job is in one of our D&I priority areas. This notification encourages the recruiter to work with the hiring manager to ensure a diverse candidate slate and to take other measures like forming a diverse interview team and promoting the role within their own networks. Recruiters also help guide hiring managers in speaking to Alcon's D&I commitment. In addition to adding this new feature, we continued to train all US recruiters in diverse recruiting and require a diverse slate of candidates aligned to the diversity priority areas for each function and job level.

## Strengthening Impactful Connections

To See Brilliantly, we must see each other brilliantly. Alcon leverages 10 Employee Resource Groups (ERGs) with more than 35 chapters globally to help engage and empower our talent and advance our D&I strategy. In 2023, we introduced our new One Global ERG model with our LGBTQ+ & Allies ERG and Women ERG, each uniting their chapters

across the globe in strategic collaboration and goal-setting, streamlining programming and communications and identifying new opportunities in close collaboration with their ELT sponsors and global advisors. We also launched a new ERG called Abilities, which caters to associates with physical or neurological differences or who are caretakers of children or family members with disabilities. As is standard practice for all our ERGs, Abilities is sponsored by a member of the ELT. Across the other nine ERGs, our global presence expanded 22% with the addition of multiple new chapters across 4 locations.

Throughout 2023, our ERGs led programming to inspire, engage, develop and provide community for members. Programs included mentoring, career conversations, guest speakers, cultural heritage celebrations, community support and volunteering, and our signature event, the annual Global ERG Summit. The 2023 Summit was our biggest yet, featuring inspiring guest speakers and panels, ERG Leadership Impact Awards, networking events, tours and, for our ERG leaders, executive insights and focused time together on strategic planning. Participants from multiple countries and sites throughout the globe joined the summit.

Relationships with professional organizations geared toward diverse talent are an important facet of both our Grow Our Diverse Talent and Develop Impactful Connections strategic pillars. In 2023, we built new partnerships with two such organizations focused on Black and African American talent: National Sales Network and Black Women in Science & Engineering. These partnerships help build connections and create a new talent pool of sales, marketing and science, technology, engineering and mathematics (STEM) professionals. At the same time, we are able to amplify Alcon's employer brand through speaking engagements, conferences, job fairs and other venues. Our existing talent also benefits from the opportunity to participate in these events for professional development and networking.

## Diversity and Inclusion Data

### Diversity Performance

US Racial and Ethnic Diversity <sup>22</sup>	2021	2022	2023
Workforce	47%	48%	50%
Management	36%	37%	38%

Global Female Representation	2021	2022	2023
Workforce	48%	47%	46%
Management	36%	36%	37%

**Alcon develops diverse, early career talent to build a strong workforce for tomorrow. In 2023, we launched the first "Innovate Boldly" R&D Diversity Externship. The program hosted diverse, college-level participants for a four-day R&D programming experience in Fort Worth, Texas, and won an internal R&D Excellence Award, acknowledging significant accomplishments across the function.**

# Health and Safety

Guided by the Global HSE Policy, we integrate health and safety considerations into day-to-day operations and decision-making. All associates receive annual health and safety training and have access to HSE Net where information such as “good catches” and “near misses” may be entered for tracking and resolution. We encourage associates to speak up to their manager whenever there is an unsafe condition. We also offer associates updates and open the floor for feedback related to HSE during regularly scheduled Town Halls and Management Reviews. Sites have also implemented Safety Committee meetings where departments and teams meet routinely to increase overall HSE knowledge, share learnings and convey best practices among colleagues.

Each year, the Global HSE team reviews injury and illness trend data, site performance indicators, the outcomes of our HSE Management Review and other relevant inputs to determine actions for the upcoming year. The 2023 HSE Management Review identified ergonomics, hazard identification, risk mitigation and control as focus areas, which led to the implementation of site-level action plans and the development of new Global HSE standards.

In 2023, we focused on developing and rolling out new health and safety standards in the areas of 3D printing and hazard identification, risk assessment and control. We revised our HSE Non-Conformity, Corrective and Preventive Actions global standard to include the requirement to develop corrective action and preventive action plans with effectiveness checks associated with nonconformances, including off-track site performance indicators. We simplified HSE Net incident management and action plan workflows to better align with business needs. And, we developed tools for sites to self-assess local HSE procedures alignment with regulations and our Global HSE standards.

Read more about HSE governance in the Strong Governance section.

## Associate Well-Being

In 2023, we offered wellness initiatives such as virtual fitness programs, annual health checks, vaccinations, on-site medical clinics and mental health awareness training. All associates also have access to our Global Health Employee Assistance Program, which provides a wide range of medical and social services. We also launched a global wellness survey and are using the results to create a holistic wellness framework aligned with global guiding principles and toolkits. This framework will help HSE teams across our footprint develop effective wellness programs.

Some locations have established occupational health services, while others have established partnerships with community medical facilities or other health service providers. Each site has standards, procedures and processes related to medical surveillance (pre-employment screening, audiometry, vision screening, etc.), ergonomic assessments, blood borne pathogens, injuries and illnesses, vaccinations, emergency preparedness, and response and first aid.

## Contractor Safety

Alcon holds all third-party personnel to the same high safety standards. Our contractor management process includes a Contractor Safety Management Standard and involves collecting safety information from contractors and suppliers, assessing performance, verifying qualifications and conducting orientations prior to initiation of on-site work. Questions cover topics such as HSE programs, safety trainings and hazardous materials to gauge compliance with the standards.

Active contractors must renew their registration annually and complete HSE refresher training. We also audit contractor activities on-site to ensure compliance with our HSE policies. In 2023, we optimized online platforms and programs to streamline communication between contractors and Alcon and to better connect services offered by contractors with Alcon's needs.

## Health and Safety Data

Employee Safety <sup>23</sup>	2021	2022	2023
Employee Total Recordable Case Rate (TRCR) <sup>24</sup>	0.54	0.40	0.41
Employee Lost Time Incident Rate (LTIR) <sup>25</sup>	0.19	0.11	0.13 <sup>26</sup>
Management Walk-Through Rate <sup>27</sup>	22.96	30.14	34.06
Near Miss and Good Catch Rate <sup>28</sup>	29.05	35.58	32.93

23. Associates and third-party personnel.

24. 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, multiplied by 200,000.

25. 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 the number of hours worked by Alcon associates and third-party personnel, multiplied by 200,000.

26. The recent increase in LTIR may be attributed to a slight increase in the percentage of slips, trips, and falls in 2023 compared to 2022. Alcon's rate is still well below industry average.

27. Management walk-through rate is the number of HSE-related walkthroughs by management by 200,000 working hours for Alcon associates and third-party personnel.

28. Near Miss and Good Catch Rate is the total number of near misses and good catches divided by number of hours worked by Alcon associates and third party personnel and multiplied by 200,000.



# Training and Development

We invest in our associates' professional development through experiences, mentoring, coaching, training and leadership development programs. Our learning and development philosophy is based on the 70/20/10 model of 70% experiential learning, 20% learning from others and 10% formal job training and development programs. As part of this model, we encourage associates and leaders to partner and create development plans that embrace all ways of learning.

All associates undergo an annual review process aligned with our Performance Growth and Rewards process. This holistic review process starts with goal-setting at the beginning of the year, followed by midyear and end-of-year reviews. Our ELT leads the initial goal-setting process, aligning annual goals with our company's strategic priorities. Leaders communicate with associates regularly to ensure they have clear expectations and individual development goals for the upcoming year. The foundation of our review process is a focus on timely feedback, as we believe this is a critical component for our associates' professional and organizational growth.

In 2023, we delivered programs to develop leadership capabilities and foster a learning culture. For example, BLUE: Building Leaders, Unleashing Excellence, our 12-month, ELT-facilitated development program for senior leaders continues to build our leadership pipeline. We grew our global leadership development portfolio with a focus on reaching associates outside of the US. We also continued to invest in an online learning platform to provide on-demand, self-paced learning opportunities for associates globally.

## Training and Development Data

Training and Development	2021	2022	2023
Percent of Employees Participating in Training and Development	100%	100%	100%
Total Number of Hours Invested in Leadership Development	6,572	17,676	18,947

## Talent Attraction and Retention

Alcon's investments in fostering a diverse, inclusive and engaged workforce have helped make us a great company and top employer of choice. In 2023, we hired more than 3,400 associates around the world.

Talent attraction and retention is monitored and managed by our Vice President of Culture, Capability and Talent and our Vice President of Global Talent Acquisition and Chief D&I Officer, who report directly to the Chief Human Resources Officer. Additionally, the Board of Directors and the Compensation Committee annually review culture, enterprise talent and succession planning, D&I, and pay equity.

Alcon strives to onboard and connect associates to our bold mission. In 2023, we continued to enhance the global BestSTART onboarding program to ensure every associate has knowledge and tools for success at Alcon. Associates are enrolled in BestSTART within their first few days of work and connected to an ambassador who guides them on our culture and Blueprint and ensures they are connected to our purpose. We piloted a digital onboarding experience to support new hires to accelerate their connection to Alcon's purpose and their teams and enable speed to performance. This will be launched globally in 2024.

