GALDERMA

EST. 1981

Annual Review

2021

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Advancing dermatology for every skin story

THE PURE-PLAY DERMATOLOGY CATEGORY LEADER

We deliver an innovative, science-based portfolio of premium cutting-edge brands and services that span the full spectrum of the fast-growing dermatology market through Injectable Aesthetics, Dermo-cosmetics and Therapeutic Dermatology.

Building the broadest portfolio of flagship brands and services in dermatology

INJECTABLE AESTHETICS

Alluzience® Botulinum toxin type A
Azzalure® Botulinum toxin type A
Dysport aesthetic™
SCULPTRA®
Restylane®

THERAPEUTIC DERMATOLOGY

BENZAC®
LOCERYL®
ORACEA®
DIFFERIN®
ONCE-DAILY soolantra® (IVERMECTIN) 10 mg/g CREAM
Tetralysal®

DERMO-COSMETICS

ALASTIN® SKINCARE

Approximately 5,700 employees across 40 countries

57% women | 43% men

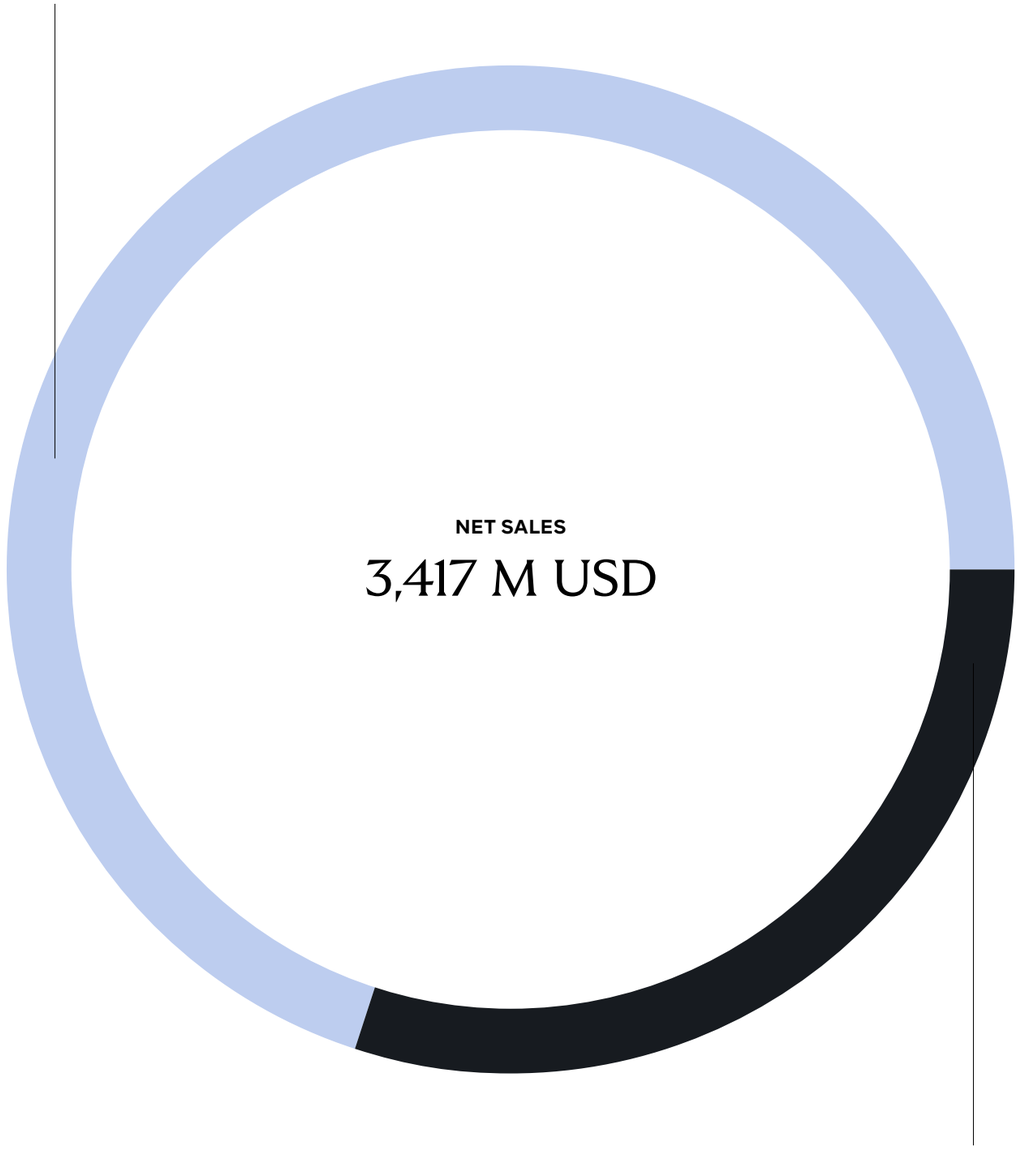
5,700+

Products available in more than 90 countries

Countries where Galderma is present or active
Manufacturing sites

Accelerating performance momentum in 2021

Approximately 70% net sales in seven countries:
U.S., Brazil, Germany, Canada, Australia, U.K., China



Industry-leading dermatologist engagement

No. 1

#1 overall salesforce in dermatology in the U.S. for the 11th consecutive year[1]

100,000

Over 100,000 aesthetics healthcare professionals trained in 2021 via our Global Aesthetic Injector Network (GAIN) program

[1]IQVIA's Sales Force Structure & Strategies Report, 2019–2020

Committed to creating an ESG impact in key areas

50%

women in management team

61%

reduction of greenhouse gas emissions

0

factory waste ending up in landfills

33%

less water consumption since 2010

99.8%

renewable electricity in four factories

Restylane® Defyne FDA-approved for chin augmentation

Positive decision for use in Europe of Alluzience®, the first ready-to-use BoNT-A neuromodulator

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New approvals in China including Restylane Lyft Nose, Restylane Defyne, Restylane Lyft Lidocaine Midface

Renewed commitment of Cetaphil® to environmental sustainability and social impact through the Clear Skies initiative

Re-energized Galderma brand identity reflecting both our 40-year heritage of innovation in dermatology and our vision for tomorrow

Biostimulator Sculptra® label update in the U.S. for immediate use after reconstitution and more convenient administration. Re-launch in Europe with new administration protocol

Launch of Restylane® Eyelight™, a new solution to combat under-eye shadows

Exclusive licenses for the commercialization of Epsolay® and Twyneo® in the U.S.

