Risk Factors Comparison 2024-02-22 to 2023-02-23 Form: 10-K

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Our business, financial condition, cash flows and results of operations are subject to various risks and uncertainties. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Form 10- K, including those risks set forth under the heading entitled " Forward- Looking Statements " and in other documents that we file with the SEC and the CSA, before making any investment decision with respect to our common shares or debt securities. If any of the risks or uncertainties actually occur or develop, our business, financial condition, cash flows, results of operations and / or future growth prospects could change, and such change could be materially adverse. Under these circumstances, the market value of our common shares and / or debt securities could decline, and you could lose all or part of your investment in our common shares and / or debt securities. Summary of Risk Factors The following is a summary of the risk factors our business faces. The list below is not exhaustive, and investors should read this " Risk Factors " section in full. Some of the risks we face include: • ~~risks associated with~~ the **impact of** ~~ongoing conflict between Russia and Ukraine and~~ the ~~export controls, sanctions~~ **current market and economic conditions in one or more of our markets on our ability to grow our business; the impact of inflation** and other **macroeconomic factors** ~~restrictive actions that have been or may be imposed by the U. S., Canada and other countries against governmental entities in Russia, Belarus and parts of Ukraine; the effect of the COVID- 19 pandemic~~ on our business ~~, financial condition, cash flows,~~ and ~~results of~~ operations; the ongoing litigation and potential additional litigation, claims, challenges and / or regulatory investigations challenging or otherwise relating to the B L IPO and the B L Separation and the costs, expenses, use of resources, diversion of management time and efforts, liability and damages that may result therefrom; the impact on our business from the closing of the B L IPO, the uncertainties with respect to the expected timing of completion of the B L Separation, including the impact of a failure to maintain the tax- free treatment of such transaction, the continued reliance on Bausch Lomb employees for certain transitional services, a failure to obtain replacement contracts, any actual or perceived conflict of interest of our directors and officers who also serve roles in Bausch Lomb and the cross- indemnification obligations on us and Bausch Lomb; the ~~impacts on our business related to the suspension of the Solta IPO; the~~ ongoing legal proceedings, investigations, and inquiries respecting certain of our historical distribution, marketing, pricing, disclosure and accounting practices; the impact of changes to our pricing practices, whether imposed, legislated or voluntary; the potential adverse impact of legal and governmental proceedings that are uncertain, costly and time- consuming; our dependence on third parties to meet their contractual, legal, regulatory, and other obligations; the impact of product recalls and related product liability claims; our ability to comply with extensive regulation concerning marketing, promotional and business practices; our ability to comply with restrictive covenants in our debt agreements; our ability to generate cash in order to service our debt; the impact on our business of restrictions imposed by our significant indebtedness; ~~the effect of interest rate changes, including the discontinuation of the London Interbank Offered Rate (" LIBOR ");~~ our ability to manage the transition of our key management positions; our ability to recruit and retain executives and key personnel; the potential increase of our effective tax rates, including as a result of proposed changes to applicable tax laws; our ability to compete with generic competitors in products that represent a significant amount of our revenue; our ability to obtain, maintain, enforce or defend the intellectual property rights required to conduct our business; the impact of current and potential intellectual property litigation; ~~•~~ our ability to develop or acquire more effective or less costly pharmaceutical or OTC products or medical devices than our competitors; ~~•~~ the effect of our commitment to the cessation of or limitation on pricing increases for certain of our products; • the impact of divestitures of certain of our assets and business; • the potential adverse effect of acquisitions of assets, products and businesses; • our ability to maintain and provide appropriate training in our products to our health care providers; • our ability to successfully commercialize our pipeline products; • our ability to comply with ongoing regulatory review of our marketed drugs, including our dietary products; • the impact on our revenues and profits from generic products as a result of changes to regulatory policy; • the impact on our business of interruptions in our manufacturing processes; • our dependence on a limited number of sources for certain of our finished products and raw materials; • the effect of changes in inventory levels or fluctuations in buying patterns by our large distributor and retail customers; • our ability to achieve or maintain expected levels of market acceptance for our new products; • our dependence on reimbursements from governmental and other third- party payors; • the impact of a failure to be included in formularies developed by managed care organizations and third- party payors; • the impact of pricing controls, social or governmental pressure to lower the cost of drugs, and consolidation across the supply chain; • the failure of our fulfillment arrangements with Walgreens and our dermatology cash- pay prescription program; • the impact of catastrophic events that may disrupt our business; • the illegal distribution and sale of counterfeit versions of our products; • the reduction of profits due to imports from countries where our products are available at lower prices; • the reduction of revenues in future fiscal periods due to our policies regarding returns, allowances, and chargebacks; • the decline in sales volumes or prices of our products as the result of the concentration of sales to wholesalers; • the decline in pricing and / or volume of our products in our distribution agreements with other companies; • risks associated with the international scope of our operations; • foreign currency exposure on the translation into U. S. dollars of the financial results of our international operations **; • risks associated with the ongoing conflict between Russia and Ukraine; • risks associated with the disruption in the global economy caused by the ongoing conflict between Israel and Hamas** ; • the breakdown, interruption, breach or other compromise of our information technology systems; • our ability to comply with applicable laws and regulations and prevail in any litigation related to noncompliance; • the impact that reforms of the health care system may have on our ability to sell our products profitably; • our ability to comply with environmental laws and regulations and environmental

remediation obligations; • risks associated with climate change; • our ability to maintain adequate internal controls and to provide an assertion as to the effectiveness of such controls on an annual basis; • the potential adverse effect of shareholder activism; • the impact on our profitability from the potential impairment of goodwill and other intangible assets; • our ability to effectively monitor and respond to expectations regarding environmental, social and governance matters; • our potential obligations under our indemnity agreements and arrangements; and • the fluctuation of our operating results and financial condition from quarter to quarter. Risks Relating to **Economic** ~~the Russia~~ and ~~Ukraine conflictAs~~ **Market ConditionsCurrent market and economic conditions in one or more of our markets could impact our ability to grow our business. Over the last few years in the U. S. and globally, market and economic conditions have been challenging, particularly in light of the COVID- 19 pandemic and, more recently, as** a result of **uncertainty concerning** ~~the current conflict between Russia and Ukraine, including the recent invasion of Ukraine by Russia, the current and any future responses by the global community to such conflict and any counter responses by the Russian~~ government **shutdowns** ~~or other entities or individuals~~ , **debt ceilings** ~~and the potential expansion of the conflict to other countries, we have begun to experience and may continue to experience an~~ **and** ~~adverse~~ **government funding. Any negative** impact on **economic conditions and international markets, continued volatility or deterioration in the debt and equity capital markets, inflation, deflation or other adverse economic conditions may adversely affect** our business **, liquidity, financial condition, cash flows** and **results of** operations ~~in this region, as well as on~~ **and could cause the market value of our common shares and /** ~~our~~ **or debt securities to decline. Ongoing uncertain economic and financial market conditions may also adversely affect the financial condition of our customers, suppliers and other** business **partners. When our customers' financial conditions are adversely affected, it could materially** and ~~operations generally~~ **adversely affect our sales and financial results** , which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares **and / or debt securities** to decline. ~~On February 24~~ **Our global business may be negatively affected by local economic conditions** , ~~2022~~ **including inflation** , ~~Russia launched a military invasion~~ **increasing labor costs, potential recession and currency exchange rate fluctuations, which could adversely affect our cost to manufacture and provide our products and services and revenues generated through sales** of ~~Ukraine~~ **such products and services** . ~~The~~ **There is no guarantee that we will be able to fully absorb any such additional costs or revenue declines in the prices for our products and services. We also continue to monitor the impacts on our businesses of the COVID- 19 virus and variant and subvariant strains thereof in order to timely address new issues if and when they arise. To the extent the COVID- 19 pandemic persists, with surges in infection and associated government responses, it could have a significant adverse effect on our business, financial condition, cash flows, results of operations and could cause the market value of our common shares and / or debt securities to decline and may exacerbate other risk factors disclosed elsewhere in this " Risk Factors " section. Inflation and other macroeconomic factors could materially adversely affect our business and operations. Our operating results could be materially impacted by changes in the overall global macroeconomic environment and other economic factors that impact our cost structure and revenue results. Changes in economic conditions, including supply chain constraints, logistics challenges, labor shortages, and steps taken by governments and central banks, particularly in response to the COVID- 19 pandemic, as well as other stimulus and spending programs, have, in the past, led to (and could, in the future, lead to) higher inflation, resulting in an increase in costs and changes in fiscal and monetary policy, including increased interest rates. In a higher inflationary environment, we may be unable to raise the prices of our products and services sufficiently to keep up with the rate of inflation. Moreover, negative macroeconomic conditions could adversely impact our ability to obtain financing in the future on terms acceptable to us, or at all. In addition, geopolitical instability (such as the** ongoing ~~military~~ conflict between **Russia and** Ukraine and Russia has provoked strong reactions from the..... region. However, we anticipate that the ongoing conflict in ~~this region and~~ the **Middle East involving Israel and Hamas) and related** sanctions **could continue to have significant ramifications on global financial markets, including volatility in the U. S. and global financial markets. These inflationary pressures** and other **negative macroeconomic conditions could impact** actions by the global community in response..... our business, and operations, including our revenues ~~, profitability~~ and ~~cash flows,~~ **resulting margins and** could be adversely impacted. Furthermore, if..... or goods from outside of Russia may have an adverse impact on our operations in Russia or the way....., financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline ~~. Risks Relating to COVID- 19The ongoing impact of the COVID- 19 pandemic, the rapidly evolving reaction of governments, private sector participants and the public to that pandemic and / or the associated economic impact of the pandemic and the reactions to it, could adversely and materially impact our business, financial condition, cash flows and results of operations. The ongoing impact of the COVID- 19 pandemic, and the rapidly evolving reaction of governments, private sector participants and the public in an effort to contain the spread of COVID- 19 (and variants thereof) and / or address its impacts have had significant direct and indirect effects on businesses and commerce generally, including disruption to supply chains, employee base and transactional activity, facilities closures and production suspensions, and significantly increased demand for certain goods and services, such as pandemic- related medical services and supplies, alongside decreased demand for others, such as retail, hospitality, travel and elective surgery. As a result of the impact of COVID- 19, we have experienced and may continue to experience delays in and postponement of our clinical trial programs, reduced demand for certain of our products due to the deferral of elective medical procedures and of doctor and dentist visits and restrictions on outpatient surgery and other medical procedures, and if such issues recur in the future, our results of operations may be adversely impacted as a result. In addition, certain of our facilities were temporarily closed in connection with the COVID- 19 pandemic, and we have also experienced some disruptions to our supply chain as a result of challenges associated with the COVID- 19 pandemic. Although we are not currently experiencing these effects, depending on future developments with respect to COVID- 19, we may continue to experience those effects as a result of the pandemic, the emergence of new variants, the reactions of**

~~governments, private sector participants and the public to the pandemic and the associated disruption to business and commerce generally. The extent and duration of the pandemic, the reactions of governments, private sector participants and the public to that pandemic and the associated disruption to business and commerce generally, and the extent to which these may impact our business, financial condition, cash flows and results of operations in particular, will depend on future developments which are highly uncertain and many of which are outside our control and cannot be predicted with confidence. Such developments include the ultimate geographic spread and duration of the pandemic, the availability and effectiveness of vaccines for COVID- 19, vaccine hesitancy, the extent and duration of a resurgence of the COVID- 19 virus and variant strains thereof, new information which may emerge concerning the severity of COVID- 19, the effectiveness and intensity of measures to contain COVID- 19 and / or address its impacts, and the economic impact of the pandemic and the reactions to it. Such developments, among others, depending on their nature, duration and intensity, could have a significant adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline and may exacerbate other risk factors disclosed in this Item 1A. " Risk Factors. " Developments such as those described above, among others, depending on their nature, duration and intensity, could have a significant adverse effect on the Company' s business, financial condition, cash flows and results of operations~~ . Risks Relating to the B L SeparationThe B L Separation is subject to challenge and could be subject to further challenges in the future, any of which could delay or prevent the consummation of such transactions or cause them to occur on ~~worse~~ terms **that are different or less favorable** than we ~~currently expect~~ **originally anticipated** . The B L Separation, including a distribution of all or a portion of our remaining equity interest in Bausch Lomb to our shareholders, is subject to challenge, which could delay or prevent the consummation of such transactions or cause them to occur on worse terms than we currently expect. For example, in March 2022, the Company and Bausch Lomb were named in a declaratory judgment action in the Superior Court of New Jersey, Somerset County, Chancery Division, brought by certain individual investors in the Company' s common shares and debt securities who are also maintaining individual securities fraud claims against the Company and certain of its current or former officers and directors. This action seeks a declaratory judgment that alleged transfers of certain Company assets to Bausch Lomb would constitute a voidable transfer under the New Jersey Voidable Transactions Act and that Bausch Lomb would be liable for damages, if any, awarded against the Company in the individual opt- out actions. In addition, the Company could, in the future, face additional legal proceedings and investigations and inquiries by governmental agencies relating to these or similar matters. For more information regarding legal proceedings, see Note 20, " LEGAL PROCEEDINGS " to our audited Consolidated Financial Statements elsewhere in this Form 10- K. We are unable to predict the outcome of any such proceedings, investigations and inquiries, but we may incur significant costs and diversion of management attention as a result of these matters, regardless of the outcome. Some or all of these proceedings, investigations and inquiries may lead to damages, settlement payments, fines, penalties, consent orders or other administrative sanctions against us. Furthermore, publicity surrounding these proceedings, investigations and inquiries or any enforcement action as a result thereof, even if ultimately resolved favorably for us could result in additional investigations and legal proceedings. As a result, these proceedings, investigations and inquiries could have a material adverse effect on our reputation, business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. The B L Separation is subject to uncertaintiesUnanticipated developments ~~,~~ **and other challenges could delay or prevent the completion of the B L Separation (** including ~~disruptions~~ **the Distribution, as defined below), result in changes** to ~~business and commerce induced~~ **the anticipated structure of the B L Separation (whether** by ~~the COVID- 19 pandemic, changes~~ **way of " butterfly reorganization " rules** in ~~market~~ **Section 55 of the Canadian Tax Act, return of capital or otherwise), cause the B L Separation to occur on terms or** conditions ~~,~~ **that are different or less favorable than originally anticipated or affect our ability to realize some or all of the anticipated benefits of the B L Separation. Such developments and other challenges may include** possible delays in obtaining any necessary shareholder, stock exchange, regulatory or other approval or the failure to obtain any such approvals, possible delays in obtaining any required tax opinions or rulings or the failure to obtain any such tax opinions or rulings, ~~that a~~ **failure to satisfy conditions, complications arising from the** portion of Bausch Health' s ownership of Bausch Lomb **that** is pledged as collateral securing the 9. 00 % Intermediate Holdco Secured Notes **(as defined below)** , negotiating challenges, the uncertainty of the financial markets, **disruptions to business and commerce induced by** changes in **global markets, financial and economic conditions (such as the COVID- 19 pandemic and international conflicts) and changes in** the law ~~,~~ **. The Company continues to evaluate the structure of any Distribution** and other ~~challenges~~ **related details, and, subject to the terms of the Company' s agreements with Bausch Lomb, the Company may consider undertaking the Distribution through one or more distributions effected as a dividend or a tax- free reduction of capital, one or more distributions in exchange for Bausch Health shares or other securities, or any combination thereof. Prior to the completion of any Distribution, the Company may also sell a portion of its remaining direct or indirect equity interest in Bausch Lomb through an offering to third parties. Further, our Board of Directors** could **decide, either because of a failure to satisfy conditions or because of market or other factors, to** delay **, abandon** or ~~prevent~~ **alter** the ~~completion~~ **structure or terms** of the B L Separation **. Additionally, Bausch Lomb may terminate the existing arrangement agreement between the Company and Bausch Lomb in accordance with its terms as of the outside date of December 31, 2024** (~~including~~ **unless** the **parties otherwise agree** ~~Distribution, as defined below~~) ~~, result in changes to the anticipated structure of the B L Separation, or cause the B L Separation to occur on terms or conditions that are different or less favorable than expected. Any changes to the B L Separation or delay in completing the B L Separation could cause us not to realize some or all of the expected benefits or realize them on a different timeline than expected. Further, our Board of Directors could decide, either because of a failure to satisfy conditions or because of market or other factors, to delay, abandon or alter the structure or terms of the B L Separation~~ . No assurance can be given as to whether and when the full B L Separation will occur, on what terms **or structure** the B L Separation will occur or whether the B L Separation will achieve the benefits ~~we expect~~

originally anticipated . As a result, there can be no assurance as to the timing of the completion of the B L Separation or its structure or terms. Even if the B L Separation is completed, we may not **realize all of the benefits that we originally anticipated. Even if the B L Separation is completed, we may not** be able to achieve the full strategic and financial benefits ~~expected~~ **originally anticipated** to result from the B L Separation. The B L Separation is ~~expected~~ **intended** to unlock value by creating an independent business and distinct investment identity with enhanced strategic and management focus that allows more efficient allocation of resources and capital. In addition, though the proceeds from the B L IPO facilitated further reductions in the aggregate amount of our outstanding indebtedness, we may not achieve these and other anticipated benefits for a variety of reasons, including, among others: (i) Bausch Lomb may prove to be less valuable on an independent basis than we anticipate, including because it is more susceptible to economic downturns and other adverse events than if it were still a part of the Company and because its business will be less diversified than the Company' s business prior to the B L Separation and (ii) other actions required to separate the respective businesses could disrupt our operations. ~~The completion of~~ **We have and will continue to expend significant resources in pursuing** the **B L SeparationThe** B L Separation has and will continue to require significant resources, time and attention from our senior management and employees, which could cause distractions and divert attention and resources away from other projects and the day- to- day operation of our business. We may also experience increased difficulties in attracting, retaining, and motivating management and employees **in connection with** ~~during the pendency of~~ the B L Separation ~~and following its completion~~ . For more information on these and other related risks, see Item 1A. " Risk Factors — Employment- related Risks " of this Form 10- K. The B L Separation, whether or not completed, may also have an adverse impact on our relationships with our customers, suppliers and other business counterparties. The price of our common shares could also fluctuate significantly in response to developments or market speculation related to the B L Separation. The B L Separation, if completed, may also have the effect of exacerbating other risk factors disclosed in this Item 1A. " Risk Factors. " We have ~~already~~ incurred **significant** expenses in connection with the B L Separation, and **currently** expect that ~~the process of completing~~ the B L Separation **process** will **continue to** be time- consuming and involve significant additional ~~costs~~ **resources** and expenses, which may not yield a discernible benefit if the B L Separation is not completed on the timeline and terms currently anticipated or at all. In addition, if the B L Separation is not completed or if it is delayed or restructured, we will still be required to pay certain costs and expenses incurred in connection therewith, such as legal, accounting, and other professional and advisory fees. Furthermore, the B L Separation, if completed, is expected to result in dyssynergy costs, which may be greater than we anticipate and / or may be significant. In addition, we could be subject to legal proceedings or other claims challenging the B L Separation, which could result in substantial costs and liability and also divert management' s attention and resources, any of which could harm our business. Any of the above factors could cause the B L Separation **process** (or the failure to consummate the B L Separation) to have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. If the distribution of the shares in Bausch Lomb (the " Distribution ") proceeds pursuant to the **existing** ~~Arrangement~~ **arrangement agreement between the Company and Bausch Lomb** , to preserve the tax- free treatment of certain transactions related to the Distribution, we may not be able to engage in certain transactions. In such case, we could incur significant tax liabilities, or be liable to Bausch Lomb, if certain transactions occur which result in these transactions or the Distribution being subject to tax. ~~The application of certain requirements of~~ **Our initial intent was to effectuate any potential Distribution pursuant to** the public company " butterfly reorganization " rules in Section 55 of the **Income Tax Act (Canada) (the "** Canadian Tax Act ~~depend on events~~ **"). We continue to evaluate the structure of any potential Distribution and its other related details, and we have determined** that ~~may not~~ **any potential Distribution could also** be **implemented through a tax- free reduction of capital, which could provide us and Bausch Lomb additional flexibility** ~~within~~ -- **with** ~~our control. We currently expect~~ **respect** ~~that~~ **to strategic alternatives following** the **completion of a** Distribution ~~will be~~ **. If the Distribution is** effected pursuant to the public company " butterfly reorganization " rules in Section 55 of the ~~Income~~ **Canadian Tax Act, we and Bausch Lomb would recognize a taxable gain on the Distribution if, within prescribed periods following the completion of the Distribution, certain transactions specified under the Canadian** Tax Act (~~Canada) (~~ **including an acquisition of control of** the ~~" Canadian Tax Act "). If the Distribution is effected pursuant to the public company~~ **Company or** ~~" butterfly reorganization " rules in Section 55 of the Tax Act as currently anticipated, we and~~ Bausch Lomb ~~will recognize a taxable gain on~~ **that is part of the " series of transactions " that includes** the Distribution ~~if (a~~) **are undertaken by us or** ~~within three years of the Distribution,~~ Bausch Lomb ~~engages in a subsequent spin- off~~ or ~~split- up transaction under Section 55 of the Canadian Tax Act or the Company engages in a split- up (but not spin- off) transaction under Section 55 of the Canadian Tax Act; (b)~~ a " specified shareholder " as defined for purposes of the " butterfly reorganization " rules in Section 55 of the Canadian Tax Act **. If** ~~disposes of our shares or shares of Bausch Lomb, or property that derives 10 % or more of its value from~~ such ~~shares and an unrelated person or partnership acquires such property or property substituted therefore as part of the " series of~~ transactions ~~" which includes the Distribution; (c) there is an acquisition of control of the Company or Bausch Lomb that is part of the " series of transactions " that includes the Distribution; or (d) certain persons acquire shares in the capital of Bausch Lomb (other than in specified permitted transactions) in contemplation of and as part of the " series of transactions " that includes, the Distribution. If any of the above events~~ , certain of which are outside the control of the Company and Bausch Lomb, were to occur and to cause the Distribution to be taxable to us and / or to Bausch Lomb, then we or Bausch Lomb, as applicable, and, in some cases, both us and Bausch Lomb, would be liable for a substantial amount of tax. Given these potentially significant tax consequences, if the ~~Arrangement~~ **" butterfly reorganization " structure** is pursued, it is anticipated that we will agree with Bausch Lomb to certain tax- related covenants, which may restrict us from taking certain actions that we might otherwise choose to take, some of which could be material ~~, and the nature, extent and effect of these restrictions will depend on the manner in which the Distribution is effected~~ . Furthermore, if we breach any of these tax- related covenants, we may be required to indemnify Bausch Lomb against any taxes or other losses suffered or incurred from or in connection with