Despite an active external labor market in 2023, Alcon achieved our goal of maintaining retention rates better than the top quartile of pharmaceutical/medical device company benchmarks.

## Talent Attraction and Retention Data

Talent Attraction and Retention	2021	2022	2023
Total turnover rate	11.4%	11.7%	11.8%
Voluntary turnover rate	7.8%	8.2%	5.7%



Through initiatives like our Development in Action week, we continue to build a culture centered on growth and empowerment.

*Kim Martin  
Chief Human Resources Officer*

In 2023, we piloted the Development in Action week, facilitating development conversations among associates and leadership. Over the course of the week, associates were empowered to own their careers and start development conversations with their managers. It was a successful initiative with the following activities to drive engagement around the development topic:

- *Launching a campaign to highlight Alcon development tools*
- *Holding preparation sessions for leaders and associates to equip them to have effective development discussions*
- *Showcasing dynamic internal and external speakers on topics such as how to "Future-proof your career"*

To support people managers in maximizing the impact of their career conversations with associates, we introduced new training on applying a diversity lens to these discussions. By building trust, using curiosity, being cognizant of biases, demonstrating understanding of lived experiences and encouraging open and productive dialogue between managers and associates, more relevant and meaningful development plans emerge that engage our talent and support their growth and engagement. This initiative was piloted at select locations, engaging over 1,300 associates across the global pilot locations in 2023.

# Strong Governance

We are committed to doing business the right way without exception. Alcon's 75+ year reputation is grounded in our commitment to ethics, integrity, quality and safety. Our vigilance against corruption and bribery and our compliance with local laws and ethical practices are essential for sustainable growth.



# Corporate Governance

Alcon is governed by a Board of Directors comprising 10 independent members and our CEO. We seek diversity among our Board membership so Alcon can benefit from a variety of backgrounds, expertise and perspectives and meet the changing needs of our global business. Our governance structure, policies and process are designed to serve the needs of our business, our shareholders, associates, partners and communities while promoting accountability across the company. Further details can be found on our [Governance website](#).

## Social Impact and Sustainability Governance

Our robust SIS governance structure allows us to consider SIS objectives throughout our enterprise decision-making process. Quantifiable SIS metrics are factored into all Executive Committee members' individual performance goals that impact the Individual Performance Factor in the Short-Term Incentive compensation.

*The Global Treasury team manages risks associated with Alcon's transactions with banks and financial institutions. Starting in 2023, 90% of cash investments must fulfill sustainability criteria.*

## Oversight

### Board of Directors

Responsible for overall Social Impact and Sustainability strategy

### Governance and Nomination Committee

Assists the Board in its oversight of Social Impact and Sustainability initiatives

### Social Impact and Sustainability Steering Committee

Executives from across departments, including Corporate Affairs, HR, Innovation, Legal and Compliance, Manufacturing and Global Quality, and Regulatory Affairs, oversee related topics and are responsible for identifying and managing Alcon's environmental and social impacts

## Day-to-Day

### Global Head of Social Impact and Sustainability

#### Social Impact Team

Oversees the Alcon Foundation, Alcon Cares and community and employee engagement programs

#### Sustainability Team

Oversees all environment and innovation goals, programs and performance; leads company reporting

## Topic-Specific Oversight

### Social Impact Committee

Implements and tracks social commitments and identifies innovative ways to expand eye care access

### Global Environmental Sustainability Committee

Responsible for setting and achieving environmental goals

### Alcon Foundation Board

Oversees Alcon Foundation giving programs

### Innovation Council

Assists the Board in its oversight of strategy and investments in R&D and emerging technologies

### Alcon Cares Board

Oversees Alcon Cares product and equipment donation programs

### Executive Diversity Council

Provides guidance and decision-making on D&I strategy and executive sponsorship for our ERGs

## Sustainability Priorities

Regular engagement with associates, suppliers, customers and healthcare providers, industry groups, investors and nonprofit partners is the primary way we identify, assess and prioritize matters of importance. Our overall SIS strategy is informed by our 2022 SIS Priority Topic Assessment, which identified topics that matter most and where we have the most potential to create value aligned with our purpose.

The assessment process, led by a third party, started with a landscape analysis that identified sustainability topics most relevant to our business and stakeholders. The topic list was generated through a review of industry and sustainability trends, peer company priorities and reporting, and leading frameworks like GRI and SASB. We then surveyed more than 270 associates, suppliers, customers, healthcare providers, industry groups, investors and nonprofit partners to rank the topics. We organized the results into three tiers, with tier one being the highest priority. We engaged our Board and company leadership to assess each topic's strategic and financial impact on Alcon.

## Sustainability-Related Risk Management

Alcon primarily evaluates how sustainability-related matters can affect our business through our annual enterprise risk management (ERM) process. For example, as part of this process, we have identified the potential for factors, sustainability-related and otherwise, that could disrupt our operations and those of our suppliers and result in financial and reputational impacts. The sustainability-related factors include strikes and other labor disputes, industrial accidents and other occupational health and safety issues, and natural and man-made disasters, including climatic events and any potential effect of climate change. More information on our risk factors is available in our Form 20-F.

The potential risks we identify are integrated into our business planning, including investments in reducing safety and health risks to our associates and reducing our impact on the environment. We also have dedicated resources to monitor legislative and regulatory developments and emerging issues to anticipate future requirements and undertake policy advocacy when strategically relevant. Outside of our annual ERM process, we also introduced a SIS Risk Management group in 2023, which meets quarterly to identify, analyze and advise leadership on potential social and environmental risks impacting the enterprise.

## Tier 1 Material Topics

- Access, Affordability and Pricing
- Compensation and Benefits
- Corporate Governance
- Customer Privacy and Cybersecurity
- Employee Health and Safety
- Environmental Compliance
- Ethics and Compliance
- Human Rights
- Innovation/Medical Innovation
- Pay Equity
- Product Quality and Patient Safety
- Product-Related Waste

# Business Ethics



We believe trust is an essential form of capital and hold ourselves to the highest standards of ethics and integrity. All Alcon associates, including full-time and part-time employees and contract workers, executives and our Board of Directors must comply with our [Code of Business Conduct](#). Our business partners must follow similar principles as described in our [Third Party Code of Conduct](#).

Alcon's Audit and Risk Committee, under the oversight of the full Board of Directors, supervises our global Integrity and Compliance program. This committee provides strategic direction and oversight on compliance-related issues. Our Global Head of Integrity and Compliance leads our Global Integrity and Compliance program, which sets clear expectations for legal and ethical compliance. This program is designed to prevent, detect and mitigate compliance risks and is aligned with the guidance of the US Department of Health and Human Services Office of the Inspector General. Our Audit and Risk Committee meets quarterly to provide strategic direction and oversight of our program and compliance risk management. We have also established similar regional- and country-level compliance committees to help oversee compliance and ethics.

The Ethics and Compliance team implements Alcon's framework for ethical governance. This framework covers behavioral expectations, associate training, monitoring, auditing, risk assessment, reporting and remedial action. Alcon's Code of Business Conduct is available in 18 languages to ensure all associates can access and understand our standards of conduct. We reiterate the importance of following the code and speaking up regarding any instances of non-compliance during our annual mandatory training and certification process for associates.

## Anti-Bribery and Anti-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 US Foreign Corrupt Practices Act, the United Kingdom Bribery Act and other laws. In 2023, we assigned anti-bribery training to over 16,000 Alcon associates who interact with customers or are in supporting roles and achieved a 98% completion rate. We conduct risk-based screening and due diligence before engaging third parties to mitigate bribery risks. Our approach to third-party compliance also includes mitigation requirements for identified risks and targeted, risk-based training, monitoring and auditing activities.

When working with third parties that distribute Alcon products, we expect our partners to conduct their business with integrity and require them to implement their own compliance program. To assist them, in 2023, we launched a [Distributor Compliance Program Toolkit](#) providing resources translated into 18 languages to assist their efforts to implement, communicate and train their employees on their compliance program. These resources cover multiple risk areas, including:

- Bribery and Corruption
- Conflicts of Interest
- Interactions with Healthcare Professionals & Government Officials
- Keeping Good Books & Records
- Speaking Up
- Sanctions, Boycotts & Money Laundering

*As part of our efforts to measure employee understanding and support for our company values, culture of ethics, and overall integrity and compliance program, we periodically conduct dedicated ethical culture assessments. In 2023, over 7,400 employees from over 50 countries participated, with 85% of the respondents providing a positive rating of Alcon's overall ethical culture.*

*The assessment further highlights a 97% positive response rate regarding familiarity with Alcon's Values & Behaviors and that 94% of respondents feel that Alcon has clearly communicated ethical expectations to them.*



## Fair Competition Practices

We earn our business success on the merits of our products and services, excellent customer service and competitive prices. Our Code of Business Conduct, Third Party Code of Conduct and Global Policy on Fair Competition outline our expectations for fair business dealings that are consistent with applicable competition laws.