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Acquisition of the award-winning Alastin Skincare®, dedicated to developing innovative and clinically-tested physician-dispensed skincare products

Presentation of new nemolizumab data reinforcing rapid onset of action and consistent relief of symptoms for people with prurigo nodularis and atopic dermatitis

Exclusive agreement with Sofregen to develop the next generation of biostimulator fillers using silk-based technology

Celebration of 25 years of unmatched achievement for Restylane®, the original stabilized hyaluronic acid filler

EMERGING AS THE PURE-PLAY DERMATOLOGY LEADER

2021 was truly a remarkable year in Galderma's history. I am very proud of all that we accomplished as we moved closer to our ambition of becoming the leading dermatology company in the world.

Galderma has emerged as the pure-play dermatology category leader, dedicated to advancing dermatology for every skin story. We deliver an innovative, science-based portfolio of premium cutting-edge brands and services that span the full-spectrum of dermatology, from Injectable Aesthetics, through Dermo-cosmetics to Therapeutic Dermatology.

Since launching as a stand-alone company in 2019, we have made great progress in realizing our full potential. Today, we operate as a simple, coherent and integrated dermatology company that is unique in our ability to reach the whole spectrum of consumers and healthcare professionals through a truly omni-channel, go-to-market strategy. We have oriented our business around the consumer with dermatology as our common platform.

With our complete dedication to dermatology and over 40 years of scientific innovation in this field, we are uniquely positioned for leadership and growth in this market. →

"As a leader, we have a responsibility to continue driving innovation in dermatology on behalf of healthcare professionals, patients and consumers."

Key strategic accomplishments
2021 was a year in which we significantly accelerated our growth momentum. We experienced growth across all our core business segments – Injectable Aesthetics, Dermo-cosmetics and Therapeutic Dermatology. Overall, we achieved double-digit sales growth as well as double-digit adjusted profit growth. This strong financial performance gives us the flexibility to continue to invest in innovation and develop a strong pipeline of products – setting us up for sustainable growth in the years to come.

Beyond sales and profit growth, there were many other notable achievements across Galderma in 2021. Firstly, we rebranded the company, establishing a new, premium corporate brand that truly reflects our offering. Secondly, we continued the journey we started two years ago to simplify and focus our organization, implementing simplification measures across several countries through our Platform & Growth initiatives. These countries are now much better equipped to deliver continued growth.

Digitalization is at the core of our strategy to fuel growth, and we have worked seamlessly as one Galderma to harness the power of our integrated platform to greatly enhance our digital presence across a wide range of channels. With our approximately 1,500 highly specialized global salesforce and digitalization at the core of our strategy, we offer industry-leading engagement to consumers and patients as well as approximately 180,000 healthcare professionals. This has increased the frequency and quality of our interaction with both those who use our products and with skin health 'influencers' online.

In addition, we became a much more customer-focused business by significantly strengthening our Medical Affairs presence across geographies, which greatly enhances our ability to provide cutting-edge dermatological science information to healthcare professionals worldwide.

We also strengthened our commitment to science, increasing research and development spend from 5.9% of net sales in 2018 to 9.1% in 2021. Looking ahead, we have a comprehensive pipeline, including biologics under clinical development with large disruption potential, such as QM-1114, a next-generation high performance liquid neuromodulator, and nemolizumab, a next-generation late-stage biologic asset with significant commercial potential across multiple indications.

Lastly, we reinforced our pipeline with focused and highly-differentiated bolt-on external innovation, including two exclusive five-year license agreements for the commercialization of Epsolay and Twyneo in the U.S., a co-development deal with Sofregen, and the

acquisition of Alastin Skincare – the fastest growing brand in the U.S. professional skincare market.

Following year-end, we achieved yet another key milestone in refocusing our pipeline on core areas of growth with the divestment of Alchemee, formerly known as The Proactiv Company.

Sustainable growth fueled by talented teams
We have also made further progress on our Environmental, Social and Governance (ESG) goals, advancing on our targets to reduce water consumption and greenhouse gas emissions. We maintained a strong track-record in gender balance across Galderma, with women accounting for approximately 50% of management positions and comprising more than half of our global workforce. And most importantly, we have gained – and retained – enormously talented people whose skills and expertise are fueling our continued growth journey.

Committed to our purpose
We have much to be proud of as we reflect on 2021, a year I can confidently say was a milestone year. I am particularly proud that we have achieved all of this despite the continued adversity associated with COVID-19. Galderma teams across the world have shown great resilience and determination despite the challenges posed by the pandemic. We accelerated growth while ensuring we continue to maintain uninterrupted supply of our products – a remarkable accomplishment in such a challenging year.

As a leader, we have a responsibility to continue driving innovation in dermatology on behalf of healthcare professionals, patients and consumers. We will do so with great pride in our purpose: Advancing dermatology for every skin story.

The future is bright
We believe that both our recent success story and our optimism for the future stem from three chapters of development. The first chapter was establishing an integrated dermatology platform, from 2019 to 2021, as we set-up a stand-alone company with an efficient platform and enhanced commercial as well as innovation capabilities. The second, and our current chapter, is about accelerating growth through innovation and commercial execution. The third chapter, looking ahead to 2023 and beyond, is about strengthening our leadership and exploring further opportunities in adjacent spaces and novel technologies, and ultimately about fulfilling our bold ambition to become the world's leading integrated dermatology company.

Flemming Ørnskov, M.D., MPH
Chief Executive Officer

EXECUTIVE COMMITTEE

Flemming Ørnskov, M.D., MPH

CHIEF EXECUTIVE OFFICER

Flemming Ørnskov, M.D., MPH joined Galderma SA as Chief Executive Officer in October 2019.

