



BAUSCH+ Health

Corporate Social Responsibility

2019 Annual Report

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Front cover image: Employees celebrating Bausch Health's donation to the Guide Dog Foundation of new custom training modules made from repurposed contact lens materials from the Bausch + Lomb ONE by ONE Recycling Program. See story on page 31.



Letter from Our Chairman and CEO

Bausch Health is a company dedicated to innovation, advancing global health and improving people's lives with our health care products. Our organizational theme in 2019 was "Pivot to Offense," as we successfully focused on driving organic growth in our core businesses and in delivering new products. Foundational to this strategy was our continued commitment to always find ways of doing things better and in a safe and sustainable manner.

Our most recent achievements in these areas are summarized in this 2019 Corporate Social Responsibility Annual Report. Last year, we made excellent progress in improving operational efficiency and in further embedding a global culture of quality, all while maintaining the highest standards of ethical behavior. In addition, the Bausch Foundation helped patients by providing access to safe, effective medicines and by financially supporting health care education and causes.

While this report is dedicated to our efforts in 2019, we also felt it was important to discuss Bausch Health's response to the unprecedented events of the first half of 2020 – highlights of which are captured in the special report featured on pages 35–39. Companies like ours carry a special responsibility as we make and distribute products that are essential to people's health and well-being. I'm proud of the efforts of our more than 22,000 colleagues worldwide to keep our operations running during the COVID-19 pandemic. Secondly, the social unrest that shook the United States and other parts of the world opened a meaningful, ongoing dialogue within our company about discrimination and diversity. I anticipate this will make us a stronger company as we do even more to value different backgrounds and foster a spirit of inclusiveness.

Bausch Health continues to make progress on many fronts, some that go beyond health care. I hope you will take a few moments to read this report to learn more about our company's many accomplishments.

Best regards,



Joseph C. Papa
Chairman and Chief Executive Officer
Bausch Health



Who We Are

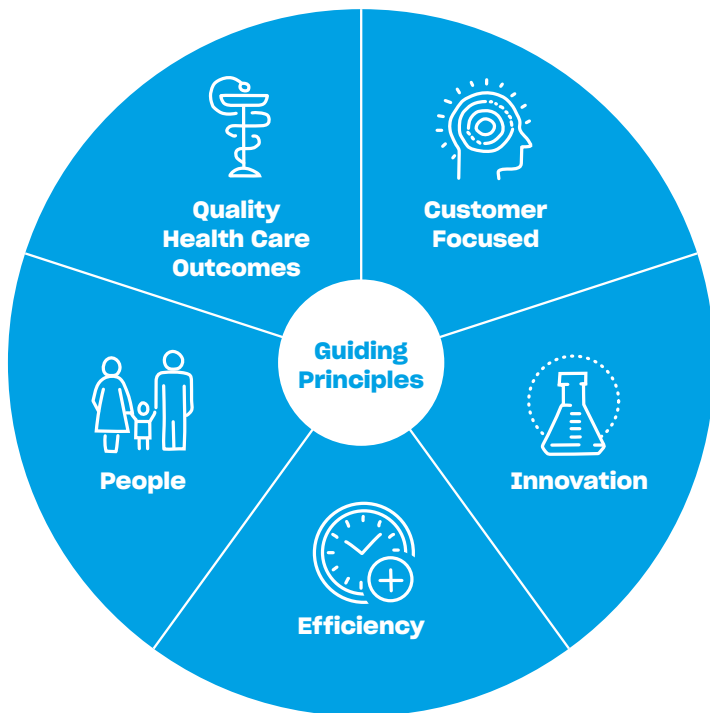
OUR VISION

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.

How We Behave

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 diseases (Salix Pharmaceuticals) and dermatology (Ortho Dermatologics). We develop, manufacture and market – directly or indirectly – a broad range of branded and generic pharmaceuticals, over-the-counter products and medical devices in more than 100 countries. These products are relied on each day 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.

BAUSCH + LOMB

Salix 
PHARMACEUTICALS, INC.

ortho | Dermatologics

Eye Health – About Bausch + Lomb

Bausch + Lomb became part of Bausch Health in August 2013 and is one of the oldest continually operating companies in the United States today. 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 introduced the first soft contact lenses. 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.

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.





Gastrointestinal Diseases – About Salix Pharmaceuticals

Salix Pharmaceuticals became part of Bausch Health in April 2015. Today it is one of the largest specialty pharmaceutical companies in the world committed to the prevention and treatment of gastrointestinal diseases. For more than 30 years, Salix has licensed, developed and marketed innovative products to improve patients' lives and arm health care providers with life-changing solutions for many chronic and debilitating conditions.

Salix works side-by-side with patients, health care providers and peers in the ongoing pursuit of better gastrointestinal health care. We gain a deeper understanding of the gastrointestinal conditions our products treat by connecting with the patients who use them and the health care providers who prescribe them. Our 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.

We are also expanding into new areas of therapeutic expertise, including pharmaceutical pain management innovations. We improve upon existing treatments, uncover new breakthroughs and deliver comprehensive practice support to help health care providers provide best-in-class care. The landscape of health care will continue to change, and patients will continue to present new needs.

Learn more at www.salix.com.



Dermatology – About Ortho Dermatologics

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. The Ortho Dermatologics portfolio also includes several leading medical device systems for aesthetic applications, such as skin tightening and resurfacing, laser hair removal and preventative therapeutic skin care treatments. 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.

Through Ortho Dermatologics, we offer a robust and ever-expanding product portfolio, and we are committed to continuous product innovation with ongoing pivotal studies and research.

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.

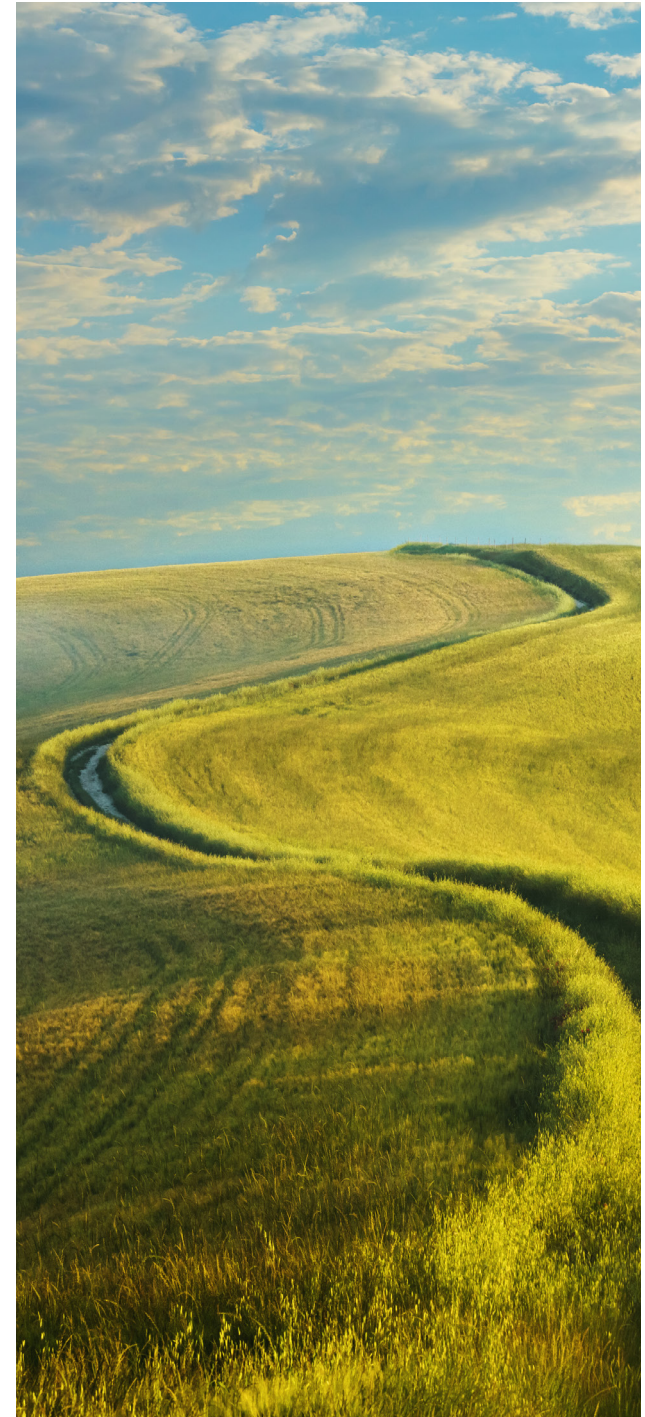


Our Approach to Corporate Social Responsibility

As a global company dedicated to improving people's lives with our health care products, we take our commitment to Corporate Social Responsibility (CSR) seriously. Every day – somewhere in the world – more than 150 million people use a Bausch Health product, while our more than 22,000 employees live and work in some 100 countries around the world. This means we have a big opportunity – and an even bigger responsibility – to make a positive difference.

