UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☑ **Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the Fiscal Year Ended December 31, 2023

OR

☐ **Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the transition period from to

Commission file number 001-39695

VIATRIS INC.

(Exact name of registrant as specified in its charter)

Delaware	**83-4364296**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

1000 Mylan Boulevard, Canonsburg, Pennsylvania, 15317
(Address of principal executive offices)(Zip Code)

(724) 514-1800
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class:	Trading Symbol(s)	Name of Each Exchange on Which Registered:
Common Stock, par value $0.01 per share	VTRS	The NASDAQ Stock Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2023, the last business day of the registrant's most recently completed second fiscal quarter, was approximately $11,936,712,582.

The number of shares of common stock outstanding, par value $0.01 per share, of the registrant as of February 22, 2024 was 1,187,569,149.

INCORPORATED BY REFERENCE

Document	Part of Form 10-K into Which Document is Incorporated
An amendment to this Form 10-K will be filed no later than 120 days after the close of registrant's fiscal year.	III

VIATRIS INC.
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For the Year Ended December 31, 2023

Glossary of Defined Terms

Unless the context requires otherwise, references to "Viatris," "the Company," "we," "us" or "our" in this 2023 Form 10-K (defined below) refer to Viatris Inc. and its subsidiaries. We also have used several other terms in this 2023 Form 10-K, most of which are explained or defined below. Some amounts in this Form 10-K may not add due to rounding.

2003 LTIP	Mylan N.V. Amended and Restated 2003 Long-Term Incentive Plan
2020 Incentive Plan	Viatris Inc. 2020 Stock Incentive Plan
505(b)(2)	A streamlined NDA process in which the applicant relies upon one or more investigations conducted by someone other than the applicant and for which the applicant has not obtained right of reference.
AbbVie	AbbVie Inc.
ACA	Patient Protection and Affordable Care Act, as amended by the Health Care and Education and Reconciliation Act
Adjusted EBITDA	Non-GAAP financial measure that the Company believes is appropriate to provide information to investors - EBITDA (defined below) is further adjusted for share-based compensation expense, litigation settlements, and other contingencies, net, restructuring and other special items
AI	Artificial intelligence
ANDA	Abbreviated New Drug Application
Announced Divestitures	All of the following transactions: on October 1, 2023, Viatris announced it had received an offer for the divestiture of its OTC Business and had entered into definitive agreements to divest its women's healthcare business and, separately, in another transaction, its rights to two women's healthcare products in certain countries, its API business in India and commercialization rights in the Upjohn Distributor Markets
AOCE	Accumulated other comprehensive earnings
API	Active pharmaceutical ingredient
ARV	Antiretroviral medicines
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
Biocon	Biocon Limited
Biocon Biologics	Biocon Biologics Limited, a majority owned subsidiary of Biocon
Biocon Biologics Transaction	The transaction between Viatris and Biocon Biologics pursuant to which Viatris contributed its biosimilars portfolio, composed of the Biocon collaboration programs, biosimilars to Humira®, Enbrel®, and Eylea®, as well as related assets and liabilities to Biocon Biologics
Biocon Agreement	The transaction agreement between Viatris and Biocon Biologics, dated February 27, 2022, relating to the Biocon Biologics Transaction, as amended from time to time
Business Combination Agreement	Business Combination Agreement, dated as of July 29, 2019, as amended from time to time, among Viatris, Mylan, Pfizer and certain of their affiliates
CAMT	U.S. corporate alternative minimum tax
CCPS	Compulsory convertible preferred shares
cGMP	Current Good Manufacturing Practices
CIRP	Cybersecurity Incident Response Plan
CIRT	Cybersecurity Incident Response Team
clean energy investments	Used to define the three equity method investments the Company had in limited liability companies that owned refined coal production plants whose activities qualify for income tax credits under Section 45 of the Code
Code	The U.S. Internal Revenue Code of 1986, as amended
Combination	Refers to Mylan combining with Pfizer's Upjohn Business in a Reverse Morris Trust transaction to form Viatris on November 16, 2020
Commercial Paper Program	The $1.65 billion unsecured commercial paper program entered into as of November 16, 2020 by Viatris, as issuer, Mylan Inc., Utah Acquisition Sub Inc. and Mylan II B.V., as guarantors, and certain dealers from time to time
COPD	Chronic obstructive pulmonary disease

