

BAUSCH+Health



BAUSCH HEALTH COMPANIES INC. | 2020 ANNUAL REPORT

Global, Diverse, Durable

OUR VISION

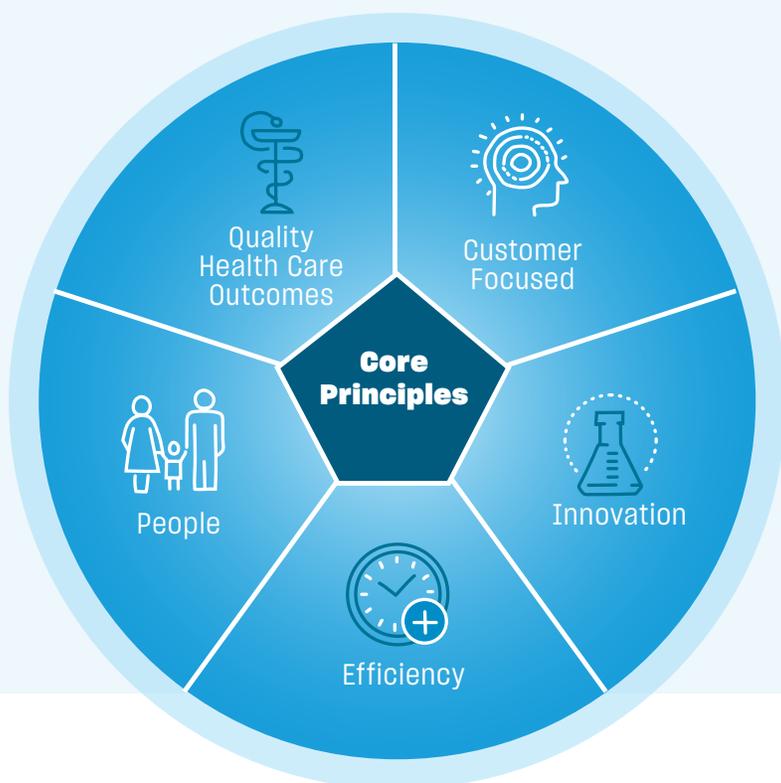
To be Your Trusted Health Care Partner

CORE VALUES

- Accountability
- Agility
- Courage
- Integrity
- Teamwork
- Results Orientation

OUR MISSION

Improving People's Lives With Our Health Care Products



COMPANY OVERVIEW

We are a global company whose mission is to improve people's lives with our health care products. We develop, manufacture and market a range of branded, generic and branded generic pharmaceuticals, medical devices (contact lenses, intraocular lenses, ophthalmic surgical equipment and aesthetics devices) and over-the-counter (OTC) products, primarily in the therapeutic areas of eye health, gastroenterology and dermatology. We are delivering on our commitments as we build an innovative company dedicated to advancing global health.

More information can be found at www.bauschhealth.com.

FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking information and statements, within the meaning of applicable securities laws (collectively, "forward-looking statements"), including, but not limited to, statements regarding the Company's future prospects and performance, the Company's plan to spin off its eye health business from the remainder of Bausch Health and the timing of the completion of the internal work related thereto, the anticipated impact of the COVID-19 pandemic on the Company and the Company's business recovery therefrom, anticipated advances in our development programs and pipeline products and other strategic alternatives being developed by the Company to drive and deliver shareholder value. Forward-looking statements may generally be identified by the use of the words "anticipates," "expects," "intends," "plans," "should," "could," "would," "may," "will," "believes," "estimates," "potential," "target," or "continue" and variations or similar expressions, and phrases or statements that certain actions, events or results may, could, should or will be achieved, received or taken, or will occur or result, and similar such expressions also identify forward-looking information. These forward-looking statements, including the Company's future performance and growth, are based upon the current expectations and beliefs of management and are provided for the purpose of providing additional information about such expectations and beliefs, and readers are cautioned that these statements may not be appropriate for other purposes. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, but are not limited to, the risks and uncertainties discussed in the Company's most recent annual or quarterly report and detailed from time to time in the Company's other filings with the Securities and Exchange Commission and the Canadian Securities Administrators, which risks and uncertainties are incorporated herein by reference. In addition, certain material factors and assumptions have been applied in making these forward-looking statements, including, without limitation, the assumption that the risks and uncertainties outlined above will not cause actual results or events to differ materially from those described in these forward-looking statements, and additional information regarding certain of these material factors and assumptions may also be found in the Company's filings described above. The Company believes that the material factors and assumptions reflected in these forward-looking statements are reasonable in the circumstances, but readers are cautioned not to place undue reliance on any of these forward-looking statements. These forward-looking statements speak only as of the date hereof. Bausch Health undertakes no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect actual outcomes, unless required by law.