OUR CSR COMMITMENTS

At Bausch Health, we have framed our CSR work around five key commitment areas:





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 POLICIES

Our strong system of internal controls enables the management team to comply with corporate policies and applicable laws and regulations. For many years, we have conducted annual 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:

- **Standards of Business 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.

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

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 such steps as the selection of a lead director, the ability of directors to schedule executive sessions without management attendance and formal evaluations of the Chairman and the Chief Executive Officer.



PATIENT ACCESS AND PRICING COMMITTEE

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 and that the cost to them 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 have pledged that the average annual price increase for our branded prescription products will be set at no greater than single digits. For example, in 2019 the Wholesale Acquisition Cost (WAC) for DUOBRII® was set more than 50% lower than the WAC of directly competing branded dermatology products.

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 that 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 24.

2019 Pricing Initiatives

Cash-Pay Prescription Program – In March 2019, Ortho Dermatologics launched an innovative cash-pay prescription program that will make many branded products available directly to patients with a valid prescription only – no insurance, co-pays or prior authorizations needed.



COMMITMENT TO DIVERSITY

A key component of our commitment to operate with integrity is to value and promote diversity and inclusion – in our workplace and in our world. We established a Bausch Health Diversity & Inclusion (D&I) strategy to further accelerate this work through the following key company-wide initiatives:

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

Learn more about our D&I initiatives and progress on pages 35 and 42.



Supplier Diversity Program Fosters Inclusion

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.

Bausch Health's Supplier Diversity Program underwent significant transition in 2019, including the recruitment of a new supplier diversity leader. We leveraged this transition as an opportunity to benchmark our program, refresh the program strategy and reset priorities within the supplier diversity program leadership team.

The program continues to seek the most capable suppliers in terms of quality, service, cost and technology on a global basis to become registered in our Supplier Diversity database. We have enhanced and expanded the resources available to assist our employees in searching for and engaging with potential diverse-owned businesses to include in sourcing opportunities.

We work regularly with the following organizations to strengthen our outreach and engagement with the diverse business community:

- Women's Business Enterprise National Council
- National Minority Supplier Development Council
- Diversity Alliance for Science
- HUBZone Contractors National Council
- National LGBT Chamber of Commerce
- Elite Service-Disabled Veteran Owned Business.

In 2020, we will continue to optimize our process for establishing supplier diversity targets, tracking supplier diversity spend and providing expanded internal training.





RESPECT THE ENVIRONMENT

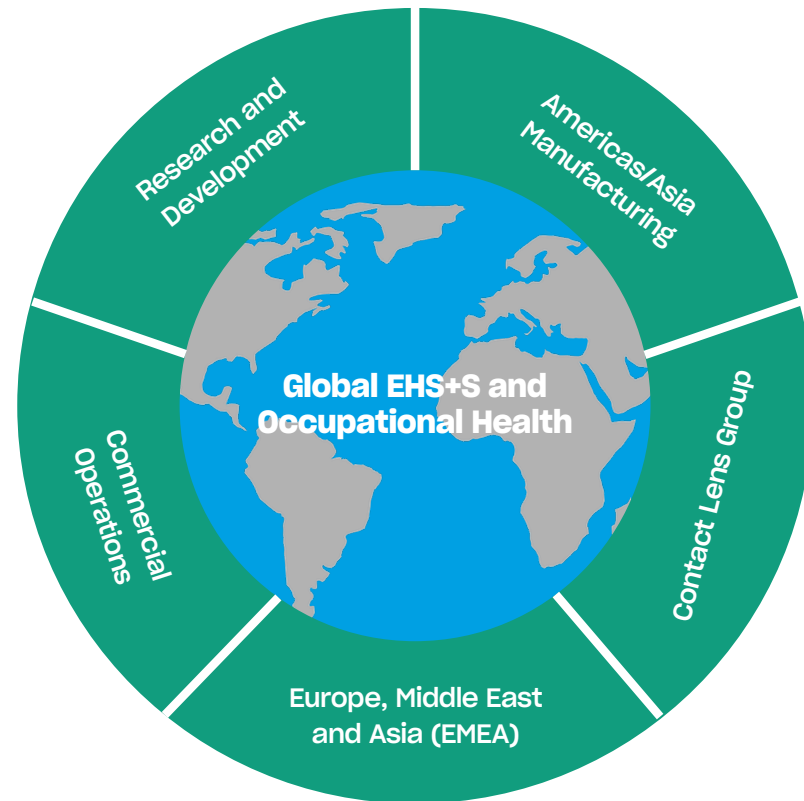
Protecting our employees and communities, and preserving the natural environment for current and future generations is a top priority at Bausch Health. In fact, as an organization whose mission it is to improve people's lives with our health care products, we believe this is an essential obligation and responsibility.

Our global Environment, Health, Safety + Sustainability (EHS+S) organization provides the leadership and infrastructure necessary to help our regional sites around the world achieve a more sustainable and regenerative state, while reducing the impact of our products. Our EHS+S principles are embedded in all of our global operating plans, enabling widespread impact at both the corporate level and across our regional manufacturing and supply chain locations. Each region and its employees are empowered to develop and manage customized EHS+S initiatives designed specifically to improve local operations and communities. This approach has resulted in substantial reductions in our environmental impact, millions of dollars of bottom-line cost savings and a significant improvement in Bausch Health's community capital. This section provides highlights of some of the progress we made in 2019 across our global operating sites.

Bausch Health EHS+S principles:

- Support achievement of our business objectives
- Meet the needs of patients, customers, consumers, health care providers, regulators and other stakeholders
- Protect and sustain our employees, the community, our environment and natural resources

Global Manufacturing and Supply Chain



On-site EHS+S resources are integrated within all of Bausch Health's regional manufacturing and supply chain sites around the world.



EHS+S GLOBAL SUSTAINABILITY COMMITMENTS

Bausch Health's comprehensive set of environmental policies provide the foundation for our EHS+S global commitments. These commitments serve as the framework to guide our efforts to conduct business in a way that meets the needs of patients, health care providers, customers, consumers and stakeholders today, while preserving, protecting and sustaining the community, the environment and natural resources so they are available for future generations.

Environment, Health, Safety and Industrial Hygiene – We conduct our business throughout the world in a way that protects the environment and provides a safe and healthy workplace for our employees. These responsibilities are integral to sound and responsible business practices and are derived from the company's commitment to employees, patients, health care providers, customers and stakeholders. We strive to comply with both the spirit and letter of applicable laws, regulations and company requirements and will proactively manage all environmental, safety, industrial hygiene and employee health risks within our operations. The company strives to continuously improve our management systems and our performance in each of these areas and encourages the same from our suppliers.

Sustainable Purchasing – Our long-term commitment to sustainability is built into our global purchasing practices. We give purchasing preference to environmentally sustainable products and services that are comparable to their standard counterparts in quality, price and performance. Where environmentally sustainable products are unavailable or impractical, secondary considerations include the environmental management practices of suppliers and producers. We communicate this commitment to our suppliers to promote and support wider adoption of environmentally sustainable purchasing practices.

Design for the Environment – The design of our products and manufacturing processes throughout the life cycle of each of our products offers an important opportunity to improve sustainability and reduce our environmental impact. As such, our products and manufacturing processes are developed to, not only meet customer and consumer needs for performance, quality and efficacy, but also to meet and exceed standards for efficiency and minimization throughout the product life cycle.

Top environmental design considerations:

- Avoid hazardous and/or toxic materials
- Reduce air, water and land emissions
- Minimize generation of waste
- Maximize ability to recycle and/or dispose of material in an environmentally responsible manner
- Use natural resources responsibly



Sustainable Building Management – New building projects and existing building capital improvement projects are evaluated for feasibility to achieve sustainable building management certifications. This helps ensure we incorporate the most advanced sustainability practices wherever possible, such as recycling and reuse of natural resources and production materials and use of state-of-the-art energy and water technologies to maximize building efficiency and minimize environmental impact.

Sustainable Packaging – Product packaging plays a unique role in shaping the way our products are presented to patients, customers, consumers and communities. In addition to our commitment to protect the quality, safety and efficacy of our products, we also recognize our responsibility to optimize the use of packaging materials, reduce waste and continually improve our processes. We fulfill this responsibility by:

- Optimizing packaging design in a way that uses the fewest materials necessary
- Promoting the use of packaging materials that can be recycled
- Minimizing post-industrial waste
- Avoiding known negative impacts on the environment
- Supporting fuel, energy, water and waste efficiency across the product life cycle



Packaging assembly line at Greenville, SC, United States site.