COSO	Committee of Sponsoring Organizations of the Treadway Commission
COVID-19	Novel coronavirus disease of 2019
CP Notes	Unsecured, short-term commercial paper notes issued pursuant to the Commercial Paper Program
DEA	U.S. Drug Enforcement Agency
DEI	Diversity, equity, and inclusion
Developed Markets segment	Viatris' business segment that includes our operations primarily in the following markets: North America and Europe
DGCL	Delaware General Corporation Law
Distribution	Pfizer's distribution to Pfizer stockholders all the issued and outstanding shares of Upjohn Inc.
DOJ	U.S. Department of Justice
DRIP	Dividend Reinvestment and Share Purchase Plan
EBITDA	Non-GAAP financial measure that the Company believes is appropriate to provide information to investors - U.S. GAAP net earnings (loss) adjusted for net contribution attributable to equity method investments, income tax provision (benefit), interest expense and depreciation and amortization
EDPA	U.S. District Court for the Eastern District of Pennsylvania
EMA	European Medicines Agency
Emerging Markets segment	Viatris' business segment that includes, but is not limited to, our operations primarily in the following markets: Parts of Asia, the Middle East, South and Central America, Africa, and Eastern Europe
EPD Business	Abbott Laboratories' non-U.S. developed markets specialty and branded generics business, prior to its acquisition by Mylan in February 2015
EU	European Union
Exchange Act	Securities Exchange Act of 1934, as amended
Famy Life Sciences	Famy Life Sciences Private Limited
FASB	Financial Accounting Standards Board
FDA	U.S. Food and Drug Administration
Form 10-K	This annual report on Form 10-K for the fiscal year ended December 31, 2023
GA Depot	Long-acting glatiramer acetate depot product
GDPR	The EU's General Data Protection Regulation
Global Systemically Important Banks	Financial institutions that are considered systemically important by the Financial Stability Board
Greater China segment	Viatris' business segment that includes our operations primarily in the following markets: China, Taiwan and Hong Kong
Gx	Generic drugs
Hatch-Waxman Act	Drug Price Competition and Patent Term Restoration Act of 1984
HIPAA	Health Insurance Portability and Accountability Act of 1996 and the Health Information Technology for Economic and Clinical Health Act
HIV/AIDS	Human immunodeficiency virus infection and acquired immune deficiency syndrome
Idorsia	Idorsia Pharmaceuticals Ltd.
INN	International NonProprietary Name
IPR&D	In-process research and development
IRS	U.S. Internal Revenue Service
IT	Information technology
JANZ segment	Viatris' business segment that includes our operations in the following markets: Japan, Australia and New Zealand
LAMA	Long-acting muscarinic antagonist
LIBOR	London Interbank Offered Rate
Lilly	Eli Lilly and Company
LOE	Loss of exclusivity
Mapi	Mapi Pharma Ltd.

Maximum Leverage Ratio	The maximum consolidated leverage ratio financial covenant requiring maintenance of a maximum ratio of consolidated total indebtedness as of the end of any quarter to consolidated EBITDA for the trailing four quarters as defined in the related credit agreements from time to time
MDL	Multidistrict litigation
Momenta	Momenta Pharmaceuticals, Inc.
MPI	Mylan Pharmaceuticals Inc.
Mylan	Mylan N.V. and its subsidiaries
Mylan Inc. Euro Notes	The 2.125% Senior Notes due 2025 issued by Mylan Inc., which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan II B.V., Viatris Inc. and Utah Acquisition Sub Inc.
Mylan Inc. U.S. Dollar Notes	The 4.550% Senior Notes due 2028, 5.400% Senior Notes due 2043 and 5.200% Senior Notes due 2048 issued by Mylan Inc., which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan II B.V., Viatris Inc. and Utah Acquisition Sub Inc.
NASDAQ	The NASDAQ Stock Market
NCDs	noncommunicable diseases
NCEs	New Chemical Entities
NDA	New drug application
NHS	National Health Services
Note Securitization Facility	The note securitization facility entered into in August 2023 for borrowings up to $200 million and expiring in August 2024
OECD	The Organisation for Economic Co-operation and Development
OTC	Over-the-counter
OTC Business	Viatris' OTC business that the Company has agreed to divest to Cooper Consumer Health SAS, including two manufacturing sites located in Merignac, France, and Confienza, Italy, and an R&D site in Monza, Italy. This excludes the Company's rights for Viagra®, Dymista® (which, in certain limited markets, are sold as OTC products), and select OTC products in certain markets.
OTC Transaction	On October 1, 2023, Viatris announced it had received an offer for the divestiture of its OTC Business.
Oyster Point	Oyster Point Pharma, Inc.
PBMs	Pharmacy benefit managers
PCAOB	Public Company Accounting Oversight Board
Pending Announced Divestitures	The remaining Announced Divestitures that have not been consummated
Pfizer	Pfizer Inc.
Profit Sharing 401(k) Plan	401(k) retirement plan with a profit sharing component for non-union represented employees
PSUs	Performance awards
QCE	Quality consistency evaluation
R&D	Research and development
Receivables Facility	The $400 million accounts receivable entered into in August 2020 and expiring in April 2025
Registered Upjohn Notes	The 1.650% Senior Notes due 2025, 2.300% Senior Notes due 2027, 2.700% Senior Notes due 2030, 3.850% Senior Notes due 2040 and 4.000% Senior Notes due 2050 originally issued on October 29, 2021 registered with the SEC in exchange for the corresponding Unregistered Upjohn U.S. Dollar Notes in a similar aggregate principal amount and with terms substantially identical to the corresponding Unregistered Upjohn U.S. Dollar Notes and fully and unconditionally guaranteed by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.
Respiratory Delivery Platform	Pfizer's proprietary dry powder inhaler delivery platform
Restricted Stock Awards	The Company's nonvested restricted stock and restricted stock unit awards, including PSUs
Revance	Revance Therapeutics, Inc.