such breach ~~, which loss may include the taxable gain recognized by Bausch Lomb if the Separation were to be taxable, as further described above~~ . In connection with ~~the~~ **any** B L Separation, we will continue to rely on Bausch Lomb for certain services, which services may not be sufficient to meet our needs, which may result in increased costs and otherwise adversely affect our business. In connection with ~~the~~ **any** B L Separation, we anticipate that we and Bausch Lomb ~~will~~ **would** provide to each other certain services for a transitional period in exchange for certain agreed- upon fees. If we no longer receive these services from Bausch Lomb due to the termination or expiration of these transitional services, we may not be able to perform these services ourselves and / or find appropriate third- party arrangements at a reasonable cost (and any such costs may be higher than those charged by Bausch Lomb). In addition, in connection with ~~the~~ **any** B L Separation, we expect that a number of the employees that support our business (which number of employees may be significant) ~~will~~ **would** be employed by legal entities that are owned by Bausch Lomb and not by us. Certain contracts used in our business may need to be replaced in connection with ~~the~~ **any** B L Separation and failure to obtain such replacement contracts could increase our expenses or otherwise adversely affect our results of operations. In connection with ~~the~~ **any** B L Separation, we may be required to replace certain shared contracts. It is possible that, in connection with the replacement process, some parties may seek more favorable contractual terms from us. If we are unable to obtain such replacement contracts, the loss of these contracts could increase our expenses or otherwise materially adversely affect our business, results of operations and financial condition. In connection with ~~the~~ **any** B L Separation, some of our directors and officers may have actual or potential conflicts of interest because of their equity ownership in Bausch Lomb, and / or because they also serve as officers or directors of Bausch Lomb. Because of their positions with Bausch Lomb, in connection with ~~the~~ **any** B L Separation, some of our directors and executive officers may own common shares of Bausch Lomb or have options to acquire shares of Bausch Lomb, and the individual holdings may be significant for some of these individuals compared to their total assets. In addition, in connection with ~~the~~ **any** B L Separation, certain of our current or former officers and directors ~~will~~ **would** also serve as officers or directors of Bausch Lomb. A director who has a material interest in a matter before our Board of Directors or any committee on which he or she serves is required to disclose such interest as soon as the director becomes aware of it in accordance with applicable law. In situations where a director has a material interest in a matter to be considered by our Board of Directors or any committee on which he or she serves, such director may be required to excuse himself or herself from the meeting while discussions and voting with respect to the matter are taking place. Although all transactions with related parties will be approved by independent members of our Board of Directors that may meet in the absence of senior executive officers or non- independent directors, the ownership of Bausch Lomb equity or service to Bausch Lomb may create the appearance of conflicts of interest when the Bausch Lomb- affiliated directors and officers are faced with decisions that could have different implications for Bausch Lomb or us. For example, potential conflicts of interest could arise in connection with the resolution of any dispute that may arise between Bausch Lomb and us regarding the terms of ~~the~~ **any** B L Separation. Potential conflicts of interest could also arise if we enter into commercial arrangements with Bausch Lomb in the future. As a result of these actual or apparent conflicts, we may be precluded from pursuing certain growth initiatives. While the Board of Directors believes that, given its size and structure, such actual or potential conflicts of interest can be managed adequately, including that the independent members of our Board of Directors may meet in the absence of senior executive officers or non- independent directors in respect of the relevant matter, the actual or perceived conflicts of interest that may arise could cause reputational or other harm. In connection with ~~the~~ **any** B L Separation and the various separation- related agreements entered into by us and Bausch Lomb ~~in connection with the proposed transaction~~ , we have agreed to indemnify Bausch Lomb, for certain liabilities, and Bausch Lomb has agreed to indemnify us for certain liabilities. However, there can be no assurance that Bausch Lomb' s indemnity will be sufficient to insure us against the full amount of such liabilities, or that Bausch Lomb' s ability to satisfy its indemnification obligation will not be impaired in the future. In connection with the various separation- related agreements entered into between Bausch Lomb and us in connection with ~~the~~ **any** B L Separation, Bausch Lomb ~~,~~ agreed to indemnify us for certain liabilities. However, there can be no assurance that the indemnity from Bausch Lomb will be sufficient to protect us against the full amount of such liabilities, or that Bausch Lomb will be able to fully satisfy its indemnification obligations in the future. Even if we ultimately succeed in recovering from Bausch Lomb any amounts for which we are held liable, we may be temporarily required to bear these losses. Each of these risks could negatively affect our business, financial condition, results of operations and cash flows. Furthermore, any indemnification claim against us by Bausch Lomb, including for a breach of the tax- related covenants described above, could be substantial, may not be able to be satisfied and may have a material adverse effect on us. Each of these risks could also negatively affect our business, financial condition, results of operations and cash flows. ~~We suspended our plan to pursue an IPO of our Solta Medical device aesthetics business. On August 3, 2021, we announced that we intended to pursue an IPO of Solta Medical. The proposed Solta IPO would establish Solta Medical as a separate publicly traded company that consists of our medical aesthetics business. On June 16, 2022, we announced the suspension of the Solta IPO. Accordingly, the Solta IPO will not be completed in accordance with the previously- anticipated timeline and if resumed, will involve significant time, expense, and distraction, any of which could disrupt or have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline.~~ Legal and Reputational RisksWe are the subject of a number of ongoing legal proceedings, investigations and inquiries respecting certain of our historical distribution, marketing, pricing, disclosure and accounting practices, including our former relationship with Philidor, which have had and could continue to have a material adverse effect on our reputation, business, financial condition, cash flows and results of operations, could result in additional claims and material liabilities, and could cause the market value of our common shares and / or debt securities to decline. While we have successfully settled or otherwise resolved a number of legacy legal proceedings, investigations and inquiries relating to, among other things, our disclosure and accounting practices and our former relationship with Philidor, including the securities class action litigation matters in both the U. S. and Canada, the investigation by the SEC, the investigation order from the Autorité des marches

financiers (the " AMF ") (our principal securities regulator in Canada) and certain derivative lawsuits, we are currently still the subject of a number of other ongoing legal proceedings and investigations and inquiries by governmental agencies, including, but not limited to, the following: (i) a number of pending securities litigations, including certain opt- out actions in the U. S. (related to the U. S. Securities Litigation which has been settled), and in Canada (related to the securities class action litigation in Canada which has been settled), the allegations of which relate to, among other things, allegedly false and misleading statements by the Company and / or failures to disclose information about our business and prospects, including relating to drug pricing, our policies and accounting practices, our use of specialty pharmacies, and our former relationship with Philidor and (ii) a lawsuit brought against the Company in the Superior Court of New Jersey asserting claims for common law fraud, negligent misrepresentation, and violations of the New Jersey Racketeer Influenced and Corrupt Organizations Act. In addition, we could, in the future, face additional legal proceedings and investigations and inquiries by governmental agencies relating to these or similar matters. For more information regarding legal proceedings, see Note 20, " LEGAL PROCEEDINGS " to our audited Consolidated Financial Statements. We are unable to predict how long such proceedings, investigations and inquiries will continue, but we anticipate that we will continue to incur significant costs in connection with some or all of these matters and that some or all of these proceedings, investigations and inquiries will result in a substantial distraction of management' s time, regardless of the outcome. Some or all of these proceedings, investigations and inquiries will likely result in damages, settlement payments (such as the $ 1, 210 million payment made by the Company in connection with the previously settled U. S. Securities Litigation), fines, penalties, consent orders or other administrative sanctions (including exclusion from federal programs) against the Company and / or certain of our directors and officers, any of which could be material, or in changes to our business practices, which, in turn, may result in or may contribute to an inability by us to meet the financial covenant contained in our 2022 Amended Credit Agreement (as defined below). Furthermore, publicity surrounding these proceedings, investigations and inquiries or any enforcement action as a result thereof, even if ultimately resolved favorably for us could result in additional investigations and legal proceedings. As a result, these proceedings, investigations and inquiries could have a material adverse effect on our reputation, business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Our historical business practices, including with respect to past pricing practices, are under scrutiny. Any changes to our practices relating to pricing or the current prices of products, whether imposed, legislated or voluntary, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We are under scrutiny with respect to our historical business practices (including with respect to past pricing practices), including various securities litigations, including certain opt- out actions in the U. S. (related to the previously settled securities class action) and in Canada (related to the settled securities class action), and certain other lawsuits. We are unable to predict how such proceedings, investigations and inquiries will impact our current business practices, including with respect to pricing, or the prices of our products, including whether we will be required to impose pricing freezes or controls, pricing reductions (including on a retroactive basis) or other price regulation for some or all of our products. In addition, in recent years, in the U. S., state and federal governments have considered implementing legislation that would control or regulate the prices of drugs. Other countries have announced or implemented measures on pricing, including suspensions on price increases, prospective and possibly retroactive price reductions and other recoupments. These measures and proposed measures vary by country. These measures and these proposed measures and legislation, if implemented, could lead to impairment of certain of our intangible assets which could be significant, and / or could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We are involved in **or may become subject to** various other legal and governmental proceedings that are uncertain, costly and time-consuming and could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We are involved in a number of other legal and governmental proceedings and may be involved in additional litigation in the future. These proceedings are complex and extended and occupy the resources of our management and employees. These proceedings are also costly to prosecute and defend and may involve substantial awards or damages payable by us if not found in our favor. We may also be required to pay substantial amounts or grant certain rights on unfavorable terms in order to settle such proceedings. Defending against or settling such claims and any unfavorable legal decisions, settlements or orders could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. For more information regarding legal proceedings, see Note 20, " LEGAL PROCEEDINGS " to our audited Consolidated Financial Statements. For example, the pharmaceutical industry, including our Company, has been the focus of both private payor and governmental concern regarding pricing of pharmaceutical products. Related actions, including Congressional and other governmental investigations and litigation, are costly and time- consuming, and adverse resolution of such actions or changes in our business practices, such as our approach to the pricing of our pharmaceutical products, could adversely affect our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Further, the pharmaceutical and medical device industries historically have generated substantial litigation concerning the manufacture, use and sale of products and we expect this litigation activity to continue. As a result, we expect that patents related to our products will be routinely challenged, and the validity or enforceability of our patents may not be upheld. In order to protect or enforce patent rights, we may initiate litigation against third parties. Our patents may also be challenged in administrative proceedings in the United States Patent and Trademark Office and patent offices outside of the United States. If we are not successful in defending an attack on our patents and maintaining exclusive rights to market one or more of our products still under patent protection, we could lose a significant portion of sales in a very short period. Even in cases where we prevail in an infringement claim, legal remedies available for harm caused to us may not be sufficient to make us whole. We may also become subject to, or threatened with, legal

proceedings and infringement claims by third parties and may have to defend against charges that we infringed, misappropriated or otherwise violated patents or the intellectual property or proprietary rights of third parties. Third parties may also request a preliminary or permanent injunction from a court of law to prevent us from marketing a product. Even if we believe third- party intellectual property claims are without merit, there is no assurance that a court would find in our favor on questions of infringement, validity, enforceability or priority. If we are found to infringe, misappropriate or otherwise violate the intellectual property rights of others, we could lose our right to develop, manufacture or sell products, including our generic products, or could be required to pay monetary damages or royalties to license proprietary rights from third parties, which could be substantial and include treble damages and attorneys' fees, if we are found to willfully infringe any intellectual property rights of others. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Any of the foregoing events could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. In addition, in the U. S., it has become increasingly common for patent infringement actions to prompt claims that antitrust laws have been violated during the prosecution of the patent or during litigation involving the defense of that patent. Such claims by direct and indirect purchasers and other payers are typically filed as class actions. The relief sought may include treble damages and restitution claims. Similarly, antitrust claims may be brought by government entities or private parties following settlement of patent litigation, alleging that such settlements are anti- competitive and in violation of antitrust laws. In the U. S. and Europe, regulatory authorities have continued to challenge as anti- competitive so- called " reverse payment " settlements between branded and generic drug manufacturers. We may also be subject to other antitrust litigation involving competition claims unrelated to patent infringement and prosecution. For more information regarding legal proceedings, see Note 20, " LEGAL PROCEEDINGS " to our audited Consolidated Financial Statements. A successful antitrust claim by a private party or government entity against us could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We depend on third parties to meet their contractual, legal, regulatory, and other obligations. We rely on distributors, suppliers, contract research organizations, vendors, service providers, business partners and other third parties to research, develop, manufacture, distribute, market and sell many of our products, as well as perform other services relating to our business. We rely on these third parties to meet their contractual, legal, regulatory and other obligations. A failure to maintain these relationships or poor performance by these third parties could negatively impact our business. In addition, we cannot guarantee that the contractual terms and protections and compliance controls, policies and procedures we have put in place will be sufficient to ensure that such third parties will meet their legal, contractual and regulatory obligations or that these terms, controls, policies, procedures and other protections will protect us from acts committed by our agents, contractors, distributors, suppliers, service providers or business partners that violate contractual obligations or the laws or regulations of the jurisdictions in which we operate, including matters respecting anti-corruption, fraud, bribery and kickbacks and false claims, pricing, sales and marketing practices, privacy laws and other legal obligations. Any failure of such third parties to meet these legal, contractual and regulatory obligations or any improper actions by such third parties or even allegations of such non- compliance or actions could damage our reputation, adversely impact our ability to conduct business in certain markets and subject us to civil or criminal legal proceedings and regulatory investigations, monetary and non- monetary damages and penalties and could cause us to incur significant legal and investigatory fees and, as a result, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. For example, the allegations about the activities of Philidor and our former relationship with Philidor have resulted in a number of investigations, inquiries and legal proceedings against us, which have damaged and may further damage our reputation and result in damages, fines, penalties or administrative sanctions against the Company and / or certain of our officers. For more information regarding legal proceedings, see Note 20, " LEGAL PROCEEDINGS " to our audited Consolidated Financial Statements. If our products cause, or are alleged to cause, serious or widespread personal injury, we may have to withdraw those products from the market and / or incur significant costs, including payment of substantial sums in damages, and we may be subject to exposure relating to product liability claims. In addition, our product liability self- insurance program may not be adequate to cover future losses. We face an inherent business risk of exposure to significant product liability and other claims in the event that the use of our products caused, or is alleged to have caused, adverse effects. These product liability proceedings may be costly to prosecute and defend and may involve substantial awards or damages payable by us if not found in our favor. Furthermore, our products may cause, or may appear to ~~have caused~~ **cause**, adverse side effects (including death) or potentially dangerous drug interactions that we may not learn about or understand fully until the drug has been administered to patients for some time. The withdrawal of a product following complaints and / or incurring significant costs, including the requirement to pay substantial damages in personal injury cases or product liability cases, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. In addition, since March 31, 2014, we have self- insured substantially all of our product liability risk for claims arising after that date. We periodically evaluate and adjust our claims reserves to reflect trends in our own experience, as well as industry trends. However, historical loss trends may not be adequate to cover future losses, as historical trends may not be indicative of future losses. If ultimate results exceed our estimates, this would result in losses in excess of our reserved amounts. If we were required to pay a significant amount on account of these liabilities for which we self- insure, this could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Our marketing, promotional and business practices, as well as the manner in which sales forces interact with purchasers, prescribers and patients, are subject to extensive regulation and any material failure to comply could result in significant sanctions against us. The marketing, promotional and business practices of pharmaceutical and medical device companies, as well as the manner in which companies' in- house or third- party sales forces interact with purchasers,