EHS+S KEY PERFORMANCE METRICS

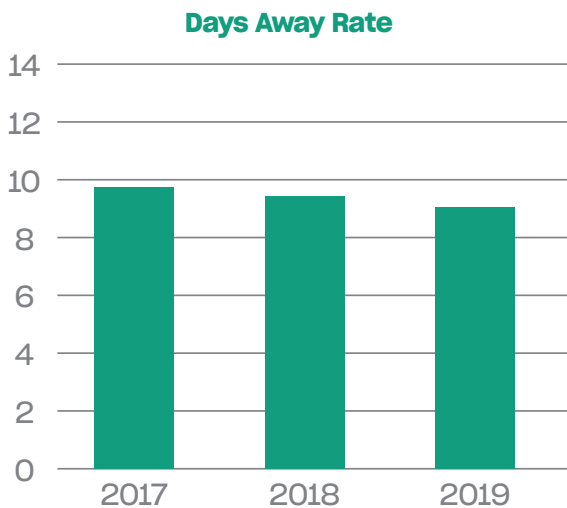
In 2019, as part of our EHS+S digital transformation strategy, Bausch Health invested in a state-of-the-art new data management system to better track progress against our Key Metrics. With this upgrade, we are able to increase global EHS+S reporting quality and transparency, while improving our ability to invest in targeted sustainability initiatives that directly align with and support our company business goals and EHS+S commitments. Introduced in this year's CSR report are more comprehensive three-year progress charts developed from the new data management system for the following key metrics:

- Employee Safety – Days Away Rate (DAR)
- Energy Usage
- Carbon Emissions and Tracking
- Water Utilization
- Waste Management/Recycling

Please Note: Because the Key Metrics charts presented in this report are based on more precise global data than previous years, 2017 and 2018 data shown may differ from what was presented in previous reports.

Employee Safety – Days Away Rate (DAR)

In 2019, for the fourth year in a row, Bausch Health exceeded its DAR annual goal. With a "Not to Exceed" DAR Goal of 19, our Global Manufacturing and Supply Chain **achieved an actual DAR of 9.24 – far surpassing both the annual goal and the industry standard of 50 DAR.**



In 2019 Bausch Health's Rochester, NY, United States site was recertified to ISO 14001:2015 / OHSAS 18001 with no findings.

Days Away Rate Calculation: # Days lost x 200,000 / work hours



Emergency First Aid Training for Bausch Health Employees at Dubai Office

To help promote a safer work environment and stronger team culture, more than 50 employees at Bausch Health's Dubai office received training and certification on Cardiopulmonary Resuscitation (CPR), Automated External Defibrillator (AED) use and Emergency First Aid. An AED and First Aid closet were also installed on-site in 2019. Through the provided trainings, employees developed the life-saving skills to help rescue individuals in need and manage emergency situations accordingly, both inside and outside the workplace.



Energy Usage

Simply put, energy efficiency is about using less energy to get the same job done – and in the process, avoiding high energy bills and reducing the impact on the environment. Over the past year, Bausch Health continued to make significant progress to reduce overall energy usage at our global manufacturing and supply chain sites.

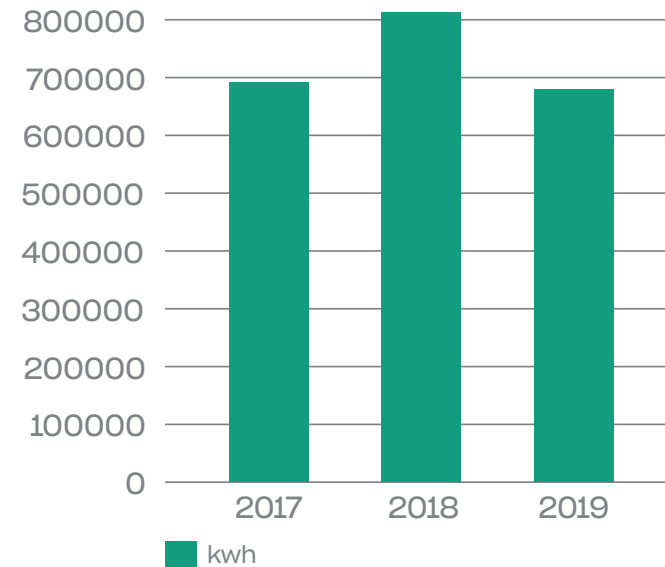
In 2018, we identified that the company's *five largest sites in the Europe, Middle East and Africa (EMEA) region accounted for ~89% of our total energy consumption in the region.* As a result, in early 2019 we formed the **Energy Efficiency Group (EEG)** consisting of representatives from each of the five sites.

The EEG spent the majority of 2019 analyzing and tracking the selected sites' energy consumption to establish what the baseload was at each site ("baseload" is the minimum amount of energy required for a site to operate and maintain cleanrooms, run machinery, etc.). It also completed energy audits, which were conducted by external specialists, to better understand the company's energy infrastructure and identify opportunities to reduce energy consumption. Following a successful first year, the EEG is looking forward to building off of this momentum and welcoming additional sites into the program in 2020. What follows is a summary of Bausch Health's progress in 2019 to reduce energy usage at our major global sites.

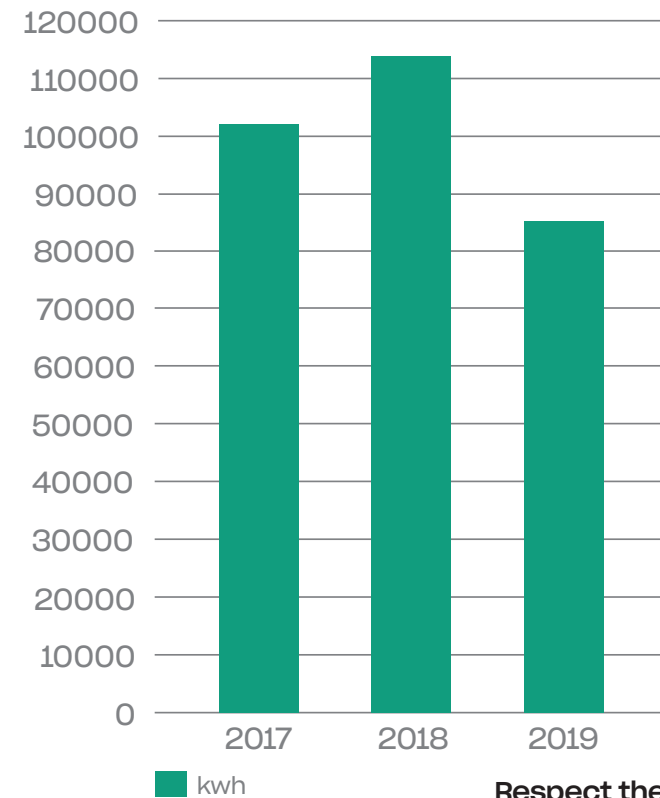


The solar array at the Rochester, NY, United States Optics Center.

Average Monthly Electricity Consumption



Average Monthly Natural Gas Consumption



AUBENAS, FRANCE

- **New fan system installed** at the warehouse in our Laboratoire Chauvin to reduce heat spots in the summer and winter to improve energy efficiency.
- **Audit of chilled water circuit completed** to evaluate current configuration and identify opportunities to optimize performance.

Energy production begins at largest industrial site solar farm in France. In March 2019, this Bausch + Lomb pharmaceutical manufacturing site celebrated the launch of its solar power installation. The 1,445 solar panels were installed in a repurposed parking lot next to the facility and will produce around 549MW per year, which will support approximately 10% of the facility's total energy needs. The project was made possible through a partnership between Bausch + Lomb and electrical supplier, ENGIE, with support from the French government. This is the first self-consumption photovoltaic system of this size on an industrial site in France.

BERLIN, GERMANY

- **Cooling system gets an upgrade.** Bausch Health's Berlin manufacturing facility upgraded its cooling system for water for injectable preparations to reduce energy consumption and waste water disposal.
- **Heating equipment optimized** to reduce heating steam pressure throughout the production process.

MILAN, ITALY

- **Energy audit identifies improvement opportunities.** In 2019, an energy audit was conducted that identified two feasible energy reduction projects:
 - » **Replacement of two older chillers with a heat pump and geothermal wells.** This project is currently underway, and is expected to achieve a return on investment in approximately six years with an anticipated 12% reduction in energy consumption and CO₂ output.
- **Energy monitoring system installed** to track power consumption.