Revolving Facility	The $4.0 billion revolving facility dated as of July 1, 2021, by and among Viatris, certain lenders and issuing banks from time to time party thereto and Bank of America, N.A., as administrative agent
RICO	Racketeer Influenced and Corrupt Organizations Act
ROU asset	Right-of-use asset
Sanofi	Sanofi-Aventis U.S., LLC
SARs	Stock Appreciation Rights
SDNY	U.S. District Court for the Southern District of New York
SEC	U.S. Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended
Senior U.S. Dollar Notes	The Upjohn U.S. Dollar Notes, the Utah U.S. Dollar Notes and the Mylan Inc. U.S. Dollar Notes, collectively
Separation	Pfizer's transfer to Upjohn of substantially all the assets and liabilities comprising the Upjohn Business
Separation and Distribution Agreement	Separation and Distribution Agreement between Viatris and Pfizer, dated as of July 29, 2019, as amended from time to time
SG&A	Selling, general and administrative expenses
SOFR	Secured overnight financial rate
stock awards	Stock options and SARs
Tax Matters Agreement	The agreement entered into by Pfizer and Viatris in connection with the Separation and the Distribution that governs the parties' respective rights, responsibilities and obligations with respect to taxes, including taxes arising in the ordinary course of business and taxes, if any, incurred as a result of any failure of the Distribution or certain related transactions to qualify as tax-free transactions
Teva	Teva Pharmaceutical Industries Ltd.
Theravance Biopharma	Theravance Biopharma, Inc.
TSA	Transition services agreement
U.K.	United Kingdom
U.S.	United States
U.S. GAAP	Accounting principles generally accepted in the U.S.
Unregistered Upjohn U.S. Dollar Notes	The 1.650% Senior Notes due 2025, 2.300% Senior Notes due 2027, 2.700% Senior Notes due 2030, 3.850% Senior Notes due 2040 and 4.000% Senior Notes due 2050 originally issued on June 22, 2020 by Upjohn Inc. (now Viatris Inc.) in a private offering exempt from the registration requirements of the Securities Act and fully and unconditionally guaranteed by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.
Upjohn	Upjohn Inc., a wholly owned subsidiary of Pfizer prior to the Distribution, that combined with Mylan and was renamed Viatris Inc.
Upjohn Business	Pfizer's off-patent branded and generic established medicines business that, in connection with the Combination, was separated from Pfizer and combined with Mylan to form Viatris
Upjohn Distributor Markets	Select geographic markets that were part of the Combination that are smaller in nature and in which we had no established infrastructure prior to or following the Combination and that the Company intends to divest
Upjohn Euro Notes	Senior unsecured notes denominated in euros and issued by Upjohn Finance B.V. pursuant to an indenture dated June 23, 2020
Upjohn U.S. Dollar Notes	Senior unsecured notes denominated in U.S. dollars and originally issued by Upjohn Inc. or Viatris Inc. pursuant to an indenture dated June 22, 2020 and fully and unconditionally guaranteed by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.
URP	Universal reimbursement pricing
Utah Acquisition Sub	Utah Acquisition Sub Inc., a Delaware corporation and an indirect wholly owned subsidiary of Viatris
Utah Euro Notes	The 2.250% Senior Notes due 2024 and 3.125% Senior Notes due 2028 issued by Utah Acquisition Sub Inc., which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Viatris Inc. and Mylan II B.V.

Utah U.S. Dollar Notes	The 3.950% Senior Notes due 2026 and 5.250% Senior Notes due 2046 issued by Utah Acquisition Sub Inc., which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Viatris Inc. and Mylan II B.V.
VA	Department of Veterans Affairs
VBP	Volume-based procurement
Viatris	Viatris Inc., formerly known as Upjohn Inc. prior to the completion of the Combination
Viatris Board	The board of directors of Viatris Inc.
Viatris Bylaws	The amended and restated bylaws of Viatris Inc.
Viatris Charter	Amended and restated certificate of incorporation of Viatris Inc., as amended
WHO	World Health Organization
YEN Term Loan Facility	The ¥40 billion term loan agreement dated as of July 1, 2021, among Viatris, the guarantors from time to time party thereto, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent

PART I

ITEM 1. Business

About Viatris

Viatris is a global healthcare company which we believe is uniquely positioned to bridge the traditional divide between generics and brands, combining the best of both to more holistically address healthcare needs globally. With a mission to empower people worldwide to live healthier at every stage of life, Viatris provides access at scale, currently supplying high-quality medicines to approximately 1 billion patients around the world annually and touching all of life’s moments, from birth to the end of life, acute conditions to chronic diseases. With our exceptionally extensive and diverse portfolio of medicines, a one-of-a-kind global supply chain designed to reach more people when and where they need them, and the scientific expertise to address some of the world's most enduring health challenges, access takes on deep meaning at Viatris.

Viatris’ executive management team is focused on ensuring that the Company is optimally structured and efficiently resourced to deliver sustainable value to patients, shareholders, customers and other key stakeholders. With a global workforce of approximately 38,000, the Company has industry leading commercial, R&D, regulatory, manufacturing, legal and medical expertise complemented by a strong commitment to quality and an unparalleled geographic footprint to deliver high-quality medicines to patients in more than 165 countries and territories. As of December 31, 2023, Viatris’ portfolio comprised more than 1,400 approved molecules across a wide range of key therapeutic areas, including globally recognized iconic and key brands and generics, including complex products, and the Company operated approximately 40 manufacturing sites worldwide that produce oral solid doses, injectables, complex dosage forms and APIs. As discussed below, Viatris has entered into certain transactions, including the Pending Announced Divestitures. Viatris is headquartered in the U.S., with global centers in Pittsburgh, Pennsylvania, Shanghai, China and Hyderabad, India.

