



## STANDARD OPERATING PROCEDURE

### CONFLICT OF INTEREST REPORTING PROCESS BHC-US-CMP-SOP-101

EFFECTIVE DATE: January 4, 2023  
VERSION # 3

#### 1. Purpose

This Standard Operating Procedure ("SOP") defines the process for reporting, reviewing and approving Conflict of Interests ("COI") submissions. It applies to Bausch Healthcare Companies, Inc. ("BHC", "Bausch Health" or the "Company"), and its affiliates.

Each employee of BHC is required to observe a duty of undivided loyalty to the Company, free from any conflicts of interest. A Conflict occurs when an employee's personal or private interests conflict with those of the Company. Conflicts have the potential to adversely influence an employee, contractor and/or consultant's judgment when acting on BHC's behalf.

Employees, contractors, and consultants are expected to avoid even the appearance of a conflict of interest, by disclosing any situation that could reasonably give rise to, or be regarded as, a conflict of interest in accordance with the process set out in this SOP.

Compliance with this SOP is a condition of employment with the Company. In addition, all local or regional policies and procedures related to conflict of interest must be adhered to.

#### 2. Scope

- 2.1 This SOP applies to all full-time and part-time employees of BHC, and/or consultants and contractors representing BHC, such as contract sales representatives, consultants speaking and/or conducting commercial activities on behalf of BHC, etc. ("personnel").

#### 3. Definitions

- 3.1 Family Member - "Family member" is defined as one of the following: relationships by blood – parent, child, grandparent, grandchild, brother, sister, uncle, aunt, nephew, niece and first cousin; and relationships by marriage - spouse (as defined by applicable federal, state, or local law), step-parent, step-child, in-law, half-sibling, uncle, aunt, nephew, niece, spouse/partner of any of the above and co-habiting couples or significant others.
- 3.2 Conflict of Interest Coordinator - The Conflict of Interest Coordinator is the Chief Compliance Officer or his/her designee. The COI Coordinator is responsible for collecting and evaluating COI submissions. The COI Coordinator may confer with other functions such as Legal, Medical, Human Resources, etc., as may be appropriate to evaluate the potential reported conflict of interest. The COI coordinator is responsible for maintaining and archiving all COI submissions and evaluation decisions.

#### 4. What is a Conflict of Interest

Conflicts of interest can arise in virtually every area of Company operations. Conflicts of interest occur when an individual's personal interests conflict with the interests of the Company, or when an individual's personal interests influence or appear to influence their judgment or actions in performing their duties.

Therefore, personnel should not have any business, financial or other relationship with any individual or entity, including suppliers, customers, or competitors, which might impair or even appear to impair their independence. The word "appear" is important. Even where there is no actual conflict of interest, the appearance of such a conflict is damaging because it can undermine trust among personnel and cost the Company the respect of customers, potential customers, and others in the industry.

#### 5. Particular Areas of Concern

##### 5.1 Acceptance of Gifts and Gratuities

- 5.1.1 Our purchasing decisions and related activities must be based solely on quality, performance, and price.
- 5.1.2 Personnel and members of their families should not accept gifts of more than a token value, loans, excessive entertainment, or substantial favors from any outside company or individual that does or is seeking to do business with Bausch Health or is a Bausch Health competitor.
- 5.1.3 Accordingly, relations with suppliers are to be maintained on an objective basis, free from the influence of gifts and favors. Only nominal gifts in keeping with business custom and moderately priced meals or entertainment may be accepted from suppliers with the full knowledge of your manager. Personnel can never accept meals, entertainment, gifts or favors when such actions might reasonably be construed as attempts to secure favorable treatment, or when they create an appearance of impropriety. No gift or benefit with more than nominal value in keeping with business custom and local laws may be accepted without the prior written approval from the COI Coordinator.
- 5.1.4 The same principles apply to all personnel, whether involved in purchasing or in other areas of the Company
- 5.1.5 Personnel may not accept:
  - A gift of cash or a cash equivalent (e.g., stocks, gift certificates, gift cards) of any amount or,
  - Entertainment of any kind unaccompanied by a representative of the business providing it.