## Human Rights

Alcon is committed to respecting worker rights, complying with employment and human rights laws and preventing child labor, modern slavery or human trafficking from occurring in any part of our business operations or supply chain. We also respect the rights of employees to associate freely and to choose collective bargaining.

Our Third Party Code of Conduct and [Global Policy on Human Rights](#) outline our policies on labor rights—including expectations around freely chosen labor, child labor and young workers, nondiscrimination, fair treatment, wages, benefits, working hours and freedom of association—and health and safety expectations. By committing to this Code, suppliers agree not to use child labor or forced labor of any kind, including bonded, indentured or involuntary prison labor. They also agree to not engage in any other form of slavery and human trafficking. If a supplier does not meet our minimum human rights requirements, we will not do business with them.

Alcon is willing to work with our partners to bring about improvements needed to comply with our Third Party Code of Conduct through engagement and collaboration. This may include audits, monitoring development and progress in meeting remediation action plans, referring suppliers to external experts and other reasonable steps to support continuous improvements.

In 2023, we established a process to screen and monitor new suppliers for risks by collecting information to determine the need for further risk assessments on specific areas, such as labor rights and health and safety. This process has deepened our supplier engagement and understanding of human rights risks within our supply chain. Additionally, through our work with EcoVadis, we will be able to integrate suppliers' performance on labor and human rights into our strategic performance results over time. Additionally, in support of integrating our commitment to human rights throughout our business, all Alcon associates receive information on our expectations through our annual Code of Business Conduct training.

Read more about our expectations of business partners in the Responsible Procurement and Supply Chain section. For more information on our approach to human rights, please see our [Responsible Business Practices](#), including our [Supply Chain and Modern Slavery and Human Trafficking Statement](#), [California Compliance Program Declaration](#) and [Conflict Minerals Report](#).

## Assessing Ethics and Compliance Risks

Our Ethics and Compliance program prevents, detects and mitigates compliance risks across Alcon, including ongoing efforts to access, monitor and audit compliance with our policies and procedures.

Before engaging third parties, we conduct risk-based screening and due diligence.

Alcon has extensive international operations and sells products in over 140 countries. We proactively assess ethics and compliance risks—including bribery and corruption risks—at each commercial operating location. Through these assessments, we consider internal and external inputs—such as recent regulatory changes and enforcement actions—as well as audit and monitoring findings, Ethics Helpline reports, and market-level data related to activities Alcon engages in to market and sell our products. We use the results to select sites and topics for the upcoming year's internal audit and monitoring activities; inform the need for policy, training and other program updates; and make legal and compliance staffing decisions.

## Training and Awareness

We regularly reinforce policy expectations to associates through newsletters and messaging from leadership. We have 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 data protection, anti-bribery, anti-trust and fair competition. Associates also complete additional periodic trainings on issues relevant to their roles and responsibilities, including topics and requirements relevant at the regional and local levels.

In 2023, 97% of our associates (including contractors) completed our Code of Business Conduct training. Full-time associates achieved a 98% completion rate.

## Reporting Concerns

As part of our speak-up culture, Alcon encourages and expects associates to ask questions and report ethical concerns by contacting a member of management, Human Resources or Legal. Reports can also be filed through the Alcon Ethics Helpline, an independently managed, confidential online service. Concerns may be reported anonymously through the Helpline where permitted by law.

We investigate all alleged violations of our Code and policies and take action to remediate them promptly. If misconduct is found, we carry out appropriate corrective or disciplinary actions, up to and including termination of employment. As our Code of Business Conduct states, we do not tolerate retaliation against anyone who reports a concern in good faith or participates in investigations.

## Ethical Marketing and Interactions with Healthcare Professionals

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 policy's 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.

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. As such, 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. Associates who interact with healthcare professionals, customers or other relevant roles are required to complete periodic trainings.

## Business Ethics Data

Business Ethics	2021	2022	2023
Code of Business Conduct Training Completion Rate <sup>29</sup>	98%	98%	97%
Number of Grievances Filed per Year	502	544	737 <sup>30</sup>
Grievances Substantiation Rate	50%	54%	54%
Terminations Due to Employee Misconduct	93	83	123 <sup>31</sup>

29. Training completion percentage includes full-time associates and contractors.

30. This increase may be attributed to normal variation in annual reporting levels that is influenced by internal and external factors. Alcon will continue to monitor this metric closely.

31. This increase may be attributed to normal variation in annual reporting levels that is influenced by internal and external factors. Alcon will continue to monitor this metric closely.



# Health, Safety and Environmental Management System

Alcon's commitments to protecting the health and safety of our associates, our partners and the environment are embedded into our operations through our HSE Management System. The system includes our Global HSE Policy and HSE Manual, which outline compliance obligations and describe minimum expectations for managing HSE aspects, hazards, risks and opportunities. It also describes the high-level HSE-related roles and functions across the business. Internal and external audits of the HSE Management System are facilitated and conducted at the site level.

Alcon's 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.

The Global HSE team meets with site associates quarterly to discuss progress toward our targets and also conducts an annual HSE Management Review alongside the ELT to evaluate performance and effectiveness. We have implemented annual internal conformance

reviews to evaluate performance and require all manufacturing sites to conduct legal compliance assessments with an external party every three years. Sites must report, investigate the root cause and implement corrective actions needed for identified deviations from compliance with regulations or Alcon's established procedures. The appropriate site and HSE leaders are informed immediately and nonconformances are presented to leadership during the management review process.

## Environmental Management

We have adopted responsible policies—including a global HSE policy—as well as procedures and practices that promote the efficient use of resources and protect the environment:

- **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 processes 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.

Our sites are required to align with these standards and policies in addition to all applicable legal regulations. They are also required to report, investigate and implement any corrective actions necessary to address instances of non-compliance. Our HSE associates follow our policies and procedures to ensure compliance with all existing permit requirements.

## Health and Safety Management

Our HSE standards provide Alcon sites with requirements and guidelines on conducting business activities while managing occupational health and safety. The HSE standards align across all global sites and consider compliance with regulations and other statutory obligations, such as ISO 45001—Occupational Health and Safety. We implemented the global standards at all new sites and verified effective implementation at existing locations to achieve alignment.

Each site completes a Risk Register, an annual review to identify and record risks and implement necessary mitigation efforts. Action plans are completed within each site's stated guidelines for identified medium- and high-risk items. This information is shared with senior leadership and helps inform annual HSE planning and goals.

# Cybersecurity and Data Privacy



Our customers and stakeholders rely on us to protect and secure their personal information and data. To uphold this responsibility, we have implemented a centralized, layered cybersecurity organization, security framework and risk management program aligned with industry cybersecurity standards, including the National Institute of Standards and Technology (NIST) and ISO 27001.

## Cybersecurity Governance

Our Chief Information Security Officer, reporting to the Chief Information and Transformation Officer, leads Alcon's Information Technology (IT) security and reports annually to the Audit and Risk Committee of the Board of Directors on cybersecurity.

Alcon operates a Global Security Operations Center that addresses response and recovery associated with cybersecurity-related events. The Security Operations Center is run by a staff of security professionals who are dedicated to addressing security threats and incidents in the Alcon environment. Alcon employs a third-party security architecture and consulting provider to continually mature processes and technology related to the Security Operations Center, targeting reducing risk and streamlining our incident response and recovery processes. In 2023, we continued to mature in the areas related to automated incident response to improve resolution time of security-related events, as well as value-add focus for security analysts. The Security team also expanded our coverage on third-party security monitoring to ensure we understand and continually monitor the security posture of our partner environment.

Our Global IT Security Incident Management Plan establishes procedures to address identified cybersecurity events with appropriate business-level involvement and customer communications. Twice per year, we conduct cross-functional security tabletop exercises in which our teams practice responding to incident scenarios facilitated by external experts. These exercises garner significant participation from the Manufacturing, Commercial and R&D teams. These exercises test different risk scenarios related to the availability, confidentiality and integrity of Alcon information assets. As a result, we have identified and implemented several key improvements, including:

- Establishing playbooks and third-party relationships to assist in the event of a ransomware or extortion attack
- Adding standing holding statements on cyber events for Alcon's Corporate Affairs teams' public and social media inquiries



We're not just keeping up — we're innovating to stay ahead, so that our company and customer data is secure as we transform digitally to deliver products and services.

*Sue-Jean Lin  
Senior Vice President, Chief Information and Transformation Officer*

- Implementing threat detection capabilities to enhance security monitoring and threat hunting
- Harmonizing medical product and enterprise security incident response plans

We engage a third party every year to conduct a cybersecurity assessment that reviews our IT security programs against industry standards and peers. These assessments are based on NIST's Cybersecurity Framework and measure the maturity of our program based on industry standard maturity models. The results are reported to the Audit and Risk Committee. Over the past years, we have reduced security vulnerabilities and increased our cybersecurity program to advanced levels of maturity. Alcon also monitors our security posture through third party security rating services, achieving advanced rating scores. Additionally, we have maintained cybersecurity insurance for the organization.