POLFA, POLAND

- **Energy audit uncovers improvement opportunities.** An energy audit was conducted in 2019, with 11 Energy Conservation Measures (ECMs) identified. The EEG elected to move forward with 7 of the 11 ECMs that best balance high savings with a relatively low investment cost. These ECMs are expected to save the company 12% in energy spend with an anticipated return on investment in just more than three years. The initial ECM projects include optimization of HVAC units, boilers and air handling units in process areas.

As part of the EEG initiative, a program was set up at our Polfa, Poland site to investigate how to reduce energy costs via improved control of the facility's ventilation and heat systems.

ROCHESTER, NY, UNITED STATES

- **Approximately 40% of site converted to LED lighting.**
- **Up to 4.5% of site's energy requirements are now solar powered.** Bausch + Lomb's solar energy output is eligible for Renewable Energy Credits (RECs) through the New York Generation Attribute Tracking System (NYGATS). RECs are tradable energy commodities that represent the number of megawatt hours (MWh) of electricity generated by a renewable power source, such as a solar photovoltaic system (1 REC = 1MWh). Between 2016 and 2019, Bausch + Lomb earned 5,023 RECs, which offers a mechanism to track the Rochester site's carbon footprint reduction initiatives.



Solar power installation at Bausch + Lomb Pharmaceutical site in Aubenas, France.



Carbon Emissions and Tracking

Since 2016, Bausch Health has reduced its global carbon emissions from 547,180 metric tons of carbon dioxide equivalent (CO₂e) to 528,085 metric tons of CO₂e in 2018 – a reduction of nearly 20,000 metric tons of CO₂e.

Scope 3 Emissions Tracking Initiative Launches in 2019

Bausch Health strives to continually broaden the understanding of our impact and reduce and improve wherever possible. In support of this commitment, in 2019 we began tracking Scope 3 emissions, beginning with the company's associated transportation impact. A primary driver of our transportation impact relates to our use of vehicles for our in-field sales and support teams. Environmental impact is an important determining factor when identifying what type of vehicle to utilize. We plan on reporting the entirety of our transportation impact in next year's report.



Bausch + Lomb CHP Plant in Waterford, Ireland.



New Nitrogen-Generating Plant at Waterford, Ireland Site Delivers Significant Environmental Benefits

In 2019, a new nitrogen-generating plant was commissioned and installed at Bausch + Lomb's contact lens and pharmaceutical manufacturing plant in Waterford, Ireland. The plant **reduces carbon dioxide emissions by almost 200 tons a year** and eliminates 54 liquid nitrogen tanker deliveries per month. The plant, which took six months to build, employed 20 people during construction and is capable of producing 1,300 cubic meters of gas per hour. The new plant replaces one built in 1999, which had run out of capacity to service the plant's greatly expanded manufacturing operations. Using air as the main raw material, nitrogen is extracted at a temperature of -175° Celsius and the only by-products are water and oxygen-rich excess air. The project included the construction of a 20-meter-high generation tower and two back-up nitrogen tanks, each 16 meters high, as well as the installation of a new electricity substation.

“Using liquid nitrogen delivered by tanker combined with our own gas generated on site was expensive and represented a risk to business continuity if road freight or other external factors went wrong,” said Derek O’Connor, Bausch + Lomb’s Facilities Engineering and Structural Manager in Waterford. “The new plant provides all of our high-purity nitrogen needs and is one of the biggest such plants on an industrial site in Ireland.”

In its first month in operation, the plant exceeded expectations for availability and nitrogen output and has a relatively short return-on-investment period.



Employees celebrate opening of the Nitrogen Plant.



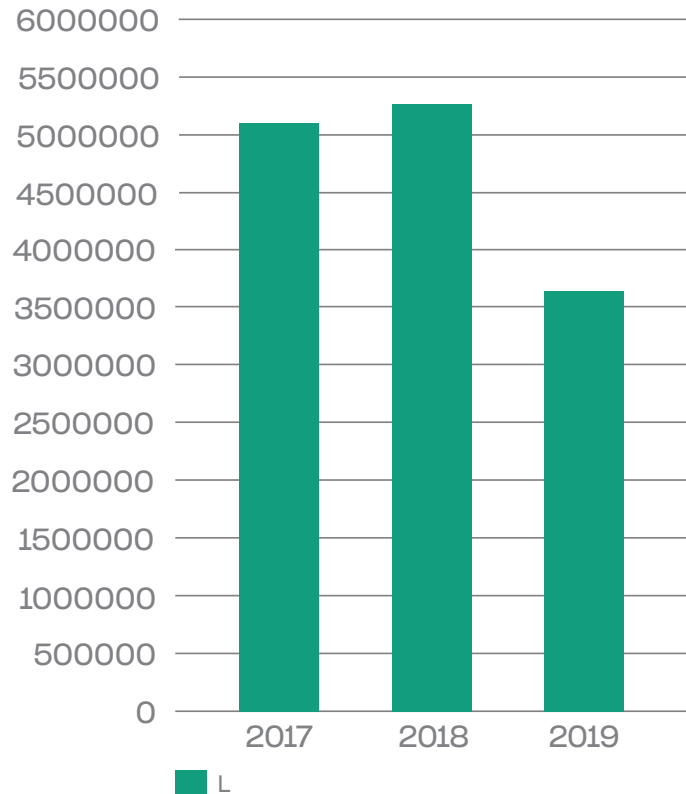
New Waterford, Ireland Nitrogen Plant.



Water Utilization

Water capture and conservation initiatives at Bausch Health sites worldwide have resulted in dramatic reductions in water withdrawal, discharge and consumption from 2017 to 2019, as highlighted below.

Average Monthly Water Consumption



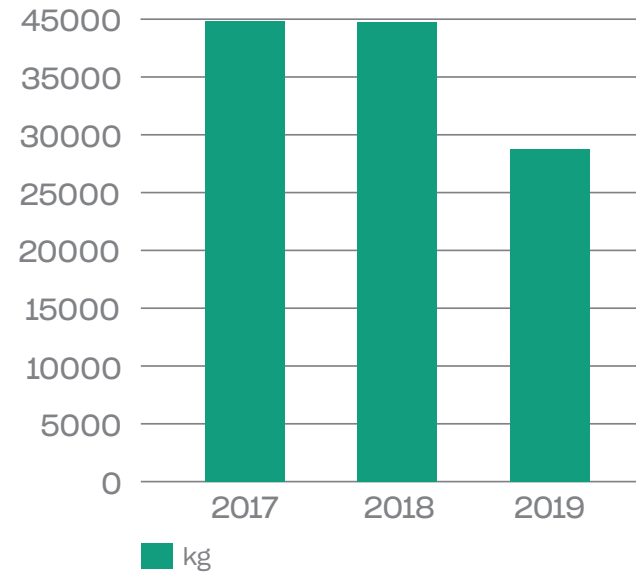
Milan, Italy 2019 Water Conservation Projects:

- Replaced legacy water-softening systems with reverse osmosis-powered equipment to reduce waste water generation.
- Installed a waste water monitoring system to better track and evaluate reduction strategies.

Waste Management/Recycling

Bausch Health is a leader in waste management/recycling efforts. Following are a few examples of 2019 global waste management efforts and achievements:

Average Monthly Non-Hazardous Waste Generation



Waste material ready for recycling at the Beijing, China site.



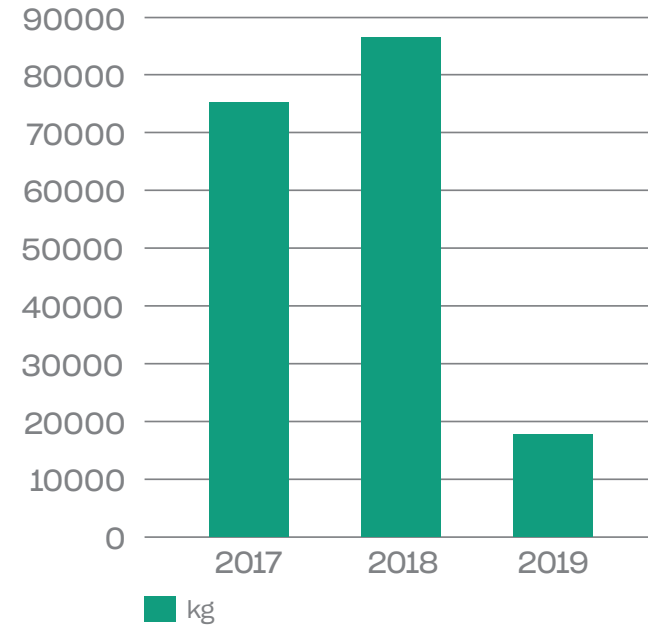
BAUSCH + LOMB – ROCHESTER, NY, UNITED STATES

- **Zero Waste to Landfill initiative yields 94% landfill diversion rate in 2019.** In November 2019, Underwriters Laboratories performed a certification audit to assess Bausch + Lomb's landfill diversion performance. The audit verified that the site achieved *"Zero Waste to Landfill Silver Operations – 94% diversion, with 2% Thermal Processing with Energy Recovery (UL ECVP 2799A)."*
- **Site-generated hazardous waste reduced by 5% in 2019.** The Rochester site reduced hazardous waste from 19.0 tons in 2018 to 18.1 tons in 2019 – a 5% year-over-year reduction.