##### 5.2 Outside Activities

- 5.2.1 Our purchasing decisions and related activities must be based solely on quality, performance, and price. Activities we participate in outside our employment and/or contracted term with Bausch Health can give rise to conflicts of interest. We cannot compete or help others to compete with the Company. The following are the types of outside activities that can create conflicts:

- Ownership by personnel or any member of the personnel's family of a substantial interest in any concern that does business with Bausch Health, whether as a supplier, dealer, or customer, or as a competitor (except in the case of a publicly owned corporation whose securities are traded on the open market).
- Personnel may serve on Profit and Non-Profit Board of Directors, but this must be disclosed and authorized by the COI Coordinator.
- Engaging in an outside activity with an individual, business or organization which currently (or potentially) has a competitive or business relationship with Bausch Health where such activity is likely to decrease the impartiality, judgment, effectiveness, or productivity expected from personnel.
- Serving as a director, officer, employee, consultant, advisor, or in any other capacity for any business or other organization with which Bausch Health currently (or potentially) has a business relationship or which is, or can expect to become, a competitor of Bausch Health.
- Outside Clinical Practice
  - Performance by personnel of services in or for any business or individual that is or could be a customer of Bausch Health (e.g., healthcare provider; pharmacy, dental practice) is not permitted without express written authorization by the COI Coordinator, in accordance with the Procedures set forth in this policy.
  - Under limited circumstances, personnel who are licensed healthcare professionals may seek approval to engage in clinical practice in order to maintain an active professional license. Personnel must seek written approval for such outside clinical practice by following the Conflicts of Interest procedure outlined in this SOP. Personnel must disclose on the Conflict of Interest Disclosure Form information about the nature of the employment, including the name and location or the organization or entity, the anticipated schedule of clinical practice hours, and complete compensation information including any incentive pay. Personnel must also provide information about the licensing requirements they seek to maintain, including documentation about the requirements to renew or maintain their license. Written approval of the request must be provided before any outside clinical employment is authorized, in accordance with the Procedures set forth in this Policy.
  - Even under these limited circumstances, personnel who are licensed healthcare professionals, including but not limited to physicians, nurses, dentists, dental hygienists, and pharmacists and who have received approval to engage in clinical practice, may not practice: (i.) in a territory where they receive compensation or commission based on sales; or (ii.) in an office or clinical practice that is associated or affiliated with an office or clinical practice located within a territory where they receive compensation or commission based on sales. Personnel are required to ensure this prohibition is not violated even if circumstances change over time, such as changes to their

territory or region.

- Violation of these rules regarding Outside Clinical Practice may lead to discipline, up to and including termination of employment and/or contract. Exceptions may be made on a case-by-case basis subject to written approval by Legal and Compliance.
- Performance by personnel or a member of the personnel's family of services for any business or individual that does business with Bausch Health, e.g., a relative working for a travel agency doing business with Bausch Health.
- Outside employment which conflicts or might be reasonably expected to conflict with the normal duties of Bausch Health personnel.
- Employment or service with any government entity that regulates or oversees Bausch Health's activities, with which Bausch Health has or seeks a business relationship, or in whose activities Bausch Health is interested in a manner more substantial than the interest of the general public.

5.2.2 Anytime personnel's outside activity may present a conflict, he/she/they must disclose those activities and receive prior written approval from the COI Coordinator. Violation of this policy may lead to discipline, up to and including termination.

### 5.3 Inside Information

5.3.1 As required by securities laws, personnel must not buy or sell the securities of Bausch Health, directly or indirectly, on the basis of inside information, or communicate such information to others for that purpose. In addition, personnel must not trade in the securities of any other company on the basis of undisclosed information obtained in the course of employment/contracting with Bausch Health or communicate such information to others for that purpose. For more information regarding what constitutes inside information and our obligations regarding such information please see the Company's Insider Trading Policy, Blackout Policy, and Corporate Disclosure Policy.

### 5.4 Corporate Opportunities

5.4.1 Personnel may not personally take advantage of or benefit from any business opportunity that may be of interest to Bausch Health.

5.4.2 Personnel may not personally take opportunities that are discovered through the use of corporate property, information, or position for personal gain; or compete with the Company. Personnel have a duty to Bausch Health to advance its legitimate interests when the opportunity to do so arises.