Prior to joining Galderma, Flemming served as CEO of Shire plc from 2013 to 2019. Earlier in his career he held a number of leadership positions at Bayer, Novartis and Merck. He is currently a non-Executive Chairman of Waters Corporation and a board member of Karo Pharma AB.

Flemming qualified as a Doctor of Medicine at the University of Copenhagen Medical School and earned a Master of Public Health (MPH) from Harvard University School of Public Health and an MBA from INSEAD.

Thomas Dittrich

CHIEF FINANCIAL OFFICER

Thomas Dittrich became Chief Financial Officer of Galderma in October 2019, overseeing global finance, strategic sourcing, IT, corporate strategy, and the companywide transformation program. Previously, Thomas was the Chief Financial Officer and an executive member of the Board of Directors at Shire plc. He joined Shire in 2018 from Sulzer Ltd., where he served as Chief Financial Officer and a member of the Executive Committee, and Chief Executive Officer ad interim between August and December 2015. Prior to joining Sulzer, Thomas worked for several years at Amgen Inc. as Vice President, Finance Corporate Planning and Chief Accounting Officer, and earlier as Chief Financial Officer of Amgen International. Before that, he held various finance and general manager positions during eight years at Dell, Inc., following several M&A and management consulting roles. Thomas holds a Master of Science in Mechanical Engineering and Robotics from Munich Technical University and a Master's in Finance, Controlling and Accounting from the University of St. Gallen.

Cécile Dussart

VICE PRESIDENT, HEAD OF GLOBAL OPERATIONS

Cécile Dussart has been Vice President, Head of Global Operations since 2013. Cécile builds and deploys the strategic road map for Operations, driven by Galderma's transformation program, including the maintenance of a quality and safety culture. She joined Galderma in 2005 as Human Resources Director, Operations, later becoming Plant Director at the Alby-sur-Chéran production facility in France in 2008. Prior to her roles at Galderma, Cécile was at Roche for more than eight years, where she held positions as Global Brand Manager and then Human Resources Business Partner. She began her career as a Brand Manager at Sanofi in 1990. Cécile studied pharmacy at the University of Paris XI and has a Master's Degree in Pharmaceutical Marketing from the ESCP Europe business school. She also attended IMD Business School in Switzerland as well as INSEAD in France.

Our unique Integrated Dermatology Strategy is the driving force behind our strong performance, and we believe it will continue to accelerate our financial performance and deliver on our growth ambition in the years to come.

OUR UNIQUE INTEGRATED DERMATOLOGY STRATEGY

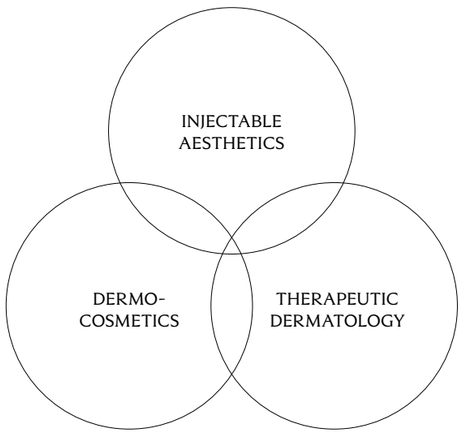
We believe that Galderma is the only truly scaled pure-play dermatology company. We leverage our trusted consumer heritage and partner with healthcare professionals to offer a comprehensive portfolio of dermatology products. We have built comprehensive in-house capabilities in product development, manufacturing, sales & marketing and business development. We aim to build trust and loyalty across our key audiences, including consumers, patients, dermatologists, injectors and pharmacists.

Through our unique Integrated Dermatology Strategy, we offer industry-leading engagement across key audience groups interested in dermatological solutions as well as approximately 180,000 targeted healthcare professionals. This strategy also unlocks substantial global synergies in our commercial execution, research and development platform, and other aspects of our operations.

As a result, we believe our unique, Integrated Dermatology Strategy is a key differentiator for Galderma by creating greater consumer, patient and healthcare professional engagement, generating better customer insights and delivering continuous innovation.

In essence, it is a key enabler to help us fulfill our bold ambition to be the world's leading dermatology company. →

"We integrated our businesses, moving away from three separate, siloed business units – each with its own supporting functions."



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SYNERGISTIC
science-based flagship brands, supported by leading innovation

It is a full-scale commitment to put consumers, patients and healthcare professionals at the center of everything we do.

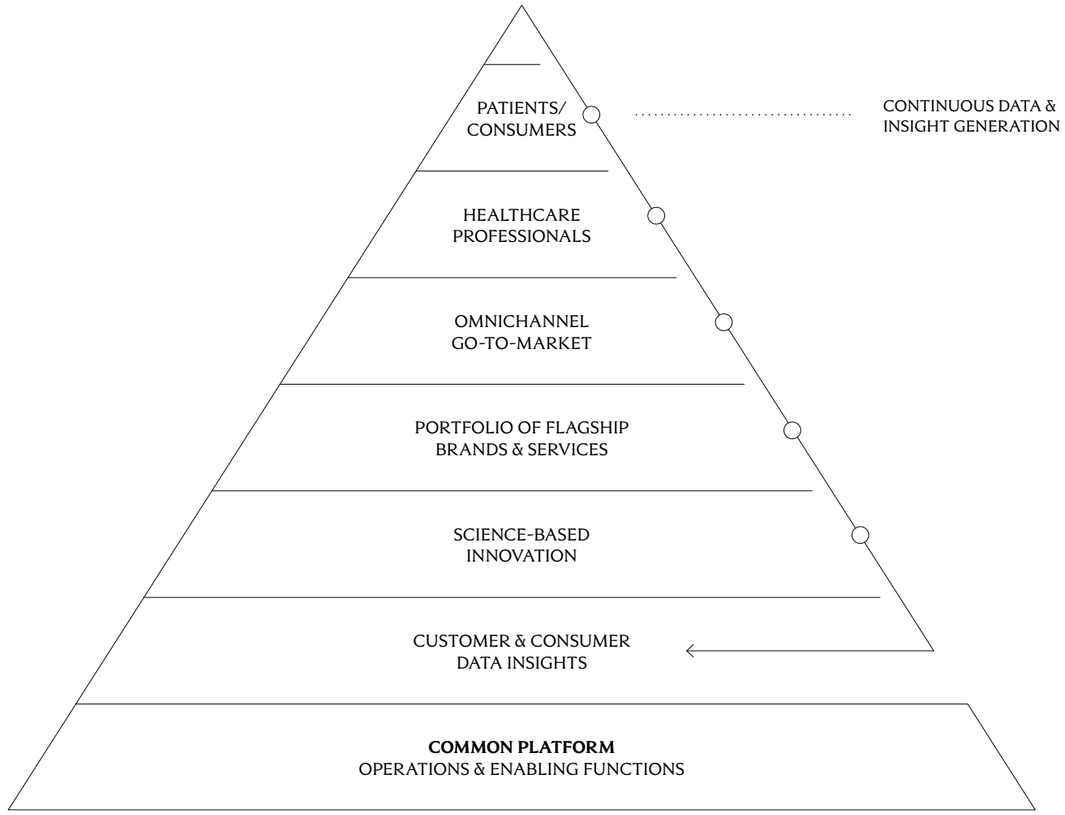
Building a common integrated platform
When Galderma became a stand-alone company in 2019 we integrated our three separate businesses and established one business – one Galderma – on a common platform supported by end-to-end enabling functions and an optimized manufacturing and distribution footprint. As a result, we've become a more optimized, efficient business that works synergistically across categories, benefiting our portfolio of flagship brands and services.