Viatris has announced various strategic initiatives, transactions and business arrangements, including our two-phased strategic vision. In Phase 1 of this strategy, we have focused on stabilizing the base business, delivering on our pipeline, reducing debt, maintaining an investment grade credit rating and returning capital to shareholders. The Company also entered into certain transactions in order to simplify its business, accelerate paydown of debt and unlock shareholder value, including the Biocon Biologics Transaction and the Announced Divestitures. During Phase 2, the Company anticipates a period of renewed growth and leadership as it intends to move up the value chain by focusing on more complex and innovative products to build a more durable higher margin portfolio, while continuing to explore opportunities to unlock shareholder value.

On October 1, 2023, the Company announced it received an offer for the divestiture of its OTC Business, and entered into definitive agreements to divest its women’s healthcare business and, separately, in another transaction, its rights to two women’s healthcare products in certain countries, its API business in India and commercialization rights in the Upjohn Distributor Markets. The divestiture of the women’s healthcare business is primarily related to our oral and injectable contraceptives and does not include all of our women’s healthcare related products; as an example, our Xulane® product in the U.S. is excluded. The transaction to divest the Company’s rights to two women’s healthcare products in certain countries (other than in the U.K., which remains subject to regulatory approval) closed in December 2023. The divestitures of the commercialization rights in certain of the Upjohn Distributor Markets closed during 2023. Additionally, we expect to consummate the divestiture of our women’s healthcare business and our API business in India by the end of the first quarter of 2024, and in January 2024, we exercised our option to accept the offer in the OTC Transaction and entered into a definitive transaction agreement with respect to such OTC Transaction. We currently expect the OTC Transaction to close by mid-year 2024. The transactions that have not yet closed remain subject to regulatory approvals, receipt of required consents and other closing conditions, including, in the case of the API business divestiture, a financing condition.

Under the terms of the agreements, Viatris expects to receive gross proceeds of up to approximately $2.17 billion for the OTC Business and up to approximately $1.4 billion for the remaining divestitures. Upon closing of the divestitures of the women’s healthcare and API businesses, the Company expects to record gains for the differences between the expected consideration to be received and the carrying values of the businesses to be divested. The OTC, API and women’s healthcare businesses are deemed businesses for U.S. GAAP accounting purposes. As such, the assets and liabilities include an allocation of goodwill. The sale of the rights to two women’s healthcare products in certain countries was accounted for as an asset sale. In conjunction with these transactions, Viatris and the respective buyers have entered or will enter into various agreements to provide a framework for our relationship with the respective buyers after the closing of the divestitures, including TSAs, manufacturing and supply agreements, and distribution agreements, as necessary.

On February 28, 2024, the Company announced that it will acquire the development programs and certain personnel related to selatogrel and cenerimod from Idorsia in exchange for an upfront payment to Idorsia of $350 million, potential development and regulatory milestone payments, and certain contingent payments of additional sales milestone payments and tiered sales royalties. Viatris and Idorsia will both contribute to the development costs for both programs. Viatris will have worldwide commercialization rights for both selatogrel and cenerimod (excluding, for cenerimod only, Japan, South Korea and certain countries in the Asia-Pacific region). The agreements also provide Viatris a right of first refusal and a right of first negotiation for certain other assets in Idorsia's pipeline. The closing of the transaction is subject to certain closing conditions.

During the first quarter of 2023, the Company completed the acquisition of Oyster Point for approximately $427.4 million in cash, which included $11 per share paid to Oyster Point stockholders through a tender offer, payment for vested share-based awards, and the repayment of the Oyster Point debt. Oyster Point is focused on the discovery, development, and commercialization of first-in-class pharmaceutical therapies to treat ophthalmic diseases.

On November 7, 2022, the Company entered into a definitive agreement to acquire the remaining equity shares of Famy Life Sciences, a privately-owned research company with a complementary portfolio of ophthalmology therapies under development, for consideration of $281 million. The transaction to acquire the remaining equity shares of Famy Life Sciences closed during the first quarter of 2023.

Ophthalmology is one of the key therapeutic areas of focus of the Company. With the combination of Viatris' global commercial footprint, R&D and regulatory capabilities and supply chain, along with Oyster Point's deep knowledge of the ophthalmology space from a clinical, medical, regulatory and commercial perspective—including Tyrvaya®—and Famy Life Sciences' Phase III-ready pipeline, the Company believes it has the foundation to create a leading global ophthalmology franchise, accelerating efforts to address the unmet needs of patients with ophthalmic disease and the eye care professionals who treat them.

On November 29, 2022, Viatris completed the transaction to contribute its biosimilars portfolio to Biocon Biologics to create what it expects to be a vertically integrated global biosimilars leader. Under the terms of the Biocon Agreement, Viatris received $3 billion in consideration in the form of a $2 billion cash payment, adjusted as set forth in the Biocon Agreement, and approximately $1 billion of CCPS representing a stake of approximately 12.9% (on a fully diluted basis) in Biocon Biologics. Viatris also is entitled to $335 million of additional cash payments in 2024. In addition, Viatris and Biocon Biologics have agreed to a closing working capital target of $250 million, of which $220 million was paid during 2023. The remaining amount may become payable to Biocon Biologics in connection with certain events in the future, depending on the valuations attributable to such events. Upon closing of the transaction, the Company recognized a gain on sale of approximately $1.75 billion and has not recognized the results of the business in its consolidated financial statements subsequent to November 29, 2022.