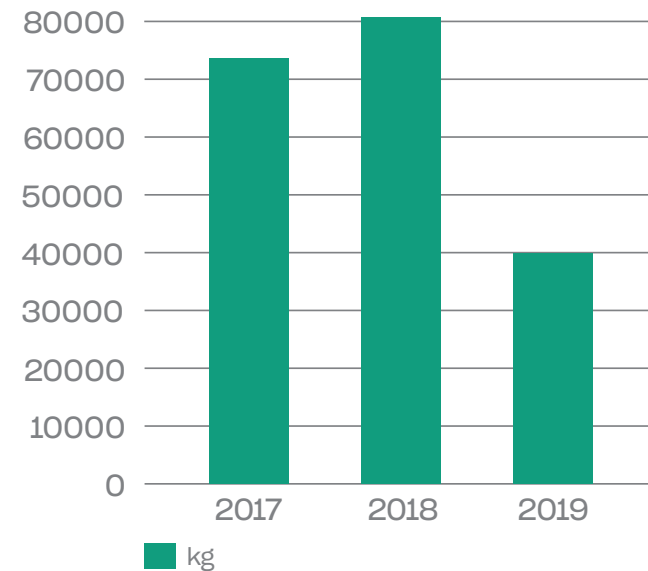


Employee at a ONE by ONE recycling event.

Average Monthly Solid Waste Generation



Reused or Recycled Off Site



ONE by ONE Program Achieves Major Recycling Milestones in 2019

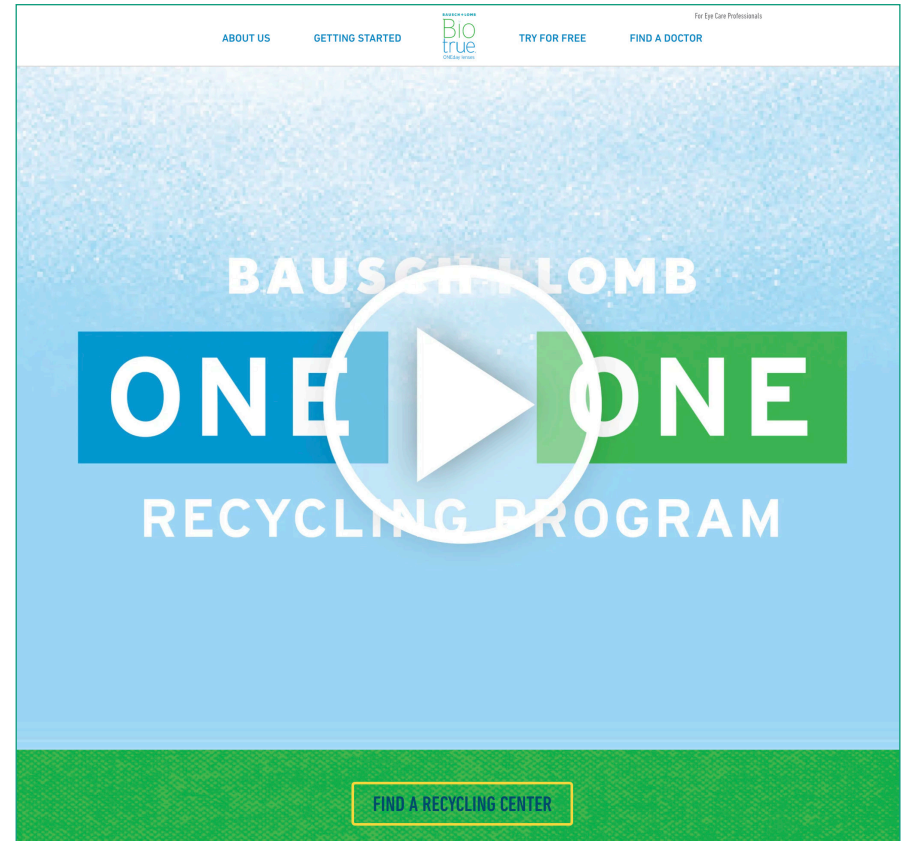
Bausch + Lomb's ONE by ONE Recycling Program, the first contact lens recycling program of its kind, continues to expand its efforts to reduce the environmental impact of contact lens materials. By the end of 2019, the program had **recycled more than 16 million used contact lenses, blister packs and top foil, resulting in more than 95,000 pounds** of waste diverted from oceans, lakes, streams and landfills since the program launch in 2016.

"Prior to the ONE by ONE Recycling Program, contact lens wearers did not have an option to ensure that their contact lenses, blister packs and top foils are properly recycled due to the small size of the materials," says Amy Butler, Vice President, Global Environment, Health, Safety + Sustainability, Bausch Health. *"We are pleased to be able to give patients and eye care professionals the opportunity to take part in our ONE by ONE program and ultimately help ensure these used materials do not end up in our environment."*

"Contact lenses are one of the forgotten waste streams that are often overlooked due to their size and how commonplace they are in today's society," said Tom Szaky, CEO, TerraCycle. *"It's through beneficial partnerships, like the one we enjoy with Bausch + Lomb, and ground-breaking initiatives, like the ONE by ONE Recycling Program, that drive awareness of the issue, elicit change in the consumer and lead to the preservation of our environment for future generations to come."*

The Bausch + Lomb ONE by ONE Recycling Program is available to contact lens wearers and optometrists in the United States. Contact lens wearers can bring their used contact lenses and packaging to any of the more than 3,500 participating eye care professionals' offices where custom recycling bins are available. Once recycling bins are full, the optometry practice mails the used lens materials to TerraCycle for proper recycling using a free shipping label from Bausch Health. Once TerraCycle receives the materials, they are then recycled into post-consumer products.

In addition to the United States, Bausch + Lomb also has similar contact lens recycling programs in Canada and Australia. Visit www.BauschRecycles.com to learn more about the program.



Click to learn more about the ONE by ONE Recycling Program. For additional information, see page 31.

"The ONE by ONE Recycling program has been an integral part of my practice since it became available. We have recycling bins throughout the office and patients are pleased to hear about it during their appointments, especially those who wear daily disposable lenses, like Biotrue® ONE day contact lenses, and have expressed concern about the added waste they create. I applaud Bausch + Lomb for leading the way in providing this solution for my practice and patients and helping to minimize the waste these materials generate."

– Gina Wesley, O.D.
Complete Eye Care, Medina, MN, United States

Bausch Health Hellas, Greece Employees Participate in Voluntary Beach Cleanups

In October 2019, 30 Bausch Health Hellas employees, along with 20 members of their families and children, volunteered to clean up the central Beach of Rafina port near Athens, Greece. The annual event, organized by the Hellenic Marine Environment Protection Association (HELMEPA), featured various activities and helped increase public awareness about marine environmental threats from human activities. At the end of the day, the group cleaned up a 1 kilometer stretch of the shoreline and collected 60 kilos of waste. To learn more about HELMEPA and its efforts, visit <https://helmepea.gr/en>.



Bausch Health Greece Beach Cleanup.



"The voluntary cleaning of Rafina beach by our employees has been an excellent initiative that demonstrated our environmental consciousness and left our positive corporate environmental footprint. Such activities provide important learning about how we can respect the marine environment, recycle and live a more environmentally conscious life."

–Iakovos Michalitsis, Bausch Health Hellas General Manager



"We continue to make important progress at our global Bausch Health sites to reduce the environmental impact of our operations, while improving workplace safety during a time of constant change for our company, our environment and our world. We will continue to adapt and respond through innovation, collaboration and a true team desire to continually do better – for our company and the communities in which we live and work."