We are committed to reducing cybersecurity risk in the increasingly connected enterprise. We have defined all required security capabilities and set strategic roadmaps for future years, including assessing more ways to use artificial intelligence, machine learning and automation to manage risks and protect Alcon customers and key critical assets.



## Privacy Governance

The Alcon Global Privacy Office (GPO) manages privacy compliance through our Global Privacy Compliance Program, including overseeing privacy policies, procedures and training. The GPO is part of the Legal and Compliance function and works closely with IT Security and other functions across the company. Alcon's Global Head of Privacy, who is also Alcon's Data Protection Officer, leads the GPO alongside regional privacy officers and local privacy contacts. The Global Head of Privacy provides annual updates to the Audit and Risk Committee of the Board of Directors.

We implement the Global Privacy Compliance Program regionally and across all countries, while addressing the requirements of different jurisdictions. The Global Privacy Compliance Program aims to help Alcon maintain a high level of maturity, and consists of 10 deliverables, the delivery of which is automated through privacy compliance software, and includes outputs such as consent management, data inventory maintenance, privacy assessments, cross-border transfer requirements and global privacy training and communications. We regularly assess these Global Privacy Compliance Program deliverables against various internal and external metrics to continually mature the program.

## Third-Party Risks

Our cybersecurity organization manages third-party risk events and conducts vendor cybersecurity due diligence. As part of this overall management process, the cybersecurity team facilitates privacy assessments for Alcon's partners and suppliers to help minimize risk. We have strengthened our ability to assess and continually monitor IT service suppliers and their risk levels using an industry-leading cybersecurity scoring platform in partnership with Alcon's Procurement team.

We execute third-party assessments of our security controls and measure these assessments against industry standards to determine gaps in technology, process or staffing. The findings are integrated into our global procurement and legal processes to drive risk-based decisions on vendor management.

## Collection and Use of Personal Information

Safety and security are priorities in the collection, processing and handling of personal information. Our Global Policy on the Protection of Personal Data establishes minimum standards for safeguarding this information. Through our Global Privacy Compliance Program, we have established processes to manage different categories of personal information received from associates, customers, consumers and patients. When processing personal information, we provide clear and detailed notice, collect consent when required and only collect necessary personal information for specific purposes.

## Security Awareness

We regularly inform associates about security risks and protective actions to ensure a safe operating environment and the protection of Alcon's and customers' information assets. Alcon's privacy and cybersecurity training programs are comprehensive and business-focused and are offered to all associates and ELT members, including a yearly IT security and data privacy training program for all associates. This program focuses on responsibly and safely collecting, using and disclosing all Alcon data, including personal information. IT security training covers topics, such as phishing, credential management and secure file storage. As part of the Global Privacy Compliance Program, we also roll out targeted training to select regions or countries when new privacy laws are released. Additionally, we have monthly security awareness communications, host special events like Cybersecurity Awareness Month and execute scheduled phishing prevention campaigns across the enterprise.

# Responsible Procurement and Supply Chain

Alcon works with an extensive network of suppliers worldwide. We strive to ensure all business partners operate with the same high standards of integrity and business conduct to which we hold ourselves.

Our Procurement team manages the supply chain for Surgical and Vision Care products, including purchasing component parts for manufacturing intricate surgical equipment, contact lenses and related medicinal products. Working with other companies can add additional challenges as we work to understand and mitigate our impacts. As such, Procurement works closely with our Integrity, Compliance and Quality functions to continually monitor our suppliers, ensuring we uphold our values, high business standards and strong commitment to sustainability. We also strive to ensure that our manufacturing operations do not overly depend on any single supplier, except where intellectual property and/or other exclusivity agreements exist. In 2023, our annual spend with the largest direct material supplier to Alcon accounted for 4% of our total direct material expenditure.

Suppliers are required, as part of our Global Master Service Agreement and electronic purchase orders, to comply with our [Third Party Code of Conduct](#), which outlines expectations for suppliers, distributors, wholesalers, licensors and other technology and business partners, as well as their agents and subcontractors. This includes operating with the same high standards of integrity to which we hold ourselves and meeting our commitment to conducting business in a socially and environmentally responsible manner. Social impact and sustainability topics covered include 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 expect suppliers to adopt, with their own suppliers, considerations that broadly cover the same principles. Adherence to the Responsible Business Requirements stated in the Code is one of the criteria used by Alcon to select and evaluate third parties.

## Supplier Expectations and Audits

Alcon regularly evaluates suppliers to ensure they are meeting delivery, costs, technical and regulatory requirements. This includes quarterly, semi-annual or annual business reviews, with our critical (Tier 1) suppliers undergoing at least one business review per year. All of Alcon's critical suppliers must follow FDA guidelines on Good Manufacturing Practices (GxP) and are subject to the Supply Quality audit program. Critical suppliers are also required to maintain GxP certification, including independent third-party audits.

## 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. Unique Device Identifiers (UDIs) are required for medical device packaging and finished product-level serialization on all prescription drugs. The UDI and serialization incorporate human- and machine-readable identification. This allows consumers to trace their products and helps keep our supply chain safe and secure.

## Critical Materials

The critical materials and production processes used in manufacturing our products are primarily dual-sourced. Our Manufacturing Risk Management Project team, along with the Procurement team, manages risks related to critical materials supply, including the raw material component supply to our second- and third-tier vendors. Our suppliers also keep a strategic inventory of raw materials to mitigate risk while also exploring other materials that could be used as alternates or substitutes.

## Conflict Minerals

As a purchaser of components, Alcon is many steps removed from the mining of conflict minerals. We evaluate our products annually to assess the presence and sources of conflict minerals. The Alcon Conflict Minerals team relies on standardized documentation to capture data, key decisions and processes and procedures related to the use and sources of conflict minerals. For further information, see our [Conflict Minerals Report](#).

We actively seek ways to improve our due diligence process. This involves increasing supplier responses to our Reasonable Country of Origin Inquiry relating to accuracy, timeliness and completeness.

## Integrating Sustainability

We are working with EcoVadis, a leading provider of global business sustainability ratings, to track, manage and engage our suppliers around GHG emissions and other SIS-related KPIs. In 2022, we implemented the EcoVadis program with our key suppliers and trained 100% of Alcon's buyers on using the EcoVadis tool. This enables us to integrate suppliers' performance results into our strategic sourcing process. To track performance over time, Alcon also receives enterprise-wide scores for environment, labor and human rights, ethics and sustainable procurement.

## Supplier Diversity Program

We recognize the value that a diverse supplier base brings to our business, which is why we remain committed to building a strong supplier diversity program in the US by:

- Seeking diverse and small suppliers<sup>33</sup> through outreach efforts
- Expanding the inclusion of large and small diverse suppliers in the procurement process
- Communicating the value of suppliers internally to the Procurement team and stakeholders
- Measuring KPIs for supplier diversity monthly, quarterly and annually
- Leveraging supplier diversity results to meet internal and external goals

In support of our supplier diversity goals and objectives, we maintain membership in several groups. Alcon is a Regional Corporate Member of the Dallas Fort Worth Minority Supplier Development Council and Women's Business Council Southwest. In 2023, Alcon attended each organizations' national conventions and participated in Board of Directors elections for the groups' regional affiliates. Alcon's Senior Sourcing Manager joined the Board of Directors of Women's Business Council Southwest. We also engaged in various other outreach activities, including quarterly virtual matchmaking events hosted by the National Minority Supplier Development Council, which provides opportunities for participants to connect with buyers or minority business enterprises.

In 2023, 12.1% of our US supplier spend went to qualified diverse suppliers. We're continuing to implement our Supplier Diversity Three-Year Roadmap, which was developed in 2021. In 2023, we began analyzing our progress on a monthly basis and conducted a best practices analysis to determine how the program should progress. We communicated supplier diversity e-learning found in LinkedIn to the HR D&I team for company dissemination. We also analyzed dropped suppliers to determine if certifications need to be updated.

## Responsible Procurement and Supply Chain Data

Responsible Procurement and Supply Chain	2021	2022	2023
Percentage of Facilities Participating in Third-Party Audit Programs for Manufacturing and Product Quality <sup>34</sup>	100%	100%	100%
Percentage of Tier 1 Supplier Facilities Participating in Third-Party Audit Programs for Manufacturing and Product Quality <sup>35</sup>	100%	100%	100%
<b>Diverse Supplier Spend</b>			
All Diverse Suppliers Spend	\$300M	\$336M	\$306M
Minority-owned Business Enterprises	\$38M	\$44M	\$41M
Women-owned Business Enterprises	\$82M	\$87M	\$83M
Veteran-owned Business Enterprises	\$8M	\$7M	\$6M
Small Business Enterprises	\$274M	\$306M	\$285M
LGBTQ+-owned Business Enterprises	\$0.32M	\$0.12M	\$0.44M

<sup>33</sup>. We define small business enterprises as those that meet the size standards prescribed in government regulations by the Small Business Administration. The business may be a sole proprietorship.

<sup>34</sup>. 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.