### 5.5 Potential Conflict of Interest Relationships

5.5.1 Personal relationships, which create actual or potential conflicts of interest, are to be avoided by all personnel. Personal or romantic involvement with a competitor, supplier, or any personnel of Bausch Health which impairs an individual's ability to exercise good judgment on behalf of Bausch Health, creates an actual or potential conflict of interest. Supervisor-subordinate romantic or personal relationships also can lead to potential conflicts of

interest and morale problems. In those situations, where two or more family members are employed by Bausch Health, they should not:

- Work in the same department,
- Serve as a direct supervisor of the other family member, or
- Supervise the family member's manager.

5.5.2 For complete clarity, no family member should serve in a supervisory capacity one or two level over another family member. In those rare circumstances in which it may be in the Company's best interest to allow an exception to this policy, the exception must be approved by the COI Coordinator.

## 5.6 Prohibition of Loans and Extending Credit

5.6.1 In accordance with the provisions of Section 402 of the Sarbanes-Oxley Act, the Company will not make any personal loans or extend credit to any executive officer or director of the Company.

## 6. Procedure

### 6.1 Submission Process (Personnel)

6.1.1 Personnel are responsible for promptly informing and or updating their direct manager/supervisor in writing of all existing or proposed outside employment, relationships, financial interests, and business transactions that could, or might appear to, be a conflict of interest for themselves, a Family Member, or those having a close personal relationship with the individual.

6.1.2 Personnel that have a potential Conflict of Interest must self-disclose using the Conflict of Interest Disclosure Form (see [Appendix A](#)) and should detail the circumstances surrounding the conflict of interest, providing as much information as possible.

6.1.3 After completing the COI Disclosure Form, the individual must send the form to their Manager or Supervisor for review.

6.1.4 On an annual basis, employees may be asked to certify their compliance with this policy in the Company training management system.

### 6.2 Preliminary Review (Managers/ Supervisors)

6.2.1 Managers and supervisors are responsible to review the COI Disclosure Form, completing the "Manager/Supervisor Section", include any comments and submit the COI Disclosure Form to the Conflict of Interest Coordinator for review and approval to [coimailbox@bauschhealth.com](mailto:coimailbox@bauschhealth.com).

### 6.3 Review and Approval

6.3.1 The US Compliance team will identify the business origin of the submission and provide to the corresponding Regional Compliance Officer. The Regional Compliance Officer will provide to the designated COI Coordinator, who will review and determine the risk level based on the facts surrounding

the conflict of interest submission.

- Low Risk/ No Risk: For low risk or no risk submissions, the COI Coordinator may confer with Legal and Regional Compliance Heads.
- High Risk: For high risk submissions, the COI Coordinator will confer with additional functions as necessary and appropriate.

6.3.2 Once a determination is made, the COI Coordinator will;

- E-mail the individual the final COI decision.
- Maintain the COI Disclosure Form and any supporting documentation that may be included.
- Based on the nature of the COI, a copy of the Disclosure Form may be provided to Human Resources, if appropriate.

## 7. Applicable Policies and SOPs

- Code of Conduct
- The Global Anti-Bribery Policy
- The Corporate Disclosure Policy
- The Human Resources Employee Handbook
- The Blackout Policy
- The Business Ethics Reporting policy
- The Insider Trading Policy

## 8. Revision History

Revision	Major/ Significant Changes	Reason/ Justification for Change
01	N/A	New SOP
02	Updated section 5.2.1.	Enhanced policy to include specific language and examples related to engagement of licensed healthcare associates.
03	Update COI evaluation process, update CCO approval, removal of Appendix C.	Revisions post BHC/B+L separation.

