

# BAUSCH+ Health



## Environmental, Social and Governance Report

Fall 2021

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#### Cover image bottom left:

Bausch Health senior leaders thank our frontline employees for continuing to meet patient needs in the face of the pandemic.

#### Cover image top right:

Bausch Health produces and donates hand sanitizer to first responders in Bridgewater, NJ (United States).



# About This Report

## WHERE WE'VE BEEN

In September 2018, Bausch Health published its first Corporate Social Responsibility (CSR) report. The purpose of the publication was to establish a foundational reporting structure by which we could publicly share:

- **HOW** we approach CSR
- **WHY** it matters to us
- **WHAT** we are measuring
- **HOW** we are progressing

Initially, this report provided anecdotal global highlights of our progress across a collection of CSR programs, initiatives and efforts driven by our major businesses in support of our shared commitment to fulfill our mission responsibly, ethically and in a sustainable manner.



## WHERE WE'RE HEADED AND WHY

With each passing year, our commitment to do more and to do better – for our business, for our employees and for the communities in which we live and work – has greatly accelerated. Today, it is not simply the “right” thing to do, it is the “necessary” thing to do, as we aim to continually grow and thrive in a world where environmental, business and societal responsibility become more interdependent each day.

Recognizing this sense of urgency, Bausch Health is setting out to transition its CSR efforts into a more fully integrated global business core competency. Doing so will allow us to formally manage and measure this initiative with company-wide metrics and standards that are tightly aligned with our long-term business goals.

As part of this effort, it has become clear that this is about much more than simply “Corporate Social Responsibility.” It is about recognizing that Environmental, Social and Governance (ESG) issues and dynamics influence business success and vice versa. Therefore, it is imperative that we approach ESG in a more strategic way that ensures thoughtful management of our company’s interactions with the natural, human and social capital upon which our enduring success depends.

This inaugural ESG report marks the start of Bausch Health’s ESG journey and highlights the foundational work we are embarking on to formalize our ESG strategy and path forward.

We are proud to continually grow and evolve in pursuit of new and better ways to fulfill our mission of improving people’s lives with our health care products.



## ALIGNING CSR COMMITMENTS TO ESG

As we take steps in 2021 to organize a more robust ESG program with the full participation of our Board of Directors, Executive Committee and outside experts, an important first step is to reconcile where we've been with where we are headed. Since 2018, we've organized our CSR work around five key commitment areas that align as follows to our new, more focused ESG work.

### ESG Strategic Impact Framework

#### Improve People's Lives with Our Health Care Products

##### ENVIRONMENTAL



**Respect the Environment**

##### SOCIAL



**Advance Global Health and Patient Care**



**Support Employee Growth and Well-Being**



**Improve Our Communities**

##### GOVERNANCE



**Operate with Integrity**

This report captures our progress and achievements throughout 2020 across these five commitment areas, with key highlights noted to the right.

### 2020 ESG Highlights



#### Introduced New Code of Conduct

Explore our *Operate with Integrity* efforts



#### Accelerated Diversity, Equity & Inclusion Initiatives

Explore our *Support Employee Growth and Well-Being* efforts



#### Committed \$350 Million in Medical Mission Donations

Explore our *Advance Global Health and Patient Care* efforts



#### Recycled 27 Million Contact Lens Materials

Explore our *Respect the Environment* efforts



#### Supplied Free Contact Lenses for Frontline Medical Workers

Explore our *Improve Our Communities* efforts



#### Ensured No Interruptions to Patient Prescriptions Throughout Pandemic

Explore our *Advance Global Health and Patient Care* efforts

In the year ahead, we look forward to reporting on our 2021 ESG transformation progress, with respect to our specific work underway to:

- Establish a cross-functional **ESG Steering Committee**
- Define and launch an **ESG Materiality Matrix and Scorecard**
- Create an **ESG Reporting Strategy**

Through these efforts, we will formalize our commitment to ESG as a global core competency that can *and will* continually make things better – *better business, better society, better environment*.



# Letter from Our Chairman and CEO

As our world continues to transform at an unprecedented pace, we remain committed to our mission of improving people's lives with our health care products. An integral part of our ability to achieve our mission is a focus on sustainability, and in identifying current and emerging environmental, social and governance trends. Doing so plays a key role in helping us understand the needs of our patients and customers, and in ensuring the viability of our own business.

Last year was one we will never forget. The global COVID-19 pandemic impacted our businesses around the world, as social unrest weighed on many of our colleagues, our communities and our customers. It was a trying and anxious year for all.

Throughout the pandemic, our top priorities have been to make sure our employees were safe and that we were able to maintain a steady supply of our medicines and health care products to the more than 150 million people around the world who rely on them every day. We continued to support patients and offered certain of our prescription medicines free of charge through our Bausch Health Patient Assistance Program, especially to those who may have lost their health insurance during the pandemic. Finally, we initiated clinical trials to find new methods to treat COVID patients and donated products to health care practitioners and frontline workers.

We further strengthened our focus on Diversity, Equity & Inclusion with additional programs and training. We are dedicated to fostering a work environment where everyone feels welcomed, supported and valued for their talents and contributions. Within this report, we also further discuss our Employee Resource Groups, which provide opportunities for professional growth, development and informal networking.

Our focus on reducing the environmental impact of our operations continues to yield impressive results. For example, over the past three years, we have reduced monthly water consumption by some 40% and the monthly amount of solid waste by nearly 80%, coupled with a more than 60% increase in waste that is reused or recycled off-site.

Another aspect of the transformation I referenced earlier in this letter is the continued stakeholder scrutiny around Environmental, Social and Governance (ESG) performance. While our organization has had a longstanding commitment to sustainability initiatives, in 2021 we are undertaking an initiative to better understand how they drive our long-term business and strategies.

As part of our work to formalize our ESG efforts, we've made the decision to rebrand our Corporate Social Responsibility Report to an Environmental, Social and Governance Report, as we believe this better reflects our incorporation of these areas as core to our business, as well as our expanded scope of associated activities. We are taking steps to organize a more robust ESG program with the full participation of our Board of Directors and Executive Committee, as well as outside advisors. Specific outputs of this work include:

- Establishing a cross-functional ESG Steering Committee
- Rolling out an ESG Scorecard and
- Creating an ESG Reporting Strategy

We will leverage this initiative as we continue our efforts to separate into three strong, independent companies with their own integrated ESG programs. To guide our efforts, we will conduct a materiality process where we will engage key stakeholders to help build a more strategic approach to managing and tracking our performance against priority sustainability issues. We expect to report on our progress in much greater detail in the months to come.

Together with the contributions of our Bausch Health colleagues and support of our stakeholders, we continue to grow our organization into an innovative company dedicated to advancing global health. It is our hope that this inaugural ESG Report provides a picture of our current and forward-looking sustainability efforts and results.

Regards,



**Joseph C. Papa**

Chief Executive Officer and Chairman of the Board



# Who We Are

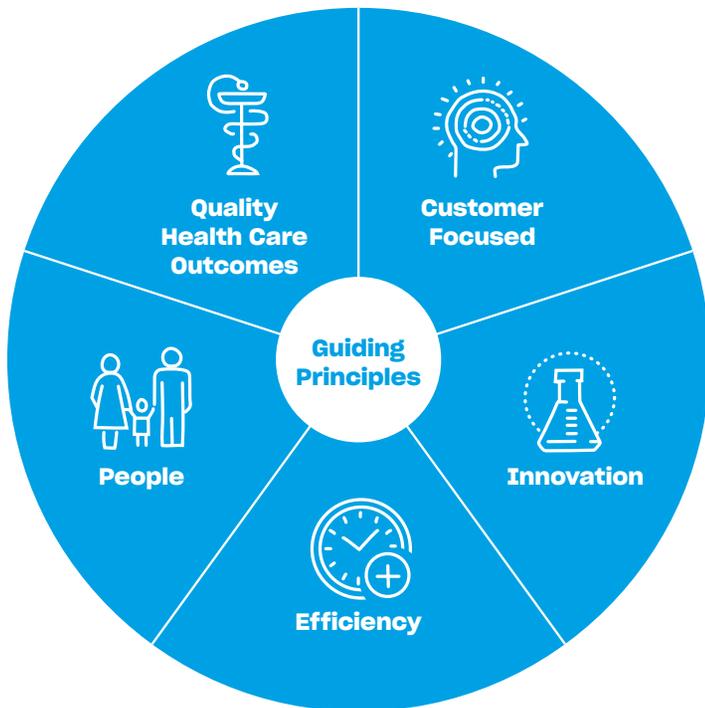
## OUR VISION

To be your trusted health care partner

## OUR MISSION

Improving people's lives with our health care products

Bausch Health's mission is supported by five Guiding Principles that are foundational to our success and future growth. They provide overall direction for the company and the tools necessary to rise to any challenge:



Click anywhere on the graphic to learn more.