prescribers, and patients, are subject to extensive regulation, enforcement of which may result in the imposition of civil, regulatory and / or criminal penalties, injunctions, and / or limitations on marketing practice for some of our products and / or pricing restrictions or mandated price reductions for some of our products. Many companies, including us, have been the subject of claims related to these practices asserted by federal authorities. These claims have resulted in fines and other consequences, such as entering into corporate integrity agreements with the U. S. government. Companies may not promote drugs or devices for " off- label " uses- that is, uses that are not described in the product' s labeling and that differ from those approved by the FDA, Health Canada, EMA or other applicable regulatory agencies. A company that is found to have improperly promoted off- label uses may be subject to significant liability, including civil and administrative remedies (such as entering into corporate integrity agreements with the U. S. government), as well as criminal sanctions. In addition, management' s attention could be diverted from our business operations and our reputation could be damaged. For more information regarding legal proceedings, see Note 20, " LEGAL PROCEEDINGS " to our audited Consolidated Financial Statements. Debt- related RisksOur 2022 Amended Credit Agreement and the indentures governing our senior notes impose restrictive covenants on us. Our failure to comply with these covenants could trigger events, which could result in the acceleration of the related debt, a cross- default or cross- acceleration to other debt, foreclosure upon any collateral securing the debt and termination of any commitments to lend, each of which would have a material adverse effect on our business, financial condition, cash flows and results of operations and would cause the market value of our common shares and / or debt securities to decline and could lead to bankruptcy or liquidation. Our 2022 Amended Credit Agreement ~~(as defined below)~~ and the various indentures governing our senior notes contain covenants that restrict the way we conduct business and require us to satisfy certain financial tests in order to incur debt or take other actions. For example, the 2022 Amended Credit Agreement contains a financial covenant that requires us to maintain a certain financial ratio at fiscal quarter end. The Company' s 2022 Amended Credit Agreement contains a specified quarterly financial maintenance covenant (consisting of a first lien leverage ratio). As of December 31, ~~2022~~ **2023** , we were in compliance with this financial maintenance covenant. However, we can make no assurance that we will be able to comply with the restrictive covenants contained in the 2022 Amended Credit Agreement and indentures in the future. Based on our current forecast for the next twelve months from the date of issuance of this Form 10- K, we expect to remain in compliance with this financial maintenance covenant and meet our debt obligations over that same period. In the event that we perform below our forecasted levels, we may also implement certain additional cost- efficiency initiatives, such as rationalization of selling, general and administrative expenses ~~(" SG & A ")~~ and R & D spend, which would allow us to continue to comply with the financial maintenance covenant. The Company may consider taking other actions, including divesting other businesses, refinancing debt, issuing equity or equity- linked securities as deemed appropriate, to provide additional coverage in complying with the financial maintenance covenant and meeting its debt service obligations, or may negotiate with the applicable lenders for an amendment or modification to such covenant, as deemed appropriate. However, we cannot guarantee that any of the above- noted actions would be achieved. If we perform below our forecasted levels and the actions referenced above are not effective, we would fail to comply with our financial maintenance covenant. In that instance, we would be in default, and our lenders would be permitted to accelerate our debt unless we could obtain an amendment. If our debt was accelerated, we would not have sufficient funds to repay our debt absent a refinancing, and we cannot provide assurance that we would be able to obtain a refinancing **. In addition, the AR Facility Agreement (as defined below) contains affirmative and negative covenants applicable primarily to the borrower subsidiaries thereunder, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, dividends and other distributions, and engaging in any business other than as set forth in the AR Facility Agreement. Other debt instruments we may enter into in the future may contain additional restrictions and covenants** . Our inability to comply with the covenants in our debt instruments could lead to a default or an event of default under the terms thereof, for which we may need to seek relief from our lenders and noteholders in order to waive the associated default or event of default and avoid a potential acceleration of the related indebtedness or cross- default or cross- acceleration to other debt. There can be no assurance that we would be able to obtain such relief on commercially reasonable terms or otherwise and we may be required to incur significant additional costs. In addition, the lenders under our 2022 Amended Credit Agreement and holders of our senior notes may impose additional operating and financial restrictions on us as a condition to granting any such waiver. If an event of default is not cured or is not otherwise waived, a majority of lenders in principal amount under our 2022 Amended Credit Agreement or the trustee or holders of at least 25 % in principal amount of a series of our senior notes may accelerate the maturity of the related debt under these agreements, foreclose upon any collateral securing the debt and terminate any commitments to lend, any of which would have a material adverse effect on our business, financial condition, cash flows and results of operations and would cause the market value of our common shares and / or debt securities to decline. Furthermore, under these circumstances, we may not have sufficient funds or other resources to satisfy all of our obligations and we may be unable to obtain alternative financing on terms acceptable to us or at all. In such circumstances, we could be forced into bankruptcy or liquidation and, as a result, investors could lose all or a portion of their investment in our securities. On May 10, 2022, the Company and certain of its subsidiaries entered into a Second Amendment (the " Second Amendment ") to the Fourth Amended and Restated Credit and Guaranty Agreement (as amended by the Second Amendment, the " 2022 Amended Credit Agreement "). The 2022 Amended Credit Agreement provides for a new term loan facility with an aggregate principal amount of $ 2, 500 million (" the 2027 Term Loan B Facility ") maturing on February 1, 2027 and a new $ 975 million revolving credit facility (the " 2027 Revolving Credit Facility ") that will mature on the earlier of February 1, 2027 and the date that is 91 calendar days prior to the scheduled maturity of indebtedness for borrowed money of the Company and Bausch Health Americas, Inc. (~~"~~ **“** BHA ~~"~~ **”**) in an aggregate principal amount in excess of $ 1, 000 million. After giving effect to the Second Amendment, the 2023 Revolving Credit Facility, June 2025 Term Loan B Facility and November 2025 Term Loan B Facility were refinanced (such refinancing, the " Credit Agreement Refinancing "), along with certain of the Company' s existing senior notes, using net proceeds from the borrowings under the 2027 Term Loan B Facility, the B L IPO and the B L Debt Financing

(as defined below) and available cash on hand. ~~As of December 31, 2022, the Company had drawn $ 470 million on the 2027 Revolving Credit Facility.~~ The Credit Agreement Refinancing, among other things, permitted us to designate Bausch Lomb as an " unrestricted " subsidiary of the 2022 Amended Credit Agreement covenants upon achievement of a 7. 60: 1. 00 pro forma " Remainco Total Leverage Ratio. " ~~On November 29~~ **As of December 31** , ~~2022~~ **2023** , ~~the Company designated~~ 1261229 B. C. Ltd., ~~the entity that~~ directly or indirectly ~~holds~~ **held** 88 ~~. 7~~ % of the issued and outstanding shares of Bausch Lomb, as an unrestricted subsidiary of the Company in accordance with the terms of the Company' s debt documents. In connection therewith, all of the subsidiaries of 1261229 B. C. Ltd., including Bausch Lomb and its subsidiaries, are also now unrestricted subsidiaries of the Company and, as a result, are no longer subject to the covenants under the Bausch Health debt documents, and the earnings and debt of Bausch Lomb, as defined in the relevant debt documents, are also not included in the calculation of the Company' s financial maintenance covenant. To service our debt, we will be required to generate a significant amount of cash. Our ability to generate cash depends on a number of factors, some of which are beyond our control, and any failure to meet our debt obligations would have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We have a significant amount of indebtedness. For details regarding our debt and the maturity dates thereof, see Note 10, " FINANCING ARRANGEMENTS " to our audited Consolidated Financial Statements. **As of December 31, 2023, maturities and mandatory payments of our principal balances of debt obligations were as follows: (in millions) 2024202520262027202820 29ThereafterTotalTotal debt obligations $ 155 $ 2, 790 $ 892 $ 6, 748 $ 7, 219 $ 1, 609 $ 1, 593 $ 21, 006** Our ability to satisfy our debt obligations ~~,~~ will depend principally upon our future operating performance **, as well as our continuing efforts to improve our balance sheet** . As a result, prevailing economic conditions and financial, business and other factors, many of which are beyond our control, may affect our ability to make payments on our debt. If we do not generate sufficient cash flow to satisfy our debt obligations, we may have to undertake alternative financing plans, such as refinancing or restructuring our debt, ~~selling~~ **issuing new debt instruments, divesting of** assets **or businesses and issuing equity or equity-linked securities (including secondary offerings of a portion of our holdings of common shares of Bausch Lomb)** , reducing or delaying capital investments or seeking to raise additional capital. Alternatively, as we have done in the past, we may also elect to refinance certain of our debt, for example, to extend maturities. Our ability to restructure or refinance our debt will depend on the capital markets and our financial condition at such time. If we are unable to access the capital markets, whether because of the condition of those capital markets or our own financial condition or reputation within such capital markets, we may be unable to refinance our debt. In addition, any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. Further, given our capital structure, any refinancing of our senior unsecured debt may be with secured debt, thereby increasing our first lien and / or secured leverage ratios. Our inability to generate sufficient cash flow to satisfy our debt obligations or to refinance our obligations on commercially reasonable terms, or at all, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Repayment of our indebtedness is dependent on the generation of cash flow by our subsidiaries and their ability to make such cash available to us, by dividend, debt repayment or otherwise. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness. Each subsidiary is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. Certain subsidiaries include non- U. S. subsidiaries that may be prohibited by law or other regulations from distributing funds to us and / or we may be subject to payment of taxes and withholdings on such distributions. In the event that we do not receive distributions from our subsidiaries or receive cash via services rendered, loans and intellectual property licensed, we may be unable to make required principal and interest payments on our indebtedness. Our ability to continue to reduce our indebtedness will depend upon factors including our future operating performance, our ability to access the capital markets to refinance existing debt and prevailing economic conditions and financial, business and other factors, many of which are beyond our control. We can provide no assurance of the amount by which we will reduce our debt, if at all. In addition, servicing our debt will result in a reduction in the amount of our cash flow available for other purposes, including operating costs and capital expenditures that could improve our competitive position and results of operations. We have incurred significant indebtedness, which restricts the manner in which we conduct business. We have incurred significant indebtedness, including in connection with our prior acquisitions. We may incur additional long- term debt and working capital lines of credit to meet future financing needs, subject to certain restrictions and prohibitions under the agreements governing our indebtedness, which would increase our total debt. This additional debt may be substantial and some of this indebtedness may be secured. The agreements governing our indebtedness contain restrictive covenants which impose certain limitations on the way we conduct our business, including limitations on the amount of additional debt we are able to incur, prohibitions on incurring additional debt if certain financial covenants are not met and restrictions on our ability to make certain investments and other restricted payments. Any additional debt, to the extent we are able to incur it, may further restrict the manner in which we conduct business. Such restrictions, prohibitions and limitations could impact our ability to implement elements of our strategy, including in the following ways: • our flexibility to plan for, or react to, competitive challenges in our business and the pharmaceutical and medical device industries may be compromised; ▪ we may be put at a competitive disadvantage relative to competitors that do not have as much debt as we have, and competitors that may be in a more favorable position to access additional capital resources; ▪ our ability to make acquisitions and execute business development activities through acquisitions will be limited and may, in future years, continue to be limited; and ▪ our ability to resolve regulatory and litigation matters may be limited. In the past, our credit ratings have been downgraded. Any further downgrade in our corporate credit ratings or other credit ratings may increase our cost of borrowing and may negatively impact our ability to raise additional debt capital. We are exposed to risks related to interest rates. Our senior secured credit facilities bear interest based on a term Secured Overnight

Financing Rate (“ SOFR ”) or U. S. Prime Rate, or Federal Funds effective rate (for U. S. dollar loans) and Canadian Prime Rate or Canada Bankers’ Acceptance Rate (for Canadian dollar loans). Thus, a change in the short- term interest rate environment (especially a material change) could have an adverse effect on our business, financial condition, cash flows and results of operations (which adverse effect could be material) and could cause the market value of our common shares and / or debt securities to decline. As of December 31, ~~2022~~ **2023**, we did not have any outstanding interest rate swap contracts. Employment- related RisksThe transition of our key management positions in connection with the B L IPO will be critical to our success, and the failure to successfully manage this transition could adversely impact our business. In connection with the B L IPO, we appointed a new chief executive officer **(“ CEO ”)**, chief financial officer **(“ CFO ”)**, general counsel and other executives and key employees. **On September 18, 2023, we announced the resignation of the CFO effective October 13, 2023, and the appointment of an interim CFO.** In addition, ~~the current CEO of~~ Bausch Lomb **appointed a new Chairman of** ~~is expected to depart pursuant to~~ the ~~previously announced separation agreement~~ **Board of Directors and CEO, effective March 6, 2023**. **These transitions may be difficult to manage and we cannot guarantee that the interim CFO, nor can** Bausch Lomb ~~recently announced that they have appointed a new Chairman of the Board of Directors and CEO, effective March 6, 2023. The transition may be difficult to manage and Bausch Lomb cannot~~ guarantee that ~~the~~ **its** new CEO and Chairman of the Board will efficiently transition into these new roles or ultimately be successful in such roles. ~~The~~ **In addition, there can be no assurance that a permanent replacement CFO will be found on a timely basis, or at all. In such a case, our inability to find a suitable permanent replacement may have a detrimental impact on our Company and impede the progress of our objectives. Further, the** departure of key leadership personnel often results in the loss of significant knowledge and experience, and the ability of our new management to quickly expand their knowledge of our business will be critical to their ability to make informed decisions about our strategy and operations. Any significant leadership change or senior management transition involves inherent risks, and any future changes to our management that may occur during the transition could cause significant disruption to the Company and its operations. The failure to adequately manage succession of senior management and other key personnel or the failure of key employees to successfully transition into new roles could cause further disruption to our business. In addition, changes in senior management may create uncertainty among investors, employees, business partners and others concerning the Company’ s future direction and performance. Any disruption in our operations or adverse impacts from such uncertainty could have a material adverse effect on our business, financial condition, cash flows and results of operations. The loss of the services of, or our inability to recruit, retain or motivate, our executives and other key employees could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We must continue to retain and motivate our executives and other key employees, and to recruit other executives and employees, in order to strengthen our management team and workforce. Our ability to retain or recruit executive and other key employees may be hindered or delayed by, among other things, competition from other employers who may be able to offer more attractive compensation packages, the reputational challenges the Company has faced as a result of historical issues and may in the future continue to face and the perceived or actual uncertainty created by the B L Separation ~~,~~ **and / or** the changes to our executive team in connection with the B L IPO. A failure by us to retain, motivate and recruit executives and other key employees or the unanticipated loss of the services of any of these executives or key employees for any reason, whether temporary or permanent, could create disruptions in our business, could cause concerns and instability for management and employees, current and potential customers, credit rating agencies and other third parties with whom we do business and our shareholders and debt holders and could cause concern regarding our ability to execute our business strategy or to manage operations in the manner previously conducted and, as a result, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Furthermore, as a result of any failure to retain, or loss of, any executives or key employees, we may experience increased costs in order to identify and recruit a suitable replacement in a timely manner (and, even if we are able to hire a qualified successor, the search process and transition period may be difficult to manage and result in additional periods of uncertainty), which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. In addition, once identified and recruited, the transition of new executives and key employees may be difficult to manage, and we cannot guarantee that new executives and employees will efficiently transition into their roles or ultimately be successful in their roles. Finally, as a result of changes in our executives and key employees, there may be changes in the way we conduct our business, as well as changes to our business strategy. We cannot predict what these changes may involve or the timing of any such changes and how they will impact our product sales, revenue, business, financial condition, cash flows or results of operations, but any such changes could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Any of these factors could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Tax- related RisksOur effective tax rates may increase. We have operations in various countries that have differing tax laws and rates. Our tax reporting is supported by current domestic tax laws in the countries in which we operate and the application of tax treaties between the various countries in which we operate. Our income tax reporting is subject to audit by domestic and foreign authorities. Our effective tax rate may change from year **-** to **-** year based on changes in the mix of activities and income earned among the different jurisdictions in which we operate; changes in tax laws in these jurisdictions; changes in the tax treaties between various countries in which we operate; changes in our eligibility for benefits under those tax treaties; and changes in the estimated values of deferred tax assets and liabilities. Tax laws, regulations, and administrative practices in various jurisdictions may be subject to significant change, with or without notice, due to economic, political, and other conditions, and significant judgment is required in evaluating and estimating our provision and accruals for these taxes. Such changes could result in a substantial increase in the effective tax rate

on all or a portion of our income. **In** ~~Changes to tax law in the U. S. and outside of the U. S. could affect our corporate tax rate. On~~ August ~~16,~~ 2022, ~~President Biden signed~~ the Inflation Reduction Act **(the " IRA ") was signed** into law, which includes implementation of a new ~~alternative minimum tax, an excise tax on stock buybacks and significant tax incentives for energy and climate initiatives, among other provisions. The~~ corporate alternative minimum tax (**the** " CAMT ") **, among other provisions. The CAMT** imposes a minimum tax on the adjusted financial statement income (" AFSI ") for " applicable corporations " with average annual AFSI over a three- year period in excess of $ 1 billion. A corporation that is a member of a foreign- parented multinational group, as defined, must include the AFSI (with certain modifications) of all members of the group in applying the $ 1 billion test, but would only be subject to **the** CAMT if the three- year average AFSI of its **US** ~~U. S.~~ members, US trades or business of foreign group members that are not subsidiaries of **US** ~~U. S.~~ members, and foreign subsidiaries of **US** ~~U. S.~~ members exceeds $ 100 million. ~~We~~ **Although we** currently do not believe ~~this~~ **that the CAMT** will have a significant impact on our tax results **,** ~~but will continue to evaluate the~~ **there** ~~law~~ **are a number of uncertainties as to the interpretation** and **application of the CAMT, and** ~~its~~ **it** ~~provisions~~ **is possible that any future guidance with respect to the interpretation and application of the CAMT could result in the CAMT having a material effect on our liability for corporate taxes and our consolidated effective tax rate** . On October 8, 2021, the Organisation for Economic Co- operation and Development (" OECD ") **published a statement that outlined the key components of a two- pillar plan to address the tax challenges arising from the digitalisation of the economy. The statement was agreed by the OECD** / G20 inclusive framework on Base Erosion and Profit Shifting (the " Inclusive Framework ") ~~published a statement updating and finalizing the key components~~ **which now includes 145 member jurisdictions. The timetable for implementation** of ~~a~~ **the** two- pillar plan **was initially proposed** ~~on global tax reform originally agreed on July 1, 2021, and a timetable~~ for ~~implementation by~~ 2023 ~~. The Inclusive Framework~~ **, but has since been extended to 2024 and, with respect to certain components of the** plan ~~has now been agreed to by 141 OECD members~~ , **2025** ~~including several countries which did not agree to the initial plan~~ . Under **the** pillar one **proposals** , ~~taxing rights over~~ **a portion of the residual profits of** multinational ~~businesses~~ **enterprise (" MNE ") groups** with global turnover above € 20 billion and a profit margin above 10 % will ~~generally~~ be ~~re-~~ allocated to market jurisdictions **where such allocated profits would be taxed** . Under pillar two **proposals** , ~~the Inclusive Framework has agreed on~~ a global minimum corporate tax rate of 15 % ~~for companies~~ **will apply to undertaxed profits of MNE groups** with **consolidated** revenue ~~above~~ **of at least** € 750 million ~~, calculated on a country- by- country basis. On October 30, 2021, the G20 formally endorsed the new global minimum corporate tax rate rules. The Inclusive Framework agreement must now be implemented by the OECD Members who have agreed to the plan, effective in 2023~~ . On December 20, 2021, the OECD ~~published~~ **released** model rules **on the global minimum tax under pillar** ~~to~~ **two , followed by the OECD' S commentaries, examples, three sets of administrative guidance and certain other documents relating to the operation and application of the model rules. On December 18, 2023, the OECD announced plans to release additional guidance on model rules and to start the peer review process in 2024. Many members of the Inclusive Framework have either introduced or announced their intention to introduce certain components of the global minimum tax in line with the model rules for fiscal year beginning on or after December 31, 2023. In particular, on December 15, 2022, the Council of the European Union (" EU ") adopted a directive to require the** ~~implement~~ **implementation of** the pillar two rules ~~, which are generally consistent with agreement reached~~ by **EU** ~~the Inclusive Framework in October 2021. On December 13 2022, the European Union~~ member states **,** ~~reached an agreement to implement pillar two rules. The rules are expected to be transposed into domestic laws in 2023~~ with certain elements becoming effective for fiscal years beginning on or after December 31, 2023. On ~~February 1~~ **August 4** , 2023, **Canada** ~~the Inclusive Framework~~ released ~~a package~~ **draft legislation to enact certain components** of ~~technical and administrative guidance on~~ the ~~implementation of~~ pillar two **proposals into Canadian law as** ~~, including the scope of companies that will be subject to~~ the Global ~~Anti~~ **Minimum Tax Act (" GMTA "). The GMTA is generally aligned with the model rules proposed by the OECD and is expected to become effective for fiscal years beginning on or after December 31, 2023. The United States did not announce plans to enact the tax measures under the two** - **pillar plan** ~~Base Erosion Rules, transition rules, and guidance on domestic minimum taxes that countries may choose to adopt, among other topics. We will continue to monitor the implementation of the Inclusive Framework agreement by the countries in which we operate. While we are unable to predict when and how the Inclusive Framework agreement will be enacted into law in these countries, it is possible that the implementation of the Inclusive Framework agreement, including the global minimum corporate tax rate, could have a material effect on our liability for corporate taxes and our consolidated effective tax rate~~ . On February 1, 2023, the US Financial Accounting Standards Board indicated that they believe the minimum tax imposed under pillar two **by other jurisdictions** is an alternative minimum tax, and, accordingly, deferred tax assets and liabilities associated with the minimum tax would not be recognized or adjusted for the estimated future effects of the minimum tax but would be recognized in the period incurred. ~~On April 19, 2021, the Canadian federal government delivered its 2021 budget which contained proposed measures related to limitations on interest deductibility and changes in relation to international taxation. Draft legislative proposals pertaining to interest deductibility were initially released for public comment on February 4, 2022, with revised legislative proposals subsequently released on November 3, 2022. The proposed rules on interest deductibility are expected to be effective no earlier than January 1, 2024. The proposed rules and their application are complex and could have a material adverse impact on our consolidated effective tax rate and financial results in future years if enacted as drafted.~~ We will continue to monitor the implementation of the ~~Inclusive Framework agreement~~ **two- pillar plan** by the countries in which we operate **,** and ~~such implementation~~ **to consider the impact of these measures. Many jurisdictions in which the Company operates have adopted the global minimum tax provision of the OECD pillar two effective for tax years beginning in January 2024. We currently do not expect the provisions** of the Inclusive Framework ~~agreement~~ , **as currently adopted, to** ~~including the global minimum corporate tax rate could~~ have a material ~~effect~~ **impact** on our liability for corporate taxes ~~and~~ **or** our consolidated ~~effective~~ tax rate **. However, it is possible that the further implementation of the Inclusive Framework could have a**