<sup>35</sup>. 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 2023, we conducted third-party manufacturing and product audits on 100% of our Tier 1 suppliers. 100% of suppliers selected for audit participated.



# Public Policy and Political Engagement

Alcon engages with policymakers, trade associations and other external stakeholders to raise awareness and advocate for policies that support our mission to help the world *See Brilliantly*. Our Vice President of Government Affairs and Health Policy, who reports to the Vice President and Global Head of Market Access, leads these efforts and oversees public policy at Alcon, ensuring we align with the policies for engaging with government and public officials outlined in our Code of Business Conduct.

We identify, monitor and collaborate with interested groups to shape regulations around market access, the environment and healthcare systems, as well as other public policies that impact our delivery of products to patients. We focus on issues that have the greatest impact on our business and those where Alcon can drive advocacy.

Alcon is a member of many chambers of commerce and medical technology associations in our key markets. To improve patient outcomes and healthcare resilience, we collaborate with our trade associations on topics, such as regulations, the digital health environment and reimbursement. In 2023, we worked with our trade associations to delay the implementation of the European Union MDR to ensure our notified bodies had adequate time to review and approve products and to prevent disruption to patient access to vision technologies.

Alcon associates who engage in the political process on behalf of the company follow designated company processes and applicable laws.

# Social Impact and Sustainability Performance Data

Alcon measures our Social Impact and Sustainability performance in the areas most important to our stakeholders and business. Our KPIs are informed by the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD).



**Social Impact**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
Number of medical missions supported	73	229	294
Number of surgeries	11,080	21,096	26,352
Number of patients treated (including optometric and surgical care)	40,253	78,113	93,852

**Medical Innovation**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
Number of first-to-market launches	8	10	3 <sup>36</sup>
Number of product approvals (major markets) <sup>37</sup>	114	55	53

**Product Quality and Patient Safety**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
Vision Care recall rate <sup>38</sup>	0	0	0
Surgical recall rate <sup>39</sup>	0.37%	0.38%	0.001%
Number of FDA-initiated recalls	0	0	0
Percentage of recalls which were voluntary, FDA-requested, or FDA-mandated	100% voluntary	100% voluntary	100% voluntary

**Product Safety**

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	1 <sup>40</sup>	0
Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP)	0	0	0

**Bioethics**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
Number of clinical trial violations <sup>41</sup>	5	6	10 <sup>42</sup>

**Reducing Product-Related Environmental Impact**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
Devices and equipment reused, recycled or donated (MT)	108	100	102

**Reducing Our Operational Footprint**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Energy</b>			
Energy usage intensity (GJ/million units produced)	688	730	717
Total fuel consumption — nonrenewable sources (GJ)	1,093,520	1,063,340	1,042,300
Total fuel consumption — renewable sources (GJ)	232,294	249,651	778,792
Electricity consumption (GJ)	1,809,537	1,983,446	2,029,944
Steam consumption (GJ)	48,934	20,616	7,587
Electricity sold (GJ)	216	289	234 <sup>43</sup>
Total energy consumption within the organization (GJ)	2,903,970	3,048,079	3,104,115
Total reduction in energy consumption achieved through conservation and efficiency initiatives (GJ) <sup>44</sup>	42,700	71,619	87,051
<b>Emissions</b>			
Total Scope 1 and Scope 2 GHG emissions (MTCO <sub>2</sub> e)	309,083	256,010	233,482
Direct (Scope 1) GHG emissions (MTCO <sub>2</sub> e)	81,151	73,746	75,183
Location-based energy indirect (Scope 2) GHG emissions (MTCO <sub>2</sub> e)	265,301	232,531	236,380
Market-based energy indirect (Scope 2) GHG emissions (MTCO <sub>2</sub> e)	227,933	182,264	158,299
GHG emissions intensity ratio — on-site generated energy (t/TJ)	55	51	50
GHG emissions intensity ratio — purchased energy (t/TJ)	126	92	78
Production, imports and exports of ozone-depleting substances (ODS)(tR11e)	0.57	0.59	0.73
NOx (MT)	45.45	38.73	28.23
SOx (MT)	1.53	0.88	0.48
Volatile organic compounds (VOC) (MT)	38.58	41.55	43.07
Particulate matter (PM) (MT)	8.01	8.04	5.75
<b>Waste</b>			
Percent of manufacturing sites that are 100% landfill free	N/A	61.11% <sup>45</sup>	58.8%
Percent of operational waste recycled	N/A	64.36%	61.72%
Total waste generated (MT)	51,759	64,091	52,783
Total hazardous waste (MT)	28,154	30,590	22,351
Total non-hazardous waste (MT)	23,605	33,501	30,432

36. The number of first to market launches is driven by timing of new product development activities, market readiness for new product introduction and regulatory review cycles in target markets.  
 37. Major markets include US, E.U., Canada, Japan, Brazil, Korea, Australia, China, Russia and India.  
 38. 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. It excludes units affected by actions where units remained available for use by the customer as-is and where no removal, repair, replacement, update or exchange was performed.  
 39. 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. It excludes units affected by actions where units remained available for use by the customer as-is and where no removal, repair, replacement, update or exchange was performed.

40. Fatality was published in a third-party article related to a type of product Alcon manufactures. Nothing in the article indicated the product in question was manufactured or sold by Alcon. Alcon conducted numerous follow-up inquiries, but received no response, limiting the ability to confirm whether an Alcon product had been involved in the incident. Alcon reported the fatality to the FDA for purposes of transparency despite the lack of confirmation as to the source of the product in question or the underlying cause of the fatality. Alcon has not observed any trends or signals which would indicate an increased quality or safety concern associated with the product.  
 41. Defined as nonconformances that are deviations from a specification, standard or expectation. Clinical trial violations include protocol deviations that are critical and/or systemic.  
 42. This increase may be attributed to year-to-year variation in the number of clinical trials and sites active in 2023.  
 43. The slight decrease in amount of electricity sold may be attributed to a slight decline in solar energy produced in 2023.  
 44. Compared to our 2019 baseline. Purchased electricity is included in the reduction.  
 45. This number does not include a December 2022 acquisition. 11 out of 18 sites are landfill-free.

**Reducing Our Operational Footprint (Continued)**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Total Waste Diverted from Disposal</b>			
Total waste diverted from disposal (MT)	42,007	54,776	45,164 <sup>46</sup>
Hazardous waste diverted from disposal (MT)	27,795	30,272	21,968 <sup>47</sup>
Hazardous waste recycled — offsite (MT)	27,744	30,230	21,927 <sup>48</sup>
Hazardous waste disposed through other operations — offsite (MT)	52	42	40
Non-hazardous waste diverted from disposal (MT)	14,211	24,503	23,196
Non-hazardous waste recycled — offsite (MT)	11,569	11,026	10,652
Non-hazardous waste disposed through other operations — offsite (MT)	2,613	13,477	12,545
<b>Total Waste Directed to Disposal</b>			
Total waste directed to disposal <sup>49</sup>	9,776	9,316	7,619
Hazardous waste directed to disposal (MT)	359	318	383
Hazardous waste incinerated with energy recovery—offsite (MT)	253	216	326
Hazardous waste incinerated, without energy recovery—offsite (MT)	106	101	57 <sup>50</sup>
Hazardous waste landfilled—offsite (MT)	0	0.26	0.09
Non-hazardous waste directed to disposal (MT)	9,422	8,998	7,236
Non-hazardous waste incinerated with energy recovery—offsite (MT)	6,590	6,195	5,187
Non-hazardous waste incinerated, without energy recovery—offsite (MT)	998	783	285
Non-hazardous waste landfilled—offsite (MT)	1,835	2,020	1,763
<b>Water</b>			
Total water input (ML/million units produced)	1.15	1.21	1.19
Total water withdrawal from all areas (ML)	4,864	5,057	5,156
<b>Diversity and Inclusion<sup>51</sup></b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Global female representation (Management)	36%	36%	37%
Global female representation (Board of Directors) <sup>52</sup>	30%	36%	36%
Global female representation (new hires)	14%	52% <sup>53</sup>	50%
US racial and ethnic diversity <sup>54</sup>	47%	48%	50%
US racial and ethnic diversity (Management)	36%	37%	38%
US racial and ethnic diversity (Board of Directors)	0%	9%	9%
US racial and ethnic diversity (new hires)	55%	58%	64%

**Talent Attraction and Retention**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
Total turnover rate	11.4%	11.7%	11.8%
Voluntary turnover rate	7.8%	8.2%	5.7%
<b>Training and Development</b>			
Total number of hours invested in leadership development	6,572	17,676	18,947
Percent of associates who participated in training	100%	100%	100%
<b>Employee Health and Safety<sup>55</sup></b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Employee fatalities	0	0	0
Employee fatality rate	0	0	0
High-consequence work-related injuries and illnesses (excluding fatalities)	0	0	0
Recordable work-related injuries and illnesses (including fatalities)	139	120	126
Number of fatalities as a result of work-related ill health	0	0	0
Number of recordable cases of work-related ill health <sup>56</sup>	5	7	0
Employee TRCR <sup>57</sup>	0.54	0.40	0.41
Employee LTIR <sup>58</sup>	0.19	0.11	0.13 <sup>59</sup>
Management walk-through rate <sup>60</sup>	22.96	30.14	34.06
Near miss and good catch rate <sup>61</sup>	29.05	35.58	32.93