## OUR VALUES

Our core values define what we stand for and how we behave with colleagues, customers, vendors, shareholders and others. The following core values are known internally as the *Bausch Health Compass*:



- **Accountability** – We accept personal responsibility for our actions and focus on finding solutions and delivering results, rather than making excuses or placing blame. We keep our promises and commitments.
- **Agility** – We respond rapidly to changes in the internal and external environment without losing momentum or vision.
- **Courage** – We are empowered to act decisively and lead boldly, imagining and pursuing new possibilities for our future. We stand up for what is right and support others who do so.
- **Integrity** – We conduct business with the highest standards of professional behavior and ethics. We are transparent, honest, ethical and fair in all our interactions; people trust us to adhere to our word.
- **Teamwork** – We achieve common goals through open and honest communication. We show concern for one another and are supportive of each other's efforts.
- **Results Orientation** – We consistently deliver required business results, meet deadlines and comply with quality, productivity and performance standards.



## COMPANY OVERVIEW

Bausch Health is a global company with more than 22,000 employees united in our mission to improve people's lives with our health care products. We have a diversified portfolio of products, with a core focus in eye health (Bausch + Lomb), gastrointestinal (Salix), dermatology and aesthetics (Ortho Dermatologics and Solta Medical) and comprehensive pharmaceutical therapies (Diversified Products/International Rx). These products are developed, manufactured and marketed – directly or indirectly – in more than 100 countries, and are relied upon by more than 150 million people around the world. We are proudly delivering on our commitments to patients, stakeholders and society as we build an innovative company dedicated to advancing global health.

**Click** the logos to visit company websites.



## Eye Health – About Bausch + Lomb

Bausch + Lomb develops, manufactures and markets one of the most comprehensive product portfolios in the industry, including over-the-counter products, dietary supplements, eye care products, ophthalmic pharmaceuticals, contact lenses, lens care products, ophthalmic surgical devices and instruments.

Bausch + Lomb became part of Bausch Health in August 2013 and is one of the oldest continually operating companies in the United States. Bausch + Lomb traces its roots to 1853, when John Jacob Bausch, a German immigrant, set up a tiny optical goods shop in Rochester, NY. When he needed more money to keep the business going, Bausch borrowed \$60 from his good friend, Henry Lomb. Bausch promised that if the business grew, Lomb would be made a full partner. The business did grow, and the partnership was formed.

In the early years, Bausch + Lomb manufactured revolutionary rubber eyeglass frames, as well as a variety of optical products that required a high degree of manufacturing precision. By 1903, the firm had been issued patents for microscopes, binoculars and even a camera shutter based on the eye's reaction to light.

In the 1900s, Bausch + Lomb continued to demonstrate its place at the forefront of technological innovation for optical products. Bausch + Lomb produced the first optical-quality glass made in America, developed ground-breaking sunglasses for the military in World War I and created the lenses used on the cameras that took the first satellite pictures of the moon.

In 1971, Bausch + Lomb received approval by the U.S. Food & Drug Administration to commercialize the first mass-produced soft contact lens in the United States. This innovation transformed the eyecare industry, completely redefining the contact lens market by creating more access and availability for those who wear corrective lenses. 2021 marks the 50-year anniversary of this pioneering achievement, which is being celebrated throughout the year with a special social media anniversary campaign and video.

Although products and times have changed, Bausch + Lomb continues to proudly adhere to the legacy of innovation, quality and craftsmanship established by John Jacob Bausch and Henry Lomb.

Learn more at [www.bausch.com](http://www.bausch.com).

### Bausch Health Celebrates 50 Years of Vision Innovation (1971–2021)



**Click to watch the Bausch Health 50<sup>th</sup> Anniversary video.**



## Gastrointestinal – About Salix

Salix is on a mission. For more than 30 years, it has worked side-by-side with patients, health care professionals and peers in the endless pursuit of life-changing gastrointestinal (GI) health care solutions. Today it is one of the largest specialty pharmaceutical companies in the world committed to the prevention and treatment of gastrointestinal diseases.

Salix gains a deeper understanding of the GI conditions its products treat by connecting with the patients who use them and the health care providers who prescribe them. Therapeutic areas of expertise include management of conditions, such as hepatic encephalopathy, irritable bowel syndrome with diarrhea, opioid-induced constipation, irritable bowel syndrome with constipation, chronic idiopathic constipation and ulcerative colitis.



The health care landscape faces unprecedented challenges. As a leader, within one of the most important medical specialties, Salix embodies the never-ending desire to keep going, always thinking about what's next for patients, health care professionals, partners and employees.

Salix will continue to lead the way for GI care, connecting with health care professionals, understanding patients, contributing to scientific progress and delivering on innovative solutions.

Learn more at [www.salix.com](http://www.salix.com).



## **Dermatology & Aesthetics – About Ortho Dermatologics and Solta Medical**

Ortho Dermatologics is one of the largest prescription dermatology companies in the world dedicated to helping patients in the treatment of a range of therapeutic areas, including psoriasis, actinic keratosis, acne, atopic dermatitis, nail fungus and other dermatoses. Ortho Dermatologics is committed to becoming the most trusted source in the dermatology field by building on our values-driven heritage of helping dermatology professionals improve patients' lives.

Our dermatology and aesthetics business also includes Solta Medical, which offers several leading medical device systems for aesthetic applications, such as skin tightening and resurfacing, body sculpting, laser hair removal and preventive therapeutic skin care treatments. Over time, the aesthetics industry has changed the way consumers and their doctors work to maintain their appearance, and Solta Medical has been there since day one. For more than a decade, it has been developing innovative treatment technologies to provide proven and effective aesthetic care options and therapeutic benefits to consumers and physicians alike, helping to define the fast-emerging aesthetics industry.

Together, these businesses offer a robust and ever-expanding product portfolio. In recent years, we have made significant investments to build out our aesthetics, psoriasis and acne product portfolios, which we believe will position our Ortho Dermatologics business for growth. We are passionate about serving the dermatology community, including patients whose skin conditions are managed by our treatments and the health care providers who are on the front lines of care. Beyond treatment, we strive to build meaningful connections with the dermatology community by supporting charitable programs that serve providers and patients.

Learn more at [www.ortho-dermatologics.com](http://www.ortho-dermatologics.com) and [www.solta.com](http://www.solta.com).





## **Comprehensive Pharmaceutical Therapies – About Our Diversified Products & International Rx Businesses**

Our diversified portfolio of well-established specialty pharmaceuticals (branded, generic and over-the-counter products) target several therapeutic areas, including oral health, epilepsy, migraines, depression, chronic pain and rare diseases, such as Huntington's disease.

Through our OraPharma business, we develop and commercialize products that help improve and maintain oral health by addressing several areas, including adult periodontitis and mouth dryness among others.

Learn more at [www.orapharma.com](http://www.orapharma.com).

Our Diversified Products business sells pharmaceuticals and certain other therapeutic classes and generics in the United States. Our International Rx business is responsible for sales in Canada, Europe, Asia, Australia, Latin America, Africa and the Middle East.





# Operate with Integrity

Our vision to be a trusted health care partner is built on a promise to our stakeholders that we will operate with the highest standards of ethics and integrity – every employee, every day. We believe that *how* we do things at Bausch Health is just as important as *what* we do. In that spirit, we have equipped our more than 22,000 employees around the world with the tools, information, training and support to always do the right things, the right way.

## CORPORATE GOVERNANCE

Our strong system of internal controls enables the management team to comply with corporate policies and applicable laws and regulations. Each year, we conduct corporate governance training to ensure our employees stay informed, up-to-date and in compliance with our corporate governance policies which include, among other policies, our:

- **Code of Conduct**
- **Business Ethics Reporting Policy**
- **Insider Trading Policy**
- **Black Out Policy**

These policies apply to all Bausch Health employees, officers and directors, their spouses, other family members and any other person over whose securities trading decisions the officer, director or employee exercises substantial control.

Conducting annual training with employees helps them take ownership and accountability for doing their part to create a culture of compliance marked by an unwavering commitment to adhere to the highest standards of ethics and integrity in all our interactions with patients, health care providers, customers, fellow colleagues and other key stakeholders.

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**Click** on policies listed above to review.

## New Company Code of Conduct

In 2021, our Bausch Health Code of Conduct replaced our former Standards of Business Conduct. This updated publication clarifies our mission and values, linking them with an overarching theme of “Everyday Ethics.” The



code articulates our internal commitments to performance management, workplace safety and establishing a “speak-up” culture, as well as our commitments to patients and customers, including patient safety, quality and access to our medicines.

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**Click** to review the Bausch Health Code of Conduct.

## BOARD OF DIRECTORS

Our company’s **Board of Directors** provides independent leadership in carrying out its responsibilities. Nearly all directors on our Board are independent of the company and have no consulting or other business relationship with Bausch Health. The Board has adopted, and reviews on an ongoing basis, corporate governance guidelines for the company, which further strengthen Bausch Health’s platform.

Bausch Health has implemented an active governance platform that includes:

- The selection of a lead director
- The ability of directors to schedule executive sessions without management attendance
- Formal evaluations of the Chairman and the Chief Executive Officer
- Executive sessions for the Board and committees



## PATIENT ACCESS AND FAIR PRICING

In 2016, Bausch Health established a cross-functional Patient Access and Pricing Committee (PAPC) in the United States. The committee's guiding principle is to ensure patients have ready access to our products at a cost that is consistent with their ability to pay. We achieve this through responsible pricing practices and innovative contracting and patient access programs.

The PAPC includes members from a wide range of company functions, including medical affairs, market access, corporate communications, finance, legal, compliance and representatives from each business unit.