Generating customer and consumer data insights
The 'digitalization' of our business has significantly increased the data we generate and the insights we obtain in terms of healthcare professional, patient and consumer trends. These insights, in turn, lead to enhanced customer focus and drive continuous innovation in response to customer needs.

Driving continuous innovation
Additionally, we have significantly increased our investment in science. In 2019, our investment in science was in the low-single digits. Today, we're approaching double-digit investment and providing critical support to key clinical assets, such as nemolizumab and QM-1114 – which represent potentially transformative products in their respective categories – and we continue to focus on scientific innovation within our existing portfolio. Our focus on science, and the innovation we bring, will provide significant content across all our customer channels, and will ensure we continue to be seen at the forefront of advances in dermatology.

Building the broadest portfolio of flagship brands and services in dermatology
We leverage our synergistic portfolio of flagship brands and services to drive concomitant use across Injectable Aesthetics, Dermo-cosmetics and Therapeutic Dermatology. For example, Alastin products are clinically proven to help accelerate recovery and improve results when paired with Injectable Aesthetics treatments, and Epiduo and Cetaphil Acne prone Pro line are distributed in dual packaging.

Delivering commercial excellence via our omnichannel go-to-market model
We have also significantly enhanced our digital tools and platforms. We recognized that to succeed in this fast-changing market, we need to have increased interaction with the people who use our products and with skin health 'influencers' online, many of whom are healthcare professionals. We have a long heritage of customer excellence and are routinely ranked #1 in



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INTEGRATED DERMATOLOGY STRATEGY DRIVING COMPETITIVE ADVANTAGE
Our unique integrated dermatology strategy is a full-scale commitment to put consumers, patients and healthcare professionals at the center of everything we do.

customer focus by healthcare professionals. This has provided a solid foundation on which to expand our digital footprint.

In doing so, we have fundamentally re-shaped the way we engage with our customers and consumers. Historically, we reached them through our salesforce, or via direct-to-consumer channels and television, but over the past two years, we have greatly expanded our approach. Now we reach customers through a wide range of channels: through social media, through our approximately 1500 sales representatives, through advertising, through medical training, and through numerous digital platforms as well as traditional media. Around 90% of our marketing dollars now go to digital channels. Our omnichannel approach has enhanced the breadth, frequency and quality of our interactions with customers and consumers, while vastly improving the engagement they have with our brands and services.

Our unique, Integrated Dermatology Strategy has been the driving force behind our recent growth, and we believe it will continue to accelerate our financial performance and deliver on our growth ambition in the years to come.

"This is a truly exciting time for Galderma. In just a few years as a stand-alone company, Galderma has become a clear leader in dermatology, differentiating itself through its strong commitment to scientific innovation. With its unique Integrated Dermatology Strategy, Galderma has put the needs of consumers, patients and healthcare professionals at the center of its growth agenda. This focus, along with a continuous drive for commercial excellence and significant investment in digitalization, has led to improved customer engagement, strong top-line and bottom-line growth, and rapid expansion of its business worldwide. Three years ago, Galderma set a bold ambition to be the leading dermatology company in the world. With the unwavering commitment of its team, I believe this goal is well within reach."

THOMAS EBELING
CHAIRMAN OF THE ADVISORY COMMITTEE

SYNERGISTIC, SCIENCE-BASED FLAGSHIP BRANDS

We offer a synergistic portfolio of flagship brands with leading market positions in their respective product categories, supported by science-based product differentiation and premium positioning.

SCULPTRA

Sculptra is the original collagen biostimulator, the first and only FDA-approved poly-L-lactic acid (PLLA) facial injectable treatment that helps stimulate the skin's own collagen production, to smooth facial wrinkles, such as smile lines, while improving skin firmness and fullness. In 2021, a new formulation was introduced, resulting in an updated label. The new formulation includes higher dilution, the addition of immediate use reconstitution, new injection techniques and the optional addition of lidocaine for patient comfort. These changes provide aesthetic injectors with even more options to administer Sculptra safely and effectively. The results last for two years and appeals to patients who prefer natural and gradual results.

RESTYLANE

Restylane is the original non-animal stabilized hyaluronic acid filler with over 25 years of success and over 50 million treatments worldwide. NASHA™ and OBT™ technologies are unique to Restylane and have enabled continuous innovation over the years. The brand now offers the world's most diverse range of fillers to deliver truly individualized results. The portfolio of products helps, among other indications, to smooth facial wrinkles and folds, such as smile lines, create fuller and more accentuated lips, add lift and volume to the cheeks and rejuvenate hands. In 2021, we further expanded our offering with the successful launches of Restylane Defyne in the U.S. for chin augmentation, and Restylane Eyelight as a new solution to combat under-eye shadows. In China, new approvals included Restylane Lyft Nose, Restylane Defyne and Restylane Lyft Lidocaine Midface.