At the time of closing of the Biocon Biologics Transaction, Viatris and Biocon Biologics also entered an agreement pursuant to which Viatris was providing commercialization and certain other transition services on behalf of Biocon Biologics, including billings, collections and the remittance of rebates, to ensure business continuity for patients, customers and colleagues. Biocon Biologics had substantially exited all transition services with Viatris as of December 31, 2023.

Unless otherwise indicated, industry data included in this Item 1 are sourced from IQVIA Holdings Inc. and are for the twelve months ended November 2023 and Viatris product and other company data included in this Item 1 are from internal sources and are as of November 30, 2023.

Organization

Upjohn was incorporated in Delaware on February 14, 2019 as a wholly-owned subsidiary of Pfizer to operate the Upjohn Business. Effective as of November 16, 2020, Upjohn, Mylan and Pfizer consummated the combination of Mylan with the Upjohn Business through a Reverse Morris Trust transaction, Viatris became the parent entity of the combined Upjohn Business and Mylan business, and Upjohn changed its name to "Viatris Inc.". As a result of the Combination, Mylan ceased to exist as a separate legal entity after merging with and into Mylan II B.V., an indirect wholly owned subsidiary of Viatris.

The Upjohn Business was a global, primarily off-patent branded and generic established medicines business, which included 20 primarily off-patent oral solid dose legacy brands, such as Lyrica®, Lipitor®, Celebrex® and Viagra®.

Mylan was founded in 1961 as a privately-owned company and grew over time into one of the largest manufacturers of generic drugs in the U.S. Mylan became a publicly traded company in 1973. Mylan's strategy then led to many acquisitions which played a significant role in the evolution of that company, including Matrix Laboratories Limited (2007); Merck KGaA's generic and specialty pharmaceutical business (2007); the EPD Business (2015) and Meda AB (publ.) (2016). These acquisitions assisted in creating robust research, manufacturing, supply chain and commercial platforms on a global scale; substantially expanding its portfolio of medicines; diversifying by geography, product type and channel; maintaining its commitment to quality; and cultivating its global workforce.

Business Model and Operations

Viatris is a new kind of healthcare company - a Next-Gen Hybrid Pharmaceutical Company with a relentless focus on delivering access at scale that has been built for the future of healthcare. Our strength is in our diversity and in our mission to empower people worldwide to live healthier at every stage of life. Our business and operating model is deliberately designed and implemented to deliver on our strategy to provide and sustain access to medicine at scale. Underpinned by Viatris' relevance and success in meeting evolving healthcare needs, we seek to create value for and together with our key stakeholders – the people who trust our medicines every day, the health systems who rely on us, the people who make up Viatris, our partners and the investors who believe in our ability to execute on our ambitious mission.

We are convinced that patients and systems around the world are best served by a healthcare company applying a well-rounded and long-term approach, maintaining viability while working to manage inherent risks and opportunities and continuously striving to advance sustainable operations and responsible practices in a focused way. We see healthcare not as it is, but as it should be. We act courageously and believe we are uniquely positioned to be a source of stability in a world of evolving healthcare needs. Viatris empowers people worldwide to live healthier at every stage of life. We do so via **Access**, **Leadership** and **Partnership**.

ACCESS

Viatris provides high-quality, trusted medicines, regardless of geography or circumstance. As noted above access is fundamental to our mission. It is not an initiative; it is our business model, and it is personal. It begins with our ability to sustainably deliver quality medicines to people, regardless of geography or circumstance. We believe we are a company uniquely positioned to bridge the traditional divide between generics and brands, combining the best of both to more holistically address healthcare needs globally. We are committed to improving access to high-quality medicines and working to ensure a reliable supply so patients can get the treatments they need, when and where they need them. Our global portfolio, supported by our science, medical and manufacturing expertise, delivers global iconic and key brands, generics, including complex products, and OTC products. As discussed above, the Company has entered into a definitive agreement to divest its OTC Business.

We see access as fundamental to empowering people worldwide to live healthier at every stage of life—a powerful concept in challenging times.

With what we believe is an extensive portfolio of medicines to meet nearly every health need, a one-of-a-kind global supply chain designed to reach more people with health solutions when and where they need them, and the scientific expertise to address some of the world's most enduring health challenges, access takes on deeper meaning at Viatris.

From our unique vantage point, we touch all of life's moments, from birth to the end of life, acute conditions to chronic diseases. We see across multiple therapeutic areas to the person at the center of their own unique health journey. We are focused on meeting individual needs, whether with a generic medicine, an improved version of an existing medicine, or a truly novel therapeutic solution.

Ultimately, we know we are stronger together. Both as a company and as a global community. Our pursuit of access is relentless. Because health matters everywhere.