In reviewing product pricing, the committee considers overall market dynamics, along with the impact of any pricing decision on patients, doctors, our health care industry partners and society. The PAPC is designed to ensure that Bausch Health's pricing, contracting, compliance and reimbursement strategies and decisions are consistent and adhere to all relevant laws, regulations and guidance, as well as our company position on patient affordable access to our medicines.

**We continue to stand by our long-standing pledge that the average annual price increase in the United States for our branded prescription products will be set at no greater than single digit percentages.**

Each day, *how* we do things is as important as *what* we do. Given our mission of improving people's lives with our health care products, it is critical we continue to keep our patients, and their ability to get the important medications they need, at the center of all we do.

### PAPC principles guiding patient access solutions and product pricing:

- **We will ensure patients have access to our products.** Their level of co-pay will be based on their ability to pay for our medicines.
- **We will make it easy for patients to navigate Bausch Health's patient access solutions.** This includes a clear and transparent process for gaining access to the medicines they need.
- **The Bausch Foundation governs and manages our funds and donations** in external foundations and patient advocacy groups.

Learn more on page 23.

### Efforts Intensified in 2020 to Ensure Patient Access During Pandemic

The Bausch Health Patient Assistance Program worked tirelessly with U.S. physician offices and eligible patients in 2020 to ensure those without health insurance coverage for certain Bausch Health medicines maintained uninterrupted access to their prescriptions throughout the COVID-19 pandemic.



## DIVERSITY, EQUITY & INCLUSION

A key component of our commitment to operate with integrity is to value and promote diversity, equity and inclusion – in our workplace and in our world. Our Diversity, Equity & Inclusion (DE&I) strategy guides this work and is centered around the following key company-wide initiatives:

- Grow our DE&I culture
- Foster employee well-being
- Care for our communities

### Fostering Diversity, Equity and Inclusion as We Stand Against Racism

In 2020, Bausch Health joined in solidarity with organizations and communities throughout the United States and around the world to stand against racism. Following the tragic and violent deaths of several Black Americans, on the heels of so many similar stories in recent years, we asked ourselves what we could do to create lasting and meaningful change.

At the direction of Bausch Health Chairman and CEO, Joseph Papa, we chose to first look inward, within ourselves and within the walls of our own company. To do so, we accelerated our efforts to grow our DE&I culture by focusing on the following key priorities:

- **Advance candid conversations about racism, diversity, equity and inclusion** among our employees.
- **Expand diversity, equity and inclusion training and education** for employees.
- **Identify meaningful ways to further support communities of color**, particularly initiatives related to our mission of improving people's lives through better health care.

Learn more on page 34.

### Supplier Diversity Program an Important Part of Growing Our DE&I Culture

Bausch Health believes that the company, and the communities in which it operates, benefit from sourcing practices that capitalize on the unique skills, knowledge, creativity and talent offered by a diverse supplier base. Our Supplier Diversity Program continues to establish and strengthen mutually beneficial relationships with small and diverse-owned businesses to improve the communities in which we serve and to create a more competitive supplier base.

We are dedicated to sourcing goods and services from a diverse set of suppliers, as well as continuously seeking ways to build and reinforce long-lasting relationships. Toward this effort, in 2020, we enhanced and expanded the resources available to our employees to search for and engage with potential diverse-owned businesses in order to more easily include them in sourcing opportunities.

We are also continually expanding our diverse supplier networks through participation in an array of events with the following diversity organizations:



#### Our supplier diversity goals:



Communicate the value of supplier diversity to our internal and external stakeholders.



Monitor our progress and strive for continued improvement towards achieving our goals.



Continually seek opportunities to purchase from small and diverse-owned businesses, where competitive.



## Bausch Foundation Supports Black Scholars through Thurgood Marshall College Fund



In honor of Juneteenth and the celebration of organizations that empower access and achievement within the Black community, the **Bausch Foundation made a \$50,000 donation in 2020** to the Thurgood Marshall College Fund (TMCF).

Established in 1987, TMCF is the nation's largest organization exclusively representing the Black College Community. TMCF boasts an 80-90% graduation rate among its scholars, and we are honored to support their academic success.

**Click** to learn more about the TMCF impact.



## New Artwork Celebrates Diversity at Rochester, NY Offices

In 1995, Bausch + Lomb initiated the Multinational Art Program (MAP). The first corporate program of its kind, MAP ensures a diverse group of artists are represented in the program. In 2020, a new exhibit of artwork by diverse regional artists was displayed throughout Bausch + Lomb's Rochester, NY offices. Over the years, MAP has generated (through artwork sales and employee contributions) **more than \$30,000** directly benefiting and supporting regional artists.

**Learn more** about our DE&I initiatives and progress on pages 14 and 34.





# Respect the Environment

Today we operate in a world where our ability to grow and thrive – in business, in our environment and in society – becomes increasingly more intertwined each day. As such, Bausch Health is taking the necessary steps to more formally integrate its commitment to “Respect the Environment” into a unified Environmental, Social and Governance (ESG) core competency that can better define, manage and deliver key materiality improvements that result in a financially, socially and ecologically sustainable company. As we work to improve people’s lives with our health care products, we see continuous ESG progress as a vital contributor to our long-term success.

## EHS+S GLOBAL ORGANIZATION AND GOVERNANCE

For more than two decades, our global Environment, Health, Safety + Sustainability (EHS+S) and Occupational Health organizations, under the guidance of our Bausch Health Board of Directors, have provided the leadership and infrastructure necessary to enable our regional sites around the world to continually achieve a more sustainable, safe and high-performing state of operation.

### Bausch Health EHS+S principles:



Protect and sustain our employees, the community, our environment and natural resources

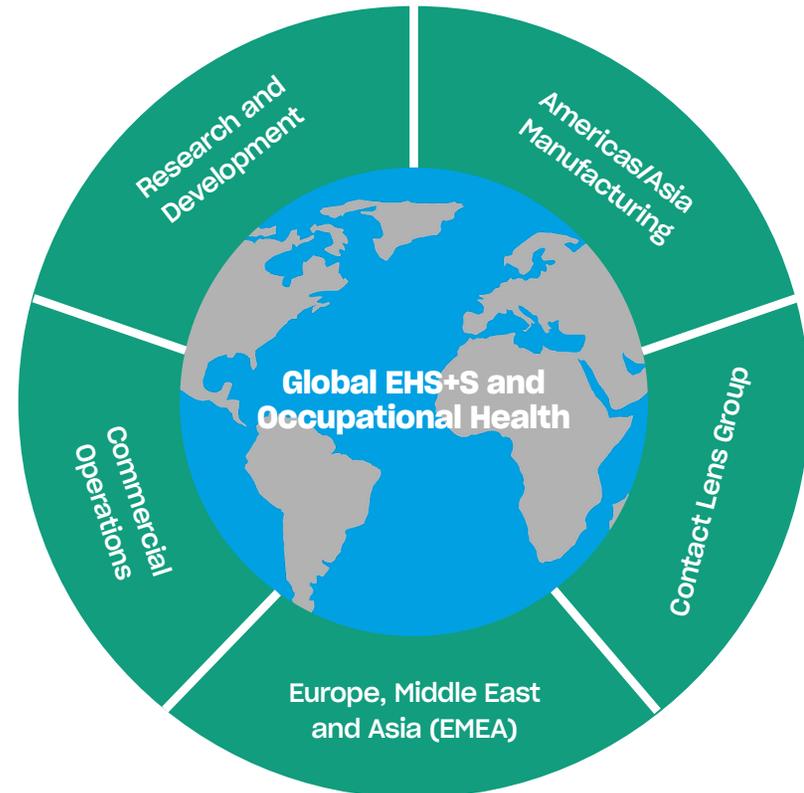


Meet the needs of patients, customers, consumers, health care providers, regulators and other stakeholders



Accelerate achievement of our business objectives

## Global Manufacturing and Supply Chain



*The global EHS+S organization is part of Bausch Health’s Global Manufacturing and Supply Chain division, which is organized into five regional groups with dedicated EHS+S resources embedded on-site.*



## GLOBAL SUSTAINABILITY PRINCIPLES AND POLICIES

Our global EHS+S principles and policies are embedded in all of Bausch Health's global operating plans, enabling widespread impact at both the corporate level and across our regional manufacturing and supply chain locations.

Each region is empowered to develop and manage customized sustainability initiatives designed to continually improve local operations and preserve, protect and sustain the community, the environment and natural resources. Operations sites are regularly inspected to ensure compliance with our Sustainable Business Policy and best practices.

The company's comprehensive set of environmental policies provide the foundation for our sustainability global commitments, which include:

- **Conduct our business in a way that provides a safe and healthy workplace** for our employees and protects the environment.
- **Give purchasing preference to environmentally sustainable products and services** that are comparable to their standard counterparts in quality, price and performance.
- **Design our products and manufacturing processes to meet both customer and consumer needs for performance, quality and efficacy;** as well as to meet and exceed standards for efficiency and minimization throughout the product life cycle.
- **Optimize the use of packaging materials** to reduce waste and continually improve our processes.



**Bausch + Lomb contact lens sustainable packaging.**

### Bausch Health Accelerates Use of Sustainable Materials in 2020

The company is making great strides in its commitment to increasingly develop products and source equipment made from sustainable materials. As an example, in 2020, we introduced updated silicone hydrogel contact lens fit sets produced from 100% recycled Acrylonitrile Styrene Acrylate (ASA) materials. We also pledged to completely transition from plastics as a packaging material to more environmentally friendly paper-based packaging material instead.