## 9. Review and Approval

This SOP has been approved by:

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David Alexander  
Chief Compliance and Ethics Officer

## Appendix A- Conflict of Interest Disclosure Form Template

The Conflict of Interest Disclosure Form can be obtained using the following link:

<http://valeantvision.valeant.corp.vrx/corporate/Pages/compliance.aspx>

Field/ Description	Details (please provide details <u>below</u> ). All fields should be completed.
Date of Submission:	
Name of Submitter:	
Title of Submitter:	
Country of Submitter:	
Department of Submitter:	
Type of Submission:	<p><b>(Check the COI that applies)</b></p> <p><input type="checkbox"/> Outside Employment</p> <p><input type="checkbox"/> Outside Clinical Practice</p> <p><input type="checkbox"/> Employment of Family Member/ Friend</p> <p><input type="checkbox"/> Board Membership</p> <p><input type="checkbox"/> Ownership in Competitor/ Supplier/ Vendor or Other Commercial Partner</p> <p><input type="checkbox"/> Conflict with Competitor/ Supplier/ Vendor or Other Commercial Partner</p> <p><input type="checkbox"/> Personal Relationships</p> <p><input type="checkbox"/> Other:</p>
Conflict of Interest Information: <b>[Submitter (Employee):</b> please provide as much detail here for the reviewer to properly review the conflict of interest submission. Lack of information may result in delay of review or additional outreach to obtain further information]. Forward your request to your Manager/ Supervisor for review.	
Manager/ Supervisor Name:	
Manager/ Supervisor Title:	
Manager/ Supervisor Review: (please review, provide your comments, and submit review <u>directly</u> to the COI Compliance Mailbox for review)	
<b>Section Below: To be completed by Compliance Team</b>	
Compliance Associate Name:	
Compliance Associate Title:	
Conflict of Interest Coordinator Review Comments (if any)	
Copy of Form Provided to Human Resources	

**For any reported Conflicts of Interest, Managers/ Supervisors are responsible for forwarding the completed Disclosure Form with ALL comments via email to [coimailbox@bauschhealth.com](mailto:coimailbox@bauschhealth.com).** For submissions deemed High Risk, Compliance and the additional functions that may be required will review and route the disclosure to the appropriate levels of management and return a response and determination via email.

Please complete one Disclosure Form per each Conflict of Interest you may have. Should you have any questions regarding this process, please send your questions to [coimailbox@bauschhealth.com](mailto:coimailbox@bauschhealth.com).

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## **Appendix B- Example of Conflicts of Interests**

\*The following table includes some examples of possible Conflict of Interests (“COI”) but is not limited to all types of possible Conflict of Interests. Refer to Section 5 for full details of particular areas of concern.

<b>Conflict of Interest Example(s)*</b>
<b>Acceptance of Gifts and Gratuities</b> <ul style="list-style-type: none"><li>• An employee receiving entertainment, gifts or cash equivalent from a vendor/supplier or company doing business with or seeking to do business with Bausch Health.</li></ul>
<b>Outside Activities:</b> <ul style="list-style-type: none"><li>• An employee having outside employment with a competitor of Bausch Health and its affiliates.</li><li>• An employee having a non-Company related part time job or interest that possibly may encroach on Bausch Health Companies Inc. paid time.</li><li>• An employee having Board Membership that potentially could affect Bausch Health (i.e., on Board of competitor, vendor, or customer).</li><li>• Ownership by an employee, or any member of the employee’s family, of a substantial interest in any company that does business with Bausch Health or is a competitor.</li><li>• Serving as a director, officer, employee, consultant, advisor, or in any other capacity for any business or other organization with which Bausch Health currently (or potentially) has a business relationship or which is, or can expect to become, a competitor of Bausch Health.</li><li>• Performance by an employee of services in or for any business or individual that is or could be a customer of Bausch Health (e.g., healthcare provider; pharmacy, dental practice), including employees who are licensed healthcare professionals.</li></ul>
<b>Personal Relationships</b> <ul style="list-style-type: none"><li>• A Family Member serving as a direct supervisor to another Family Member.</li><li>• Having a family member as a customer (i.e., Targeted Healthcare Professional).</li><li>• A spouse working at a competing Pharma Company.</li><li>• Personal relationship with a vendor or supplier</li></ul>
<b>Romantic Relationships</b> <ul style="list-style-type: none"><li>• A sales representative dating one of their customers and also having that customer on their target list.</li><li>• Employee dating their current supervisor or manager.</li></ul>
<b>Financial Relationships</b> <ul style="list-style-type: none"><li>• A Bausch Health employee engaging with and hiring a vendor that is also a friend/ family member of the employee (i.e., a representative using his brother’s bakery to cater lunch and learn sessions).</li><li>• Direct or Indirect ownership interest in a vendor or supplier.</li></ul>