Injectable aesthetics

Therapeutic Dermatology

ORACEA®

DIFFERIN

Differin is a household name and has been on the market since 1996, helping people combat acne and the stigma attached to it. In 2016, it became the first prescription retinoid to be made available over the counter (OTC) and as such the first new OTC treatment in over 30 years for acne. The brand continually innovates and has now expanded beyond just acne treatment, into Skin Clarity, with innovation centered around the 4Cs of skincare – controls, clears, calms and corrects. The winning combination of quality, innovation and excelling in creative marketing, to engage customers and meet them where they are can be seen in a brand that after 25 years is growing at 5 times the growth rate of the acne category in the U.S.

CETAPHIL

Developed by a pharmacist in 1947, Cetaphil has continuously innovated throughout the decades to remain one of the most loved and most respected brands, recommended by dermatologists. 2021 was no exception as the brand was completely restaged with a focus on a new look and new formulas based on sensitive skin science and improved ingredients. Throughout the innovation process, sustainability was at the core and we changed to cleaner ingredients and moved to paper-based, renewable and biodegradable materials for packaging. All the changes were implemented while maintaining the same efficacy and sensorial experience that Cetaphil consumers know and love.

Dermo-cosmetics

Since becoming a stand-alone company, we have shown accelerating performance momentum. Galderma is, first and foremost, a growth story.

POISED FOR GROWTH IN FAST-GROWING DERMATOLOGY MARKETS

2021 has been another pivotal year in Galderma's growth journey. We have established Galderma as a simple, coherent and integrated dermatology company reaching the whole spectrum of consumers and healthcare professionals through an omni-channel go-to-market strategy. Our business is oriented around the consumer with dermatology as our common platform. This is supported by our portfolio of premium positioned brands and services across three product categories, Injectable Aesthetics, Dermo-cosmetics and Therapeutic Dermatology.

As the only truly scaled, pure-play dermatology company, we aim to capitalize on our unique Integrated Dermatology Strategy as a source of competitive advantage. With our approximatively 1,500 highly specialized global salesforce and digitalization at the core of our strategy, we offer industry-leading engagement with consumers and patients as well as approximatively 180,000 targeted healthcare professionals. We believe our integrated strategy also unlocks substantial global synergies in our commercial execution, research and development platform, and other aspects of our operations.

We deliver a synergistic portfolio of flagship brands with leading market positions in their respective product categories, supported by science-based product differentiation and premium positioning. With our products in the Injectable Aesthetics, Dermo-cosmetics, and Therapeutic Dermatology segments, we are strategically positioned in attractive and consumer-driven segments of the dermatology market, characterized by high growth fundamentals.

Our addressable market is estimated by a leading strategy consulting firm to exceed USD 60 billion in revenues in 2020 and is expected to grow at a 10% CAGR between 2020 and 2025, driven by secular trends including rising middle-class with growing disposable incomes fueling a shift to premium brands, growing consumer awareness and sensitivity around skin health and beauty. A rising focus on prevention, increasing aesthetics consciousness and acceptance of non-invasive treatments in underpenetrated markets, together with continued importance of 'white-coat' endorsement and increasing influence of social media platforms are also playing a key role in shaping demand. Our brands are positioned as premium across our chosen market segments, and this positioning is supported and reinforced by the breadth and depth of our portfolio.

In Injectable Aesthetics, Dysport and Restylane are leading brands by market share globally in neuromodulators and fillers, respectively, with premium positioning in their categories supported by clear product differentiation, while Sculptra is the market leader in the rapidly-growing biostimulators category.

Our Dermo-cosmetics platform is headlined by Cetaphil, the number 1 doctor-recommended sensitive skincare brand in the U.S. with 75 years of 'white-coat' endorsement. In addition to our portfolio of regional brands, we are expanding into the physician-dispensed skincare segment with the acquisition of Alastin, the number 1 preferred skincare and the fastest growing brand in the U.S. professional skincare market in 2020.

In Therapeutic Dermatology, we are category leaders in prescription treatments for acne with Epiduo (the number 1 prescription topical acne treatment by market share in the U.S.) and for rosacea with Oracea and Soolantra (the number 1 oral and tropical treatments for rosacea by market share respectively). In over-the-counter treatments, Differin is the

Committed to growth with purpose in medical aesthetics

We aim to inspire and empower aesthetic professionals in their work. Our Global Aesthetic Injector Network (GAIN) program supports aesthetics physicians in a variety of ways, including customer education & training, a medical affairs service, and a business service to enable them to grow their business. In 2021, we held over 6,600 training events with over 100,000 healthcare professionals attending worldwide. In addition, our Brazilian team continued to build on the success of their Managing Aesthetic Patients (MAP) program with a three-day hybrid, virtual and in-person event with over 10,000 physicians attending, more than twice the number of the previous year.

Digitalization as growth catalyst

We continue progressing in digitalization and E-commerce, as we evolve our media choices and channel strategy to adapt to changing habits when it comes to information and content consumption, now investing the majority of our Dermo-cosmetics budget in online presence. We focus on increasing awareness over competitors, leveraging insightful data to provide tailored experiences and accelerate sales conversion. E-commerce is growing consistently and in 2021, E-commerce in our core 14 markets grew almost three times as fast as offline sales, including online sales CAGR 2019-2021 of 64% for Cetaphil in the U.S. and 44% in China.

number 1 brand for acne by market share in the U.S., Benzac is one of the top two brands by market share in multiple markets outside the U.S., and Loceryl is the number 1 nail anti-fungal brand globally by market share.

We emphasize the science-based differentiation of our product portfolio through a comprehensive digitally enabled dermatology education program and various training resources. Our commercial strategy further drives synergistic cross-selling opportunities by focusing our promotional campaigns and events on treatment regimens incorporating multiple brands across the portfolio.