## KEY PERFORMANCE METRICS

Bausch Health continues to measure Fuel, Energy, Water and Waste (FEWW) and Employee Safety throughout its global operations. **Each operations site carries an annual goal to improve at least one FEWW metric by 10% and incorporates this objective in local key performance measures.** Many sites holding ISO 14001 / OHSAS 18001 environmental and safety management system certifications have identified FEWW metrics as significant aspects and impacts, leading to more focus and attention from local stakeholders. We periodically review and improve the process we use to collect and analyze global FEWW metrics. Our ultimate goal is always to assure accuracy and completeness of data.

### 2020 Results

Production generally increased in 2020 at most sites. Combined with facility system efficiency oversight, this resulted in only a slight rise in natural gas consumption and flat consumption of electricity when compared with 2019. Additionally, we continue to make significant gains in waste management and recycling, and in water utilization and re-use (see pages 20–21 for details).

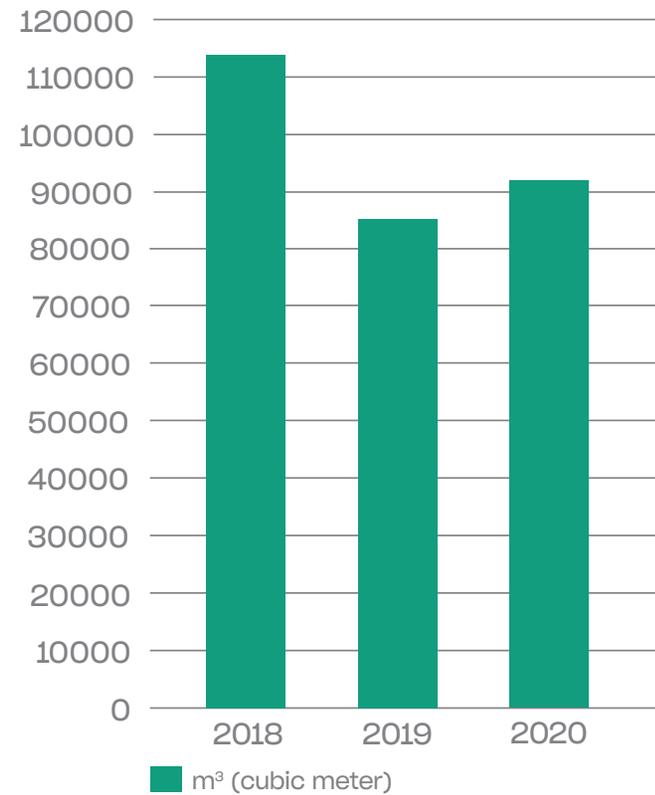
The following are our 2020 FEWW progress results, along with highlights of our EHS+S team's heroic efforts to keep our people safe and well throughout the COVID-19 pandemic.



**Bausch + Lomb Nitrogen Plant in Waterford, Ireland.**

## FUEL

### Average Monthly Natural Gas Consumption



### 2020 Carbon Emissions Results

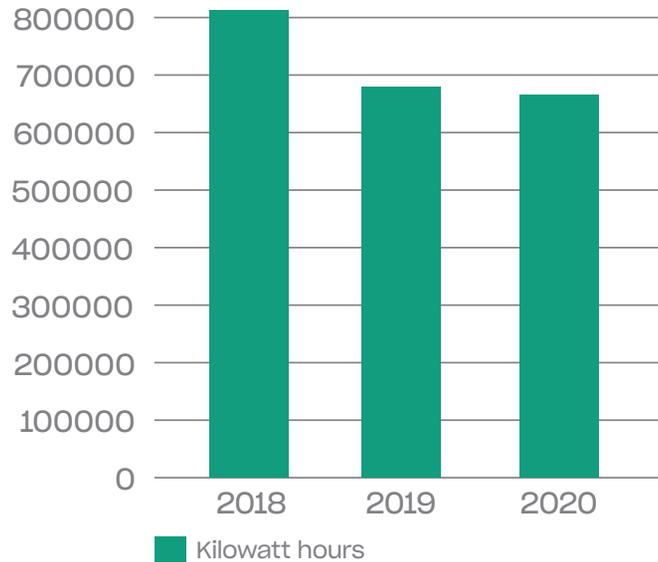
Since 2016, Bausch Health has focused on tracking and reducing carbon emissions from its global facility footprint. 2020 was an anomaly in our results, given temporarily reduced operations due to the global COVID-19 pandemic.

Our global facilities generated **108,058 metric tons of carbon dioxide equivalent (CO2E)** – a significant reduction in comparison to prior years.



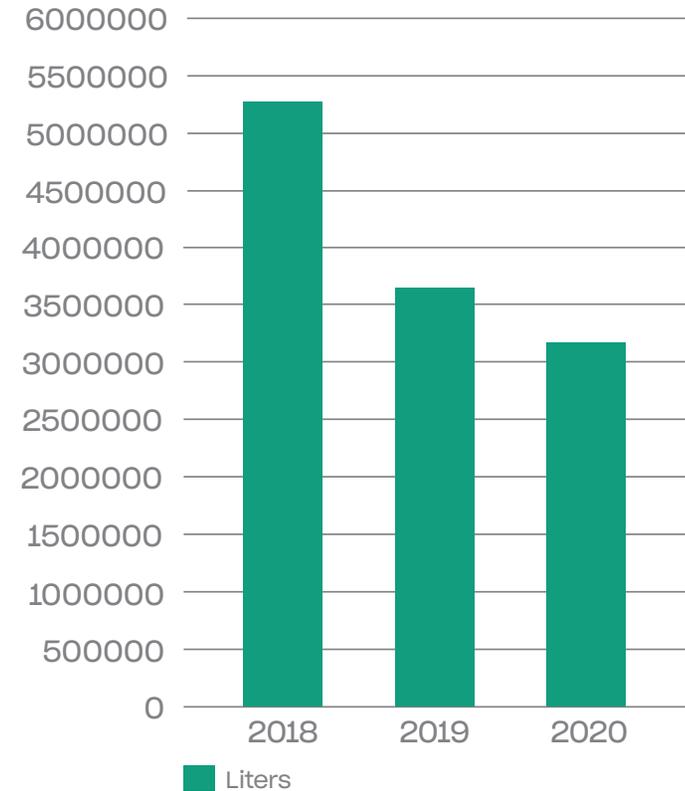
## ENERGY

### Average Monthly Electricity Consumption



## WATER

### Average Monthly Water Consumption



### Jelfa, Poland 2020 Site Highlights

*A cornerstone of the region's pharmaceutical industry, the plant produces more than 100 products.*

- Several energy efficiency-focused projects were initiated and completed.
- Modernized the facility refrigeration system to focus on heat recovery and installed energy tracking systems aimed at improving utilization rates and increased efficiency.
- Conducted thermographic measurements of the facility's buildings to map the potential for heat recovery improvements.