OUR MISSION TO IMPROVE PEOPLE'S LIVES

HELPING IN THE WORLDWIDE FIGHT AGAINST COVID-19

From the earliest days of the COVID-19 pandemic, Bausch Health began taking up initiatives aimed at contributing to the global fight against the virus, including actively donating medicines and health care products while also pursuing research to determine if products in our existing portfolio would offer further treatment options.

Among several ongoing research efforts to determine if products throughout our portfolio may offer valuable treatment options, in vitro data shows two benzalkonium chloride preserved eye drops, LUMIFY® and BESIVANCE®, indicate complete inactivation of COVID-19. Also, clinical trials in Canada are evaluating an investigational use of VIRAZOLE® to help treat hospitalized adult patients with respiratory distress due to COVID-19.

In Wuhan, China, health care providers reported that they were hindered by fogging eyeglasses while wearing protective gear, such as goggles, face masks and containment suits. The Company responded by donating Biotrue® ONEday daily disposable contact lenses to these health care providers.

At our manufacturing sites located in Jinan, China, and Laval, Canada, available production lines were converted to produce hand sanitizer for donation to health care providers, first responders and volunteers.

“In line with our mission of improving people’s lives with our health care products, we will continue to seek opportunities to offer support and aid to the institutions, patients and health care providers battling this pandemic,” said Joseph C. Papa, Bausch Health CEO.



Bausch + Lomb employees in China shipped disposable contact lenses to frontline pandemic responders.



FELLOW SHAREHOLDERS,

Bausch Health is a company dedicated to innovation, advancing global health and improving people's lives with our health care products. In a year with unprecedented business disruption due to the COVID-19 pandemic, we finished the year strong and we believe that momentum will carry over into 2021.

This past year was one we will never forget. The global pandemic impacted our businesses around the world, while social unrest across the United States weighed on many of our colleagues, communities and customers. It was a trying and anxious year for all.

Like most other companies, Bausch Health faced significant challenges due to mandated social restrictions, market shutdowns and quarantine actions around the world. Our team's determination, adaptability and resourcefulness helped mitigate much of the impact to our Company. The resilience of our more than 22,000 colleagues across the globe was, for me, a bright spot in a very challenging year.

As the pandemic began, our top priorities were to make sure that our employees were safe and that the necessary measures were taken to protect the integrity of our supply chains. Success against those two objectives enabled us to continue to fulfill our mission of improving people's lives with our health care products.

We also took aggressive steps to conserve cash and to protect, as best we could, our profitability and cash flow as we worked our way through the year. Those efforts helped us deliver more than \$1.1 billion in cash generated from operations in 2020 and enabled us to repay approximately \$900 million in debt in 2020 despite the impacts of the pandemic. I'm proud of our responses to operating in a COVID-19 world, and the results.

We prepared for the long-term effects of the pandemic, and as 2020 progressed, our results showed that our business recovery is well underway. While adapting to the "new normal," we didn't skip a beat, launching new products, gaining market share with many of our key promoted brands and advancing our new product development pipeline. We believe our global, diversified and durable business model leaves us well-positioned to return to growth as the impacts of the pandemic fade.

Bausch Health: Global, Diverse, Durable

While last year was often challenging from an operational perspective, we achieved several important milestones including important new product launches, advancements in our pipeline and the execution of several business development agreements to acquire and develop new products:

Launches

- INFUSE® Silicone Hydrogel (SiHy) daily disposable contact lenses launched in the U.S.
- Global expansion with the launch of our Bausch + Lomb ULTRA® ONE Day silicone hydrogel (SiHy) daily disposable contact lenses in Canada, Hong Kong and Australia
- ARAZLO® (tazarotene) Lotion, 0.045%, the first tazarotene acne treatment available in lotion formulation, launched in the U.S.

Pipeline advancements

- U.S. Food and Drug Administration (FDA) approval for Bausch + Lomb Alaway® Preservative Free (Ketotifen Fumarate) Ophthalmic Solution, 0.035%, antihistamine eye drops
- The FDA granted Orphan Drug Designation to Rifaximin for treatment of sickle cell anemia
- Favorable topline results from a study evaluating an investigative formulation of Rifaximin SSD IR to treat overt hepatic encephalopathy (OHE)

Key acquisitions and agreements

- Completed several deals to expand our vision care portfolio to address areas of unmet need:

Myopia:

- Acquired an exclusive license in the U.S. and Canada from Eyenovia for the development and commercialization of an investigational microdose formulation of atropine ophthalmic solution, which is being investigated for the reduction of pediatric myopia progression in children ages 3-12
- Acquired an exclusive global license for a myopia-control contact lens design developed by BHVI

Dry Eye:

- In late 2019, we licensed Novaliq's NOV03 investigational treatment for dry eye disease associated with meibomian gland dysfunction

Age-Related Macular Degeneration:

- Acquired an option to purchase all ophthalmology assets of Allegro Ophthalmics, LLC, including global rights for risuteganib (Luminate®)¹, an investigational treatment expected to help reverse vision loss due to dry AMD
- Licensed exclusive rights from STADA and Xbrane to a biosimilar candidate for Lucentis (ranibizumab) in the U.S. and Canada

¹ Provisional name. Luminate® is a registered trademark of Allegro Ophthalmics.