**Contractor Health and Safety**

Contractor fatalities	0	0	0
Contractor fatality rate	0	0	0
High-consequence work-related injuries and illnesses (excluding fatalities)	0	0	0
High-consequence work-related injuries and illnesses (including fatalities)	0	0	0
Recordable work-related injuries and illnesses (including fatalities)	4	4	3
Number of fatalities as a result of work-related ill health	0	0	0
Contractor TRCR <sup>62</sup>	0.54	0.62	0.42
Contractor LTIR <sup>63</sup>	0	0	0

46. The year-over-year decrease may be attributed to the fact that data was collected up to Q3 for 2023.

47. The year-over-year decrease may be attributed to the fact that data was collected up to Q3 for 2023.

48. The year-over-year decrease may be attributed to the fact that data was collected up to Q3 for 2023.

49. This metric excludes construction waste as most of it is managed by contractors for disposal.

50. The year-over-year decrease may be attributed to the fact that data was collected up to Q3 for 2023.

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

52. Includes the Alcon Board of Directors and Compensation Committee.

53. Restated metric due to improvements in methodology.

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

55. Employee refers to all Alcon associates and third-party providers.

56. The main type of work-related ill health and hearing loss.

57. 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, multiplied by 200,000.

58. 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, multiplied by 200,000.

59. The recent increase in LTIR may be attributed to a slight increase in the percentage of slips, trips, and falls in 2023 compared to 2022. Alcon's rate is still well below industry average.

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

61. Near Miss and Good Catch Rate is the total number of near misses and good catches divided by number of hours worked by Alcon associates and third party personnel and multiplied by 200,000.

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

63. 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 the number of hours worked by Alcon contractors and multiplied by 200,000.

<b>Business Ethics</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Code of Conduct</b>			
Code of Business Conduct training completion rate <sup>64</sup>	98%	98%	97%
Number of grievances filed per year	502	544	737 <sup>65</sup>
Substantiation rate	50%	54%	54%
Terminations due to employee misconduct	93	83	123 <sup>66</sup>
<b>Bribery and Corruption</b>			
Monetary losses as a result of legal proceedings associated with bribery or corruption (in millions)	0	0	0
<b>Ethical Marketing and Interactions with Healthcare Professionals</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Monetary losses as a result of legal proceedings associated with false marketing claims (in millions)	0	0	0
<b>Responsible Procurement and Supply Chain</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Supplier Sustainability</b>			
Percentage of entity's facilities participating in third-party audit programs for manufacturing and product quality <sup>67</sup>	100%	100%	100%
Percentage of Tier 1 suppliers' facilities participating in third-party audit programs for manufacturing and product quality <sup>68</sup>	100%	100%	100%
<b>Diverse Supplier Spend</b>			
All diverse and small suppliers	300M	336M	306M
Minority-owned business enterprises	38M	44M	41M
Women-owned business enterprises	82M	87M	83M
Veteran-owned business enterprises	8M	7M	6M
Small business enterprises	274M	306M	285M
LGBTQ+-owned enterprises	0.32M	0.12M	0.44M

64. Training completion percentage includes full-time associates and contractors.

65. This increase may be attributed to normal variation in annual reporting levels that is influenced by internal and external factors. Alcon will continue to monitor this metric closely.

66. This increase may be attributed to normal variation in annual reporting levels that is influenced by internal and external factors. Alcon will continue to monitor this metric closely.

67. 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.

68. Percentage of Tier 1 suppliers' facilities participating in third-party audit programs for manufacturing and product quality.

# Reporting Frameworks



## 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 US Consumer Price Index  Alcon does not disclose this metric publicly.
	HC-MS-240a.2	Description of how price information for each product is disclosed to customers or their agents  See the Access, Affordability and Pricing section. Note: disclosure does not include whether the range, median or typical price is provided to customers, or the frequency of use of confidentiality clauses in purchasing agreements with healthcare providers that restrict them from sharing the price they paid with third parties.
Product Safety	HC-MS-250a.1	Number of recalls issued; total units recalled  See Social Impact and Sustainability 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 Social Impact and Sustainability Performance Data (Product Quality and Patient Safety).
	HC-MS-250a.3	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience  See Social Impact and Sustainability Performance Data (Product Quality and Patient Safety).
	HC-MS-250a.4	Number of FDA enforcement actions taken in response to violations of cGMP, by type  See Social Impact and Sustainability Performance Data (Product Quality and Patient Safety).
Ethical Marketing	HC-MS-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims  See Social Impact and Sustainability 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 the Ethical Marketing and Interactions with Healthcare Professionals section.

## GRI Index

GRI Disclosure	Disclosure Title	Location/Notes
<b>General Disclosures</b>		
GRI 2-1	Organizational details	See our <a href="#">2023 Annual Report</a> .
GRI 2-2	Entities included in the organization's sustainability reporting	This report covers all Alcon business entities and consolidated subsidiaries. For more information, see the Group Structure and Shareholders section of our <a href="#">2023 Annual Report</a> .
GRI 2-3	Reporting period, frequency and contact point	Period: January 1 through December 31, 2023 Publication date: May 2024 Frequency: Annual Contact: ESG@alcon.com
GRI 2-4	Restatement of information	Any restatements of information are disclosed via the endnotes of this report.
GRI 2-5	External assurance	Alcon is not currently conducting external assurance of our Sustainability and Social Impact Report.
GRI 2-6	Activities, value chain and other business relationships	See the About Alcon section and our <a href="#">2023 Annual Report</a> .
GRI 2-7	Employees	Total number of associates: 25,244 <ul style="list-style-type: none"> <li>• Number of permanent associates: 23,329<sup>69</sup></li> <li>• Number of temporary associates: 1,915</li> <li>• Number of full-time associates: 24,789</li> <li>• Number of part-time associates: 455</li> <li>• Total number of contractors: 2,288</li> <li>• Total number of associates (Asia) 7,596<sup>70</sup></li> <li>• Total number of associates (Europe) 6,440<sup>71</sup></li> <li>• Total number of associates (LATAM): 1,173<sup>72</sup></li> <li>• Total number of associates (North America): 10,035<sup>73</sup></li> </ul>
GRI 2-8	Workers who are not employees	For more employee diversity data, please see Social Impact and Sustainability Performance Data.
GRI 2-9	Governance structure and composition	As of December 31, 2023, Alcon engaged 2,288 contract workers including external sales representatives, specialty consultants, warehouse clerks and customer care associates, among other service providers.
GRI 2-10	Nomination and selection of the highest governance body	See the <a href="#">Governance and Nomination Committee charter</a> .
GRI 2-11	Chair of the highest governance body	See our <a href="#">2023 Annual Report</a> and the Committee Composition page of our Investor Relations website.
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	See the Corporate Governance section and <a href="#">Governance and Nomination Committee charter</a> .
GRI 2-13	Delegation of responsibility for managing impacts	See the Corporate Governance section and <a href="#">Governance and Nomination Committee charter</a> .

69. The number of part-time associates represents the full-time equivalent of part-time associates.  
 70. Region mapping is reflective of geographical location as opposed to Alcon market.  
 71. Region mapping is reflective of geographical location as opposed to Alcon market.  
 72. Region mapping is reflective of geographical location as opposed to Alcon market.  
 73. Region mapping is reflective of geographical location as opposed to Alcon market.

GRI 2-14	Role of the highest governance body in sustainability reporting	The Governance and Nomination Committee of Alcon's Board of Directors reviewed and approved this report.
GRI 2-15	Conflicts of interest	See our Code of Business Conduct and the Regulations of the Board of Directors, Its Committees and the Executive Committee of Alcon Inc.
GRI 2-16	Communication of critical concerns	See the Business Ethics section and the Information Policy section of our <a href="#">2023 Annual Report</a> . Alcon is not able to disclose the number and nature of critical concerns as it is proprietary and confidential.
GRI 2-17	Collective knowledge of the highest governance body	See the Board of Directors Composition section of our <a href="#">2023 Annual Report</a> .
GRI 2-18	Evaluation of the performance of the highest governance body	See the Board Evaluation and Education section of our <a href="#">2023 Annual Report</a> .
GRI 2-19	Remuneration policies	See the Compensation section of our <a href="#">2023 Annual Report</a> and the Compensation Committee charter.
GRI 2-20	Process to determine remuneration	See the Compensation section of our <a href="#">2023 Annual Report</a> and the Compensation Committee charter.
GRI 2-21	Annual total compensation ratio	Alcon does not disclose this metric publicly.
GRI 2-22	Statement on sustainable development strategy	See the Message from the CEO.
GRI 2-23	Policy commitments	See our Code of Business Conduct, Third Party Code of Conduct and Global HSE Policy as well as our Responsible Business Practices webpage.
GRI 2-24	Embedding policy commitments	We discuss our approach to embedding policy commitments for responsible business conduct throughout this report. For example, see the Health and Safety and Business Ethics sections.
GRI 2-25	Processes to remediate negative impacts	We discuss our managerial and programmatic approach to addressing material environmental, social and governance issues throughout this report. For example, see the Reducing Product-Related Environmental Impacts section.
GRI 2-26	Mechanisms for seeking advice and raising concerns	See the Business Ethics section and our Code of Business Conduct.
GRI 2-27	Compliance with laws and regulations	See the Business Ethics section.
GRI 2-28	Membership associations	Alcon is a member of many chambers of commerce and medical devices and pharmaceutical industry associations in key markets. Examples of our memberships include AdvaMed, Medical Device Manufacturers Association, APACMed, MedTech Europe, Euromcontact, COCIR, Swiss Medtech, SwissHoldings, Consumer Healthcare Products Association, Global Business Alliance, Contact Lens Institute, Health Care Alliance for Patient Safety, The Vision Council, AdvaMed China and ABIMED Brazil.