To further drive growth and leadership in dermatology, we are strengthening our commitment to science with an increase in R&D spend as a percent of net sales. Looking ahead, we have a comprehensive pipeline, including biologics under clinical studies with disruption potential, such as our internally developed QM-1114, a next-generation, high performance liquid neuromodulator, and nemolizumab, a next-generation late-stage biologic asset with significant commercial potential across multiple indications. We also complement our pipeline with focused, highly differentiated bolt-on external innovation, such as our exclusive co-development agreement with Sofregen to develop next-generation biostimulator fillers.

Since becoming a stand-alone company in October 2019, we have shown accelerating performance momentum, reflected in our double-digit net sales growth with significant margin expansion, while demonstrating high resilience during the COVID-19 pandemic. Enabled by an experienced team with a proven track-record of sustainable value creation, we are poised to accelerate and reach even greater successes.

Galderma stands out as one of the few players capable of inventing, developing and bringing to market truly innovative dermatological solutions. Our integrated R&D platform unlocks benefits and synergies across all our product categories.

DOUBLING DOWN ON SCIENCE

First-in-class

NEMOLIZUMAB
A first-in-class investigational monoclonal antibody that blocks signaling of IL-31, a cytokine that acts on pruritus but also plays a key role in skin inflammation in atopic dermatitis and prurigo nodularis, two chronic immune-mediated skin conditions associated with high burden of disease.

Ready-to-use

RELABOTULINUMTOXIN TYPE A
A proprietary, novel, ready-to-use, liquid formulation of investigational botulinum toxin, for the treatment of glabellar lines and lateral canthal lines.

New line-ups

CETAPHIL PORTFOLIO EXPANSION
Continuously developing new product lines to further extend the Cetaphil range and meet the needs of specific skin conditions.

Our commitment to advancing dermatology for every skin story is grounded in our 40-year heritage of leading with science and investing in innovation. We reaffirm this commitment by constantly bringing to market cutting-edge technologies, products and services that will help us reach our ambition to become the leading dermatology company in the world.

Galderma stands out as one of the few forces capable of inventing, developing and bringing to market truly innovative solutions for consumer and patient needs. Our in-house R&D organization is designed to drive efficiency and serve patients, consumers and healthcare professionals in the best possible way. It serves as one integrated R&D platform with synergies across all our product categories. It is dedicated to driving innovation in each of our three businesses – Injectable Aesthetics, Dermo-cosmetics and Therapeutic Dermatology – leveraging our deep scientific, clinical, medical and regulatory expertise and experience.

Galderma's global team of over 640 R&D professionals has initiated approximately 400 clinical trials across over 20 indications since 2019 and helped us obtain 80 major regulatory approvals since January 2020. Today, we are focused on accelerating development and commercializing our late-stage product candidates to bring new solutions to market faster.

Our strong consumer heritage and deep science foundation support our ongoing efforts to educate customers about a wide range of conditions and treatments. We are a partner of choice for academic and industrial research collaboration around the world. This gives us access to complementary perspectives and a wide range of expertise and emerging technologies.

Our clear pipeline of priorities for each of our product categories will drive future growth and reinforce our ongoing leadership in dermatology. We are also continuously assessing strategic opportunities to supplement our pipeline with truly differentiated external assets and innovation.

Building the broadest portfolio in dermatology to meet consumers' and patients' needs
In Injectable Aesthetics, we maintain sustainable growth by focusing on premium solutions that are routinely used in procedures performed by healthcare professionals. We have a strong market presence in the facial treatment of dynamic and static wrinkles, as well as the correction of asymmetries. We will continue evolving in these areas, including with new neuromodulators, dermal fillers and biostimulators. We are developing additional offerings for skin quality treatments, which include skin glow and texture.

"Our clear pipeline of priorities for each of our product categories will drive future growth and reinforce our ongoing leadership in dermatology."

QM-1114 is our next-generation, ready-to-use liquid formulation of botulinum toxin type A, which we are investigating in Phase 3 trials for glabellar lines and lateral canthal lines.

To succeed in the competitive environment of Dermo-cosmetics, we develop innovative, premium, dermatologist-recommended products. In 2021, we undertook the largest global restage in the history of our flagship brand, Cetaphil, underpinned by cleaner formulations. It included a new, clinically proven claim of efficacy in defending against the "five signs of skin sensitivity," while preserving the brand's signature sensorial experience.

Cetaphil is driving a continuous flow of innovative products, with the roll-out of new benefit platforms and therapeutic lines underway – including a Gentle Clear and Optimal Hydration line extension. An example of our new therapeutic lines is the Cetaphil eczema range. Developed with dermatologists, this range offers the first consumer regimen designed to treat, restore and prevent flare-ups throughout the eczema journey. We see further opportunities for the expansion of Cetaphil into sizeable adjacent segments.

In Therapeutic Dermatology, we aim to become the leader in specialty and rare dermatology, prioritizing biotechnologies for injectable and oral products. A top priority for us is the development of the investigational therapy nemolizumab for atopic dermatitis, prurigo nodularis and chronic kidney disease-associated pruritus. We are actively investigating other indications within and beyond dermatology.

Another priority is to continue our ambition to be category leader in our established franchises. Currently we are preparing to launch Twyneo (0.1% tretinoin and 3% benzoyl peroxide) cream, a novel acne treatment that combines for the first time two of the most widely used molecules in acne care. This unique combination is enabled by a patented microencapsulation technology and provides visible results in as early as two weeks, with high tolerability. Twyneo was approved by the FDA in 2021.

Additionally, we are preparing the potential launch of the investigational topical cream Epsolay (benzoyl peroxide) cream, 5%. It has the potential to be the first FDA-approved single-active benzoyl peroxide prescription drug product for the treatment of rosacea. Epsolay sets a new standard for the use of benzoyl peroxide in rosacea through an innovative and patented microencapsulation technology.

OUR MANUFACTURING FOOTPRINT IS READY TO SERVE GLOBAL DEMAND

We serve more than 90 countries globally with over 280 million units produced a year. Over 1,600 colleagues in manufacturing, commercial quality and supply chain functions work at our four manufacturing plants.