GLOBAL DIVERSE DURABLE

Health, Safety, Wellness, Environment and Diversity & Inclusion

Conducting business responsibly is essential to achieving our core business goals. Our global Environment, Health, Safety & Sustainability organization provides the leadership and infrastructure necessary to help Bausch Health achieve a more sustainable and regenerative state. We have a comprehensive set of environmental policies that provide the foundation to our sustainability commitments, focusing on providing a safe and healthy workplace for all our employees, committing to sustainable purchasing and packaging, reducing water utilization, minimizing the generation of waste, tracking energy use and reducing carbon emissions.

On an ongoing basis, we measure how well we are fostering the health and safety of our employees through a Days Away Rate (DAR), which captures globally the number of days that our employees are away from work due to illness or injury. In 2020, we achieved an annual DAR of 11, surpassing our annual goal of 13 and exceeding the industry standard of 24. Recognizing that physical, emotional and financial well-being are significant contributors to our employees' success at work and home, especially in 2020, we continue to support them in all aspects of their everyday life by centering programs and activities around these three pillars of well-being and offer a range of resources.

We are also dedicated to fostering an inclusive work environment where everyone feels welcomed, supported and valued for their talents and contributions. Our Diversity & Inclusion strategy centers on connecting employees to our Company, each other and our communities to cultivate a sense of trust, respect and belonging for all. Furthermore, we continue to expand our Employee Resource Groups, providing opportunities for professional growth, development and informal networking.

Our Bausch Health Corporate Social Responsibility Report, published in September 2020, offers many additional details on these important aspects of our business.

A Clear Focus on our Future

Turning to 2021, Bausch Health looks to build on the momentum established over the second half of 2020, regain our pre-COVID levels of revenue, profitability and cash flow and drive the growth of our attractive businesses from that point forward. In 2021, our focus will be in three areas:

- Executing our business recovery from the COVID-19 pandemic
- Unleashing growth drivers and key catalysts
- Accelerating strategic alternatives to drive shareholder value

Driving Shareholder Value

We believe that we can unlock and deliver significant value to our shareholders. Last August, we announced our intention to spin off Bausch + Lomb into an independent publicly traded entity, a move that would create two separate companies:

- A fully integrated, pure-play eye health company built on the iconic Bausch + Lomb brand, with its long history of innovation; and
- A diversified pharmaceutical company with leading positions in gastroenterology, aesthetics/dermatology, neurology and international pharmaceuticals.

We made excellent progress preparing for the spin-off and, by the end of the third quarter of 2021, we expect to have completed all the internal work necessary to stand up Bausch + Lomb as a fully operational company. That said, the spin-off is not the only track we are pursuing. Our Board of Directors and management team are simultaneously working hard, and with measured urgency, to develop a range of other alternatives into actionable options to deliver value to shareholders.

The year 2020 was a time of disruption, yet each of our employees remained focused, determined and committed to meeting our mission of improving people's lives. Everyone worked hard to ensure we had ample supply of our needed health care products for patients and consumers, while keeping a sharp eye on operating expenses. All of our employees are to be commended for a job done exceedingly well in an often-difficult environment. We are proud that every day, more than 150 million people around the world use a Bausch Health product.

Thank you also to our shareholders, who believe in our Company, our strategy and our ability to execute. I am grateful for your continued confidence and support.

Sincerely,



Joseph C. Papa

Chairman of the Board and Chief Executive Officer

Our Approach to

CORPORATE SOCIAL RESPONSIBILITY

About Bausch Foundation

The Bausch Foundation was established in 2017 to improve the lives of people around the world by providing access to safe, effective medicines and by financially supporting health care education and causes. Since its inception, the Bausch Foundation has contributed millions of dollars' worth of financial and product donations to global charitable health organizations, including:



To learn more about the Bausch Foundation, visit <https://www.bauschhealth.com/Portals/25/PDF/Bausch-Foundation-Report-2020.pdf>

 <p>OPERATE WITH INTEGRITY</p>	 <p>IMPROVE OUR COMMUNITIES</p>
 <p>RESPECT THE ENVIRONMENT</p>	 <p>ADVANCE GLOBAL HEALTH AND PATIENT CARE</p>
 <p>SUPPORT EMPLOYEE GROWTH AND WELL-BEING</p>	

Our Approach to Corporate Social Responsibility

As a global company dedicated to improving people's lives with our health care products, we take our commitment to corporate social responsibility (CSR) seriously. We manufacture and market a broad range of products directly or indirectly in more than 100 countries. Additionally, our more than 22,000 employees live and work around the world. This means Bausch Health has a major opportunity—and an even greater responsibility—to make a difference.