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





Advance Global Health and Patient Care

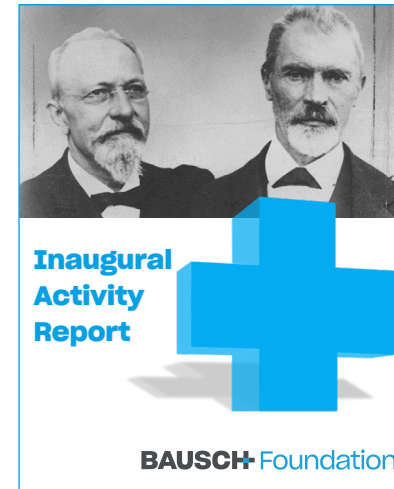
Our mission of improving people's lives with our health care products extends far beyond our business pursuits. It is also the driving force behind our pledge to provide affordable access to safe, high-quality health care products to all those in need. We fulfill this responsibility through our expanding 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, improving patient outcomes and lives 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, including, but not limited to:

- **Foundation Fighting Blindness** – An organization that drives the research that would lead to preventions, treatments and vision restoration for the degenerative retinal diseases – including macular degeneration, retinitis pigmentosa and Usher syndrome – that together affect more than 10 million Americans and millions more throughout the world.
- **Children's Skin Disease Foundation** – An organization whose mission is to improve the lives of children with life-threatening and chronic skin disease and their families by offering experiences that will enrich their lives and empower them to have a childhood without limits.

Learn more at www.bauschfoundation.org.



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



QUALITY – GLOBAL PROGRAM DRIVES CONTINUOUS IMPROVEMENT

Bausch Health Quality Mission

As quality stewards, we integrate quality into our global processes by partnering with internal and external stakeholders to attain and sustain E²C (Effectiveness, Efficiency, Compliance) quality:

- 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, promote and drive our capability to sustain a robust quality culture

Global Quality Leadership Structure

We have a formal Global Quality Leadership structure, team and governance committees in place to ensure the consistent implementation, management and evaluation of our Quality Program worldwide. The team reports to our Chief Quality Officer, who in turn reports directly to the CEO.

E²C Defined

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



World Quality Day at the Bausch Health Malaysia site.

2019 QUALITY HIGHLIGHTS

Bausch Health celebrates World Quality Day across the company.

For the third year in a row, Bausch Health sites around the globe participated in World Quality Day by celebrating with a variety of events. The 2019 theme was, “100 Years of Quality!” and it provided the platform to promote the important impact our Quality organization has on organizational growth and Bausch Health’s ability to fulfill our mission of improving people’s lives with quality health care products. The global day of celebrations also presented a great opportunity to reinforce the fact that every Bausch Health employee can serve as a quality advocate every day.

Site Excellence Awards celebrate exceptional operational performance.

The Site Excellence Awards are an annual recognition of the manufacturing and distribution locations that best represent the guiding principles and core values of the company while also achieving or exceeding operational, safety and engagement goals. For the second year in a row, Bausch Health manufacturing sites and distribution centers were recognized by their peers for being a best-in-class example of operational excellence. The 2019 winners were Bausch + Lomb Solutions manufacturing site in Greenville, SC, United States, the Bausch + Lomb Specialty Vision Products manufacturing site in Wilmington, MA, United States, the Distribution Center in Beijing, China and the Distribution Center in Bothell, WA, United States.

Enterprise Excellence Program office established. 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. The aim is to inspire and empower every Bausch Health employee to live and breathe quality in their daily work.



World Quality Day at the Bausch Health Singapore site.



World Quality Day at the Bausch Health Argentina site.



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. Educational grants cover the full range of topics important to health care – from the latest breakthroughs in research to how to communicate with 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.

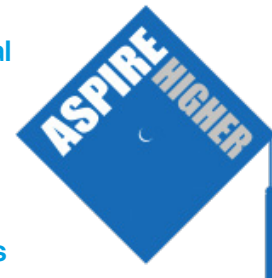
Ortho Dermatologics Furthers Clinical Dermatology Research and Education

A critical need in the field of dermatology is ongoing education and research in order to continue advancing the care of patients and realize the clinical dermatology innovations of tomorrow. This is why we are committed to the ongoing support of organizations that fund dermatology research and education, including:

- **The Dermatology Foundation** which awards funding for promising, novel research and supports the work of tomorrow's expert teachers, innovative investigators and master clinicians in the field of dermatology.
- **American Academy of Dermatology**, which is the premier educational resource for continuing professional development in dermatology.

Aspire Higher

A college scholarship program for students affected by dermatological conditions, including mothers pursuing advanced degrees. Between its inception in 2013 and 2019, Aspire Higher awarded \$648,000 in scholarships. In 2019, nine students received scholarships of \$10,000 each to pursue various types of college degrees.



Learn more at www.ortho-dermatologics.com/philanthropy.



Salix Pharmaceuticals Advances Gastrointestinal Health Advocacy

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



Salix Gastrointestinal Health Scholars Program

Launched in 2019, this program is designed to award up to \$10,000 each to exemplary students with GI diseases who are pursuing undergraduate or graduate degrees. The program aims to provide financial support to deserving students who have not allowed GI disease to stand in the way of their academic success.

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 dedicated to fighting blindness and saving sight, we have helped educate people to fight for their sight during AMD (age-related macular degeneration) Awareness Month in February.

In February 2019, 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 Bausch + Lomb Facebook posts that promoted AMD Awareness Month to Prevent Blindness and its sight-saving fund – raising a total of \$50,000 during the month-long campaign.

The companies also encouraged people to visit SightMatters.com, an educational online resource that 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 www.SightMatters.com or www.facebook.com/SightMattersCommunity.



Click to learn more about AMD.

“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 – by providing essential resources they need to feel informed about this condition and understand the essential steps they need to take for prevention or if they are diagnosed.”

– Jeff Todd, President and CEO, Prevent Blindness

Bausch Health Leads the Way in Supporting Patients with Wilson's Disease

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 patients and their families free annual membership in WD Rx Access – a robust support program consisting of educational tools, prescription cost-savings and support resources to minimize the effects of the disease, and help patients maximize their quality of life. Enrollment in the program is available through **WDRxAccess.com**.

Additionally, the company has developed a WD advocacy and awareness program that offers WD patients and families comprehensive support resources to help them make the most of their health and their lives. In early 2019, as part of this program, Bausch Health established an online WD resource library, called "Wilson's Wisdom." The company also launched a series of WD Summits in 2019 to bring WD patients and providers together to share experiences, insights and ideas about living with the disease and how to advance treatment and care options.



Click to learn more about Wilson's Disease.

Sharing Their Stories

It may be easy to relate to others who have gone through similar experiences, particularly when it comes to a rare disease—whether that's someone else who has been diagnosed or a caregiver who has been there to provide support. Hear six people—with different experiences and perspectives—get real about the impact Wilson's has had on their lives.

Video Library

- The Path to Diagnosis >
- The Importance of Support >

Click to hear patient stories.

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 – and we do so in many ways, including community enrichment activities, such as volunteering in our neighborhoods, investments in scholarship programs and donations to local charities. Following are just a few examples of the many ways we have provided funds or support to improve our communities and quality of life throughout the world in 2019.

COMMUNITY ENRICHMENT

Guide Dog Foundation – Bausch + Lomb, in collaboration with TerraCycle®, a leader in the repurposing of hard-to-recycle post-consumer waste, donated custom training modules to the Guide Dog Foundation, a national not-for-profit that trains guide dogs for people who are blind or visually impaired. The training modules were presented to the Guide Dog Foundation at its headquarters in Smithtown, NY, United States. They will be used to train guide dogs for individuals who are blind or visually impaired, and also help further enhance the Guide Dog Foundation campus for those who visit.

World Sight Day Challenge – *The World Sight Day Challenge* is a global campaign, coordinated by Optometry Giving Sight, to raise funds for projects and organizations that support those who are blind or vision-impaired due to uncorrected refractive error (URE), which affects an estimated 600 million people worldwide. The funds raised help to provide training, establish vision centers and deliver eye care products and services for those impacted by URE. Each year, Bausch Health employees have the opportunity to donate to this important cause.



Donation Event at the Guide Dog Foundation.



Camp Wonder – This program is through the Children’s Skin Disease Foundation that provides children with chronic skin conditions a week of wonder, empowering them to believe that their disease does not define them. *Camp Wonder* is free of charge and provides a safe, nurturing, positive and accepting environment for campers.

Camp Discovery – Through the American Academy of Dermatology, this free program helps give children with chronic skin conditions the opportunity to enjoy an entire week of fun and activities. At *Camp Discovery*, campers meet other children facing similar challenges and learn they are not alone.

Paint the Town – In 2019, Bausch + Lomb partnered with the local University Area Community Development Corporation in Tampa, FL, United States to sponsor the 8th Annual Paint the Town event. More than 30 employees and family members volunteered in the annual event, which supports seniors, single moms, veterans and disabled residents throughout the area who have difficulty maintaining their homes due to physical and financial constraints. Volunteers painted and/or repaired houses for select residents, cleaned up streets and roads, and planted trees to revitalize local neighborhoods and lift homeowner spirits.