GRI 2-29	Approach to stakeholder engagement	Alcon's Social Impact and Sustainability Working Group is responsible for identifying and engaging stakeholders on sustainability-related matters.
GRI 2-30	Collective bargaining agreements	9% of Alcon's associates were covered by collective bargaining agreements in 2023.

GRI Disclosure	Disclosure Title	Location/Notes
<b>Material Topics</b>		
GRI 3-1	Process to determine material topics	See the Corporate Governance section.
GRI 3-2	List of material topics	See the Corporate Governance section.

GRI Disclosure	Disclosure Title	Location/Notes
<b>Product Quality and Patient Safety</b>		
GRI 3-3	Management of Material Topic	See the Corporate Governance section.
N/A	N/A	Product Quality and Patient Safety Alcon discloses SASB metrics related to product safety. See the Product Quality and Patient Safety section and Social Impact and Sustainability Performance Data (Product Quality and Quality Management System) 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.

GRI Disclosure	Disclosure Title	Location/Notes
<b>Ethics and Compliance</b>		
GRI 3-3	Management of Material Topic	See the Business Ethics section.
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption See the Business Ethics section.
	205-2	Communication and training about anti-corruption policies and procedures See the Business Ethics section.

GRI Disclosure	Disclosure Title		Location/Notes
<b>Environmental Compliance</b>			
GRI 3-3	Management of Material Topic		See the Reducing Our Operational Footprint section.
N/A	N/A	Environmental Compliance	See GRI 2-27.

GRI Disclosure	Disclosure Title		Location/Notes
<b>Customer Privacy and Cybersecurity</b>			
GRI 3-3	Management of Material Topic		See the Cybersecurity and Data Privacy section.
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	0

GRI Disclosure	Disclosure Title		Location/Notes
<b>Health and Safety</b>			
GRI 3-3	Management of Material Topic		See the Health and Safety section.
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	See the Health and Safety section.
	403-2	Hazard identification, risk assessment, and incident investigation	On an annual basis, Alcon sites complete a Global Risk Register, which is approved by site leadership. Upon approval, the site is required to take action to address topics with residential risk categorized as high and medium. Action plans must be submitted internally with a timeframe correlating to the risk category. A member of the Global HSE Technical team aggregates all Risk Registers to develop a summary of the top HSE-related risks to the organization. On an annual basis, applicable senior leadership are informed of the overall risk summary by the Global Head of HSE. On a semi-annual basis, site leadership reviews the current Risk Register for updates and confirms that it remains accurate.
	403-3	Occupational health services	See the Health and Safety section.
	403-4	Worker participation, consultation and communication on occupational health and safety	See the Health and Safety section.
	403-5	Worker training on occupational health and safety	See the Health and Safety section.
	403-6	Promotion of worker health	See the Health and Safety section.
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	See answer to 403-2.
	403-8	Workers covered by an occupational health and safety management system	All Alcon associates and third-party providers are covered by our health and safety management system. MTO are covered by health and safety management systems, which are internally and externally audited.
	403-9	Work-related injuries	See Social Impact and Sustainability Performance Data (Health and Safety).
	403-10	Work-related ill health	See Social Impact and Sustainability Performance Data (Health and Safety).

GRI Disclosure	Disclosure Title		Location/Notes
<b>Human Rights</b>			
GRI 3-3	Management of Material Topic		See the Business Ethics section and our <a href="#">Global Human Rights Policy</a> .
GRI 408: Child Labor 2016	408-1a	Operations considered to have significant risks for incidents of child labor	0
	408-1a	Suppliers considered to have significant risks for incidents of child labor	34
	408-1b	Operations considered to have significant risks for incidents of young workers exposed to hazardous work	0
	408-1b	Suppliers considered to have significant risks for incidents of young workers exposed to hazardous work	0

GRI Disclosure	Disclosure Title		Location/Notes
<b>Access, Affordability and Pricing</b>			
GRI 3-3	Management of Material Topic		See the Access, Affordability and Pricing section.
N/A	N/A	Access, Affordability & Pricing	Alcon discloses SASB metrics related to access, affordability and pricing. See the Access, Affordability and Pricing section and Social Impact and Sustainability Performance Data (Affordability & Pricing) for the ratio of weighted average rate of net price increases (for all products) to the annual increase in the US Consumer Product Index and for a description of how price information for each product is disclosed to customers or to their agents.

GRI Disclosure	Disclosure Title		Location/Notes
<b>Pay Equity</b>			
GRI 3-3	Management of Material Topic		See the Diversity and Inclusion section.
Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	See Social Impact and Sustainability Performance Data (Diversity and Inclusion).

GRI Disclosure	Disclosure Title		Location/Notes
<b>Innovation/Medical Innovation</b>			
GRI 3-3	Management of Material Topic		See the Medical Innovation section.
N/A	N/A	Medical Innovation	We incurred more than \$800 million in R&D expenses in 2023 to create innovative products that meet our customers' and patients' needs. See the Medical Innovation section and Social Impact and Sustainability Performance Data (Medical Innovation) for the number of first-to-market launches and product approvals.

GRI Disclosure	Disclosure Title		Location/Notes
<b>Corporate Governance</b>			
GRI 3-3	Management of Material Topic		See the Corporate Governance section.
N/A	N/A	Corporate Governance	See our <a href="#">2023 Annual Report</a> , Governance website and Social Impact and Sustainability Governance.

GRI Disclosure	Disclosure Title		Location/Notes																		
<b>Compensation and Benefits</b>																					
GRI 3-3	Management of Material Topic		See Culture & Engagement section.																		
GRI 401: Employment 2016	401-1	New Employee Hires and Employee Turnover	In 2023, Alcon had 3,454 new hires. See Social Impact and Sustainability Performance Data (Diversity & Inclusion and Talent Attraction and Retention)																		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	In the US, 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 US retirement plans but are not entitled to other benefits. Temporary employees are not eligible for US benefits. Outside the US, 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 a common practice to include fixed-term temporary employees in Alcon's benefit programs (this varies from country to country). See Talent Attraction and Retention for more information about our global benefits.																		
	401-3	Parental Leave	<table border="1"> <thead> <tr> <th>Parental Leave - US Only Data</th> <th>Female</th> <th>Male</th> </tr> </thead> <tbody> <tr> <td>Total number of associates who were entitled to parental leave</td> <td>4,173</td> <td>5,437</td> </tr> <tr> <td>Total number of associates who took parental leave</td> <td>156</td> <td>180</td> </tr> <tr> <td>Total number of associates who returned to work in the reporting period after parental leave ended</td> <td>155</td> <td>178</td> </tr> <tr> <td>Total number of associates who returned to work after parental leave ended that were still employed 12 months after their return to work</td> <td>111</td> <td>153</td> </tr> <tr> <td>Return-to-work rate of associates who took parental leave</td> <td>99.36%</td> <td>98.89%</td> </tr> </tbody> </table>	Parental Leave - US Only Data	Female	Male	Total number of associates who were entitled to parental leave	4,173	5,437	Total number of associates who took parental leave	156	180	Total number of associates who returned to work in the reporting period after parental leave ended	155	178	Total number of associates who returned to work after parental leave ended that were still employed 12 months after their return to work	111	153	Return-to-work rate of associates who took parental leave	99.36%	98.89%
Parental Leave - US Only Data	Female	Male																			
Total number of associates who were entitled to parental leave	4,173	5,437																			
Total number of associates who took parental leave	156	180																			
Total number of associates who returned to work in the reporting period after parental leave ended	155	178																			
Total number of associates who returned to work after parental leave ended that were still employed 12 months after their return to work	111	153																			
Return-to-work rate of associates who took parental leave	99.36%	98.89%																			

GRI Disclosure	Disclosure Title		Location/Notes
<b>Product-Related Waste</b>			
GRI 3-3	Management of Material Topic		See Reducing Product-Related Environmental Impact section.
GRI 301: Materials 2016	301-1	Materials Used by Weight or Volume	See Social Impact and Sustainability Performance Data (Reducing Product-Related Environmental Impact).
	301-2	Recycled Input Materials	See Social Impact and Sustainability Performance Data (Reducing Product-Related Environmental Impact).
	301-3	Reclaimed Products and their Packaging Materials	See Social Impact and Sustainability Performance Data (Reducing Product-Related Environmental Impact).