Our four manufacturing plants are strategically located in Canada, Sweden, France and Brazil, serving more than 90 countries with over 280 million units produced annually.

Our site in Uppsala, Sweden, is focused on our injectable aesthetics portfolio. Our Alby-sur-Chéran, France site serves all markets except the U.S. with topicals – both over-the-counter (OTC) and prescription medicine – and supplies brands such as Differin, Aklief and Epiduo. Our largest production site, at Baie-D'Urfé, Canada, is focused on the global supply of Cetaphil, with additional production of OTC and prescription medicine for the U.S. market. The Latin American market is predominantly served by our site in Hortolândia, Brazil.

Securing supply with proven resilience
Approximately 75% of our units sold are produced in-house in four manufacturing facilities. We outsource the production of selected products and formulations (including for key brands such as Dysport, Alluzience and Sculptra). We have a rigorous framework in selecting and partnering with third-party Contract Manufacturing Organizations (CMOs), based on capabilities, capacity, efficiency and contract terms and conditions. →

Our operations embrace the most advanced manufacturing technologies to enable innovation at scale and support the rapid growth of our business. We work in an integrated way across the organization to deliver products to customers in a fast, flexible and reliable manner.

Industry-leading safety and quality track record
Safety and quality are essential pillars of our business conduct, and key to our long-trusted relationships with consumers, patients and healthcare professionals. Our quality and manufacturing processes adhere to a number of local and global laws and regulations. Our four manufacturing sites have successfully passed all material applicable inspections over the past five years.

We measure and monitor patient safety and consumer satisfaction, and implement policies and procedures to ensure compliance with applicable regulations.

All of our sites are regularly audited by health authorities (e.g., the FDA), Health Canada, the French National Agency for the Safety of Medicines and Health Products (ANSM) and Dekra). In addition, we have earned multiple certifications for all our manufacturing sites, including ISO 14001 and ISO 45001. These certifications demonstrate a commitment to environmental, health and safety management systems.

The key to our approach is continuous improvement. We hold regular quality and safety talks in our factories and continually analyze and learn from incidents at plants inside and outside the company. This has led to a constant and significant reduction in the number and frequency of injuries.

Despite the challenges of the COVID-19 crisis, we have been able to keep all manufacturing sites operational to date. What's more, we have succeeded in maintaining a low global Recordable Injury Rate (1.2 per million working hours), meaning no severe, irreversible injuries were recorded.

An advantage of in-house production is maintaining appropriate control over the sustainability of resource usage. We have made significant progress on our roadmap to reduce water consumption and greenhouse gas emissions across our operations. Three of our four factory sites use 100% renewable electricity from a combination of solar, wind, hydropower, geothermal, biofuel and biomass. Our fourth factory is on track to be powered by 100% renewable electricity by 2024. Two of our factories are certified carbon neutral, and all four achieved zero waste-to-landfill ahead of our initial 2020 plan.

We work as a single Galderma team that brings skills, passion and vision to everything we do. Our teams are committed to realizing our bold ambition to become the leading dermatology company in the world.

A DEDICATED TEAM WITH A PROVEN TRACK RECORD FOCUSED ON A BROADER PURPOSE

MOHAND
Team Leader, Warehouse Clerk
Baie d'Urfé, Canada

We seek bold and sophisticated talent with the capacity to innovate, collaborate and execute across teams and geographies to deliver outstanding results, and our teams bring diverse skills, innovation and passion to their work every day. Empowering our employees to make an impact at Galderma and to pursue career growth opportunities is of paramount importance to us.

Diversity and inclusion
We embrace diversity and create an inclusive environment where diverse ideas can flourish and translate into real business outcomes. To encourage this practice, we insist on respecting the dignity, privacy and personal rights of every employee. This also means ensuring our workplace is free from discrimination and harassment. →

"We foster an environment and culture of growth, innovation and agility."

We expect all employees to respect the dignity and the physical and psychological integrity of our patients, consumers, colleagues and business partners. At Galderma, we are proud of our dedication to diversity and inclusion. We want to ensure that the people we do business with are aware of, share, and uphold similar standards.

Our purpose and our culture
Our culture reflects the understanding that we have the ability to affect the quality of life for people living with different types of skin conditions, both physically and mentally. We are driven by a clear purpose: Advancing dermatology for every skin story.

At Galderma, we expect our employees to uphold four key commitments as we strive to become the leading dermatology company in the world. These commitments are at the heart of the behavior that impacts how we serve our consumers, patients and healthcare professionals:

- We listen to consumers, patients and customers, always putting their needs first
- We innovate to stay at the cutting edge, embracing our heritage in dermatology
- We collaborate openly to empower each other and our partners
- We rise above expectations to achieve outstanding results

Poised for growth in fast-growing dermatology
By embodying these four commitments our employees act with integrity and unwavering dedication to develop relevant products and solutions that meet the needs of consumers, patients and the healthcare professionals we serve.

Talent acquisition and development
Within Galderma, we encourage our people to innovate and create new and disruptive solutions to complex challenges every day. When recruiting, we look for high-performing individuals who focus on achieving impactful results, embrace dynamic environments and bring a positive, "can do" mindset. Above all, they must be passionate about making a difference for consumers, patients and healthcare professionals every day.

We foster an environment and culture of growth, innovation and agility. We don't hire people for just one role – we hire talent that can grow and develop into a variety of roles, markets, and business segments. We provide employees with opportunities to deepen their expertise as well as broaden their capabilities

Great place to work

Galderma is recognized as "A Great Place to Work" in Australia, India, Benelux, Mexico, Columbia, Brazil, Argentina and Chile. We continue to strive to live up to this description in all our locations across the globe.

Diversity & Inclusion Councils

At Galderma, diversity and inclusion have been actively embedded into our company culture. Our Global Diversity & Inclusion teams have been championing the diversity and inclusion journey by tracking progress on global key performance indicators and developing other tools to measure success.

across a variety of experiences while also providing global programs to develop organizational capability. We offer robust talent programs to prepare for the future using formal learning, coaching, mentoring, job/project opportunities and job mobility across the globe. As our employees grow professionally, so does Galderma.