material effect on our liability for corporate taxes or our consolidated tax rate in the future . Our provision for income taxes is based on certain estimates and assumptions made by management. Our consolidated income tax rate is affected by the amount of pre- tax income earned in our various operating jurisdictions, the availability of benefits under tax treaties, and the rates of taxes payable in respect of that income. We enter into many transactions and arrangements in the ordinary course of business in respect of which the tax treatment is not entirely certain. We therefore make estimates and judgments based on our knowledge and understanding of applicable tax laws and tax treaties, and the application of those tax laws and tax treaties to our business, in determining our consolidated tax provision. For example, certain countries could seek to tax a greater share of income than we will allocate to our business in such countries. The final outcome of any audits by taxation authorities may differ from the estimates and assumptions that we may use in determining our consolidated tax provisions and accruals. This could result in a material adverse effect on our consolidated income tax provision, financial condition and the net income for the period in which such determinations are made. ~~See Note 17, " INCOME TAXES " to our audited Consolidated Financial Statements for a discussion of the tax audits, examinations, and other proceedings currently being conducted with respect to the Company and its subsidiaries.~~ Our deferred tax liabilities, deferred tax assets and any related valuation allowances are affected by events and transactions arising in the ordinary course of business, acquisitions of assets and businesses, and non- recurring items. The assessment of the appropriate amount of a valuation allowance against the deferred tax assets is dependent upon several factors, including estimates of the realization of deferred income tax assets, which realization will be primarily based on future taxable income, including the reversal of existing taxable temporary differences. Significant judgment is applied to determine the appropriate amount of valuation allowance to record. Changes in the amount of any valuation allowance required could materially increase or decrease our provision for income taxes in a given period ~~. See Note 17, " INCOME TAXES " to our audited Consolidated Financial Statements~~ . Risks Relating to Intellectual Property and ExclusivityThe expiration or loss of patent protection or regulatory exclusivity rights for our key products could adversely impact our business. In addition, we have faced generic competition in the past and expect to face additional generic competition in the future. Competitors (including generic and biosimilar competitors) of our products could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. The development of new and innovative products, as well as protecting the underlying intellectual property of our product portfolio, is important to our success in all areas of our business. A significant number of the products we sell either: (i) have no meaningful exclusivity protection via patent or marketing or data exclusivity rights or (ii) are protected by patents or regulatory exclusivity periods that will be expiring in the near future. These products represent a significant amount of our revenues (See Item 7. " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Business Trends — Generic Competition and Loss of Exclusivity " in this Form 10- K for a list of some of these products). The expiration or loss of patent protection or regulatory exclusivity rights for our key products could adversely impact our business. In addition, even for our products that have patent protection or exclusivity rights, we face competition from similar products in the markets in which we participate. As a result, we face significant competition with respect to a substantial majority of our products. Without exclusivity protection, competitors and other third parties (including generics and biosimilars) face fewer barriers in introducing competing products. Upon the expiration or loss of patent exclusivity or regulatory exclusivity for our products or otherwise upon the introduction of generic, biosimilar or other competitors (which may be sold at significantly lower prices than our products), we could lose a significant portion of sales and market share of the applicable products in a very short period and, as a result, our revenues could be lower. In addition, the introduction of generic and biosimilar competitors may have a significant downward pressure on the pricing of our branded products which compete with such generics and biosimilars. Where we have the rights, we may elect to launch an authorized generic of such product (either ourselves or through a third party) prior to, upon or following generic entry, which may mitigate a portion of the anticipated decrease in product sales; however, even with the launch of an authorized generic, the decline in product sales of such product would still be expected to be significant, and the effect on our future revenues could be material. The introduction of competing products (including generic products and biosimilars) could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We may fail to obtain, maintain, license, enforce or defend the intellectual property and proprietary rights required to conduct our business, or third parties may allege that we are infringing, misappropriating or otherwise violating their intellectual property rights, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We strive to acquire, maintain, enforce and defend patent, trademark and other intellectual property and proprietary protections over our products and the processes used to manufacture these products. However, we may not be successful in obtaining such protections, or the patent, trademark and other intellectual property and proprietary rights we do obtain may not be sufficient in breadth and scope to fully protect our products or prevent competing products, or such rights may be susceptible to third- party challenges, which could result in the loss of such intellectual property rights or the narrowing of scope of protection afforded by such rights. Our intellectual property and proprietary rights may also be circumvented by third parties. The failure to obtain, maintain, enforce or defend such intellectual property and proprietary rights, for any reason, could allow third parties to manufacture and sell products that compete with our products or may impact our ability to develop, manufacture and market our own products, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Further, the pharmaceutical and medical device industries historically have generated substantial litigation concerning the manufacture, use and sale of products and we expect this litigation activity to continue. As a result, we expect that patents related to our products will be routinely challenged, and the validity or enforceability of our patents may not be upheld. In order to protect or enforce patent rights, we may initiate litigation against third parties. Our patents may also be challenged in administrative proceedings in the United States Patent and Trademark Office and patent offices outside of the

United States. If we are not successful in defending an attack on our patents and maintaining exclusive rights to market one or more of our products still under patent protection, we could lose a significant portion of sales in a very short period. Even in cases where we prevail in an infringement claim, legal remedies available for harm caused to us may not be sufficient to make us whole. We may also become subject to, or threatened with, legal proceedings and infringement claims by third parties and may have to defend against charges that we infringed, misappropriated or otherwise violated patents or the intellectual property or proprietary rights of third parties. Third parties may also request a preliminary or permanent injunction from a court of law to prevent us from marketing a product. Even if we believe third- party intellectual property claims are without merit, there is no assurance that a court would find in our favor on questions of infringement, validity, enforceability or priority. If we are found to infringe, misappropriate or otherwise violate the intellectual property rights of others, we could lose our right to develop, manufacture or sell products, including our generic products, or could be required to pay monetary damages or royalties to license proprietary rights from third parties, which could be substantial and include treble damages and attorneys' fees, if we are found to willfully infringe any intellectual property rights of others. However, we may not be able to obtain any required license from any third party on commercially reasonable terms or at all. Any of the foregoing events could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. For more information, see Note 20, " LEGAL PROCEEDINGS " to our audited Consolidated Financial Statements. For certain of our products and manufacturing processes, we rely on trade secrets and other proprietary information, which we seek to protect, in part, through information technology systems discussed in more detail in the following section, and, in part, by confidentiality and nondisclosure agreements with our employees, consultants, advisors and partners. Trade secrets and proprietary information are difficult to protect. We also attempt to enter into agreements whereby such employees, consultants, advisors and partners assign to us the rights in any intellectual property they develop in the course of their engagement with us. These agreements may be breached, and we may not have adequate remedies for any breach. There can be no assurance that these agreements will be self- executing or otherwise provide meaningful protection for our trade secrets or other intellectual property or proprietary information. These agreements may not effectively prevent disclosure or misappropriation of such information and disputes may still arise with respect to the ownership of intellectual property. In addition, third parties may independently develop the same or similar proprietary information or otherwise gain access to our trade secrets or disclose our technology. Further, we have employed and expect to employ individuals who were previously employed at universities or other companies, including our competitors or potential competitors. Although we try to ensure that our employees, consultants, advisors and partners do not use the proprietary information or know- how of others in their work for us, we may be subject to claims that we or such persons have inadvertently or otherwise used or disclosed intellectual property, including trade secrets or other proprietary information of their former employers or other third parties, or to claims that we have improperly used or obtained such trade secrets. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights and face increased competition to our business. The unauthorized access to or disclosure of our proprietary information or the loss of such intellectual property rights may impact our ability to develop, manufacture and market our own products or may assist competitors in the development, manufacture and sale of competing products, which could have a material adverse effect on our revenues, financial condition, cash flows or results of operations and could cause the market value of our common shares and / or debt securities to decline. For a number of our commercialized products and pipeline products, including Xifaxan ®, Siliq ®, Lumify ®, Plenvu ®, Vyzulta ®, Relistor ®, Jublia ® and the pipeline products that are the subject of our ~~recently announced~~ licenses with Eyenovia, Inc., Novaliq GmbH, BHVI and Clearside Biomedical, Inc., we rely on licenses to patents and other technologies, know- how and intellectual property and proprietary rights held by third parties. Any loss, expiration, termination or suspension of our rights to such licensed intellectual property would result in our inability to continue to develop, manufacture and market the applicable products or product candidates and, as a result, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. If these licenses are terminated, or if the underlying patents fail to provide the intended exclusivity, third parties, including our competitors, could have the freedom to seek regulatory approval of, and to market, products identical or similar to ours, and we may be required to cease our development and commercialization of certain of our products. Under some license agreements, we may not control the preparation, filing, prosecution or maintenance of the licensed intellectual property, or may not have the first right to enforce the intellectual property. In those cases, we may not be able to adequately influence patent prosecution or enforcement, or prevent inadvertent lapses of coverage due to failure to pay maintenance fees and we cannot be certain that these patents and patent applications will be prepared, filed, prosecuted, maintained, enforced and defended in a manner consistent with the best interests of our business and that does not compromise the patent rights. In the future, we may also need to obtain such licenses from third parties to develop, manufacture, market or continue to develop, manufacture or market our products. If we are unable to timely obtain these licenses on commercially reasonable terms or at all, our ability to develop, manufacture and market our products may be inhibited or prevented, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Intellectual property litigation could cause us to spend substantial resources, distract our personnel from their normal responsibilities and cause the value of our common shares to decline. Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our technical and management personnel from their normal responsibilities. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the value of our

common shares. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors or other third parties may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could compromise our ability to compete in the marketplace, including compromising our ability to raise the funds necessary to continue our clinical trials, continue our research programs, license necessary technology from third parties or enter into development collaborations that would help us commercialize our product candidates, if approved. Any of the foregoing events would harm our business, financial condition, results of operations and prospects and could cause the market value of our common shares and / or debt securities to decline. Competitive RisksWe operate in extremely competitive industries. If competitors develop or acquire more effective or less costly pharmaceutical or OTC products or medical devices for our target indications, it could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. The pharmaceutical, OTC and medical device industries are extremely competitive. Our success and future growth depend, in part, on our ability to develop, license or acquire products that are more effective than those of our competitors or that incorporate the latest technologies and our ability to effectively manufacture and market those products. New market entrants and existing competitors are also challenging distribution models with innovation in non- traditional, disruptive models such as direct- to- consumer, Internet and other e-commerce sales opportunities. Many of our competitors, particularly larger pharmaceutical, OTC and medical device companies, have substantially greater financial, technical and human resources than we do. Many of our competitors spend significantly more on research and development related activities than we do. Others may succeed in developing or acquiring products and technologies that are more effective, more advanced or less costly than those currently marketed or proposed for development by us. In addition, academic institutions, government agencies and other public and private organizations conducting research may seek patent protection with respect to potentially competitive products and may also establish exclusive collaborative or licensing relationships with our competitors. These competitors and the introduction of competing products (that may be more effective or less costly than our products) could make our products less competitive or obsolete, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We cannot predict the timing or impact of the introduction of competitive products, including new market entries, " generic " versions of our approved products, or private label products that treat the same conditions as those of our products. In addition, the introduction of alternatives in medical devices and medical prescriptions could also alter the market and impede our sales growth. Our ability to respond to these competitive pressures will depend on our ability to decrease our costs and maintain gross margins and operating results and to introduce new products successfully and on a timely basis, and to achieve manufacturing efficiencies and sufficient manufacturing capacity and capabilities for such products. Risks Relating to Our Business StrategyWe have previously made commitments and public statements with respect to limitations on pricing increases for certain of our products. These pricing decisions, or decisions to increase prices, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We formed a Patient Access and Pricing Team which is committed to maintaining patients **'** ability to access our branded prescription pharmaceutical products. All future pricing actions will be subject to review by the Patient Access and Pricing Team. At this time, we cannot predict what specific pricing changes the **Patient Access and** Pricing Team will make for the remainder of ~~2023~~ **2024** or beyond nor can we predict what other changes in our business practices we may implement with respect to pricing (such as imposing limits or prohibitions on the amount of pricing increases we may take on certain of our products or taking retroactive or future price reductions). We also cannot predict the impact such pricing decisions or changes will or would have on our business. However, any such changes could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. For example, any pricing changes and programs could affect the average realized prices for our products and may have a significant impact on our revenue trends. In addition, limiting or eliminating price increases on certain of our products will result in fewer or lower price appreciation credits from certain of our wholesalers. Price appreciation credits are generated when we increase a product' s wholesaler acquisition cost (" WAC ") under our contracts with certain wholesalers. Under such contracts, we are entitled to credits from such wholesalers for the impact of that WAC increase on inventory currently on hand at the wholesalers. In wholesaler contracts, such credits, which can be significant, are offset against the total distribution service fees we pay on all of our products to each wholesaler. As a result, to the extent we decide to cease or limit price increases, we will have fewer or lower price appreciation credits to use to offset against our distribution fees owing to these wholesalers. In addition, under certain of our agreements with our wholesaler customers, we have price protection or price depreciation provisions, pursuant to which we have agreed to adjust the value of any on- hand or in- transit inventory with such customers in the event we reduce the price of any of our products. As a result, to the extent we reduce the WAC price for any of our products, we may owe a payment to such customers (or such customers may earn a credit to be offset against any amounts owing to us) equal to the amount of such inventory multiplied by the difference between the price at which they acquired the product inventory and the new reduced price. In prior years, we have undertaken a number of divestitures of certain of our assets and ~~business~~ **businesses** . We may, in the future, seek to divest additional assets and / or businesses, some of which may be material and / or transformative, which could adversely affect our business, prospects and opportunities for growth. In ~~recent~~ **past** years, we have completed a number of divestitures of our assets, products or businesses that were not considered core to our ongoing operations or the needs of our primary- customer base, including the divestitures of our Obagi Medical Products business, our iNova Pharmaceuticals business, our Dendreon Pharmaceuticals subsidiary, our Sprout Pharmaceuticals subsidiary, the CeraVe ®, AcneFree ™ and AMBI ®

skincare brands and our Amoun Pharmaceutical subsidiary. We may, in the future, seek to complete additional divestitures. Each of these divestitures has been time- consuming and has diverted management' s attention. As a result of these divestitures (and others we may complete in the future), we may experience lower revenue and lower cash flows from operations. In addition, as was the case with our sale of our Sprout Pharmaceuticals subsidiary, we may recognize a loss on sale in connection with such divestitures. We may also suffer adverse tax consequences as a result of such divestitures, including capital gains tax or the accelerated use of NOLs or other attributes. Furthermore, divesting certain of our businesses or assets may require us to incur restructuring charges, and we may not be able to achieve the cost savings that we expect from any such restructuring efforts or divestitures. Any such divestiture could reduce the size or scope of our business, our market share in particular markets, our opportunities with respect to certain markets, products or therapeutic categories or our ability to compete in certain markets and therapeutic categories. Furthermore, we will be required to use the net proceeds (or substantial portions thereof) from certain asset sales to repay the term loans under the 2022 Amended Credit Agreement, subject to certain reinvestment rights. In addition, should we seek to divest other of our assets and business, we may be unable to dispose of such businesses and assets on satisfactory or commercially reasonable terms within our anticipated timeline. In addition, our ability to identify, enter into and / or consummate divestitures may be limited by competition we face from other companies in pursuing similar transactions in the pharmaceutical industry. Any divestiture or other disposition we pursue, whether we are able to complete it or not, may be complex, time consuming and expensive, may divert the management' s attention, have a negative impact on our customer relationships, cause us to incur costs associated with maintaining the business of the targeted divestiture during the disposition process and also to incur costs of closing and disposing the affected business or transferring the operations of the business to other facilities. The divestiture process may also further expose us to operational inefficiencies. In addition, if such transactions are not completed for any reason, the market price of our common shares may reflect a market assumption that such transactions will occur, and a failure to complete such transactions could result in a negative perception by the market of us generally and a decline in the market price of our common shares. As a result of these factors, any divestiture (whether or not completed) could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. As part of our business strategy, we seek to identify and acquire certain assets, products and businesses. Historically, part of our business strategy included acquiring and integrating complementary businesses, products, technologies or other assets. As part of our current business strategy, we again are seeking to complete certain acquisitions of assets, products and businesses, including by way of in- license arrangements, although not at the volume and pace that we did historically. Acquisitions or similar arrangements may be complex, time consuming and expensive. We may not consummate some negotiations for acquisitions or other arrangements, which could result in significant diversion of management and other employee time, as well as substantial out- of- pocket costs. In addition, there are a number of risks and uncertainties relating to our closing transactions. If such transactions are not completed for any reason, we will be subject to several risks, including the following: (i) the market price of our common shares may reflect a market assumption that such transactions will occur, and a failure to complete such transactions could result in a negative perception by the market of us generally and a decline in the market price of our common shares and (ii) many costs relating to such transactions may be payable by us whether or not such transactions are completed. If an acquisition is consummated, the integration of the acquired business, product or other assets into our Company may also be complex and time- consuming and, if such businesses, products and assets are not successfully integrated, we may not achieve the anticipated benefits, cost- savings or growth opportunities. Potential difficulties that may be encountered in the integration process include the following: integrating personnel, operations and systems, while maintaining focus on selling and promoting existing and newly- acquired products; coordinating geographically dispersed organizations; distracting management and employees from operations; retaining existing customers and attracting new customers; maintaining the business relationships the acquired company has established, including with health care providers; and managing inefficiencies associated with integrating the operations of the Company and the acquired business, product or other assets. Furthermore, we may incur restructuring and integration costs and a number of non- recurring transaction costs associated with these acquisitions, combining the operations of the Company and the acquired company and achieving desired synergies. These fees and costs may be substantial. Non- recurring transaction costs include, but are not limited to, fees paid to legal, financial and accounting advisors, filing fees and printing costs. Additional unanticipated costs may be incurred in the integration of the businesses of the Company and the acquired company. There can be no assurance that the elimination of certain duplicative costs, as well as the realization of other efficiencies related to the integration of the acquired business, will offset the incremental transaction- related costs over time. Therefore, any net benefit may not be achieved in the near term, the long term or at all. Finally, these acquisitions and other arrangements, even if successfully integrated, may fail to further our business strategy as anticipated or to achieve anticipated benefits and success, expose us to increased competition or challenges with respect to our products or geographic markets, and expose us to additional liabilities associated with an acquired business, product, technology or other asset or arrangement. Any one of these challenges or risks could impair our ability to realize any benefit from ~~our~~ **an** acquisition or arrangement after we have expended resources on them **. Bausch Lomb has recently completed a number of acquisitions and in- licensing transactions and may, in the future, seek to identify and acquire certain other assets, products and businesses. Bausch Lomb may experience difficulties in integrating any acquired assets, products and businesses and Bausch Lomb may fail to realize the anticipated benefits of any such acquisitions. Bausch Lomb has recently completed a number of acquisitions and in- licensing transactions, including the recent acquisition of XIIDRA ® (lifitegrast ophthalmic solution) and certain other ophthalmology assets from Novartis Pharma AG and Novartis Finance Corporation (the " XIIDRA Acquisition "). Bausch Lomb may in the future seek to identify and acquire complementary businesses, products, technologies or other assets to augment its pipeline. Such transactions may be complex, time consuming and expensive. There can be no guarantee that Bausch Lomb will be able to successfully consummate acquisitions or other arrangements, which could**