As a company, Viatris:

- **Covers a broad range of therapeutic areas**. We produce medicines for patients across a broad range of major therapeutic areas. From cardiovascular health to oncology, Viatris offers quality treatment options across more than 10 major therapeutic areas covering a wide variety of noncommunicable and infectious diseases. We also offer support services such as diagnostic clinics, educational seminars and digital tools to help patients better manage their health. While we intend to maintain our broad range of therapeutic areas, we have, as previously announced, identified three core, global therapeutic areas – ophthalmology, gastrointestinal, and dermatology – that we believe particularly fit our own internal capabilities while leveraging our global platform. In addition to the three therapeutic areas identified, we will continue to seek opportunities in other therapeutic areas that move the Company forward and leverage the strength of our internal capabilities and global platform.

- **Helps ease the burden of noncommunicable diseases.** According to the WHO, NCDs, such as ischemic heart disease, stroke, diabetes, certain cancers and chronic obstructive pulmonary disease, are among the leading causes of death globally. NCDs affect people of every age, gender and socioeconomic status in every corner of the world, and pose a heavy burden on individuals, families and communities. To overcome this global public health threat, patients worldwide need a partner they can trust – one that not only believes everyone deserves good health, but also has the portfolio, experience and expertise to make this belief a reality.

- **Helps hearts stay healthier.** According to the WHO, coronary heart disease is the number one cause of death globally. Viatris collaborates with many organizations to help prevent, diagnose, and treat many cardiovascular illnesses. Our deep experience in emerging and developed markets affords a tried-and-true method of achieving high impact across the patient experience, from awareness to adherence. In close collaboration with governments, healthcare providers, technology partners and patients, we at Viatris work to nurture healthcare systems that can adapt and respond to patients' ever-changing needs. We continue to collaborate with medical associations, patient advocacy groups and academia to develop innovative, integrated solutions and programs to help strengthen both the delivery and quality of healthcare.

- **Fights infectious disease**. We are also a global leader in treating infectious diseases such as HIV/AIDS, hepatitis, and tuberculosis, and offer an extensive portfolio across these disease states. While many important strides have been made to treat these illnesses, there is still more to be done in countries where lack of access to therapeutics, preventative treatment and diagnostics often result in patients not receiving proper care, and those where HIV transmission continues thirty years into the epidemic. From manufacturing a pediatric-friendly antiretroviral used to treat HIV-positive infants to providing HIV self-tests in some low- and middle-income countries, we are innovating to help patients.

An Increasingly Innovative and Differentiated Pipeline

Our confidence in the future delivery of our pipeline is rooted in our strong historic development programs and list of firsts, including the first FDA approvals of the generic version of Allergan's Restasis® and the generic version of Symbicort®, Breyna™. In addition, we are working on many other programs, including the potential to be first to market for our generics of Abilify Maintena®, Injectafer®, Invega Trinza®, Ozempic®, Venofer® and Wegovy™. We are also working with our partners on novel and complex products such as our BOTOX® (onabotulinumtoxinA) biosimilar and Glatiramer Acetate Depot, a long-acting injection version of the approved glatiramer acetate.

While we will continue to diligently pursue important generics opportunities, we will increasingly focus on limited-competition complex and novel products targeting gaps in care, all with a first-to-market emphasis and serving our mission of patient access. Complex product categories are critical to patient health and are growing at a rapid pace. Our goal is to enhance our proven scientific capabilities and current global platform, including our Global Healthcare Gateway®, which allows partners to access our infrastructure and many established strengths to reach patients they may not have the resources to reach on their own, to create a durable and higher-margin portfolio of products. And that means further expanding beyond our current scope into more innovative products, including NCEs and 505(b)(2) products.

LEADERSHIP

Viatris is advancing sustainable operations and innovative solutions to improve patient health and support more resilient healthcare systems. Viatris is committed to providing steady leadership in a world that is constantly evolving. We take that commitment seriously and know that advancing sustainable operations and innovative solutions to improve patient health requires strong global leadership. We know what it takes to reach more patients with more products, and believe that Viatris is uniquely positioned to make a difference through our:

- **Powerful global operating platform**, which combines what we believe to be best-in-class manufacturing and supply chain capabilities. We have designed our global operations and supply chain to be a reliable and flexible partner for access across the world, constantly adapting to an ever-evolving landscape. As of December 31, 2023, Viatris operated approximately 40 manufacturing sites worldwide that produce oral solid doses, injectables, complex dosage forms and APIs on five different continents. Together with a global, flexible and diverse supply chain, our platform strives to mitigate risks of disruption and ensure supply reliability. Our responsive global network has helped us maintain a reliable supply of much needed medicines throughout times of significant volatility. We are committed to advancing responsible and sustainable operations and work diligently to minimize our environmental footprint across the Viatris network while safeguarding access to medicine. As discussed above, the Company has entered into a definitive agreement to divest its API business in India.

- **Robust global technical resources**, including thousands of scientists, regulatory experts and medical and product safety professionals working around the world on innovative therapies and solutions for patients everywhere.

- **Strong global commercial team**, including sales team members and marketing professionals whose goal is to ensure that products are shipped to customers around the globe.

- **Diverse and differentiated global portfolio** includes products in more than 10 major therapeutic areas, including both infectious diseases and NCDs and medicines that treat the top 10 leading causes of death globally, as determined by the WHO. We are a leading supplier of medicines to the HIV/AIDS community around the world, with a legacy of providing access to high-quality and affordable ARVs in more than 100 countries.