Reward and recognition
Galderma provides competitive reward and recognition programs to attract and retain high-performing talent. We design salary and benefits packages globally and review locally to be competitive in each market. Our bonus structures incentivize high performance as well as end-to-end thinking, and ensure employees benefit when Galderma performs.

As a responsible business with the ambition to become the leading dermatology company in the world, our commitment to ESG is integral to our growth outlook and deeply rooted in all dimensions of our business.

OUR BOLD ENVIRONMENTAL, SOCIAL AND GOVERNANCE RESPONSIBILITY ROADMAP

Environmental, Social and Governance (ESG) is integral to our growth outlook and deeply rooted within all dimensions of our business ambition to become the leading dermatology company in the world. Detailed in the framework above, our ESG journey is focused on four key stakeholders: Employees, Patients & Consumers, Healthcare Professionals & Customers, and Society.

For each stakeholder, we have created a road map with concrete actions and associated key performance indicators. This comprehensive framework goes beyond supply chain and manufacturing to involve the entire organization. We are convinced that all of Galderma has a role to play to help us reach our ambition. Additionally, we follow the United Nations Sustainable Development Goals and are proud of our contributions in line with this widely recognized framework.

For our employees
Our employees are a key pillar of our success. Across our company, we embrace diversity and respect the dignity, privacy and personal rights of every employee. We are committed to keeping our workplace respectful and inclusive, free of discrimination of any sort. We expect all employees to respect the dignity and the physical and psychological integrity of our patients, consumers, colleagues and our business partners. →

"We focus our environmental sustainability agenda on well-defined areas where we can make a difference now, and in the future."

We are proud of our dedication to diversity and inclusion. We want to ensure that the people we do business with are aware of, share, and uphold our standards.

Our employees' health and safety is supported by best-in-class labor practices and remains a key priority for us. It is underpinned by our low total recordable injury rate of 1.2 per one million working hours in 2021. We also believe that diverse teams deliver better outcomes by reflecting and embracing the needs and perspectives of our diverse customer base. We are proud that 58% of our global workforce and 50% of our senior leaders are women.

For patients and consumers
We aim to improve the lives of our patients and consumers by continuing to lead in dermatology. We do this by bringing innovation to this space and thus launching better products in terms of both quality and safety. As a demonstration of our commitment to quality and safety, we have successfully completed more than 50 manufacturing plant inspections over the past five years.

Because every skin story is different, we account for the diversity of our customer base when we assess the safety and efficacy of our products. For example, we had a 26% representation of non-Caucasian population in clinical trials throughout 2021, broadly representative of our U.S. customer base.

Product availability and access is a key priority for us, and we have a clear track record of supporting projects for people suffering from skin conditions. One such project is Camp Wonder in the U.S., a summer camp for children with chronic and life-threatening skin diseases, where we have been involved since 2012.

For healthcare professionals and customers
Healthcare professionals and customers are a key partners for us. Both in terms of engaging in responsible business and increasing the reach of our products and philosophy. We want to be at the forefront of medical education and training. We strive to maintain the highest education standards, ensuring best treatment and advice for patients and consumers. In 2021, we trained over 100,000 healthcare professionals through our Galderma Aesthetic Injector Network. We possess an extensive track record of training dermatology residents, including 41 years of preparatory webinars for sitting Board exams in the U.S.

We also promote the advancement of scientific knowledge. In 2021, we funded over 50 investigator initiated trials. We hold numerous symposia and events in the dermatology space to exchange and spread dermatology knowledge globally across key indications such as acne, rosacea and general skincare topics. Our events rank among the best, as evidenced by our multiple top ten rankings at the European Academy of Dermatology & Venereology (EADV) conferences in 2021 and 2020.

For society
We focus our environmental sustainability agenda on well-defined areas where we can make a difference now, and in the future. Drawing on a science-based approach, we regularly explore and evaluate opportunities to further minimize the environmental footprint of our production and to advance the sustainability of our products. For example, since 2010 we have reduced scope one and two greenhouse gas emissions from our operations by 61%.

We are now taking steps to be entirely carbon-neutral in our factories. Two of four factories have already reached the carbon neutrality objective. More than 99% of the electricity we use is renewable. We also invest in measures to preserve water wherever we operate. For example, we currently run programs to reduce consumption and to recycle and reuse water

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JUSELEEN
Head of HR, JPAC Region
Singapore, Malaysia

in our factories and research facilities. Since 2010, these efforts have enabled us to reduce water consumption in our factories by 33%.

Overall, we aim to innovate with sustainability at heart. For example, we have launched improved versions of one of our key brands, Cetaphil, based on clean formulations – readily biodegradable and free of parabens, sulfates and animal-origin ingredients, as well as smarter, paper-based packaging and fully recyclable containers.

Looking ahead, we aim to increase suppliers' engagement for responsible sourcing in order to further reduce our Scope Three emissions (i.e., emissions incurred throughout our full value chain), for example by using carbon scorecards issued by EcoVadis as a criterion for our supplier selection.

Governance oversight
Galderma strives for the highest standards and integrity. Our well-defined governance principles guide how our company, employees and partners conduct business. Our Ethics, Supplier and Healthcare Professional codes reflect the values and behaviors that we uphold. These have contributed to making us a successful and responsible business over the years.

Our Code of Ethics is an explicit declaration of adherence to the highest ethical standards in our work. It states that it is the responsibility of every Galderma employee to "do the right thing, the right way" to ensure the highest standards of integrity. It means that when we create value for our company and its stakeholders, such as the people and communities we serve, we should do so by acting in an ethical and socially responsible way.

Our Supplier Code sets out the standards we require our suppliers to adhere to when conducting business for us – these refer to the environment, social aspects and business ethics.

Our Healthcare Professional Code defines how employees and businesses should behave when interacting with healthcare professionals. It is our managers' responsibility to ensure all employees who work with healthcare professionals comply with this Code.

GALDERMA

EST. 1981

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