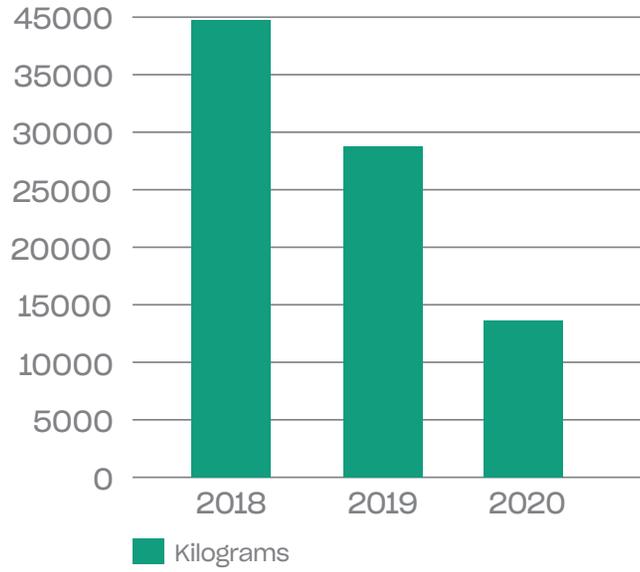


**Bausch + Lomb CHP Plant in Waterford, Ireland.**

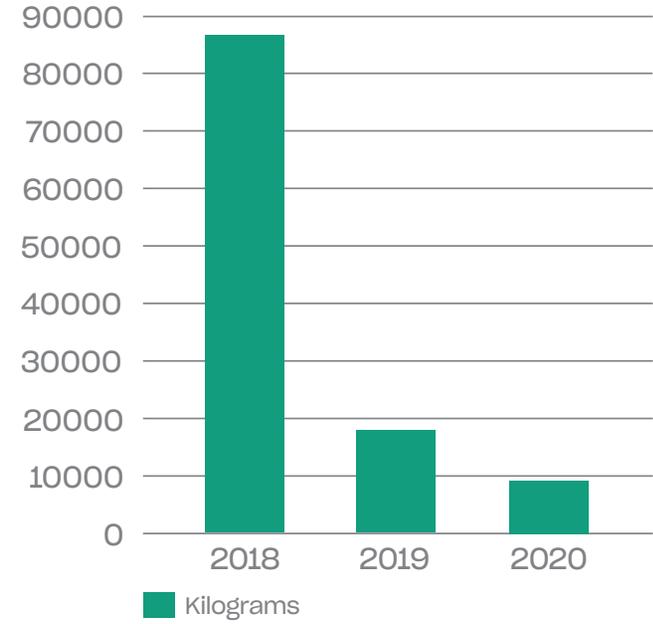


## WASTE

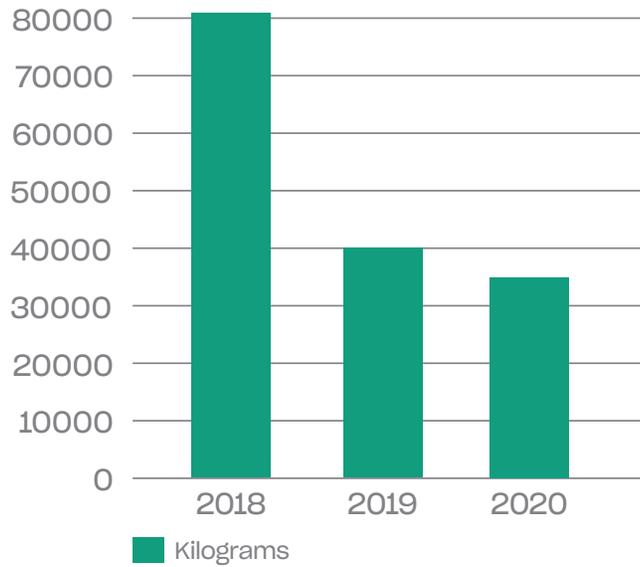
### Average Monthly Non-Hazardous Waste Generation



### Average Monthly Solid Waste Generation



### Reused or Recycled Off-Site



## ONE by ONE Program Builds on Recycling Milestones in 2020

Bausch + Lomb's ONE by ONE Recycling Program, the first contact lens recycling program of its kind, continues to make great strides in reducing the environmental impact of contact lens materials. By November 2020, the program had recycled nearly 27 million used contact lenses, blister packs and top foils since its launch in 2016. Additionally, more than 162,000 pounds of waste have been diverted from oceans, lakes, streams and landfills.

The Bausch + Lomb ONE by ONE Recycling Program is available to contact lens wearers and optometrists in the United States. Today, more than 5,500 optometry practices are registered with the program. Contact lens wearers can bring their used contact lenses and packaging to one of these offices, which collects the materials in a custom recycling bin provided by Bausch + Lomb. Once the bin is filled, the optometry practice uses a pre-paid shipping label to send the materials to TerraCycle, a global leader in recycling hard-to-recycle material, for proper recycling. TerraCycle then recycles the materials into post-consumer products.

### ONE by ONE Initiative Wins U.S. Business Award



In 2020, the American Business Awards selected Bausch + Lomb's ONE by ONE Recycling Program as the winner of its top award, the gold Stevie Award, for Communications/Public Relations Campaign of the Year in the Environmental category. American Business Awards is a premier business awards program in the United States.

[Click here](#) to learn more about the ONE by ONE Recycling Program, which is also further described on the next page.

### ONE by ONE Program Highlights

**More than 5,500**

U.S. optometry participating locations

**Nearly 27 million**

used contact lenses, blister packs and top foils

**More than 162,000 pounds**

of waste diverted from oceans, lakes, streams and landfills

### COVID-19 RESPONSE EFFORTS

In early 2020, our global EHS+S team turned its attention to assessing and responding to the unprecedented events surrounding the COVID-19 global pandemic. A company-wide, multi-stakeholder task force was formed to ensure that Bausch Health's operations continued safely and effectively, and the Global Manufacturing & Supply Chain sub-group was led by Amy Butler, Vice President of Global Environment, Health, Safety + Sustainability.

Under Amy's leadership, the team mobilized the entirety of its resources to prioritize safeguarding the health and well-being of our global employees and the communities in which we operate. And together, working around the clock throughout the year, we achieved this and much more.



With more than 22,000 employees across the globe in manufacturing, laboratory and office settings, we implemented a multi-pronged approach to keep our people safe with the following protocols established;

**Remote Work:** In early 2020, as COVID-19 stay-at-home measures were being put in place across the globe, we broadened our existing remote work policies to enable our global employees to work from home wherever possible. In addition, we introduced remote work guidance and training to support our global colleagues and our customer-facing employees – especially those who interact directly with health care professionals. Where face-to-face engagement is necessary to ensure patients are properly initiated on our products, we developed a re-entry framework that strongly emphasized a number of preventive measures that would allow our local commercial teams to safely serve our customers and patients throughout the pandemic.

**Expanded On-Site Safety Measures:** For thousands of our global employees working in R&D and manufacturing and supply chain functions, remote work was not an option as these functions were considered "essential operations." So where necessary, on-site operations continued during the pandemic, we implemented a number of safety measures to ensure we prevented the spread of COVID-19 in the workplace, such as:

- **Masks/face coverings** were mandatory and provided for all employees in production and common areas.
- **Social distancing** – Work environments were redesigned to ensure social distancing of 6 feet (approximately 2 meters) can occur at all times between workstations, in cafeterias and all common areas.
- **Maintaining hand hygiene** – Numerous hand sanitizer stations were installed in common areas, cafeterias and break rooms at all global sites, and we continued to emphasize the importance of employees washing their hands.
- **Plexiglass partitions** were installed between all workstations where the 6 feet (2 meter) social distance cannot be maintained.

- **Limiting face-to-face meetings** – Face-to-face meetings were prohibited when mandates were in place, unless necessary. When necessary, adherence to mask-wearing and social distancing was required.
- **Daily audits** were conducted by our global Environment, Health, Safety + Sustainability teams at all Bausch Health facilities to ensure COVID-19 prevention measures were followed and sustained.

We are grateful for our network of supporters who joined in our response to the COVID-19 pandemic. And we are proud we could provide a pillar of support for our employees, customers, partners and community members throughout this unprecedented global health crisis.



*“If ever there was a year that reinforced the vital importance of our EHS+S work, it was 2020. Ensuring our employees and communities around the globe stayed safe and protected throughout the global COVID-19 pandemic, while continuing to reduce the environmental impact of our operations, was by far the greatest challenge we’ve ever faced.*”

*While we never would have wished for this unimaginable global health crisis, we are stronger for the many lessons it taught us about the power of resiliency, teamwork, compassion and innovation. And, we take these lessons forward as we refocus our attention back on our proactive mission to continually do more to protect our employees and communities, support business goals and preserve the natural environment for decades to come.”*

**– Amy R. Butler, Vice President  
Global Environment, Health, Safety + Sustainability**





# Advance Global Health and Patient Care

Our mission of improving people's lives with our health care products is the driving force behind our pledge to provide affordable access to safe, high-quality health care products to all those in need. We fulfill this pledge through our expanding commitment to *philanthropy, quality, patient safety and health advocacy*.

## PHILANTHROPY – THE BAUSCH FOUNDATION

Established in 2017, the Bausch Foundation supports initiatives aimed at disease prevention, patient health improvement and education related to our core businesses. Since its inception, the Bausch Foundation has contributed millions of dollars' worth of financial and product donations to charitable health organizations.

### Bausch Foundation International Medical Mission Program

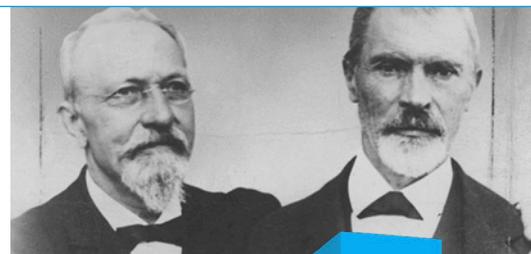
With the support of Bausch Health and its subsidiaries, the Bausch Foundation works closely with affiliates and partners to bring our diverse product portfolio to those most in need around the globe. Any qualified United States resident embarking on a medical mission trip outside of the United States is eligible to receive product donations from the Bausch Foundation. The Bausch Foundation offers both “over-the-counter” and prescription supplies to medical mission teams.

Learn more at [www.bauschfoundation.org](http://www.bauschfoundation.org).

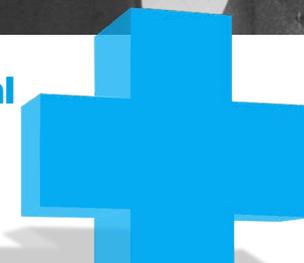
# \$350 Million

The value of donations made to medical mission trips in 2018 and 2019.\*

\*Calculated using the wholesale acquisition cost (WAC) of each product.



Inaugural  
Activity  
Report



**Click** to review the Bausch Foundation Inaugural Activity Report.



## QUALITY – GLOBAL PROGRAM DRIVES CONTINUOUS IMPROVEMENT

### Bausch Health Quality Mission

As quality stewards, we integrate quality into our global processes to drive continual performance improvements. We do this by partnering with internal and external stakeholders to attain and sustain E<sup>2</sup>C (Effectiveness, Efficiency, Compliance) quality with the following objectives:

- **Ensure** the implementation and continuous improvement of robust quality systems.
- **Utilize** quality sciences and learning to drive operational excellence.
- **Deliver** consistent products and services to our customers.
- **Achieve** and maintain sustainable compliance for all operating sites and functions.
- **Build** a learning organization that can drive and sustain a robust quality culture marked by continuous improvements and excellence.