result in significant diversion of management and other employee time, as well as substantial out- of- pocket costs. If such transactions are not completed for any reason, Bausch Lomb may incur significant costs and the market price of its common shares may decline. In addition, even if an acquisition is consummated, the integration of the acquired business, product or other assets into Bausch Lomb may be complex and time- consuming, and Bausch Lomb may not achieve the anticipated benefits, cost- savings or growth opportunities it expects. Potential difficulties that may be encountered in the integration process include the following: integrating personnel (such as the XIIDRA salesforce brought on as part of the XIIDRA Acquisition), operations and systems, while maintaining focus on selling and promoting existing and newly- acquired products; coordinating geographically dispersed organizations; distracting management and employees from operations; retaining existing customers and attracting new customers; maintaining the business relationships the acquired company has established, including with health care providers; and managing inefficiencies associated with integrating the operations of Bausch Lomb and the acquired business, product or other assets. In addition, delays encountered in the integration process could result in a failure to realize the anticipated benefits on the anticipated timeline, or at all. Finally, these acquisitions and other arrangements, even if successfully integrated, may fail to further Bausch Lomb' s business strategy as anticipated or to achieve anticipated benefits and success, expose Bausch Lomb to increased competition or challenges with respect to its products or geographic markets, and expose Bausch Lomb to additional liabilities associated with an acquired business, product, technology or other asset or arrangement. Any one of these challenges or risks could impair Bausch Lomb' s ability to realize any benefit from our acquisition or arrangement after it has expended resources on them. With respect to the XIIDRA Acquisition, in addition to the integration challenges Bausch Lomb faces, the anticipated benefits Bausch Lomb expects from this acquisition are subject to numerous assumptions, including assumptions derived from its diligence efforts concerning the status of and prospects for the XIIDRA business and the pipeline assets. Bausch Lomb cannot provide any assurances with respect to the accuracy of its assumptions, including its assumptions with respect to future revenues of the XIIDRA products or assumptions regarding its ability to successfully develop and obtain regulatory approval for the acquired pipeline assets. There are a variety of risks and uncertainties, some of which are outside of Bausch Lomb' s control, which could cause actual results to differ materially from these anticipated benefits. As a result, there can be no assurance that Bausch Lomb will realize the anticipated benefits from the XIIDRA Acquisition in the anticipated timelines, or at all. In addition, as described above, Bausch Lomb may expend significant expenses in connection with the consummation of these transactions and the integration of the acquired business with the Bausch Lomb business. These expenses may include, but are not limited to, fees paid to legal, financial and accounting advisors, filing fees and fees associated with any debt financing required in connection with the funding for such transactions. Many of these expenses must be paid regardless of whether the transaction is consummated. Additional unanticipated costs may be incurred in the integration of the acquired business with the Bausch Lomb business. In addition, as was the case with the XIIDRA Acquisition, Bausch Lomb may also incur additional indebtedness to finance the transaction, which indebtedness may be material and may limit its operating or financial flexibility relative to its then current position . If we fail to maintain our relationships with, and provide appropriate training in our products to, health care providers, including physicians, eyecare professionals, hospitals, large drug store chains, wholesale distributors, pharmacies, government entities and group purchasing organizations, customers may not buy certain of our products and our sales and profitability may decline. We market our pharmaceutical products to physicians, hospitals, pharmacies and wholesalers through our own sales force and sell through wholesalers. In some markets, we additionally sell directly to physicians, hospitals and large drug store chains and we sell through distributors in countries where we do not have our own sales staff. We have developed and strive to maintain strong relationships with members of each of these groups who assist in product research and development and advise us on how to satisfy the full range of consumer needs. We rely on these groups to educate their patients and other members of their organizations regarding our products. Consumers in the pharmaceutical industry, particularly the contact lens and lens care customers in the eye health industry, have a tendency not to switch products regularly and are repeat consumers. We have historically benefitted from our strong relationships with these physicians, hospitals, pharmacies and wholesalers. Our ability to maintain strong relationships is essential to our future performance; however, we may not be able to maintain these relationships in the future. The success of certain of our products, particularly our vision care products, is impacted by a physician' s initial recommendation of such products and a consumer' s initial choice to use such products. As a result, the failure of certain of our products, particularly in our vision care business, to retain the support of pharmaceutical professionals, hospitals or group purchasing organizations and to retain the support of the end- users and the distributors and retailers to whom we sell such products, could have a material adverse effect on our sales and profitability. Development and Regulatory RisksThe successful development of our pipeline products is highly uncertain and requires significant expenditures and time. In addition, obtaining necessary government approvals is time- consuming and not assured. The failure to commercialize certain of our pipeline products could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We currently have a number of pipeline products in development. We and our development partners, as applicable, conduct extensive preclinical studies and clinical trials to demonstrate the safety and efficacy in humans of our pipeline products in order to obtain regulatory approval for the sale of our pipeline products. Preclinical studies and clinical trials are expensive, complex, can take many years and have uncertain outcomes. None of, or only a small number of, our research and development programs may actually result in the commercialization of a product. We will not be able to commercialize our pipeline products if preclinical studies do not produce successful results or if clinical trials do not demonstrate safety and efficacy in humans. Furthermore, success in preclinical studies or early- stage clinical trials does not ensure that later stage clinical trials will be successful nor does it ensure that regulatory approval for the product candidate will be obtained. In addition, the process for the completion of pre- clinical and

clinical trials is lengthy and may be subject to a number of delays for various reasons, which would delay the commercialization of any successful product. If our development projects are not successful or are significantly delayed, we may not recover our substantial investments in the pipeline product and our failure to bring these pipeline products to market on a timely basis, or at all, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. In addition, FDA and Health Canada approval must be obtained in the U. S. and Canada, respectively, EMA approval (drugs) and CE Marking (devices) and / or registration under the European Commission' s Medical Device Regulation (" MDR ") 2017 / 745 must be obtained in countries in the EU and similar approvals must be obtained from comparable agencies in other countries, prior to marketing or manufacturing new pharmaceutical and medical device products for use by humans. Obtaining such regulatory approvals for new products and devices and manufacturing processes can take a number of years and involves the expenditure of substantial resources. We may face additional challenges with respect to EMA approval and CE Marking in the EU as a result of additional requirements for approval in the EU that may be more burdensome than those required by the FDA and Health Canada. Even if such products appear promising in development stages, regulatory approval may not be achieved and no assurance can be given that we will obtain approval in those countries where we wish to commercialize such products. Nor can any assurance be given that if such approval is secured, the approved labeling will not have significant labeling limitations, including limitations on the indications for which we can market a product, or require onerous risk management programs. Furthermore, from time to time, changes to the applicable legislation, regulations or policies may be introduced that change these review and approval processes for our products, which changes may make it more difficult and costly to obtain or maintain regulatory approvals. Our marketed products will be subject to ongoing regulatory review. Following initial regulatory approval of any products, we or our partners may develop or acquire, we will be subject to continuing regulatory review by various government authorities in those countries where our products are marketed or intended to be marketed, including the review of adverse drug events and clinical results that are reported after product candidates become commercially available. In addition, we are subject to ongoing audits and investigations of our facilities and products by the FDA, as well as other regulatory agencies in and outside the U. S. If we fail to comply with the regulatory requirements in those countries where our products are sold, we could lose our marketing approvals or be subject to fines or other sanctions. Also, as a condition to granting marketing approval of a product, the applicable regulatory agencies may require a company to conduct additional clinical trials or remediate Current Good Manufacturing Practice (" CGMP ") issues, the results of which could result in the subsequent loss of marketing approval, changes in product labeling or new or increased concerns about side effects or efficacy of a product. In April 2017, the European Union adopted **Medical Device Regulation (" **MDR **")** , which repeals and replaces the Medical Device Directive (" MDD ") and Active Implantable Medical Devices Directive (" AIMDD ") 90 / 385 / EEC. The MDR, for most parts, became applicable on May 26, 2021. Under the MDR, several transitional measures apply to medical devices that are certified under the MDD or AIMDD prior to May 26, 2021 or, for class I devices, for which a declaration of conformity was drawn up prior to May 26, 2021, allowing these devices to be placed on the market after May 26, 2021 under certain conditions for a transitional period. However, if we make any significant changes in the design or intended purpose of our devices, they will no longer benefit from such transitional periods. Generally, the MDR imposes stricter requirements on manufacturers, importers and distributors of medical devices. Moreover, the requirements to provide clinical data for medical devices has become stricter and as a result we may need to conduct new time consuming and costly clinical investigations with our existing medical devices to meet the new requirements, including to obtain CE certificates under the MDR. We may, or may not, be able to provide this data in time to obtain MDR certifications in a timely fashion when our existing certificates expire. These new regulations impact all of our existing and pipeline medical device products being sold in the EEA for which we are legal manufacturer, importer and / or distributor, including contact lens, lens care, eye health, aesthetic and surgical areas, as well as certain of our products outside the EEA, which rely on the EEA registration to support registration in those other countries. These products, in the aggregate, account for a meaningful portion of our net revenue in this region. While we are working to ensure compliance with these new regulations for all impacted products, we may not be able to achieve compliance for all products within the applicable transition period. If we fail to achieve compliance, we will not be able to market and sell the non- compliant products in the EEA, nor will we be able to rely on the non- compliant registration for such products in regions outside of the EEA, which could have a material adverse effect on our business, financial condition, cash flows and results of operations in the EEA and, possibly, on a consolidated basis, and could cause the market value of our common shares to decline. While EU law is applicable in Northern Ireland, the UK Medical Devices Regulations 2002 / 68 also need to be complied with in Great Britain. **Before July 1, 2023,** ~~Medical~~ **medical** device manufacturers who have CE marked devices **were** ~~will be~~ able to continue to place them on the market in the whole of the United Kingdom (the " UK ") ~~until~~ **without a change in labeling. As of** July 1, 2023 ~~without a change in labeling. After that~~ , devices destined for Great Britain **are** ~~will be~~ required to follow the UK regulatory regime and to be labeled with the UKCA mark. Northern Ireland will, however, continue to accept CE marked devices. There are some additional requirements for manufacturers who are based outside the UK such as the requirement to appoint a UK Responsible Person (" UKRP ") to take on certain regulatory responsibilities with respect to the Medicines and Healthcare products Regulatory Agency (" MHRA ") and users or customers in the UK. To enable devices to be placed on the market in the UK after January 1, 2022 (even for CE marked devices), a UK manufacturer must register with the MHRA, as must a UKRP for an overseas manufacturer. Such registering entity will then register each of the devices for which they are responsible for placing on the market in the UK, whether in Great Britain or Northern Ireland. This may create added expense and challenges as explained below. Until May 25, 2021, our products bearing a CE mark could be exported from the EEA to Switzerland. However, as of May 26, 2021, the EU no longer applies the Mutual Recognition Agreement between the EEA and Switzerland. Accordingly, legal manufacturers in Switzerland are required to appoint a European Union authorized representative, and manufacturers outside of Switzerland are required to appoint a Swiss authorized representative in compliance with the Medical Device

Ordinance. As a consequence, we have been required to appoint an authorized representative in Switzerland in order to export our CE- marked medical devices to Switzerland. Additionally, the name and address of the Swiss authorized representative must be placed on the packaging. This has created added expenses and challenges. In addition, incidents of adverse drug reactions, unintended side effects or misuse relating to our products could result in additional regulatory controls or restrictions, or even lead to the regulatory authority requiring us to recall or withdraw the product from the market. Further, if faced with these incidents of adverse drug reactions, unintended side effects or misuse relating to our products, we may elect to voluntarily implement a recall or market withdrawal of our product. A recall or market withdrawal, whether voluntary or required by a regulatory authority, may involve significant costs to us, potential disruptions in the supply of our products to our customers and reputational harm to our products and business, all of which could harm our ability to market our products and could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Complying with existing government regulation of dietary supplements, including our eye vitamins and mineral supplements, in the U. S., Canada and elsewhere could increase our costs significantly and adversely affect our financial results. The manufacturing, formulation, packaging, labeling and advertising of the Company' s dietary supplement products are also subject to regulation by certain federal, state and foreign agencies, including the FDA, the Federal Trade Commission (the " FTC "), and the Consumer Product Safety Commission, in the U. S., and by Health Canada in Canada. The FDA has authority in the U. S. over the adulteration or misbranding of dietary supplements. There are requirements relating to ingredient safety, new dietary ingredient notifications, labeling, claims notifications, and adverse event reporting among other requirements. While we believe our products comply with those requirements, the FDA may challenge positions we have taken with respect to the formulation or labeling of a dietary supplement product. We are also subject to risks relating to evolving regulations of dietary supplement products, including our eye vitamins and mineral supplements, as the FDA and other applicable agencies have in the past and may in the future consider additional or more stringent regulations of dietary supplements and other products. Such developments could require reformulation of certain of our products to meet new standards, additional record- keeping obligations, increased documentation of the properties of certain products, additional or different labeling, additional scientific substantiation, adverse event reporting or similar obligations, or could result in recalls or the discontinuance of certain of our products that are not able to be reformulated. Any such developments could increase our costs significantly. In addition, the FDA also has comprehensive regulations for CGMP for those who manufacture, package or hold dietary supplement products. These regulations focus on practices that ensure the identity, purity, quality, strength and composition of dietary supplements that are manufactured. We or our contract manufacturers may not be able to comply with such regulations without incurring additional expenses, which could be significant. Our revenues and profits from generic products may decline as a result of changes in regulatory policy. In addition, the U. S. Congress and various state legislatures in the U. S. have passed, or have proposed passing, legislation that could have an adverse impact on pharmaceutical manufacturers' ability to: (i) settle litigation initiated pursuant to the Hatch-Waxman Act and Biologics Price Competition and Innovation Act (" BPCIA "), (ii) secure the full benefit of first- to- file regulatory approval status secured under the Hatch- Waxman Act and (iii) change the value of the brand products prior to the launch of generic versions. The Hatch- Waxman Act and BPCIA create various pathways for generic drug manufacturers to secure accelerated approvals of their abbreviated new drug applications and abbreviated biologics license applications. The new laws and proposals from the federal and state governments could serve to change, directly and indirectly, the Hatch- Waxman Act and BPCIA, including the incentives to develop generic and biosimilar products, as well as the ability of generic manufacturers to accelerate the launch of their new generic and biosimilar products. They also could impact the ability of brand manufacturers to protect their investments in the intellectual property associated with their branded specialty and innovative biologic products. We continue to monitor these legislative developments and advocate for policies that support both innovation and access to high quality medicines for patients. Manufacturing and Supply RisksIf we or our third- party manufacturers are unable to manufacture our products or the manufacturing process is interrupted due to failure to comply with regulations or for other reasons, the interruption of the manufacture of our products could adversely affect our business. Other manufacturing and supply difficulties or delays may also have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Our manufacturing facilities and those of our contract manufacturers must be inspected and found to be in full compliance with CGMP, quality system management requirements or similar standards before approval for marketing. Compliance with CGMP regulations requires the dedication of substantial resources and requires significant expenditures. In addition, while we attempt to build in certain contractual obligations on our third- party manufacturers, we may not be able to ensure that such third- parties comply with these obligations. Our failure or that of our contract manufacturers to comply with CGMP regulations, quality system management requirements or similar regulations outside of the U. S. could result in enforcement action by the FDA or its foreign counterparts, including, but not limited to, warning letters, fines, injunctions, civil or criminal penalties, recall or seizure of products, total or partial suspension of production or importation, suspension or withdrawal of regulatory approval for approved or in- market products, refusal of the government to renew marketing applications or approve pending applications or supplements, refusal of certificates for export to foreign jurisdictions, suspension of ongoing clinical trials, imposition of new manufacturing requirements, closure of facilities and criminal prosecution. These enforcement actions could lead to a delay or suspension in production, which could have a material adverse effect on our competitive position, business, financial condition, results of operations and cash flows and could cause the market value of our common shares and / or debt securities to decline. In addition, our manufacturing and other processes use complicated and sophisticated equipment, which sometimes requires a significant amount of time to obtain and install. Manufacturing complexity, testing requirements and safety and security processes combine to increase the overall difficulty of manufacturing these products and resolving manufacturing problems that we may encounter. Although we endeavor to properly maintain our equipment (and require our contract manufacturers to