United Way of Greenville, SC, United States – Each year, Bausch Health Greenville Solutions Plant and the Woodruff Distribution Center raise money for *United Way of Greenville*, and the Bausch Foundation makes a matching contribution. United Way brings together a diverse group of people, businesses and organizations around a shared desire to make Greenville County a place where everyone has the opportunities and resources to reach their full potential. Providing people with the tools and support to thrive at every stage of life creates a better community for all of us.



Bausch + Lomb Launches Mount Sion CBS School Partnership with Gift of Computers

The Bausch + Lomb Waterford, Ireland site sponsored the development of a mobile computer suite for Mount Sion CBS Secondary School in 2019. The information technology (IT) suite will allow classrooms other than the school’s two permanent computer rooms to operate as high-technology learning centers. The presentation of the IT suite marked the beginning of a new partnership between the company and the school, which will also include teaching and mentoring of students by Bausch + Lomb employees.

“This partnership and the technology resources and mentorship provided by Bausch + Lomb will offer students a great opportunity to learn job-seeking skills and to explore different career possibilities. It will also be a great asset to our teachers in their efforts to be as inclusive as possible in providing the best educational tools and experiences to all students.”

– Edward Kennedy, Mount Sion Principal



Day of Giving – For the second year in a row, a team from our Bausch + Lomb United Kingdom (UK) site based in Kingston upon Thames, led *Day of Giving* volunteer efforts to improve their community. This year, the team chose to help the local Kingston Hospital charity, which provides care for approximately 35,000 people in the area. The charity raises money for hospital equipment, comforts and research. The 40-member Bausch + Lomb UK team cleaned up seven separate areas of fencing in and outside the hospital in desperate need of repair.

Vision Walk – Each year, Bausch + Lomb employees at our sites in St. Louis and O’Fallon, MO, United States support the Foundation Fighting Blindness by collecting donations throughout the year and then walking together as a team during the organization’s annual Vision Walk fundraiser.



Bausch Health UK Day of Giving Event.

Annual Roar through Ybor – *The Roar through Ybor* 5k and 1-mile Fun Run in Tampa, FL, United States raises awareness for organ, eye and tissue donation. It also helps raise funds for LifeLink Legacy Fund and Lions Eye Institute Foundation, which benefit patients in need of organ, eye and tissue transplantation therapy. Bausch Health absorbs employee registration fees to help raise funds for the cause.

The Jack and Jill Children’s Foundation – The team in Dublin, Ireland held a 2.5 km "Up the Hill" Fun Walk in aid of their charity partner, *The Jack and Jill Children’s Foundation*. This organization is a nationwide charity in Ireland that offers support, advocacy and an in-home nursing and hospice services to help families with children under five who have significant neurodevelopmental delays or terminal illnesses. More than 150 registered entrants participated from Bausch Health and multiple companies across the area. Local radio supported the event and many local businesses donated raffle prizes and treats for participants. The event was a great success, raising €3,200.00. In total, the Bausch Health team raised more than €11,000.00 for the *Jack and Jill Children’s Foundation* in 2019, which will cover nearly 700 hours of in-home nursing care for children and their families supported by the charity.



Bausch Health Dublin "Up the Hill" Fun Walk.





Support Employee Growth and Well-Being

Each year, 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. The following sections provide highlights of the progress we made in 2019 to support employee growth and well-being.

EMPLOYEE ENGAGEMENT AND CULTURE DEVELOPMENT

Annual Employee Survey Results Affirm Company Direction and Culture

During 2019, we conducted our annual engagement survey to our more than 22,000 employees worldwide. The company had a strong response rate, with year-over-year improvement in five out of six survey categories. Overall results were generally higher than the industry norm.

Key Findings

- Employees are proud to work for the organization and would recommend this organization as a good place to work.
- Employees give the company high marks for “Goals and Objectives” and “Talent Management.”

These positive survey results provide encouraging affirmation that our efforts to foster a great place to work are making a difference.

Top 100 Global Leaders Gather to Set Priorities for Unified Culture Development

In 2019, we launched the first annual in-person global Senior Leadership Team meeting with our top 100 company leaders. The meeting theme was, “Inspiring Transformation,” and its purpose was to further unify and strengthen the organization by identifying enterprise-wide cultural development priorities, which included:

- Further embedding our Bausch Health Values into who we are and how we operate worldwide.
- Continuing to expand senior leader communication and recognition efforts through increased town halls, online communications and CEO awards for significant contributions.



Efforts Accelerate to Build and Sustain a Diverse and Inclusive Culture

In 2019, we established a Bausch Health Diversity & Inclusion (D&I) strategy to formalize and strengthen company-wide initiatives to:

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

This strategy centers on connecting our employees to the company, to each other and to our communities to cultivate a sense of trust, respect and belonging for all. A D&I Council led by Bausch Health Executive Committee members provides oversight for our D&I strategy and initiatives. As part of this work, the D&I Council agreed developing women talent in leadership positions as a top concern. As a result, the Bausch Health Women's Leadership Network was created as our first Employee Resource Group (ERG), and the plan is to introduce additional ERGs in the future.



Employees, Marianna Brioschi and Guendalina Bombassei, accept the "Libellula 2019 Prize."

Bausch + Lomb Italy Joins "Progetto Libellula" to Advance Diversity & Inclusion Work

In 2019, Bausch + Lomb Italy joined "Progetto Libellula" ("Dragonfly Project"), the first Italian network of companies united against gender discrimination and violence towards women. Conceived in 2017, Progetto Libellula has quickly grown to include more than 30 companies across several industries, including food, insurance, health, fashion, IT and logistics.

All Bausch + Lomb Italy site employees participated in the Progetto Libellula survey to better understand employee perceptions about gender discrimination and violence towards women in the workplace. Employees were also invited to participate in a workshop entitled, "Difference, Discrimination and Respect," to better understand the impact of culture, vocabulary and behaviors on gender stereotypes, discrimination and violence against women. Bausch + Lomb Italy earned the "Libellula 2019 Prize" for its active participation in the network and support of its mission.



| [Click to learn more about Progetto Libellula](#)



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 six individuals and nine teams in 2019 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.



EMPLOYEE HEALTH AND WELL-BEING

Employee Health and Wellness Program Enhances Offerings

Bausch Health takes a holistic approach to supporting employee health and wellness that's centered around three pillars of well-being: physical, emotional, financial. Across each of these pillars, we offer a range of benefits and support resources to help our employees be healthy and feel successful in both their professional and personal lives. In 2019, we strengthened many of our U.S. offerings, with the following highlights:

- Increased infertility benefits to support employees trying to expand their family
- On-site influenza vaccinations at no charge
- New on-site and online financial workshops
- Encouraged employees to take advantage of the free tools and resources available through our Student Loan Debt Management Support Program
- Promoted 401k participation to encourage employees to make the most of their retirement savings and matching contributions from Bausch Health
- Enriched our short-term disability benefit to provide greater financial protection while out of work due to illness or injury
- Added a voluntary identify theft protection benefit
- Introduced the Bausch Health U.S. Scholarship Program for dependents



LEADERSHIP DEVELOPMENT

Talent Management Focuses on Broadening Leader Development

In 2019, our Talent Management strategy continued to evolve and expand with primary focus on D&I engagement and leadership development. We embedded our leadership competencies into our succession planning to help calibrate potential and identify leaders with the ability to advance to larger, more complex positions in the organization. Additionally, we rounded out our leadership development offerings, and now provide the following full range of programs to support employees at every stage of career growth:

- Emerging Leaders Program
- Frontline leaders Program
- Management Essentials Program
- Director Essentials Programs
- ExecOnline



“The Emerging Leaders program has been amazing; the course material is really good, the live programs are beneficial, my cohort is excellent, and my cohort lead has been outstanding. I have acquired tools and established professional network connections at Bausch Health that will serve me and others well throughout the balance of our careers.”

– Emerging Leader Graduate

“The Frontline Impact Program was my first real leadership training experience. I appreciate the fact that it was built in an interactive way, that participants were from different departments and shared their experience from their side but also reported to global. I also became more self-aware of my own strengths and areas where I can improve.”

– Frontline Leaders Program Graduate

“The live forums and interactions with leaders from Bausch Health and other companies was fantastic. I enjoyed the interactive nature of the live forums and capstone project.”

– Director Essentials Program Graduate

“The Management Essentials program was very productive, informative and also fun and engaging. I appreciated the opportunity to participate in the class and found it very beneficial to my development, as the content related directly to the frontline leader role.”

– Frontline Leaders Program Attendee



SPECIAL REPORT: AN EARLY LOOK AT 2020

Given the unprecedented global impact of the COVID-19 pandemic, as well as the historic social unrest occurring the United States and other parts of the world in 2020, we felt it was important to end our 2019 CSR Report with a summary of Bausch Health's efforts to support the health and well-being of our people and the communities where we live and work during these tumultuous times. We'll provide an update on our ongoing response efforts in the next CSR Report.