### E<sup>2</sup>C Defined

**Effectiveness for Patients** – Consistently meet or exceed customer requirements with robust quality systems to deliver products and services that are available when needed, price competitive, safe and effective.

**Efficiency for our Shareholders** – Achieve operational excellence by right-first-time design, execution and optimization of resources and lean processes.

**Compliance for our Regulators** – Consistently meet the evolving quality standards and regulatory requirements by continuous improvement of systems and processes.

### Global Quality Leadership Structure

Our formal Global Quality Leadership team reports directly to our Chief Quality Officer and oversees governance committees that ensure the consistent implementation, management and evaluation of our Quality Program worldwide.



**Bausch Health employees commit to "Quality Starts With You" philosophy.**



## 2020 QUALITY HIGHLIGHTS

### Bausch Health Celebrates World Quality Day Across the Company

Under unprecedented circumstances, Bausch Health global sites and colleagues celebrated World Quality Day virtually in 2020. The theme was, “*Creating Customer Value!*” and it provided the platform to share the profound impact of our quality health care products on patients and health care providers around the world. Through virtual celebrations, testimonials and videos from various company sites, we provided a timely reminder of the importance of the work we do and how we provide customer value each and every day.

### Enterprise Excellence Program Takes Off



One of the ways in which Bausch Health seeks to further accelerate transformational change is by building and sustaining a culture of enterprise excellence and continuous improvement.

In 2019, the Enterprise Excellence Program was established to help us do just that. In 2020, we focused on expanding

the breadth and depth of the program. Our ever-growing increasing community of practice now includes employees at more than 65 global work locations across 18 business functions. The aim continues to be to inspire and empower every Bausch Health employee to live and breathe quality and continuous improvement in their daily work.

### Site Excellence Awards Celebrate Exceptional Operational Performance

Each year, Bausch Health manufacturing sites and distribution centers are recognized by their peers for being a best-in-class example of operational excellence. The awards recognize the locations that best represent the company's guiding principles and core values, while also achieving or exceeding operational, safety and engagement goals. The 2020 winners were:

- Large Manufacturing Site: Rochester, NY (United States)
- Small Manufacturing Site: Porto Alegre (Brazil)
- Large Distribution Center: Amsterdam Logistics Center (Netherlands)
- Small Distribution Center: Asia Distribution Center (Hong Kong)

### Bausch Health Ireland Shortlisted for Premier Quality Award

Bausch Health Ireland Limited (BIRL), located in Dublin, was a finalist in Ireland's Pharma Industry Awards in the category of Operational Excellence.

The BIRL entry showcased the site's Thrive Lighthouse initiative and its journey to drive enhanced performance by building a learning organization that aligns its people, culture and behavior with the Bausch Health values.

*“Through the Thrive Lighthouse Cultural Excellence transformation program, BIRL has taken the first steps toward a culture of excellence aligned with our ‘true north’ company values. Ideal results require ideal behaviors, and systematic processes drive our behaviors, culture and results. The BIRL team strives to be a beacon of cultural excellence for the Bausch Health corporation.”*

– **Graham Jackson, Vice President, Quality – Global Pharmaceuticals**



## PATIENT SAFETY AND HEALTH ADVOCACY

Bausch Health invests millions of dollars each year to support provider education, research grants and charitable organizations devoted to improving patient care and quality of life, and advancing the safety and effectiveness of health care products.

### Educational and Medical Grants Foster Provider Excellence

Bausch Health understands that professional schools and residency programs are the beginning of a health care provider's training. For the rest of their careers, health care providers rely on continuing medical education to help them improve their practice and deliver high-quality, safe, effective patient care. Our educational grants cover the full range of topics important to health care – from the latest breakthroughs in research to how to communicate with patients' families.

### Investigator-Initiated Studies Drive Better Care and Better Health

Through support of Investigator-Initiated Studies (IIS), we can enable research that has the potential to improve the treatment of disease, patient outcomes and the quality of health care. Support is awarded based on the scientific merit of each submitted proposal. The IIS program is available for academic and community-based scientists who are interested in conducting their own research. Investigator-Initiated Studies are generally smaller in scale than Phase IV trials and are “proof of concept” or “exploratory” in nature. Bausch Health may provide funding and other forms of support, such as clinical trial materials, to support studies initiated and sponsored by outside researchers.

### Ortho Dermatologics Furthers Clinical Dermatology Research and Education

A critical need in the field of dermatology is ongoing education and research. This ensures continued patient care advancements and fuels the clinical dermatology innovations of tomorrow. In 2020, a large portion of our education and research support was devoted to furthering the work of the National Psoriasis Foundation.

### Bausch Health Advances Science to Help Treat COVID-19 Patients

Since COVID-19 was first identified as a global health threat, Bausch Health has been hard at work to help find solutions to treat the virus. Bausch Health and the Bausch Health Foundation have donated health care products and supplies, ranging from contact lenses to antiviral medicines.

Bausch Health also accelerated its pandemic relief by researching our existing products to determine if any may offer valuable treatment options. Examples include:

- **DEXAVEN®** (dexamethasone phosphate), which received an additional new indication in Poland for the treatment of COVID-19 in adult and adolescent patients who require oxygen therapy.
- **LUMIFY®** (brimonidine tartrate ophthalmic solution 0.025%), **BESIVANCE®** (besifloxacin ophthalmic suspension) 0.6% and **Opcon-A®** (pheniramine maleate 0.315% and naphazoline HCl 0.02675% ophthalmic solution) eye drops preserved with benzalkonium chloride, for which investigational in vitro data indicated complete inactivation of COVID-19.
- **VIRAZOLE®** (ribavirin for inhalation solution, USP), which was studied in an investigational clinical trial in multiple countries to evaluate its use in combination with standard of care therapy to treat hospitalized adult COVID-19 patients with respiratory distress.



## Salix Gastrointestinal Health Scholars Program

Launched in 2019, this yearly program **awards 10 scholarships, up to \$10,000 each**, to outstanding students living with GI diseases and disorders.

### Aspire Higher



Aspire Higher is an annual college scholarship program for students affected by dermatological conditions, including mothers pursuing advanced degrees. **Since its inception in 2013, Aspire Higher has awarded \$738,000 in scholarships.**

In 2020, nine students received scholarships of up to \$10,000 to pursue various types of college degrees.

Learn more at [www.ortho-dermatologics.com/philanthropy](http://www.ortho-dermatologics.com/philanthropy).

### First Bausch Health Fellowship Recipient Named



In 2020, the Bausch Health Rutgers Fellowship Post-Doctoral Pharmacy Program named its first recipient. Adarsh Konda, PharmD started his two-year fellowship as the first medical affairs post-doctoral fellow. Konda, who graduated from California Northstate University with a doctorate in pharmacy, was selected from among hundreds of applicants.

**Click** to learn more about the program.

## Salix Pharmaceuticals Advances GI Health Advocacy

Salix Pharmaceuticals supports a range of educational programs, charitable grants and sponsorships aimed at improving GI health and supporting those with GI diseases. Below are just a few of the not-for-profit organizations supported by Salix in 2020:



### Salix Supports Liver Awareness Month with New Educational Initiatives

In 2020, the company launched a new, digital destination, "LiverHEALTHNow," which offers tools to support the management of Overt Hepatic Encephalopathy (OHE) in chronic liver disease patients.

Other Liver Awareness Month initiatives include:

- **LiverHEALTHNow** – A new, online resource designed to support the management of patients suffering from chronic liver disease and OHE. LiverHEALTHNow offers tools to help screen patients, define an OHE episode and coordinate care. For more information, visit [LiverHEALTHnow.com](http://LiverHEALTHnow.com).
- **Raising Awareness Through Social Media** – Salix leveraged its Twitter and LinkedIn platforms to galvanize awareness of OHE's prevalence and symptoms. To join the conversation, connect with Salix on [Twitter](https://twitter.com) and [LinkedIn](https://www.linkedin.com).
- **Advocacy Support** – As a corporate council member of the American Liver Foundation, Salix sponsors a variety of initiatives, education and research efforts for:



## Bausch + Lomb Champions Advocacy for People Living with Age-Related Macular Degeneration

Since 2014, in collaboration with Prevent Blindness®, the nation's oldest volunteer eye health and safety organization, we have helped educate people to fight for their sight during AMD (Age-Related Macular Degeneration) Awareness Month in February.

In 2020, Bausch + Lomb and Prevent Blindness posted a variety of content on their social media pages to share facts and helpful information about AMD. Bausch + Lomb also **donated \$1 for every “share” or “like” of certain posts** from the Bausch + Lomb SightMatters Facebook page – **raising a total of \$50,000 during the month-long campaign.**

The companies also encouraged people to visit **sightmatters.com**, an educational online resource Bausch + Lomb created to help people with AMD better understand the condition and its progression. The website features personalized tips and tools and provides people with AMD the ability to create an action plan to manage their condition. People with AMD can also join the Sight Matters Facebook community to share their experiences and hear stories of others living with AMD.

For more information on AMD, and to join the SightMatters community, visit **sightmatters.com** or **www.facebook.com/SightMattersCommunity**.