properly maintain their equipment), including through on- site quality control and experienced manufacturing supervision, and have key spare parts on hand, our business could suffer if certain manufacturing or other equipment, or all or a portion of our or their facilities, were to become inoperable for a period of time. We could experience substantial production delays or inventory shortages in the event of any such occurrence until we or they repair such equipment or facility or we or they build or locate replacement equipment or a replacement facility, as applicable, and seek to obtain necessary regulatory approvals for such replacement. For example, in 2021, a third- party supplier of sterilization services for our lens care solution bottles and caps at our Milan, Italy facility notified us of inconsistencies in the sterilization data versus certificates of conformance previously submitted to us by that supplier. Although we determined that this issue did not affect the safety or performance of any of our products and was limited to a specific number of lots for certain of our products, out of an abundance of caution, in conjunction with the appropriate notified body and responsible health authorities, we contained and / or recalled down to the consumer level the limited number of affected lots of products, which resulted in $ 8 million of manufacturing variances and $ 6 million of returns. Further, due to the limited availability of qualified materials caused by this issue, production at the Milan facility could not keep up with demand (even with leveraging increased production at another of our manufacturing facilities to support some of the demand), which negatively impacted our sales for the affected products in this region during 2021. Any interruption in our manufacture of products could adversely affect the sales of our current products or introduction of new products and could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. The supply of our products to our customers (or, in some cases, supply from our contract manufacturers to us) is subject to and dependent upon the use of transportation services. Disruption of transportation services (including as a result of weather conditions) could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. In addition, any prolonged disruption in the operations of our existing distribution facilities, whether due to technical, labor or other difficulties, weather conditions, equipment malfunction, contamination, failure to follow specific protocols and procedures, destruction of or damage to any facility or other reasons, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. For some of our finished products and raw materials, we obtain supply from one or a limited number of sources. If we are unable to obtain components or raw materials, or products supplied by third parties, our ability to manufacture and deliver our products to the market would be impeded, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Some components and raw materials used in our manufactured products, and some finished products sold by us, are currently available only from one or a limited number of domestic or foreign suppliers. For example, with respect to some of our largest or most significant products, the supply of the finished product for each of our Siliq ®, ~~Duobrii ®, Bryhali ®,~~ Lumify ®, Trulance ®, Vyzulta ®, SofLens **®, MEIBO ®, XIIDRA** ®, Wellbutrin XL ®, ~~Renu~~ **Jublia** ®, Aplenzin ~~®, Xenazine~~ ®, Relistor ® Oral **, Arestin ®** and PureVision ® products are only available from a single source **(either one of our internal manufacturing sites or third party manufacturers)** and the supply of active pharmaceutical ingredient for each of our Siliq ®, ~~Duobrii ®, Bryhali ®,~~ Trulance ®, Vyzulta ®, ~~Xenazine~~ **MEIBO** ®, **Preservision ®** Aplenzin ® ~~and~~ **,** Relistor ® Oral **, Arestin ® and Bedoyecta ®** products are also only available from a single source. In the event an existing supplier fails to supply product on a timely basis and / or in the requested amount, supplies product that fails to meet regulatory requirements, becomes unavailable through business interruption or financial insolvency or loses its regulatory status as an approved source or we are unable to renew current supply agreements when such agreements expire and we do not have a second supplier, we may be unable to obtain the required components, raw materials or products on a timely basis or at commercially reasonable prices. We attempt to mitigate these risks by maintaining safety stock of these products, but such safety stock may not be sufficient. In addition, in some cases, only a single source of active pharmaceutical ingredient is identified in filings with regulatory agencies, including the FDA, and cannot be changed without prior regulatory approval, which would involve time and expense to us. A prolonged interruption in the supply of a single- sourced raw material, including the active pharmaceutical ingredient, or single- sourced finished product could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. In addition, these third- party manufacturers may have the ability to increase the supply price payable by us for the manufacture and supply of our products, in some cases without our consent. As a result, our dependence upon others to manufacture and supply our products may adversely affect our profit margins and our ability to obtain approval for and produce our products on a timely and competitive basis, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Changes in inventory levels or fluctuations in buying patterns by our large distributor and retail customers may adversely affect our sales and earnings and add to sales variability from quarter to quarter. We balance the need to maintain inventory levels that are sufficient to ensure competitive lead times against the risk of inventory obsolescence because of changing customer requirements, fluctuating commodity prices, changes to our products, product transfers or the life- cycle of our products. In order to successfully manage our inventories, we must estimate demand from our customers and produce products that substantially correspond to that demand. If we fail to adequately forecast demand for any new or existing product or fail to determine the appropriate product mix for production purposes, we may face production capacity issues in manufacturing sufficient quantities of a given product. In addition, failures in our information technology systems or human error could also lead to inadequate forecasting of our overall demand or product mix. We have a significant number of unique products, and we anticipate that number will continue to grow over time. As a result, the demand forecasting precision required for us to avoid production capacity issues will also increase, which could increase the risk of product unavailability and lost sales. Additionally, an increasing number of unique products could increase global inventory requirements, negatively impacting our working

capital performance and leading to write- offs due to obsolescence and expired products. Due to the lead times necessary to obtain and install new equipment and ramp up production of product lines, if we fail to adequately forecast the need for additional manufacturing capacity, whether for new or existing products, we may be unable to scale production in a timely manner to meet demand for our products. In addition, the technically complex manufacturing processes required to manufacture many of our products increase the risk of production failures and can increase the cost of producing our goods. As a result, because the production process for many of our products is complex and sensitive, the cost of production and the chance of production failures and lengthy supply interruptions is increased, which can have a substantial impact on our inventory levels. Finally, a significant portion of our products are sold to major health care distributors and major retail chains in Canada, the United States and abroad. Consequently, our sales and quarterly growth comparisons, as well as our estimates for required inventory levels, may be affected by fluctuations in the buying patterns of major distributors, retail chains and other trade buyers. These fluctuations may result from seasonality, pricing, large retailers' and distributors' buying decisions or other factors. If we overestimate demand and produce too much of a particular product, we face a risk of inventory obsolescence, leaving us with inventory that we cannot sell profitably or at all. In addition, we may have to write down such inventory if we are unable to sell it for its recorded value. Conversely, if we underestimate demand and produce insufficient quantities of a product, we could be forced to produce that product at a higher price and forego profitability in order to meet customer demand. For example, if a competitor initiates a recall and there is an unexpected increase in the demand for our products, we may not be able to meet such increased demand. Insufficient inventory levels may lead to shortages that result in loss of sales opportunities altogether as potential end- customers turn to competitors' products that are readily available. If any of these situations occur frequently or in large volumes or if we are unable to effectively manage our inventory and that of our distribution partners, this could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Commercialization RisksOur approved products may not achieve or maintain expected levels of market acceptance. Even if we are able to obtain and maintain regulatory approvals for our pharmaceutical and medical device products, generic or branded, the success of these products is dependent upon achieving and maintaining market acceptance. Launching and commercializing products is time consuming, expensive and unpredictable. The commercial launch of a product takes significant time, resources, personnel and expertise, which we may not have in sufficient levels to achieve success, and is subject to various market conditions, some of which may be beyond our control. There can be no assurance that we will be able to, either by ourselves or in collaboration with our partners or through our licensees or distributors, successfully launch and commercialize new products or gain market acceptance for such products. New product candidates that appear promising in development may fail to reach the market or may have only limited or no commercial success. While we have been successful in launching some of our products, we may not achieve the same level of success with respect to all of our new products. Our inability to successfully launch our new products may negatively impact the commercial success of such product, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Our inability to successfully launch our new products could also lead to material impairment charges. Levels of market acceptance for our new products could be impacted by several factors, some of which are not within our control, including but not limited to the following: ▪ safety, efficacy, convenience and cost- effectiveness of our products compared to products of our competitors; ▪ scope of approved uses and marketing approval; ▪ availability of patent or regulatory exclusivity; ▪ timing of market approvals and market entry; ▪ ongoing regulatory obligations following approval, such as the requirement to conduct Risk Evaluation and Mitigation Strategy (" REMS ") programs; ▪ any restrictions or " black box " warnings required on the labeling of such products; ▪ availability of alternative products from our competitors; ▪ acceptance of the price of our products; ▪ effectiveness of our sales forces and promotional efforts; ▪ the level of reimbursement of our products; ▪ acceptance of our products on government and private formularies; ▪ ability to market our products effectively at the retail level or in the appropriate setting of care; and ▪ the reputation of our products. Further, the market perception and reputation of our products and their safety and efficacy are important to our business and the continued acceptance of our products. Any negative publicity about our products, such as the discovery of safety issues with our products, adverse events involving our products, or even public rumors about such events, could have a material adverse effect on our business, financial condition, cash flows or results of operation or could cause the market value of our common shares and / or debt securities to decline. In addition, the discovery of significant problems with a product similar to one of our products that implicate (or are perceived to implicate) an entire class of products or the withdrawal or recall of such similar products could have a material adverse effect on sales of our products. Accordingly, new data about our products, or products similar to our products, could cause us reputational harm and could negatively impact demand for our products due to real or perceived side effects or uncertainty regarding safety or efficacy and, in some cases, could result in product withdrawal. If our products fail to gain, or lose, market acceptance, our revenues would be adversely impacted and we may be required to take material impairment charges, all of which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. For certain of our products, we depend on reimbursement from governmental and other third- party payors and a reduction in reimbursement could reduce our product sales and / or revenue. In addition, failure to be included in formularies developed by managed care organizations and coverage by other organizations may negatively impact the utilization of our products, which could harm our market share and could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Sales of certain of our products are dependent, in part, on the availability and extent of reimbursement from government health administration authorities, private health insurers, pharmacy benefit managers and other organizations of the costs of our products and the continued reimbursement and coverage of our products in such programs. Changes in government regulations or private third- party payors' reimbursement policies may reduce reimbursement for our products. In addition, such

third- party payors may otherwise make the decision to reduce reimbursement of some or all our products or fail to cover some or all our products in such programs or assert that reimbursements were not in accordance with applicable requirements. For example, these decisions may be based on the price of our products or our current or former pricing practices and decisions. Any reduction or elimination of such reimbursement or coverage could result in a negative impact on the utilization of our products and, as a result, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Managed care organizations and other third- party payors try to negotiate the pricing of medical services and products to control their costs. Managed care organizations and pharmacy benefit managers typically develop formularies to reduce their cost for medications. Formularies can be based on the prices and therapeutic benefits of the available products. Due to their lower costs, generic products are often favored. The breadth of the products covered by formularies varies considerably from one managed care organization to another, and many formularies include alternative and competitive products for treatment of particular medical conditions. Failure to be included in such formularies or to achieve favorable formulary status may negatively impact the utilization and market share of our products. If our products are not included within an adequate number of formularies or adequate reimbursement levels are not provided, or if those policies increasingly favor generic products, this could have a material adverse effect on our business, financial condition, cash flows and results of operations or result in additional pricing pressure on our products and could cause the market value of our common shares and / or debt securities to decline. We have and may continue to experience pressure on the pricing of certain of our products due to pricing controls, social or government pressure to lower the cost of drugs, and consolidation across the supply chain. We face numerous cost- containment measures by governments and other payors, including certain government- imposed industry- wide price reductions, mandatory rebates or pricing, international reference pricing (i. e., the practice of a country linking its regulated medicine prices to those of other countries), volume- based procurement, tender systems, shifting of the payment burden to patients through higher co- payments and requirements for increased transparency on pricing, all of which may have an adverse impact on the pricing of our products. Many markets in which we operate have implemented or may implement tender systems for generic and biosimilar pharmaceuticals in an effort to lower prices. Under such tender systems, manufacturers submit bids which establish prices for generic pharmaceutical products. Upon winning the tender, the winning company will receive a preferential reimbursement for a period of time. If our bids do not win, we may not be able to participate in the given market or may lose out on market share. While criteria other than price can be included in tenders, tender systems often select the lowest bid, which often results in companies underbidding one another by proposing low pricing in order to win the tender. Other markets may also consider the implementation of a tender system and even if a tender system or other price controls are ultimately not implemented, the anticipation of such could result in price reductions. In the EU, U. K. and some other international markets, the government provides healthcare at low cost to consumers and regulates pharmaceutical prices, patient eligibility and / or reimbursement levels to control costs for the government- sponsored healthcare system. These systems of price regulations may lead to inconsistent and lower prices. Within the EU and in other countries, the availability of our products in some markets at lower prices undermines our sales in other markets with higher prices. Additionally, certain countries set prices by reference to the prices in other countries where our products are marketed. Thus, our inability to secure adequate prices in a particular country may also impair our ability to obtain acceptable prices in existing and potential new markets and may create the opportunity for third party cross- border trade. In addition to the impacts of these government- sponsored healthcare systems, in the EU, U. K. and other international markets, certain governmental agencies have or are considering enacting further measures to decrease the costs of providing healthcare, including government mandated price reductions and / or other forms of price controls, including retrospective “ clawback ” price reductions. as a result of the COVID- 19 pandemic and the changing healthcare landscape in those markets. There has also been increasing U. S. federal and state legislative and enforcement interest with respect to drug pricing, as well as from international organizations like the United Nations, World Health Organization and Organization for Economic Cooperation and Development, in addition to intense publicity and scrutiny regarding such matters, including publicity and pressure resulting from prices charged by competitors and peer companies for new products as well as price increases by competitors and peer companies on older products that some have deemed excessive. In addition, there have been executive orders, legislation, and legislative and regulatory proposals, including in connection with government programs such as Medicare, concerning drug prices and related issues, including the perceived need to bring more transparency to drug pricing, reviewing the relationship between pricing and manufacturer patient programs, and reforming government program reimbursement methodologies for drugs. These include legislation promulgated by the ~~Inflation Reduction Act of 2022 (~~IRA ~~)~~ that enables the U. S. government to impose penalties if drug prices are increased at a rate faster than inflation, redesigns Medicare Part D benefits to shift a greater portion of the costs to manufacturers and allows for the U. S. government to set prices for certain drugs in Medicare. Although we expect to see continued focus in regulating pricing, we cannot predict what, if any, additional legislative or regulatory developments may transpire at the state or country level, or what the ultimate impact may be. Our fulfillment arrangements with Walgreens and our dermatology cash- pay prescription program may not be successful. At the beginning of 2016, we launched a brand fulfillment arrangement with Walgreens, pursuant to which we have made certain of our dermatology and ophthalmology products available to eligible patients through a patient access and co- pay program available at Walgreens U. S. retail pharmacy locations, as well as participating independent retail pharmacies. We have, in the past, experienced certain operational and other issues respecting this arrangement, including lower than anticipated average realized prices associated with these products through this arrangement. In July 2019, we entered into an amendment to the existing fulfillment agreement to address some of these issues. We cannot guarantee this arrangement will continue to be successful in the future, nor can we guarantee that additional operational issues will not be encountered, nor can we guarantee that we will be able to successfully negotiate with Walgreens any improvements or amendments to this arrangement we identify as necessary or desired. In addition, we cannot predict how the market, including customers, doctors, patients, pharmacy benefit managers and

third- party payors, or governmental agencies, will continue to react to these arrangements and programs. If this arrangement or program fails, if they do not achieve sufficient success and market acceptance, if we face retaliation from third parties as a result of this arrangement and program (for example, in the form of limitations on or exclusions from the reimbursement of our products) or if any part of this arrangement is found to be non- compliant with applicable law or regulations, this could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. ~~In addition, in February 2019, we launched Dermatology. com, a cash- pay product acquisition program offering certain branded Ortho Dermatologics products directly to patients. In March 2020, the name Dermatology. com was removed as the cash- pay product program name, with the name Dermatology. com limited to only online usage, including future digital teledermatology and e- commerce offerings. This program is designed to address the affordability and availability of certain branded dermatology products, when insurers and pharmacy benefit managers are no longer offering those branded prescription pharmaceutical products under their designated pharmacy benefit offerings. We cannot guarantee that this program will be successful or that we will continue to add new products to the program. In addition, we cannot predict how the market, including customers, doctors and patients will react to this program. If this program fails, if it does not achieve sufficient success and market acceptance or if any part of this program is found to be non- compliant with applicable law or regulations, this could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline.~~ Catastrophic events may disrupt our business. We have operations and facilities which sell and distribute our products in many parts of the world. Natural events (such as a hurricane or major earthquake), terrorist attacks, pandemics **, epidemics, outbreaks of an infectious disease** or other catastrophic events, including adverse weather events **associated with global climate change which have increased in severity and frequency in recent years** , could cause delays in developing, manufacturing or selling our products. Such events that occur in major markets where we sell our products could reduce the demand for our products in those areas and, as a result, impact our sales into those markets. In either case, any such disruption could have a material adverse effect on our business, financial condition and results of operations and could cause the market value of our common shares and / or debt securities to decline. The illegal distribution and sale of counterfeit versions of our products may reduce demand for our products or have a negative impact on the reputation of our products, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Third parties may illegally distribute and sell counterfeit versions of our products, which do not meet or adhere to the rigorous quality, safety, manufacturing, storage and handling standards and regulations that apply to our products. The prevalence of counterfeit products is a growing industry- wide issue due to the widespread use of the Internet, which has greatly facilitated the ease by which counterfeit products can be advertised, purchased and delivered. The discovery of safety or efficacy issues, adverse events or even death or personal injury associated with or caused by counterfeit products may be attributed to our products and may cause reputational harm to our products or the Company. We may not be able to detect or, if detected, prevent or prohibit the sale of such counterfeit products. As a result, the illegal sale or distribution of counterfeit products may negatively impact the demand for and sales of our products, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Our revenues and profits could be reduced by imports from countries where our products are available at lower prices. Prices for our products are based on local market economics and competition and differ from country to country. Our sales in countries with relatively higher prices may be reduced if products can be imported into those or other countries from lower price markets. If this happens with our products, our revenues and profits may be adversely affected, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Our policies regarding returns, allowances and chargebacks, and marketing programs adopted by wholesalers, may reduce our revenues in future fiscal periods. We provide certain rebates, allowances, chargebacks and other credits to our customers with respect to certain of our products. For example, we make payments or give credits to certain wholesalers for the difference between the invoice price paid to us by our wholesaler customer for a particular product and the negotiated price that such wholesaler sells such products to its hospitals, group purchasing organizations, pharmacies or other retail customers. We also give certain of our customers credits on our products that such customers hold in inventory after we have decreased the WAC prices of such products, such credit being for the difference between the old and new price. In addition, we also implement and maintain returns policies, pursuant to which our customers may return product to us in certain circumstances in return for a credit. Although we establish reserves based on our prior experience, wholesaler data, then- current on- hand inventory, our best estimates of the impact that these policies may have in subsequent periods and certain other considerations, we cannot ensure that our reserves are adequate or that actual product returns, rebates, allowances and chargebacks will not exceed our estimates, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We may experience declines in sales volumes or prices of certain of our products as the result of the concentration of sales to wholesalers and the continuing trend towards consolidation of such wholesalers and other customer groups and this could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. For certain of our products, a significant portion of our sales are to a relatively small number of customers. If our relationship with one or more of such customers is disrupted or changes adversely or if one or more of such customers experience financial difficulty or other material adverse changes in their businesses, it could materially and adversely affect our sales and financial results, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. In addition, wholesalers and retail drug chains have undergone, and are continuing to undergo, significant consolidation. This consolidation may result in these groups gaining