We believe that Viatris' global leadership in all of these areas uniquely positions us to efficiently and effectively serve patients regardless of geography or circumstance. Together, with our commitment to provide access to a sustainable, affordable, and diverse portfolio of high-quality medicines and our goal to be a Partner of Choice® for companies big and small, Viatris works to improve access and meet evolving healthcare needs around the world.

PARTNERSHIP

Leveraging our collective expertise to connect people to products and services. Partnerships and collaborations are critical, as are policies and strong healthcare systems that allow for healthy competitive environments. We have a strong history of partnering with other pharmaceutical companies, nonprofit organizations, government agencies, policymakers, trade associations and alliances, industry researchers and patient advocacy groups to promote sustainable access to treatment, build more resilient healthcare systems and drive these issues within our industry on global, regional and local levels. We hold leadership roles in several industry associations and actively engage with more than 100 groups worldwide to this end. Many of our collaborations focus on access to medicine; public awareness and disease screening; and healthcare professional education and support.

Our Global Healthcare Gateway® Built to Fuel Growth and Partnerships

Our Global Healthcare Gateway® is open for business. Our platform, which allows existing and new partners to access our many established strengths to reach patients they may not have the resources to reach on their own, connects more people with even more products and services. We are actively engaging with potential partners to help them accelerate possibilities of using their own healthcare assets to reach more patients by leveraging our unique global platform – our R&D, supply chain, manufacturing, regulatory, commercial and legal expertise. With the global platforms and infrastructure supporting our innovative Global Healthcare Gateway®, we are enhancing our capital allocation approach to business development, and our organic and inorganic R&D investments through a focused governance structure to ensure the highest level of strategic decision-making.

Through our Global Healthcare Gateway®, we connect more people with even more products and services to advance access and health. Ultimately, we know we are stronger together, working collaboratively and relentlessly across our company and with the broader global community, in pursuit of access.

Licensing and Other Partner Agreements

We periodically enter into commercial licensing and other partner agreements with other pharmaceutical companies for the development, manufacture, marketing and/or sale of pharmaceutical products. Doing so helps us share risks and costs, leverage strengths and scale up commercialization, but usually requires us to also share future profits. The result often is that medicines become available sooner and to a significantly larger group of patients.

Our significant licensing and other partner agreements are primarily focused on the development, manufacturing, supply and commercialization of multiple, high-value generic compounds and respiratory products, among other complex products. Refer to Note 18 *Licensing and Other Partner Agreements* included in Part II, Item 8 of this Form 10-K for more information. As we intend to move up the value chain during Phase 2 of our two-phased strategic vision, we may enter into more financial commitments in connection with agreements with our collaboration partners that provide for certain services, as well as cross manufacturing, development and licensing arrangements.

Operations

Viatris has developed an end-to-end experience across the total product life cycle, which includes global regulatory licensing, launch, growth and post-approval lifecycle management. Our research, development and medical platform seeks to maximize the impact of our existing portfolio by examining whether there is an opportunity for new indications, label extensions, formulations, and market registrations for our products. We also use our platform to determine whether there is an opportunity to integrate new products into our portfolio.

The manufacturing of APIs and finished dosage forms is currently performed by a combination of internal and external manufacturing operations. Historically, we maintained a vertical integration strategy with respect to many of the products we produce; meaning we manufactured both the APIs and finished dosage forms related to those products. However, as discussed above, the Company has entered into a definitive agreement to divest its API business in India as we intend to move up the value chain during Phase 2 of our two-phased strategic vision by focusing on more complex and innovative products to build a more durable, higher-margin portfolio. We expect to retain some selective R&D capabilities in API and to continue to have access to adequate API supplies through a manufacturing and supply agreement with the API business buyer and our arrangements with other manufacturers. For additional information, see Part I, Item 1A "Risk Factors - *We have a limited number of manufacturing facilities and certain third-party suppliers produce a substantial portion of our API and products, some of which require a highly exacting and complex manufacturing process*." of this Form 10-K.

The Company's significant manufacturing, warehousing and distribution activities are located primarily in the U.S., Puerto Rico, Singapore, India, Australia, China, and certain E.U. countries, including Ireland. In addition, we maintain administrative facilities around the world. While many of these key facilities are owned, Viatris also leases certain facilities from third parties.

We believe all our facilities are in good operating condition, the machinery and equipment are well-maintained, the facilities are suitable for their intended purposes, and they have capacities adequate for the current operations.

Facilities and records related to our products are subject to periodic inspection by the FDA, the EMA and other regulatory authorities in jurisdictions where our products are marketed. In addition, authorities often conduct pre-approval plant inspections to determine whether our systems and processes comply with current GMP and other regulations, and clinical-trial reviews to evaluate regulatory compliance and data integrity. Our suppliers, contract manufacturers, clinical trial partners and other business partners are subject to similar regulations and periodic inspections. The Company remains committed to maintaining the highest quality manufacturing standards at its facilities around the world and to continuous assessment and improvement in a time of evolving industry dynamics and regulatory expectations.

Customers and Marketing

Our customers include retail and pharmacy establishments, wholesalers and distributors, payers, insurers and governments, and institutions such as hospitals; among others. See “Channel Types” below for more information about our customers.