Bausch Health's Corporate Social Responsibility Report can be found online at <https://www.bauschhealth.com/Portals/25/PDF/BauschHealthCSRReport2020.pdf>. It provides an introduction to our foundational work in each of these areas, featuring highlights of success stories from our operations around the globe. The report also offers data on several key performance indicators.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Joseph C. Papa

Chairman of the Board and Chief Executive Officer
Bausch Health Companies Inc.

Thomas W. Ross, Sr.

President and Director, The Volcker Alliance
Lead Independent Director
Committees: Audit and Risk, Nominating and Corporate Governance

Richard U. De Schutter

President and Owner, L.B. Gemini, Inc.
Committees: Finance and Transactions, Talent and Compensation

D. Robert Hale

Partner, ValueAct Capital Management, L.P.
Committees: Finance and Transactions (Chairperson), Talent and Compensation

Brett Icahn

Portfolio Manager, Icahn Capital LP
Committees: Finance and Transactions

Argeris (Jerry) N. Karabelas

Partner, Apple Tree Partners
Committees: Talent and Compensation (Chairperson), Science and Technology

Sarah B. Kavanagh

Corporate Director
Committees: Audit and Risk, Finance and Transactions, Nominating and Corporate Governance

Steven D. Miller

Portfolio Manager, Icahn Capital LP
Committees: Finance and Transactions

John A. Paulson

President and Owner, Paulson & Co, Inc.
Committees: Finance and Transactions

Robert N. Power

Corporate Director
Committees: Nominating and Corporate Governance (Chairperson), Audit and Risk, Science and Technology

Russel C. Robertson

Corporate Director
Committees: Audit and Risk (Chairperson), Nominating and Corporate Governance

Andrew C. von Eschenbach, M.D.

President, Samaritan Health Initiatives, Inc.
Committees: Science and Technology (Chairperson)

Dr. Amy Wechsler

Dermatologist and owner,
Amy Wechsler MD, PC
Committees: Talent and Compensation, Science and Technology

EXECUTIVE OFFICERS

Joseph C. Papa

Chairman of the Board and Chief Executive Officer

Christina M. Ackermann

Executive Vice President, General Counsel and Head of Commercial Operations

Thomas J. Appio

President & Co-Head,
Bausch + Lomb/International

Joseph F. Gordon

President & Co-Head,
Bausch + Lomb/International

Paul S. Herendeen

Executive Vice President and Chief Financial Officer

Robert Spurr

President, Salix

SENIOR MANAGEMENT

Dennis Asharin

Senior Vice President, Chief Global Manufacturing and Supply Chain Officer

Jeff Hartness

Senior Vice President, Market Access

Scott Hirsch

Senior Vice President, Chief Business Strategy Officer & General Manager, Orapharma

Barbara Purcell

President, Diversified Products

Dr. Tage Ramakrishna

Chief Medical Officer, President of Research and Development

Kelly Webber

Senior Vice President and Chief Human Resources Officer

Dr. Louis Yu

Chief Quality Officer, Global Quality

CORPORATE INFORMATION

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GENERAL INVESTOR RELATIONS

Email: ir@bauschhealth.com
877-281-6642
514-856-3855 (Canada)

FOR MEDIA INQUIRIES

Lainie Keller, Vice President,
Corporate Communications
Email: lainie.keller@bauschhealth.com
908-927-0617

You may request a copy of documents, at no cost, by contacting ir@bauschhealth.com. Email updates are also available through the Investor Relations page at www.bauschhealth.com.

TRANSFER AGENT AND REGISTRAR

Bausch Health Companies Inc.'s designated transfer agent is AST Trust Company (Canada). The transfer agent is responsible for maintaining all records of registered stockholders (including change of address, telephone number and name), canceling or issuing stock certificates and resolving problems related to lost, destroyed or stolen certificates. If you are a registered stockholder of Bausch Health Companies Inc. and need to change your records pertaining to stock, please contact the transfer agent listed below:

AST Trust Company (Canada)
P.O. Box 700
Station B
Montreal, QC H3B 3K3
Canada

Email: inquiries@astfinancial.com

Fax: 888-249-6189

Phone (for all security transfer inquiries):
1-800-387-0825 or 416-682-3860

Website: www.astfinancial.com/ca-en

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