additional purchasing leverage and consequently increasing the product pricing pressures facing our business. The result of these developments could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We have entered into distribution agreements with other companies to distribute certain of our products at supply prices based on net sales. Declines in the pricing and / or volume, over which we have no or limited control, of such products, and therefore the amounts paid to us, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Certain of our products are the subject of third- party distribution or sublicense agreements, pursuant to which we may manufacture and sell products to other companies, which distribute such products in return for a royalty or a supply price, in both cases which are often based on net sales. Our ability to control pricing and volume of these products may be limited and, in some cases, these companies make all distribution and pricing decisions independently of us. If the pricing or volume of such products declines, our revenues would be adversely impacted which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Risks Relating to the International Scope of our BusinessOur business, financial condition, cash flows and results of operations are subject to risks arising from the international scope of our operations. We conduct a significant portion of our business outside the U. S. and Canada and may, in the future, expand our operations into new countries, including emerging markets. We sell our pharmaceutical and medical device products in many countries around the world. All of our foreign operations are subject to risks inherent in conducting business abroad, including, among other things: ▪ difficulties in coordinating and managing foreign operations, including ensuring that foreign operations comply with foreign laws as well as Canadian and U. S. laws applicable to Canadian companies with U. S. and foreign operations, such as export and sanctions laws and the U. S. Foreign Corrupt Practices Act (" FCPA "), the Canadian Corruption of Foreign Public Officials Act, and other applicable worldwide anti- bribery laws; ▪ price and currency exchange controls; ▪ restrictions on the repatriation of funds; ▪ scarcity of hard currency, including the U. S. dollar, which may require a transfer or loan of funds to the operations in such countries, which they may not be able to repay on a timely basis; ▪ political and economic instability; ▪ compliance with multiple regulatory regimes; ▪ compliance with economic sanctions laws and other laws that apply to our activities in the countries where we operate; ▪ less established legal and regulatory regimes in certain jurisdictions, including as relates to enforcement of anti- bribery and anti- corruption laws and the reliability of the judicial systems; ▪ differing degrees of protection for intellectual property; ▪ unexpected changes in foreign regulatory requirements, including quality standards and other certification requirements; ▪ new export license requirements; ▪ adverse changes in tariff and trade protection measures; ▪ differing labor regulations; ▪ potentially negative consequences from changes in or interpretations of tax laws; ▪ restrictive governmental actions; ▪ possible nationalization or expropriation; ▪ credit market uncertainty; ▪ restrictions on business activities and other challenges associated with pandemics, including the ~~ongoing~~ **lingering** COVID- 19 pandemic **, epidemics, outbreaks of an infectious disease or similar events** ; ▪ differing local practices, customs and cultures, some of which may not align or comply with our Company practices and policies or U. S. or Canadian laws and regulations; ▪ difficulties with licensees, contract counterparties, or other commercial partners; and ▪ differing local product preferences and product requirements. As a result of changes to U. S. trade policy, there may be changes to existing trade agreements and greater restrictions on trade generally. ~~On~~ **For example, on** November 30, 2018, the United States, Canada and Mexico signed the United States- Mexico- Canada Agreement (" USMCA ") as an overhaul and update to the North American Free Trade Agreement. The USMCA was subsequently revised on December 10, 2019 and fully ratified on March 13, 2020. Notwithstanding the USMCA, support for protectionism and rising anti- globalization sentiment in the United States and other countries may slow global growth. In particular, a protracted and wide- ranging trade conflict between the United States and China could adversely affect global economic growth. Concerns also remain around the social, political and economic impacts of the changing political landscape in Europe. In addition, there are growing concerns over an economic slowdown in emerging markets in light of capital outflows in favor of developed markets and expected interest rate increases. Broader geopolitical tensions ~~remained~~ -- **remain** high amongst the U. S., Russia, Ukraine, China, and across the Middle East. For example, in response to potential conflict between Russia and Ukraine, the U. S. and / or other countries in which we operate may impose sanctions or other restrictive actions against governmental or other entities in Russia. Given the international scope of our operations, any of the above factors, including sanctions, export controls, tariffs, trade wars and other governmental actions, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Similarly, adverse economic conditions impacting our customers in these countries or uncertainty about global economic conditions could cause purchases of our products to decline, which would adversely affect our revenues and operating results. In addition, accelerating rates of inflation may continue in the near future and have resulted, and may continue to result, in increased costs of labor, raw materials, other supplies and freight and distribution costs, among others. For the pharmaceutical industry and the healthcare systems in the markets in which we participate, the pricing dynamics of our products generally does not provide the opportunity to pass on such costs to customers. Inflation may also result in higher interest rates and increased costs of capital. Moreover, our projected revenues and operating results are based on assumptions concerning certain levels of customer spending. Any failure to attain our projected revenues and operating results as a result of adverse economic or market conditions could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Due to the large portion of our business conducted in currency other than U. S. dollars, we have significant foreign currency risk. We face foreign currency exposure on the translation into U. S. dollars of the financial results of our operations in Europe, Canada, Latin America, Asia, Africa and the Middle East and other regions. Where possible, we manage foreign currency risk by managing same currency revenue in relation to same currency expenses. We may also use derivative financial instruments from time to time to mitigate our foreign currency risk and not for trading or speculative

purposes. We face foreign currency exposure in those countries where we have revenue denominated in the local foreign currency and expenses denominated in other currencies. Both favorable and unfavorable foreign currency impacts to our foreign currency- denominated operating expenses are mitigated to a certain extent by the natural, opposite impact on our foreign currency- denominated revenue. In addition, the repurchase of our U. S. dollar denominated debt may result in foreign exchange gains or losses for Canadian income tax purposes. One half of any foreign exchange gains or losses will be included in our Canadian taxable income. Any foreign exchange gain will result in a corresponding reduction in our available Canadian tax attributes. Further strengthening of the U. S. dollar and / or the devaluation of other countries' currencies could have a negative impact on our reported international revenue. **our operations in Russia or the way we conduct** business in Russia.While the precise effects of the ongoing military conflict and sanctions on the Russian and global economies remain uncertain,they have already resulted in significant volatility in financial markets and depreciation of the Russian ruble and the Ukrainian hryvnia against the U.S.dollar,as well as in an increase in energy and commodity prices globally.Should the conflict continue or escalate,there may be various economic and security consequences including,but not limited to,supply shortages of different kinds,further increases in prices of commodities,including piped gas,oil and agricultural goods,reduced consumer purchasing power,significant disruptions in logistics infrastructure,telecommunications services and risks relating to the unavailability of information technology systems and infrastructure.The resulting impacts to the global economy,financial markets,inflation,interest rates and unemployment,among others,could adversely impact economic and financial conditions **,and may disrupt the global economy' s ongoing recovery following the COVID- 19 pandemic** .Other potential consequences include,but are not limited to,growth in the number of popular uprisings in the region,increased political discontent,especially in the regions most affected by the conflict or economic sanctions,increase in cyberterrorism activities and attacks,displacement of persons to regions close to the areas of conflict and an increase in the number of refugees fleeing across Europe,among other unforeseen social and humanitarian effects.In addition,as a result of the ongoing conflict between Russia and Ukraine,we may experience other risks,difficulties and challenges in the way we conduct our business and operations generally.For example,there may be an increased risk of cybersecurity attacks due to the current conflict between Russia and Ukraine,including cyber security attacks perpetrated by Russia or others at its direction in response to economic sanctions and other actions taken against Russia as a result of its invasion of Ukraine.Any increase in such attacks on us or our third- party providers or other systems could adversely affect our network systems or other operations.In order to address the risks associated with cybersecurity attacks from the region (including state- sponsored cybersecurity attacks),we have taken action to consolidate network traffic from Russia and Belarus through a single point,which is designed to allow us to more closely inspect that traffic.In addition,if required,this consolidation provides a single point to quickly and efficiently disconnect the region from our corporate network.At this time,to the best of our knowledge,we do not believe we have experienced any cyberattacks that are related to the conflict between Russia and Ukraine.Although we have taken steps to enhance our protections against such attacks,we may not be able to address these cybersecurity threats proactively or implement adequate preventative measures and there can be no assurance that we will promptly detect and address any such disruption or security breach,if at all.In addition,as a result of the risk of collectability of receivables from our customers in Russia,Belarus and Ukraine,we may be required to adjust our accounting practices relating to revenue recognition in this region,with the result that we may not be able to recognize revenue from these customers until collected.We may also suffer reputational harm as a result of our continued operations in Russia,which may adversely impact our sales and other businesses in other countries.Finally,we have one global clinical trial involving Russia,Ukraine and Belarus with patients enrolled.We continue to support the existing patients,but have no plans to enroll new patients at this time.Plans for any additional trials involving Russia,Ukraine and Belarus have been postponed. **A protracted** ~~The continuation of the~~ conflict between Ukraine and Russia,any escalation of that conflict,and the financial and economic sanctions and import and / or export controls imposed on Russia by the U.S.,the UK,the EU,Canada and others,and the above- mentioned adverse effect on our operations (both in this region and generally) and on the wider global economy and market conditions could,in turn,have a material adverse impact on our business,financial condition,cash flows and ~~results of operations and could cause the market value of our common shares and / or debt securities to decline.Our business,~~ Risks Relating to Information TechnologyWe have become increasingly dependent on information technology systems and infrastructure and any breakdown, interruption, breach or other compromise of our or our third- party service providers' information technology systems could compromise sensitive information related to our business or prevent us from accessing critical information and subject us to liability or interrupt the operation of our business, which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We are increasingly dependent upon our information technology systems and infrastructure, as well as those of third parties with whom we interact, and internal and public internet sites, data hosting and processing facilities, cloud- based services and hardware, social media sites and mobile technology, in connection with the conduct of our business. We must constantly update our information technology systems and infrastructure and undertake investments in new information technology systems and infrastructure. However, we cannot provide assurance that the information technology systems and infrastructure on which we depend, including those of third parties, will continue to meet our current and future business needs or adequately safeguard our operations. Furthermore, modification, upgrade or replacement of such systems and infrastructure may be costly or out of our control. Any failure to so modify, upgrade or replace such systems and infrastructure, any disruptions that occur during the process of such modification, upgrade or replacement and / or any breakdown, interruption or corruption of the information technology systems and infrastructure on which we rely could create system disruptions, shutdowns, delays in generating or the corruption of data and information or other disruptions that could result in negative financial, operational, business or reputational consequences for us. The size and complexity of the information technology systems and infrastructure on which we rely makes such systems and infrastructure potentially vulnerable to internal or external inadvertent or intentional security breaches, including as a result of private or state- sponsored

cybercrimes, terrorism, war, malware, ransomware, human error, system malfunction, telecommunication and electrical failures, natural disaster, fire, misplaced or lost data, socially engineered breaches or other similar events. In addition, during the normal course of our business operations, including through the use of information technology systems and infrastructure, we are involved in the collection, transmission, use, retention and other processing of sensitive, confidential, non- public or personal data and information in Canada, the United States and abroad. Cyber- attacks are increasing in frequency, sophistication and intensity and are made by groups and individuals with a wide range of motives and expertise. Cyber- attacks could include the deployment of harmful malware, ransomware, denial- of- service attacks, worms, social engineering, improper modification of information, fraudulent " phishing " e- mails and other means to affect service reliability or threaten data confidentiality, integrity or availability. Techniques used in these attacks are often highly sophisticated, change frequently and may be difficult to detect for long periods of time. We have established (i) physical, electronic and organizational measures intended to safeguard and secure our systems to prevent a compromise and (ii) policies and procedures designed to provide for the timely investigation of cybersecurity incidents and the timely disclosure of cybersecurity incidents consistent with our legal and contractual obligations. We also rely on commercially available systems, software, tools and monitoring to provide security for the processing, transmission and storage of digital information. **We and our suppliers, partners, customers and vendors have experienced, and may continue to experience cybersecurity incidents, although to our knowledge we have not experienced any material incident or interruption to date.** While we attempt to take appropriate security and cybersecurity measures to protect our information technology systems and infrastructure (including any trade secrets, confidential or other sensitive information) and to prevent and detect breakdowns, unauthorized breaches and cyber- attacks, we cannot guarantee that such measures will be successful and that breakdowns and breaches of, or attacks on, our systems and data, or those of third parties upon which we rely, will be prevented. Such breakdowns and breaches of, or attacks on, our systems and infrastructure, or the public perception that we or any third party upon which we rely have suffered a cybersecurity incident or breakdown, may cause business interruption and could have a material adverse effect on our business, financial condition, cash flows and results of operations, damage our reputation with customers, employees and third parties with whom we do business and cause the market value of our common shares and / or debt securities to decline, and we may suffer financial damage or other loss, including fines or criminal penalties or may be subject to litigation, including potentially class action lawsuits because of lost or misappropriated information. While we maintain insurance against some of these risks, this insurance may not be sufficient to cover the financial, legal, business or reputational losses that may result from a breakdown, breach, cyber- attack or other compromise of or interruption to our information technology systems and infrastructure or confidential and other sensitive information. In addition, we provide confidential and other sensitive information to third parties when necessary to pursue our business objectives. While we obtain assurances that these third parties will protect this information and, where appropriate, monitor the protections employed by these third parties, there is a risk that the confidentiality of information held by third parties, including trade secrets and sensitive personal information, may be compromised, including as a result of cybersecurity breaches, breakdowns or other incidents. If personal information of our customers or employees is misappropriated, our reputation with our customers and employees may be injured, resulting in loss of business and / or morale. Any such incidents could require us to incur costs to remediate possible injury to our customers and employees, to further improve our protective measures or to pay fines or take other action with respect to litigation, judicial or regulatory actions arising out of such incidents, which may be significant. We also cannot ensure that any limitation of liability or indemnity provisions in our contracts, including with vendors and service providers, for a security lapse or breach or other security incident would be enforceable or adequate or would otherwise protect us from any liabilities or damages with respect to any particular claim. Any of the foregoing could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Risks Relating to Specific Legislation and RegulationsWe are subject to various laws and regulations, including " fraud and abuse " laws, anti- bribery laws, environmental laws and privacy and security laws, and a failure to comply with such laws and related regulations or prevail in any litigation related to noncompliance could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. Pharmaceutical and medical device companies have faced lawsuits and investigations pertaining to violations of health care " fraud and abuse " laws, such as the federal False Claims Act, the federal Anti- Kickback Statute (" AKS ") and other state and federal laws and regulations. The AKS prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving remuneration to induce or in return for purchasing, leasing, ordering or arranging for the purchase, lease or order of any health care item or service reimbursable under federally financed health care programs. This statute has been interpreted to apply to arrangements between pharmaceutical or medical device manufacturers, on the one hand, and prescribers, purchasers, formulary managers and other health care related professionals, on the other hand. More generally, the federal False Claims Act, among other things, prohibits any person from knowingly presenting, or causing to be presented, a false claim for payment to the federal government. Pharmaceutical and medical device companies have been prosecuted or faced civil liability under these laws for a variety of alleged promotional and marketing activities, including engaging in off- label promotion that caused claims to be submitted for non- covered off- label uses. If we are in violation of any of these requirements or any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, this could have a significant impact on our business, including the imposition of significant criminal and civil fines and penalties, exclusion from federal health care programs or other sanctions, including consent orders or corporate integrity agreements. In addition, the U. S. Department of Health and Human Services Office of Inspector General recommends, and increasingly states require pharmaceutical companies to have comprehensive compliance programs. Moreover, the Physician Payment Sunshine Act enacted in 2010 imposes reporting and disclosure requirements on device and drug manufacturers for any " transfer of value " made or distributed to prescribers and other health care providers. Failure to submit this required information may result in significant civil monetary

penalties. While we have developed corporate compliance programs based on what we believe to be current best practices, we cannot provide assurance that we or our employees or agents are or will be in compliance with all applicable federal, state or foreign regulations and laws. If we are in violation of any of these requirements or any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant criminal and civil fines and penalties, exclusion from federal health care programs or other sanctions, including consent orders or corporate integrity agreements. The U. S. FCPA, the Canadian Corruption of Foreign Public Officials Act and similar worldwide anti- bribery laws generally prohibit companies and their intermediaries from making improper payments to officials for the purpose of obtaining or retaining business. Our policies mandate compliance with these anti- bribery laws. We operate in many parts of the world that have experienced governmental corruption and in certain circumstances, strict compliance with anti- bribery laws may conflict with local customs and practices or may require us to interact with doctors and hospitals, some of which may be state controlled, in a manner that is different than in the U. S. and Canada. We cannot provide assurance that our internal control policies and procedures will protect us from reckless or criminal acts committed by our employees, consultants, distributors, third party contractors or agents. Violations of these laws, or allegations of such violations, could disrupt our business and result in criminal or civil penalties or remedial measures, any of which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We are also subject to various state, federal and international laws and regulations governing the collection, transmission, dissemination, use, privacy, confidentiality, security, retention, availability, integrity and other processing of health- related and other sensitive and personal information, including HIPAA. Many states in which we operate have laws that protect the privacy and security of sensitive and personal information, including health- related information. Certain state laws may be more stringent or broader in scope, or offer greater individual rights, with respect to sensitive and personal information than federal, international or other state laws, and such laws may differ from each other, which may complicate compliance efforts. For example, the California Consumer Privacy Act of 2018 (" CCPA ") imposes stringent data privacy and security requirements and obligations with respect to the personal information of California residents and provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal data that may increase the likelihood of, and risks associated with, data breach litigation. The effects on our business of the CCPA and other similar state laws are potentially significant. State laws are changing rapidly and there is discussion in Congress of a new federal data protection and privacy law to which we may be subject. For instance, the California Privacy Rights Act (" CPRA ") **which** was passed in November 2020 **and took** ~~. When it takes~~ effect ~~in~~ **on** January **1,** 2023, ~~it will maintain~~ **maintains** the core framework of the CCPA, while also making a number of substantive changes. Since these data security regimes are evolving, uncertain and complex, especially for a global business such as ours, we will need to update or enhance our compliance measures from time to time and these updates or enhancements will require further implementation costs. Any failure, or perceived failure, by us to comply with current and future regulatory or customer- driven privacy, data protection, and information security requirements, or to prevent or mitigate security breaches, cyberattacks, or improper access to, use of, or disclosure of data, or any security issues or cyber- attacks affecting our business, could result in significant liability, costs (including the costs of mitigation and recovery), a material loss of revenue resulting from the adverse impact on its reputation and brand, loss of proprietary information and data, disruption to its business and relationships, and diminished ability to retain or attract customers and business partners. Such events may result in governmental enforcement actions and prosecutions, private litigation, fines and penalties or adverse publicity, and could cause customers and business partners to lose trust in us, which could have an adverse effect on our reputation and business. Internationally, laws and regulations in many jurisdictions apply broadly to the collection, transmission, dissemination, use, privacy, confidentiality, security, retention, availability, integrity and other processing of health- related and other sensitive and personal information. For example, the EU' s General Data Protection Regulation (" GDPR, "), and the UK' s General Data Protection Regulation (" UK GDPR ") together with national legislation, regulations and guidelines of the EU member states and the UK governing the processing of personal data, impose strict obligations and restrictions on the ability to collect, analyze, store, transfer and otherwise process personal data, including health data from clinical trials and adverse event reporting. The GDPR authorizes fines for certain violations of up to 4 % of global annual revenue or € 20 million, (or GBP 17. 5 million under the UK GDPR), whichever is greater. European data protection authorities may interpret the GDPR and national laws differently and impose additional requirements, which contributes to the complexity of processing personal data in or from the EEA or the UK. Guidance on implementation and compliance practices is often updated or otherwise revised. These laws require data controllers to implement stringent operational requirements, including, for example, transparent and expanded disclosure to data subjects about how their personal data is collected and processed, grant rights for data subjects to access, delete or object to the processing of their data, mandatory data breach notification requirements (and in certain cases, affected individuals), set limitations on retention of information and outline significant documentary requirements to demonstrate compliance through policies, procedures, training and audits. The GDPR also provides that EU member states may introduce further conditions, including limitations, and make their own laws and regulations, further limiting the processing of ' special categories of personal data,' including personal data related to health, biometric data used for unique identification purposes and genetic information, which could limit our ability to collect, use and share EU data, and could cause our compliance costs to increase, ultimately having an adverse impact on our business, and harm our business and financial condition. The withdrawal of the UK from the European Union (" Brexit ") also has created uncertainty with regard to the regulation of data protection in the UK. Since January 1, 2021, when the transitional period following Brexit expired, we have been required to comply with the GDPR as well as the UK GDPR (combining the GDPR and the UK' s Data Protection Act of 2018), which exposes us to two parallel regimes, each of which authorizes similar fines and may subject us to increased compliance risk based on differing, and potentially inconsistent or conflicting, interpretation and enforcement by regulators and authorities (particularly, if the laws are