# TCFD Disclosure

## Disclose the organization's governance around climate-related risks and opportunities.

### a) *Describe the Board's oversight of climate-related risks and opportunities.*

We consider climate-related risks and opportunities as part of our strategic process and business plan, as well as risk management. Leadership starts with Alcon's Board of Directors:

- Governance and Nomination Committee (GNC): Supports the Board in overseeing environmental management, including climate change, and supports oversight of our overall SIS strategy and reporting. At least three times a year, the GNC meets with the GC, Head of Corporate Governance and Security, and the Vice President of Social Impact and Sustainability. During these meetings, the GNC receives updates on programs and potential risks and issues, as needed.
- Audit and Risk Committee: Supports the Board in overseeing the financial assurance of select SIS reporting metrics, some of which fall under climate-related risks and opportunities.

In addition, SIS (which may include topics on climate-related risks and opportunities) is discussed at least annually by the full Board.

### b) *Describe management's role in assessing and managing climate-related risks and opportunities.*

The SIS Steering Committee, which consists of executives from across the business—including Legal, Innovation and Corporate Affairs and Manufacturing operations—meets quarterly to discuss SIS risks and opportunities (including climate-specific risks) and how to apply policies and strategies to address those in each aspect of the business. The Committee reports out to the GNC on an annual basis.

Our Global Environmental Sustainability Committee is responsible for Alcon's Global Environmental Sustainability strategy and the creation and implementation of environmental goals. The Committee consists of leaders across Alcon's global operations who regularly meet and gain alignment on each business unit's progress towards goals. Alcon's ELT and the Global Environmental Committee meet on an annual basis.

There are a number of leaders who sit on both the SIS Committee as well as the Global Environmental Sustainability Committee who help align Alcon's overall environmental priorities.

The ELT's Innovation Committee meets quarterly, and as part of their agenda, incorporates climate-related issues into the due diligence process of the innovation pipeline. This Committee meets with the Board of Directors' Innovation Committee annually.

## Describe the actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy and financial planning where such information is material.

### a) *Describe the climate-related risks and opportunities the organization has identified over the short-, medium- and long-term.*

We are aware of the business risks from climate change, and we continually monitor 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.

#### Description of Risks:

- **Transition risk from emerging carbon pricing and compliance regulations in our operations and supply chain.** Future regulatory requirements such as a carbon tax or regulatory incentives to encourage the use of renewable energy could affect energy costs, posing potential business risks. Regulatory action can also include pressure to reduce the carbon footprint of specific medical devices as well as a greater focus on climate-related considerations in manufacturing and responsible procurement.
- **Physical risk associated with increased frequency and severity of extreme weather events.** Our global business depends partly on the physical aspects of climate change. Natural disasters and climatic events could disrupt our operations and incur costs from delays in our supply chain, resulting in financial and reputational risks.
- **Resource scarcity due to carbon pricing regulation and evolving consumer preference.** There is increasing scrutiny on the use of water in manufacturing and the amount of plastic waste. Supply chain disruptions resulting from global raw material sourcing and manufacturing can lead to availability, quality and safety concerns. We are also sometimes dependent on single- or limited-source suppliers for critical components, raw materials and some services required for production, such as sterilization. The loss of these suppliers or their inability to deliver at the quality and safety level we require could disrupt our operations.

#### Description of Opportunities:

- **Resource efficiency through the adoption of renewable energy and energy and water efficiency measures:** Savings for Alcon and our customers could be achieved through energy and water efficiency initiatives and efforts to reduce our use of raw materials in both device manufacturing and packaging.

### b) *Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning.*

**Products & Services:** Our business often requires disposable, single-use medical devices and products to protect patient safety and minimize the risk of infection. Since many of our products must be single-use, we look to minimize products' emissions footprint by incorporating sustainability into our product development process. We evaluate the emissions intensity of all products in the early stage of the R&D phase using our Environmental Sustainability Scorecard. The Scorecard helps us proactively identify opportunities to improve and meet demand for more sustainable, resource-efficient products that meet or exceed cost and efficiency expectations. 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 implemented the scorecard across all

early-stage R&D projects. We also have embedded an environmental impact assessment into our manufacturing and capital investment approval process, recognizing opportunities to address our impacts during the planning stage of projects.

**Operations:** We regularly assess how potential business disruptions from extreme weather and natural disasters could impact our business. Key sites are annually reviewed by our insurance company that include a review of current acute physical risks and mitigation recommendations. The Global Head of HSE receives the final results of these site assessments through a dashboard, which is also shared with each individual HSE site head.

**Supply Chain:** We work with EcoVadis to track our suppliers' performance, which includes climate-related topics. We are implementing the program with our key suppliers and have trained Alcon's buyers on using the tool. This integration with suppliers will help us in measuring Scope 3 emissions. It will also enable us to integrate suppliers' performance into our strategic sourcing process and help us engage and encourage them to reduce energy consumption, emissions and resource use, as well as share best practices.

See Reducing Our Operational Footprint and Reducing Product-Related Environmental Impacts for more information.

### c) *Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.*

## Describe how the organization identifies, assesses and manages climate-related risks.

### a) *Describe the organization's processes for identifying and assessing climate-related risks.*

Alcon primarily identifies and assesses climate-related risks through our annual enterprise risk management process. For example, as part of this process, we have identified that natural and man-made disasters, including climatic events and any potential effect of climate change, could disrupt our operations and those of our suppliers and result in financial, reputational and customer impacts.

### b) *Describe the organization's processes for managing climate-related risks.*

Our senior leadership team and Board of Directors manage and mitigate risks to our business and financial performance, including climate-related risks. Such risk management topics are reviewed and discussed on an annual basis among our leadership team across the entire organization.

### c) *Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.*

The potential risks we identify are integrated into our business planning, and consideration of such risks is implemented as part of operating and investment decision-making processes in all aspects of the business.

## Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

### a) *Describe the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.*

Every year, Alcon completes a Scope 1 and Scope 2 GHG emissions inventory, as prescribed by our internal GHG Inventory Management Plan (IMP). Our IMP includes detailed guidance, methodologies and tools to direct data collection and management, emissions quantification and reporting. It also documents procedures for estimating emissions when primary data is not available. This ensures accuracy, reliability and repeatability.

### b) *Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.*

We monitor and report our GHG emissions:

- Scope 1 emissions: 75,183 MTCO<sub>2</sub>e
- Scope 2 emissions (market-based): 158,299 MTCO<sub>2</sub>e

### c) *Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.*

We manage Alcon's climate-related risks and opportunities through our carbon neutral goal, which is helping us meet stakeholders' expectations and potential regulatory requirements of our operations. 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 emissions reduction goals.

# 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 US 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 2023 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 social impact and sustainability plans, 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, particularly with the increased use of artificial intelligence; the impact of a disruption in our global supply chain or important facilities, particularly when we single-source or rely on limited sources of supply; our ability to forecast sales demand and manage our inventory levels and the changing buying patterns of our customers; our ability to manage social impact and sustainability matters; our reliance on outsourcing key business functions; global and regional economic, financial, monetary, legal, tax, political and social change; our success in completing and integrating strategic acquisitions; the success of our research and development efforts, including our ability to innovate to compete effectively; our ability to comply with the US Foreign Corrupt Practices Act of 1977 and

other applicable anti-corruption laws; pricing pressure from changes in third party payor coverage and reimbursement methodologies; our ability to properly educate and train healthcare providers on our products; our ability to protect our intellectual property; our ability to comply with all laws to which we may be subject; the ability to obtain regulatory clearance and approval of our products as well as compliance with any post-approval obligations, including quality control of our manufacturing; the effect of product recalls or voluntary market withdrawals; the accuracy of our accounting estimates and assumptions, including pension and other post-employment benefit plan obligations and the carrying value of intangible assets; the impact of unauthorized importation of our products from countries with lower prices to countries with higher prices; our ability to service our debt obligations; the need for additional financing through the issuance of debt or equity; the effects of litigation, including product liability lawsuits and governmental investigations; supply constraints and increases in the cost of energy; our ability to attract and retain qualified personnel; legislative, tax and regulatory reform; the impact of being listed on two stock exchanges; the ability to declare and pay dividends; the different rights afforded to our shareholders as a Swiss corporation compared to a US corporation; the effect of maintaining or losing our foreign private issuer status under US securities laws; and the ability to enforce US judgments against Swiss corporations.

Additional factors are discussed in our filings with the United States Securities and Exchange Commission, including our Form 20-F. Should one or more of these uncertainties or risks materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated. Therefore, you should not rely on any of these forward-looking statements. Forward-looking statements in this 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.

# Alcon