HEALTH, SAFETY AND HEART DRIVE OUR COVID-19 RESPONSE

Guided by our values, Bausch Health's response to COVID-19 has focused on the following key priorities:

- Protect the health and safety of our employees and their families
- Ensure our products are available to patients and providers who rely on them
- Do our part to reduce the spread of the virus
- Provide support to those in need where we live and work
- Leverage our industry expertise to improve the health of those impacted by COVID-19



Bausch Health produces and donates hand sanitizer to first responders in Bridgewater, N.J. United States.

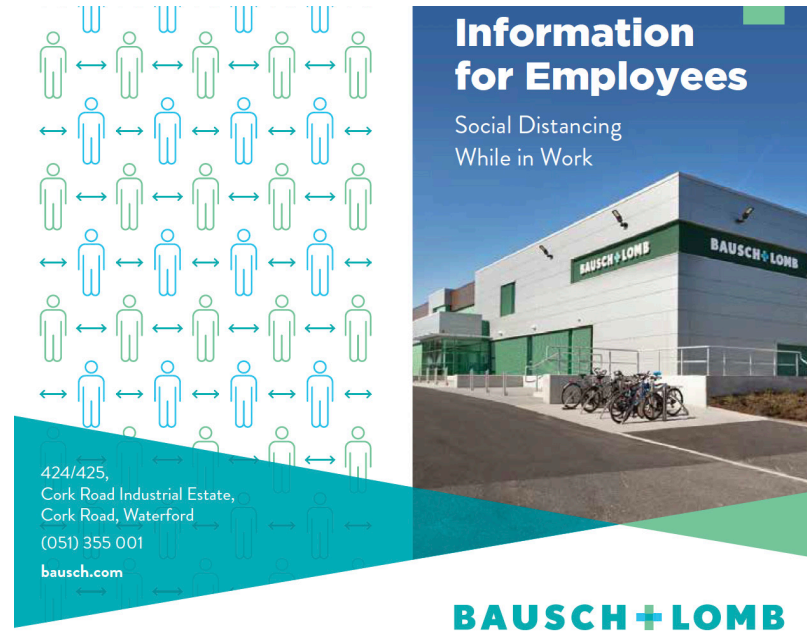
Keeping Our People Safe and Well

With more than 22,000 employees across the globe in manufacturing, laboratory and office settings, we've implemented a multi-pronged approach to keep our people safe.

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 initiated 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 is not an option. Where necessary on-site operations have continued during the pandemic, we've implemented a number of safety measures to ensure we prevent the spread of COVID-19 in the workplace, such as:

- **Masks/face coverings** are mandatory and provided for all employees in all production and common areas.
- **Social distancing** – Work environments have been 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 have been installed in common areas, cafeterias and break rooms at all global sites, as we also continue to emphasize the importance of employees washing their hands.
- **Plexiglass partitions** have been installed between all workstations where the 6 feet (2 meter) social distance cannot be maintained.
- **Limiting face-to-face meetings** – Face-to-face meetings are prohibited unless necessary. When necessary, adherence to mask-wearing and social distancing is required.
- **Daily audits** are being conducted by our global Environment, Health, Safety + Sustainability (EHS+S) teams at all Bausch Health facilities to ensure COVID-19 prevention measures are being followed and sustained.



COVID-19 employee education materials.



Bausch Health-produced hand sanitizer.



Supporting Our Communities in Need

During the best of times, our company and our people are deeply committed to improving the health and well-being of the communities where we live and work – and this commitment shines even brighter during times of great community need. The following are just a few of the many emerging stories that showcase how we've stepped up to support our communities throughout this global pandemic.

Bausch Health produces and donates hand sanitizer. One of the ways in which we are assisting to help battle the COVID-19 pandemic is by providing hand sanitizer. To do this, 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.

Milan site employees collect “lunch money” to assist a local hospital. Lombardy, a region in Northern Italy where the Bausch + Lomb Lens Care Solution Plant and a commercial office are located, was among those hit hardest by COVID-19. As part of social distancing measures at the plant, its cafeteria service was suspended from mid-March through mid-May. During this time, Milan plant management offered to reimburse employees who were now packing their own lunch each day. One employee suggested a selfless alternative: donate the reimbursement funds to support the local health care community instead. The suggestion was overwhelmingly supported by plant employees who collected 4,340€. In addition, the company contributed another \$10,000 USD and the total donation was presented to San Gerardo Hospital, located near the plant. The donation was used to purchase essential supplies and other vital COVID-19 care needs.

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.

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, many obstacles were overcome to be able to deliver a month's supply of Biotrue® ONEday daily disposable contact lenses to nearly 1,600 medical workers in nine hospitals designated for COVID-19 treatment in Wuhan within three days. And a second delivery provided lenses to an additional more than 800 medical workers in 10 hospitals. We were proud to be able to make this meaningful contribution to the frontline responders doing heroic work during this difficult and unprecedented time.



Bausch + Lomb supplies contact lenses to medical workers in China.



Advancing 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.

For example, we have initiated clinical trial programs in Canada to **evaluate the investigational use of our antiviral VIRAZOLE®** (Ribavirin for Inhalation Solution, USP) in combination with standard of care therapy to treat hospitalized adult patients with respiratory distress due to COVID-19. We also **donated nebulized VIRAZOLE®** to hospitals in Italy for compassionate use.

Additionally, we **ramped up manufacturing of chloroquine and azithromycin** and donated these products to local hospitals in Spain and Italy.

Continued Commitment to Patient Access

Throughout the pandemic, Bausch Health Patient Assistance Program (PAP) has continued to ensure that eligible U.S. patients in need who lack health insurance coverage for certain Bausch Health medicines are able to access their prescriptions. During times when many health care offices were not operating on regular schedules, the PAP increased its efforts to work with patients and physicians' offices to ensure patients have uninterrupted access to their medicines.



FOSTERING DIVERSITY AND INCLUSIVENESS 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, including George Floyd, Breonna Taylor and Ahmaud Arbery, on the heels of so many similar stories in recent years, we asked ourselves what we can do to create lasting and meaningful change.

At the direction of Bausch Health Chairman and CEO, Joe Papa, our company chose to first look inward, within ourselves and within the walls of our own company. To do so, we accelerated our efforts to create a diverse and inclusive workplace and culture in 2020 by focusing on the following key priorities:

- Advance candid conversations about racism, diversity and inclusion among our employees
- Expand diversity 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.

Diversity & Inclusion (D&I) Work Focuses First on Awareness, Empathy and Personal Growth

At Bausch Health, we enhanced our efforts to create an open and supportive employee culture where our people could talk candidly about diversity, equity and inclusion. Our aim was to create greater awareness, understanding and empathy in order to foster a culture where all those who work for us and with us feel welcomed, valued and respected, *always*.

For example, our D&I council provided our global employees with a variety of educational tools and resources to:

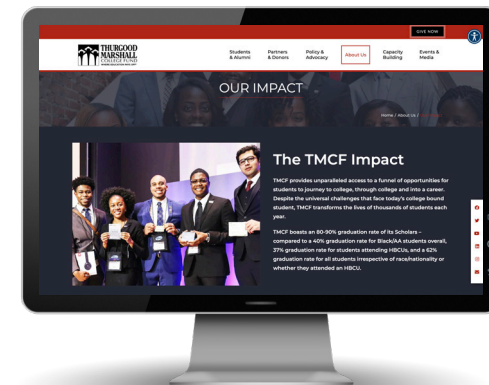
- Better understand how to talk about diversity, equity and inclusion at work
- Take actions to develop a more inclusive and respectful work environment

Our D&I Council is introducing additional training and resources to help all our employees become more aware of – and question – personal unconscious biases, and to teach us how to better become allies and advocates who work together to create a more open community within our company and in the world. Learning to value people with different experiences won't happen overnight, but if we all begin by looking within ourselves, then we've made a meaningful start.



Bausch Foundation Supports Black Scholars through Thurgood Marshall College Fund

In honor of Juneteenth and the celebration of organizations that empower access and achievement with the Black community, the Bausch Foundation made a \$50,000 donation 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.

Closing

It is clearer today than ever before that doing business responsibly is about so much more than achieving business goals. It is about doing everything we can to help ensure our world and the communities in which we live and work remain healthy and vibrant for generations to come. At Bausch Health, we will continue to strengthen and expand our CSR commitments in support of our mission to improve people's lives with our health care products – and in direct response to the ever-evolving global health and humanitarian challenges we may face. We look forward to providing you with an update on our 2020 progress and achievements in the year ahead.