*“Each year, we look forward to joining forces with Bausch + Lomb to help bring awareness to this pervasive and potentially sight-stealing condition. Together, we aim to encourage people to prioritize their eye health by scheduling a comprehensive, dilated eye exam – the best way to identify AMD. Once diagnosed, we can provide patients with essential resources to understand the condition and the steps necessary for prevention.”*

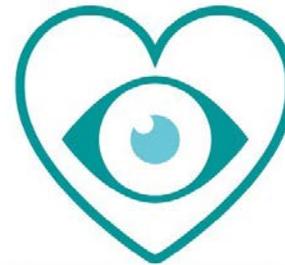
*– Jeff Todd, President and CEO, Prevent Blindness*



**Click to learn more about AMD.**

## #WhyEyeCare

May is Vision Health Month



**BAUSCH + LOMB**

## Bausch + Lomb Canada Raises Awareness and Funds Through #WhyEyeCare Campaign

Each year in May, Bausch + Lomb Canada conducts its #WhyEyeCare campaign to raise awareness about eye health and inspire Canadians to take part in better eye care and vision health. May is recognized as Vision Health Month by Health Canada and the Public Health Agency of Canada.

For every #WhyEyeCare tag shared on social media during May,

Bausch + Lomb Canada gives \$1 to Fighting Blindness Canada, Canada's leading funder of vision research. Up to \$20,000 will be given in total donations.

It is estimated that one in seven Canadians have eye conditions that put them at significant risk of losing their vision, and 1.5 million Canadians have an eye sight disability that impacts their day-to-day quality of life.



## Bausch Health Turkey Hosts Ophthalmology Webinars to Support Global Health Care Professionals During the Pandemic

To provide continuing education and safe networking for health care providers during the pandemic, Bausch Health Turkey hosted two innovative global webinars.

The first, titled, “*The New Normal in Ophthalmology Practice: Spanish, Italian and Turkish Experience*,” brought together more than 1,000 ophthalmologists from 42 countries. During the two-hour presentation, three key opinion leaders in ophthalmology shared insights about how the practice of ophthalmology has changed in the wake of the global pandemic. Dr. Ömür Uçakhan Gündüz from Turkey, Dr. Jorge Alió from Spain and Dr. Marco Tavolato from Italy discussed changes in their daily ophthalmology practice regarding patient admittance, examination, surgical practices and contact lens use, as well as new precaution measures to be taken in clinics and operating rooms.

The second webinar, titled “*Hot Topics in Dry Eye Management*,” brought together 750 ophthalmologists from 18 countries and featured three key physician opinion leaders from the ophthalmology field, representing Turkey, Greece and the United Arab Emirates. Each speaker presented insights on a range of dry eye-related subjects, shared their own professional experiences, provided suggestions for how to manage dry eye and took questions from the audience.

*“It was an amazing experience for us to host these webinars for such large, global audiences. We are very happy to support our health care providers by building a bridge between different country practices and presenting an opportunity for connecting and sharing experiences during the pandemic, as well as offering solutions during these challenging times.”*

– **Deniz Kaya**, Regulatory Affairs Director,  
Turkey, Greece, Middle East and Africa

# BAUSCH+Health WEBINAR



### HOT TOPICS ON DRY EYE MANAGEMENT

We look forward to having you with us to discuss **HOT TOPICS ON DRY EYE MANAGEMENT** chaired by Hani Sakla, MD with Kostas Boboridis, MD & Baha Toygar, MD as speakers.

 Date: Wednesday, 4<sup>th</sup> November 2020  Time: 20:00 – 21:00 pm

 Link: [dryeye.seminer.tv](https://dryeye.seminer.tv)  Password: [bausch](#)



Dr. Kostas Boboridis  
GREECE

Digital Eye Strain and  
Dry Eye During  
COVID-19 Pandemic



Dr. Baha Toygar  
TURKEY

An Overlooked Success Factor  
in Ocular Surgery:  
Post-Operative  
Dry Eye Management



Dr. Hani Sakla  
UAE

Role of Inflammation and  
Inflammatory Biomarkers  
in Dry Eye



## Bausch Health Leads the Way in Supporting Wilson's Disease Patients and Their Loved Ones

Improving the health and quality of life for patients and families living with Wilson's disease (WD) is a major priority at Bausch Health. We produce the medications to treat WD, and also offer robust support for patients and their loved ones through the WD Rx Access program. Eligible patients can enroll in this program annually to take advantage of several benefits, including prescription cost-savings, medication home delivery and one-on-one nurse coaching to help with disease management. Enrollment in the program is available through **WDRxAccess.com**.



**Click to hear patient stories.**

Health has held annual WD Summits since 2019 to bring WD patients and their loved ones together to share experiences and ideas about living with the disease, and how to advance treatment and care options.

The **WDRxAccess.com** website is also home to “Wilson's Wisdom,” a free hub for WD educational tools and support which features resources created by WD patients and caregivers for WD patients and caregivers. In partnership with the WD community, the Wilson's Wisdom library continues to expand each year with new resources to help address shared challenges. As part of our WD advocacy and awareness efforts, Bausch



**Click to learn more about Wilson's disease.**

### About Wilson's disease (WD)

WD is a rare inherited disorder that causes copper to accumulate in the liver, brain and other vital organs. Most people with WD are diagnosed between the ages of 5 and 35, but it can affect younger and older people, as well. People with WD are unable to properly eliminate copper from their system, which can be life-threatening if not treated. When diagnosed early, WD is treatable and many people with the disorder can live normal lives.





## Improve Our Communities

Bausch Health's long-term success is linked directly to our ability to make a positive difference in the communities where we live and work – and never was there a greater need for us to do so than in 2020. In addition to our traditional community enrichment activities, Bausch Health did our part where we could to prevent COVID exposure and assist health care providers in safely caring for COVID patients around the world. The following are just a few of the many ways we stepped up to support our communities throughout this global pandemic.

### 2020 HIGHLIGHTS

#### Bausch + Lomb Team Rallies to Get Contact Lenses to Frontline Medical Workers in China

With the early January outbreak of COVID-19 in Wuhan, China, frontline medical workers were rushed into action, working long hours wearing goggles and head-to-toe gowns to protect themselves. Many of the doctors and nurses who wore glasses found that they were uncomfortable to wear under the goggles and fogged easily. Additionally, many essential caregivers who wore contact lenses were having difficulty getting them due to Wuhan's lockdown and a shortage of supplies in general.

Upon learning of these issues, the local Bausch + Lomb team jumped into action. Through the combined efforts of the commercial team, our warehouses and suppliers, we were able to overcome many obstacles to deliver a month's supply of Biotrue® ONEday daily disposable contact lenses within three days to nearly 1,600 medical workers in nine designated COVID-19 treatment hospitals in Wuhan. A second delivery provided lenses to more than 800 additional medical workers in 10 hospitals. We were proud to be able to make this meaningful contribution to the frontline responders doing heroic work.

#### Bausch Health Produces and Donates Hand Sanitizer

At the start of the pandemic, we converted production lines at our manufacturing locations in China and Canada to produce hand sanitizer for our employees, as well as for donation to first responders and volunteers.



**Bausch + Lomb donates contact lenses and hand sanitizer to frontline workers.**



### Bausch Health Donations Aid Youth

Bausch Health and the Bausch Foundation donated hand sanitizer and \$10,000 to Road Recovery, a non-profit organization dedicated to helping young people battle addiction and other adversities. The hand sanitizer was in turn donated to several youth clubhouses located in New York City.



Youth clubhouse receives donated hand sanitizer.

**Bausch Health donated ARTELAC® Splash™ eye drops** to local hospitals in Spain to reduce eye irritation and the risk of eye infection by alleviating possible symptoms of dry eye among health care providers.

### World Sight Day Challenge Pivots to Safely Support Optometry Giving Sight

As a result of the pandemic, many of our traditional World Sight Day fundraising activities were suspended, so we got creative and found new ways to keep the donations coming. Through the Bausch + Lomb Horizon Rewards rebate program, we offered patients the option to put some or all of their rewards toward charitable donations to Optometry Giving Sight. Also, for every 10 pounds of recycled material received through our ONE by ONE Recycling Program, Terracycle donated \$10 to the organization.



Click the logos to learn more.





# Support Employee Growth and Well-Being

On an annual basis, Bausch Health's Executive Committee establishes the company's strategic priorities for the upcoming year. The priorities are centered around areas of our business that are crucial to the success of our transformation and that each employee can positively impact in some way. One of these priorities is to continue to make Bausch Health a great place to work by recruiting, engaging, developing, rewarding and retaining top talent.

We strive to ensure our employees at every Bausch Health site throughout the world feel proud to be a part of our company and are energized to be their best and do their best every day. We are also dedicated to fostering an inclusive work environment where everyone feels welcomed, supported and valued for their talents and contributions.



## ENGAGEMENT AND CULTURE DEVELOPMENT

### COVID-19 Drives Enhanced Focus on Safety, Belonging and Well-Being

During 2020, our employee engagement and culture initiatives were greatly influenced by employee concerns and safety needs due to the global pandemic. Additionally, societal issues played a role in shaping our employee engagement efforts, which included accelerated initiatives to build a culture of belonging, which are described further on page 34.