amended in the future in divergent ways). With respect to transfers of personal data from the EEA, on June 28, 2021, the European Commission issued an adequacy decision in respect of the UK' s data protection framework, enabling data transfers from EU member states to the UK to continue without requiring organizations to put in place contractual or other measures in order to lawfully transfer personal data between the territories. While it is intended to last for at least four years, the European Commission may unilaterally revoke the adequacy decision at any point, and if this occurs, it could lead to additional costs and increase our overall risk exposure. In addition, in China, the Personal Information Protection Law (the " PIPL ") came into ~~force~~ **effect** in November 2021. The PIPL is the first national- level law comprehensively regulating issues in relation to personal information protection. The PIPL provides for very specific administrative requirements and security controls when transferring personal data outside the Peoples Republic of China. These transfer requirements ~~come~~ **came** into effect on March 1, 2023. We are also subject to Canada' s federal Personal Information Protection and Electronic Documents Act and substantially similar equivalents at the provincial level with respect to the collection, use and disclosure of personal information in Canada. Such federal and provincial legislation impose data privacy and security obligations on our processing of personal information of Canadian residents. The federal and Alberta legislation include mandatory data breach notification requirements. Canada' s Anti- Spam Legislation (" CASL ") also applies to the extent that we send commercial electronic messages from Canada or to electronic addresses in Canada. CASL contains prescriptive consent, form, content and unsubscribe mechanism requirements. Penalties for non- compliance with CASL are up to CAD $ 10 million per violation. These laws and regulations may be interpreted and applied differently over time and from jurisdiction to jurisdiction, and it is possible they will be interpreted and applied in ways that will materially and adversely affect our business. The regulatory framework for data privacy, data security and data transfers worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future. Complying with all of these laws and regulations involves costs to our business, and failure to comply with these laws and regulations can result in the imposition of significant civil and criminal penalties, as well as litigation, all of which could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. For more information regarding applicable data privacy and security laws and regulations, see Item 1. " Business — Government Regulations " of this Form 10- K. We are also subject to U. S. federal laws regarding reporting and payment obligations with respect to our participation in federal health care programs, including Medicare and Medicaid. Because our processes for calculating applicable government prices and the judgments involved in making these calculations involve subjective decisions and complex methodologies, these calculations are subject to risk of errors and differing interpretations. In addition, they are subject to review and challenge by the applicable governmental agencies, and it is possible that such reviews could result in changes that could have material adverse legal, regulatory, or economic consequences. Legislative or regulatory reform of the health care system may affect our ability to sell our products profitably and could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. In the U. S. and certain foreign jurisdictions, there have been a number of legislative and regulatory proposals to change the health care system in ways that could impact our ability to sell our products profitably. The Patient Protection and Affordable Care Act, as amended by the Health Care Reform Act, may affect the operational results of companies in the pharmaceutical and medical device industries, including the Company and other health care related industries, by imposing on them additional costs. Effective January 1, 2010, the Health Care Reform Act increased the minimum Medicaid drug rebates for pharmaceutical companies, expanded the 340B drug discount program, and made changes to affect the Medicare Part D coverage gap, or " donut hole. " The law also revised the definition of " average manufacturer price " for reporting purposes, which may affect the amount of our Medicaid drug rebates to states. Beginning in 2011, the law imposed a significant annual fee on companies that manufacture or import branded prescription drug products. **The** ~~More recently, the~~ Bipartisan Budget Act of 2018 amended the Patient Protection and Affordable Care Act, effective January 1, 2019, to close the donut hole in most Medicare drug plans. In addition, in April 2018, the Centers for Medicare & Medicaid Services published a final rule that gives states greater flexibility in setting benchmarks for insurers in the individual and small group marketplaces, which may have the effect of relaxing the essential health benefits required under the Patient Protection and Affordable Care Act for plans sold through such marketplaces. Although efforts at replacing the Health Care Reform Act have stalled in Congress, there could still be changes to this legislation. We cannot predict what those changes will be or when they will take effect, and we could face additional risks arising from such changes. Because of this continued uncertainty, including the potential for further legal challenges or repeal of that legislation, we cannot quantify or predict with any certainty the likely impact of this legislation or its repeal on our business model, prospects, financial condition or results of operations, in particular on the pricing, coverage or reimbursement of any of our product candidates that may receive marketing approval. Additionally, policy efforts designed specifically to reduce patient out- of- pocket costs for medicines could result in new mandatory rebates and discounts or other pricing restrictions. Legislative efforts relating to drug pricing, the cost of prescription drugs under Medicare, the relationship between pricing and manufacturer patient programs, and government program reimbursement methodologies for drugs have been proposed and considered at the U. S. federal and state level. Congress and the administration have each indicated an intent to continue to seek new legislative or administrative measures to control drug costs such as the Inflation Reduction Act, which, among other things, enables the U. S. government to impose penalties if drug prices are increased at a rate faster than inflation. At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. We also anticipate that Congress, state legislatures, and third- party payors may continue to review and assess alternative health care delivery and payment systems and may in the future propose and adopt legislation or policy changes or implementations effecting additional fundamental changes in the health care delivery system. We cannot provide assurance as to the ultimate content, timing, or

effect of changes, nor is it possible at this time to estimate the impact of any such potential legislation. In 2019, the U. S. **Department of** Health and Human Services ~~Administration~~ **(“ HHS ”)** announced a preliminary plan to allow for the importation of certain lower- cost drugs **, excluding insulin, biological drugs, controlled substances and intravenous drugs,** from Canada ~~. The preliminary plan excludes insulin, biological drugs, controlled substances and intravenous drugs~~ . The preliminary plan relies on individual states to develop proposals for safe importation of those drugs from Canada and submit those proposals to the federal government for approval. ~~Although~~ **In 2020, HHS issued a final rule allowing states to submit importation proposals to the FDA, which was reinforced in 2021 by an executive order from the Biden Administration directing the FDA to work with the states to import prescription drugs from Canada. After a** ~~the~~ **three** ~~preliminary~~ **- year effort by the state of Florida to gain approval to implement an importation** plan ~~has~~ **, on January 5, 2024, the FDA authorized the state of Florida to import certain prescription drugs from Canada. Even with this FDA approval, Florida must meet additional requirements before the plan can be implemented, including the filing of a pre- import request for each drug they seek to import and quality testing. There may be additional barriers to implementation, such that the benefits may not be realized for** some ~~support~~ **time and, even if they are, the reach and impact of Florida’ s plan may be limited. It is unclear whether other states will follow Florida’ s lead or what the impact of the FDA’ s novel decision to allow a state to import prescription drugs** from **another country will be.** ~~the current administration, at this time, studies~~ **Studies** to evaluate the related costs and benefits, ~~evaluate~~ the reasonableness of the logistics, and measure the public reaction of such a plan have not been performed. We cannot provide assurance as to the ultimate content, timing, effect or impact of such a plan. In 2019, the Government of Canada (Health Canada) published in the Canada Gazette the new pricing regulation for patented drugs. These regulations became effective on July 1, 2022. The new regulations, among other things, change the mechanics of establishing the pricing for products submitted for approval after August 21, 2019 and the number and composition of reference countries used to determine if a drug’ s price is excessive. While we do not believe this will have a significant impact on our future cash flows, as additional facts materialize, we cannot provide assurance as to the ultimate content, timing, effect or impact of such regulations. The Health Care Reform Act and further changes to health care laws or regulatory framework that reduce our revenues or increase our costs could also have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We are subject to a broad range of environmental laws and regulations and may be subject to environmental remediation obligations under such safety and related laws and regulations. The impact of these obligations and the Company’ s ability to respond effectively to them may have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We are subject to a broad range of federal, state, provincial and local environmental laws and regulations concerning the environment, safety matters, regulation of chemicals and product safety in the countries where we manufacture and sell our products or otherwise operate our business. These requirements include, among other matters, regulation of the handling, manufacture, transportation, storage, use and disposal of materials, including the discharge of pollutants, hazardous substances and waste into the environment. Compliance with environmental, health and safety laws and regulations could require us to incur significant operating or capital expenditures or result in significant restrictions on our operations. If we fail to comply with these environmental, health and safety laws and regulations, including failing to obtain or comply with any necessary permits, we could incur substantial civil or criminal fines or penalties or enforcement actions, including regulatory or judicial orders enjoining or curtailing our operations or requiring us to conduct or fund remedial or corrective measures, install pollution control equipment, reformulate or cease the marketing of our products or perform other actions. In the normal course of our business, regulated substances and waste may be released into the environment, which could cause environmental or property damage or personal injuries, and which could subject us to remediation obligations regarding contaminated soil and groundwater, potential liability for damage claims or to social or reputational harm and other similar adverse impacts. Under certain laws, we may be subject to joint and several liability for environmental investigations and cleanups, including at properties that we currently or previously owned or operated, or at sites at which waste we generated was disposed, even if the contamination was not caused by us or was legal at the time it occurred. We are subject to extensive and evolving regulations regarding the manufacturing, processing, distribution, importing, exporting and labeling of our products and their raw materials. In the EU, the REACH regulations came into effect in 2007, with implementation rolling out over time. Registered chemicals then can be subject to further evaluation and potential restrictions. Since the promulgation of REACH, other countries have enacted or are in the process of implementing similar comprehensive chemical regulations. These laws and regulations may materially affect our operations by subjecting our products or raw materials to testing or reporting requirements or restrictions, moratoria, phase outs or other limitations on their sale or use. In particular, some of our products might be characterized as nanomaterials and then be subject to evolving, new nanomaterial regulations. In recent years, legislation and regulation related to environmental protection have become increasingly stringent. Such legislation and regulations are complex and constantly changing. On July 14, 2021, the European Commission adopted a set of proposals to ensure polices are aligned with the goal of reducing net greenhouse gas emissions by at least 55 % by 2030 (the “ EU Green Deal ”). There is a growing focus on environmental impact of self- care products, their ingredients, components, packaging, manufacturing and disposal. This focus could lead to new requirements and restrictions in the coming years across all product categories. In particular, legislation and regulation relating to climate change, sustainability and product stewardship including greenhouse gas emissions, are at various stages of consideration and implementation. Future events, such as changes in existing laws or regulations or the enforcement thereof or the discovery of contamination at our facilities may, among other things, require us to install additional controls for certain of our emission sources, undertake changes in our manufacturing processes, remediate soil or groundwater contamination at facilities where such cleanup is not currently required, take action to address social expectations or concerns arising from or relating to such changes and our response to such changes or adversely impact our suppliers. These impacts may be significant and could have a material

adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. The consequences of climate change, such as extreme weather and water scarcity, could pose risks to our facilities and disruption of our activities. Natural disasters and extreme weather events resulting from climate change, such as floods, heatwaves, blizzards, hurricanes, wildfires, the rise of sea level and water stress, could impact our business activities and our ability to deliver our products to customers. We evaluate these risks in our supply planning, loss prevention and business continuity planning. The implementation of an Environmental, Health and Safety Management System across our facilities has resulted in the development of processes to prepare and respond to a range of natural emergencies that may occur, including extreme weather events. We have been placing increased attention on water management, implementing a scarcity- focused approach to water conservation to align with community needs and advance toward sustainable operations. If our planning and risk management regarding natural disasters and extreme weather events fail, our facilities could be impacted and our activities could be significantly disrupted. Other RisksWe must maintain adequate internal controls and be able to provide an assertion as to the effectiveness of such controls on an annual basis. Effective internal controls are necessary for us to provide reasonable assurance with respect to our financial reports. We spend a substantial amount of management and other employee time and resources to comply with laws, regulations and standards relating to corporate governance and public disclosure. In the U. S., such regulations include the Sarbanes- Oxley Act of 2002, SEC regulations and the NYSE listing standards, and in Canada, applicable securities laws. In particular, Section 404 of the Sarbanes-Oxley Act of 2002 requires management' s annual review and evaluation of our internal control over financial reporting and attestation as to the effectiveness of these controls by our independent registered public accounting firm. If we fail to maintain the adequacy of our internal controls, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal control over financial reporting. Additionally, internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. In addition, projections of any evaluation of effectiveness of internal control over financial reporting to future periods are subject to the risk that the control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. If we fail to maintain the adequacy of our internal controls, including any failure to implement required new or improved controls, this could have a material adverse effect on our business, financial condition, results of operations, cash flows and / or stock price. Our business and operations could be negatively affected by shareholder activism, which could cause us to incur significant expenses, hinder execution of our business strategy and impact our share price. In recent years, shareholder activism involving corporate governance, fiduciary duties of directors and officers, strategic direction and operations has become increasingly prevalent. One of our investors, which currently owns approximately 9. ~~59~~ **5** % of our outstanding common shares, filed a Schedule 13D with the SEC in February 2021 **(and subsequently amended)** , in which it was indicated that the investor intended to engage in discussions with our management and board regarding ways to enhance shareholder value, including our ongoing strategic review and that it may also seek board representation. We subsequently entered into a Director Appointment and Nomination Agreement with such investor, pursuant to which they have appointed two members to our Board of Directors. ~~Another of our investors, which currently owns approximately 4. 75 % of our outstanding common shares, filed a Schedule 13D with the SEC in July 2020, in which it indicated that it intended to consider, explore and / or develop plans and / or make proposals respecting, among other things, our businesses, assets, operations, and strategy, and to explore ways to strengthen the Company and enhance shareholder value. In February 2021, this investor also sent the Company a public letter, in which it stated its views on the timing of the completion of the B L Separation and recommended, among other things, the divestiture of certain of our businesses and assets.~~ In the event such investors continue to pursue such proposals or we become the subject of additional shareholder activism, this may create a significant distraction for our management and employees. This could negatively impact our ability to execute our business plans (including the **full** B L Separation) and may require our management to expend significant time, resources and costs, including legal fees and other expenses incurred in connection with any proxy contest that may result from any such shareholder activism. Furthermore, when individuals are elected to our Board with a specific agenda, it may adversely affect our ability to effectively implement our business strategy and create additional value for our shareholders and could lead us to adopt other plans that we cannot predict and which could focus on short- term benefits with longer- term costs or that may not be in the best interests of the Company. Such shareholder activism may also create uncertainties with respect to our financial position and operations, may adversely affect our ability to attract and retain key employees and may result in loss of potential business opportunities with our current and potential customers and business partners, any of which could have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, such shareholder activism may cause significant fluctuations in our share price based on temporary or speculative market perceptions, uncertainties or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business, and could cause the market value of our common shares to decline. While we will remain responsive to shareholder demands, there is no assurance that we will achieve their objectives, or that doing so will decrease the likelihood of activist shareholder engagement in the future. We have significant goodwill and other intangible assets and potential impairment of goodwill and other intangibles may have a significant adverse impact on our profitability. Goodwill and intangible assets represent a significant portion of our total assets. Finite- lived intangible assets are subject to an impairment analysis whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. Goodwill and indefinite- lived intangible assets are tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. If impairment exists, we would be required to take an impairment charge with respect to the impaired asset. For example, for **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , we recognized impairments to finite ~~- lived and indefinite -~~ lived intangible assets of $ **54 million, $** 15 million ~~,~~ **and** $ **234** ~~146 million and $ 18~~ million, respectively. These asset impairments

were primarily attributable to revisions in sales forecasts associated with discontinuances, generic competition and other market forces. In addition to impairments to finite- lived ~~and indefinite- lived~~ intangible assets, for **2023,** 2022 and 2021, we recognized $ **493 million, $** 824 million ~~in impairments to the goodwill of our Neurology and Other and Ortho Dermatologics reporting units~~ and $ 469 million **, respectively,** in impairments to ~~the~~ goodwill ~~of our Ortho Dermatologics reporting unit~~ . These impairments to goodwill were primarily the result of revisions to our long- term forecasts as well as increases in market interest rates which resulted in higher discount rates used in the impairment analysis for the reporting units due to changing business dynamics and market conditions. **We** ~~There were no goodwill impairments for the year 2020. The Company~~ conducted ~~its~~ **our** annual goodwill impairment test as of October 1, ~~2022~~ **2023** , which included performing separate quantitative fair value tests for the **International** ~~Neurology and Other~~ reporting unit ~~in~~ **, the Generics reporting unit of** the Diversified ~~Products~~ segment and the Vision Care, Surgical and ~~Ophthalmic~~ **Pharmaceuticals** reporting units of the Bausch Lomb segment. ~~For its remaining~~ **Our quantitative fair value testing resulted in an impairment of $ 91 million to the goodwill of our Generics** reporting ~~units~~ **unit** ~~, no~~ **. No** impairment to the goodwill of **any other reporting unit** was identified **as of October 1, 2023** . If market conditions deteriorate, or if the Company is unable to execute its strategies, it may be necessary to record impairment charges in the future. See Note 8, " INTANGIBLE ASSETS AND GOODWILL " to our audited Consolidated Financial Statements for further information on these impairment charges. Events giving rise to impairment are difficult to predict, including the uncertainties associated with the launch of new products, and are an inherent risk in the pharmaceutical and medical device industries. As a result of the significance of goodwill and intangible assets, our financial condition and results of operations in a future period could be negatively impacted should such an impairment of goodwill or intangible assets occur, which could cause the market value of our common shares and / or debt securities to decline. We may be required to take additional impairment charges in the future and such impairment charges may be material. The Company' s ability to effectively monitor and respond to the rapid and ongoing developments and expectations relating to environmental, social and governance (" ESG ") matters, including related social expectations and concerns, may impose unexpected costs on the Company or result in reputational or other harm to the Company that could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. There are rapid and ongoing developments and changing expectations relating to ESG matters and factors such as the impact of our operations on climate change, water and waste management, our practices relating to sustainability and product stewardship, product safety, access to health care and affordable drugs, management of business ethics and human capital development, which may result in increased regulatory, social, investor or other scrutiny on us. If we are not able to adequately recognize and respond to such developments and governmental, investor and social expectations, including expectations of lenders, investors and other stakeholders relating to ESG matters, we may miss corporate opportunities for the Company, become subject to additional regulatory, social, investor or other scrutiny, incur unexpected costs or experience damage to the reputation of the Company or its various brands with governments, customers, employees, investors, third parties and the communities in which we operate, in each case that could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and / or debt securities to decline. We have various indemnity agreements and indemnity arrangements in place, which may result in an obligation to indemnify or reimburse the relevant counterparty, which amounts may be material. All directors and / or officers of the Company, and each of its various subsidiary entities, are indemnified by the Company in respect of their service as directors and / or officers, subject to certain restrictions. We have also purchased directors' and officers' liability insurance to mitigate the cost of any potential future lawsuits or actions. The maximum amount of any potential future payment cannot be reasonably estimated but could have a material adverse effect on the Company. In the normal course of business, we have entered or may enter into agreements that include indemnities in favor of third parties, such as purchase and sale agreements, license agreements, engagement letters with advisors and consultants and various product and service agreements. These indemnification arrangements may require us to compensate counterparties for losses incurred by the counterparties as a result of breaches in representations, covenants and warranties provided by us or as a result of litigation or other third- party claims or statutory sanctions that may be suffered by the counterparties as a consequence of the relevant transaction. In some instances, the terms of these indemnities are not explicitly defined. We, whenever possible, try to limit this potential liability within the particular agreement or contract, but due to the unpredictability of future events the maximum amount of any potential reimbursement cannot be reasonably estimated, but could have a material adverse effect on the Company. ~~General Risk FactorsOur operating results and financial condition may fluctuate. Our operating results and financial condition may fluctuate from quarter to quarter for a number of reasons. In addition, our stock price can be volatile. The following events or occurrences, among others, could cause fluctuations in our financial performance and / or stock price from period to period: • the impact of COVID- 19; • development and launch of new competitive products; • the timing and receipt of FDA and other regulatory approvals or lack of approvals; • costs related to business development transactions; • changes in the amount we spend to promote our products; • delays between our expenditures to acquire new products, technologies or businesses and the generation of revenues from those acquired products, technologies or businesses; • changes in treatment practices of physicians that currently prescribe certain of our products; • increases in the cost of raw materials used to manufacture our products; • actions by the FDA or other regulatory agencies relating to our manufacturers or suppliers; • manufacturing and supply interruptions; • our responses to price competition; • new legislation that would control or regulate the prices of drugs; • a protracted and wide- ranging trade conflict between the United States and China; • expenditures as a result of legal actions (and settlements thereof), including the defense of our patents and other intellectual property; • market acceptance of our products; • the timing of wholesaler and distributor purchases and success of our wholesaler and distributor arrangements; • general economic and industry conditions, including potential fluctuations in interest rates; • changes in seasonality of demand for certain of our products; • foreign currency exchange rate fluctuations; • the timing, structure and terms of the B L Separation; • changes to, or the confidence in, our business strategy; • changes to, or the confidence in, our management; and •~~

~~expectations for future growth. As a result, quarter- to- quarter comparisons of results from operations, or any other similar period- to- period comparisons, may not be reliable indicators of our future performance. In any quarterly period, our results may be below the expectations of market analysts and investors, which could cause the market value of our common shares and / or debt securities to decline. 53~~