With respect to protecting the physical and emotional health and safety of our employees, we quickly established a COVID-19 response team to guide us in navigating employee support for countries and regions facing local lockdowns, curfews, pauses and "shelter in place" mandates. Our manufacturing sites around the world were designated as "essential" and continued to operate, as each plays a crucial role in fulfilling our mission of improving people's lives with our health care products. See page 21 for details about the specific employee health and safety efforts we established at all of our manufacturing sites.

Recognizing that employee engagement and mutual support was essential during this challenging time, we developed and provided employee resources on "Collaborating in the New Normal." These resources were designed to help us support each other, lead with empathy, amplify our communications and adapt to a set of continuously evolving circumstances. As the year progressed and some restrictions were lifted, the COVID-19 response team continued to provide guidance on re-entry and ongoing employee support.

While much of the focus was on our COVID-19 response, we also made progress on action plans developed from the 2019 employee engagement survey, including the implementation of a new Employee Development Framework, which is described further on page 37.



## Top 100 Global Leaders Connect to Build Value and Commit to “All in to Win”

In January 2020, we held an in-person global Senior Leadership Team meeting with our top 100 company leaders to explore strategic issues. The meeting’s theme was “All in to Win” and its intent was to inspire a collective view on our strategy and leadership to further fuel our company transformation.

Key focus areas included:

- Creating a high-performing team culture through effective teaming techniques.
- Recognizing success and showcasing leadership stories.
- Building momentum, alignment and commitment to corporate goals.



## Efforts Accelerate to Build and Sustain a Diverse and Inclusive Culture

In 2020, our Diversity, Equity & Inclusion (DE&I) Council accelerated its efforts to build an inclusive mindset, create and further a culture of belonging and build community through cultural celebrations. Accomplishments included:

- **Hosting an interactive Executive Committee session** on “Inclusion as a Strategic Driver.”
- **Conducting listening sessions** for employees to provide thoughts in the wake of local protests and engaged DE&I ambassadors from across functions, business units and geographies to lead, support and grow key DE&I initiatives.
- **Launching an ongoing speaker education series** covering a variety of topics, including “Being Consciously Inclusive,” “Resilience” and “Avoiding Burnout.”
- **Sponsoring 28 leaders to participate in McKinsey’s Black Leadership Academy** to help accelerate the progression of Black leaders in our organization while also enhancing development programs to include DE&I content.
- **Creating a global DE&I intranet site and launching a DE&I newsletter** to ensure that the information, resources and tools necessary to implement and advance our DE&I agenda are available, easily accessible, timely and relevant.
- **Launching Employee Resource Groups (ERGs)** designed to engage employees more directly in our ongoing DE&I initiative, while also fostering a sense of belonging, growth, development and informal networking:
  - » **Our first ERG, The Women’s Inclusive Network (WIN)**, focused on its purpose and mission: to champion the hiring, development, well-being, retention and career opportunities for women and to assist in the achievement of their personal and professional aspirations. The WIN has been active in sponsoring internal and external speakers and creating interactive forums for members.
  - » **The Bausch Health Military Network resource group launched on Veterans Day**, and the **Black and African Heritage Network** was created and then formally announced on Martin Luther King Jr. Day.
  - » **Introduced cultural celebrations and well-being initiatives** designed to cultivate a welcoming culture that supports community and fosters relationships with the goal of opening pathways for employees to discuss relevant issues.
- **Celebrated and recognized Pride Month, Juneteenth, Hispanic Heritage Month, Breast Cancer Awareness Month and Veterans Day** through virtual events enabling participation from all regions and countries.



## Reward and Recognition Programs Spotlight Employee Excellence



Our employees work hard, strive for excellence in all they do and often go above and beyond to achieve ambitious performance goals. Ensuring they feel valued, appreciated and respected for their hard work, exceptional talents and contributions is a top priority. In addition to informal and in-the-moment employee recognition activities that exist at our regional sites worldwide, we also administer several formal company awards programs, including the following:

- **CEO Awards** – These awards recognize individuals and teams who make significant contributions to the company and consistently demonstrate behaviors that align with our guiding principles (Quality Health Care Outcomes, Customer Focus, Innovation, Efficiency and People) and core values (Accountability, Agility, Courage, Integrity, Teamwork and Results Orientation). We honored five individuals and 12 teams in 2020 for their significant accomplishments and contributions.
- **Shining Stars** – Quarterly awards thanking and celebrating employees whose efforts go beyond their usual set of responsibilities.
- **Above and Beyond** – This is a U.S.-based program that recognizes employees who demonstrate exemplary individual achievement, personify a strong commitment to our guiding principles and make a significant impact to our business. Similar programs exist across the globe and provide leaders and colleagues the opportunity to recognize exceptional work, done in the right ways.



## Bausch Health Gets Moving to Celebrate Pride

Bausch Health employees participated in the virtual Celebrate Pride Movement Challenge to show support for the LGBTQ+ community. More than 200 employees from nearly 30 countries joined the virtual celebration. Employees chose their own mode of movement, along with a distance or time goal. Activities included biking, swimming, yoga, hiking, running, strength training, volleyball, surfing and much more. Many employee participants offered notes of praise and positive feedback about Bausch Health's involvement. Below are just a few:

*“I think it’s great that Bausch Health has recognized Pride Month! This will resonate with many other LGBTQ employees within our organization.”*

*“I was super excited to participate. Inclusivity of ALL is a MUST!!”*

*“Thank you, Bausch Health, for being so proactive in celebrating diversity!”*

*“As a mother of a child of the LGBTQ+ community, I am proud to be part of this company. Thank you!”*



## HEALTH AND WELL-BEING

### Depth and Breadth of Program Offerings Expand

Bausch Health takes a holistic approach to supporting employee health and wellness that's centered around three pillars of well-being: physical, emotional, financial. We recognize that well-being is a significant contributor to our employees' success at work and home, and this was never more apparent than in 2020. Throughout the year, we further enhanced many of our U.S. offerings, with the following highlights:

- **Added a surrogacy benefit** to help pay for associated fees and expenses, in addition to our existing infertility and adoption benefits for employees trying to expand their family.
- **Extended maternity and paternity benefits.**
- **Introduced a new benefit for breastfeeding mothers**, so Bausch Health moms traveling away from home can safely ship their breastmilk through Milk Stork® to their babies at no cost.
- **Expanded voluntary benefits and perks**, providing access to discounted group auto and home insurance, as well as discounts for various services and products at many national and local merchants.
- **Provided resources specifically in response to COVID-19**, including access to therapists, psychologists and psychiatrists remotely for mental health support and assistance with connecting to local caregivers for children, seniors and the disabled.
- **Launched an internal website – *Collaborating in the New Normal*** – to help our employees encourage each other, lead with empathy and adapt as we navigated these unprecedented times.
- **Contact lens benefit** – Employees and their dependents can receive a full year's supply of Bausch + Lomb brand lenses at no cost.



## TRAINING AND DEVELOPMENT

### New Employee Development Framework Brings Focus to Our People Development Work

One of Bausch Health's 2020 strategic priorities was to make our company an even greater place to work by doing more to engage, develop and reward our people. To help us meet this priority, we introduced our new Employee Development Framework, which supports our employees' interests to grow to their full potential, achieve career goals and contribute to the success of Bausch Health. The framework includes:

- **Capability Building** to provide continuous development opportunities for employees in their current roles and with regard to potential future challenges and opportunities.
- **Career Development** to provide employees with career exploration pathways while learning about and understanding their strengths and developmental needs in preparation for career movement.
- **Leadership Development** to focus on developing leaders and potential leaders within their current and future roles.

In 2020, we also evolved our Leadership & Development Competencies, which all employees can learn and apply. We also refined our Individual Development Plan to provide a common approach to development for all roles within the organization.



### Bausch Health Hellas Named #2 Great Place to Work in Greece

Bausch Health Hellas earned the #2 spot on the 2020 List of Greece's Great Place to Work in the category of companies with 50 to 250 employees. The company placed first in the pharmaceutical sector, ahead of several much larger companies. The survey is conducted by Great Place to Work® Greece, and in 2020, included 53 companies of various sizes employing more than 26,500 people altogether. Last year, Bausch Health Hellas finished fourth overall in the survey.

*"We are extremely proud to be a leader in the pharmaceutical sector, with a second-place finish overall," said Iakovos Michalitsis, General Manager of Bausch Health Greece, Cyprus and Malta. He added, "Our success is built by a diverse team of colleagues driven by a shared purpose: to make the future work for everyone."*



# Looking Ahead

At Bausch Health, we are proud to continually grow and evolve in pursuit of new and better ways to fulfill our mission of improving people's lives with our health care products. And it is clearer today than ever before that an integral part of our ability to achieve our mission is a focus on sustainability, and in identifying and addressing current and emerging environmental, social and governance (ESG) trends. Doing so plays a key role in helping us understand the needs of our patients and customers, ensuring the viability of our own business and enriching the communities and natural environments where we live and work.

We firmly believe that our foundational ESG work now underway will enable us to approach sustainability in a more strategic manner. This will ensure thoughtful management of our company's interactions with the natural, human and social capital upon which our enduring success depends. In the coming year, we look forward to sharing our progress as we establish our company-wide ESG steering committee, key priorities, scorecard and reporting strategy.