The table below displays the percentage of consolidated net sales to our largest customers during the years ended December 31, 2023, 2022 and 2021:

	Percentage of Consolidated Net Sales		
	2023	2022	2021
McKesson Corporation	10 %	11 %	9 %
AmerisourceBergen Corporation	10 %	10 %	9 %
Cardinal Health, Inc.	5 %	5 %	5 %

We serve our customers through a team of highly-skilled sales and marketing professionals, all of whom are focused on establishing Viatris as our customers’ partner of choice. To best meet customers’ needs, the Company manages its business on a geographic basis.

In addition to being dynamic, the pharmaceutical industry is complex. How it functions, how it is regulated and how it provides patients access varies by location. Similarly, competition is affected by many factors. Examples of factors include innovation and development, timely approval of prescription drugs by health authorities, manufacturing capabilities, product quality, marketing effectiveness, portfolio size, customer service, consumer acceptance, product price, political stability and the availability of funding for healthcare.

Certain parts of our business also are affected by seasonality, e.g., due to the timing and severity of peak cough, cold and flu incidence, which can cause variability in sales trends for some of our products. While seasonality may affect quarterly comparisons within a fiscal year, it generally is not material to our annual consolidated results.

For these and other reasons, the Company’s sales and marketing efforts vary accordingly by product, market and channel type, each of which is described below.

See the *Application of Critical Accounting Policies* section in Part II, Item 7 of this Form 10-K for more information related to customer arrangements.

Products

From cardiovascular health to oncology, Viatris offers quality treatment options across more than 10 major therapeutic areas covering a wide variety of noncommunicable and infectious diseases. We also offer support services such as diagnostic clinics, educational seminars and digital tools to help patients better manage their health. We offer a broad and diverse range of treatment options across all our therapeutic areas, with many categories containing several products in a range of dosage forms, formulations and delivery systems that allow physicians to tailor care for optimal treatment.

As the Company looks to the future, its goal is to leverage its proven scientific capabilities to create a durable and higher-margin portfolio of products. Viatris intends to continue building its pipeline and focusing on products with greater complexity while also investing in the lifecycle management of certain key products in our current portfolio. The Company also expects to expand further beyond its current scope into more innovative products, including NCEs and 505(b)(2)s. The

Company is further enhancing its commercial and scientific capabilities as needed for this future portfolio and intends to increase its R&D investment as well as inorganically grow via business development through its Global Healthcare Gateway®.

Viatris currently markets prescription brand and generic drugs, including complex drugs.

Brand drugs typically are prescription pharmaceuticals that are sufficiently novel as to be protected by patents or other forms of exclusivity. As such, these drugs, which bear trade names, may be produced and sold only by those owning the rights, subject to certain challenges that other companies may make. Developing new medicines can take years and significant investment. Only a few promising therapies ever enter clinical trials. Fewer still are approved for sale by health authorities, at which point marketing to healthcare providers and consumers begins. Because patents and exclusivities last many years, they serve as an incentive to developers. During the periods protected, developers often recoup their investments and earn a profit. In many high-income countries, the brand business often is characterized by higher margins on lower volumes - especially as compared with generic manufacturers. Viatris has numerous branded drugs, including iconic brands, as well as several global key brands to help patients manage their health. Brand drugs include branded generics which are off-patent products that are sold under an approved proprietary name for marketing purposes. Brand products often become branded generics once patent protections or other forms of exclusivity expire. Branded generic products are common in many countries outside the U.S., including emerging markets. Brand and branded generic products are more sensitive to promotion than are unbranded generic products. They therefore represent the primary focus of most of our sales representatives and product-level marketing activity. Our OTC products, which are sold directly to consumers without a prescription and without reimbursement, are generally sold under a brand name.

Generic drugs are therapeutically equivalent versions of brand drugs. Generics generally become available once the patents and other exclusivities on their branded counterparts expire. The generics business is generally characterized by lower margins on higher volumes of a relatively large number of products. Our generic medicines work in the same way and provide the same clinical benefits as their as their brand-name counterparts and may cost less, providing patients and the healthcare system important savings and medicine options which we believe are essential to making healthcare accessible. The manufacturing of generic medicines is held to the same standards of GMP by health authorities as the manufacturing of branded medicines. National health authorities inspect our facilities around the world to ensure that generic manufacturing, packaging and testing sites pass the same quality standards as those of brand drugs. Gx products typically are sold under their INNs. INNs facilitate the identification of pharmaceutical substances or APIs. Each INN is unique and globally recognized. A nonproprietary name also is known as a generic name.

Complex drugs are medicines that could have a complex active ingredient, complex formulation, complex route of delivery or complex drug device combinations. Viatris offers a number of these important medicines to patients, including Breyna™ Inhalation Aerosol, the first FDA-approved generic version of Symbicort®, Wixela Inhub®, the first generic of ADVAIR DISKUS® and glatiramer acetate injection, a generic version of Copaxone®, for example. Our current complex products are considered generics and are included within our generics revenue category.

While we will continue to diligently pursue important generics opportunities, we will increasingly focus on limited-competition complex and novel products targeting gaps in care, all with a first-to-market emphasis and serving our mission of patient access. We believe complex products categories are critical to patient health and are growing at a rapid pace.

We also often incur substantial litigation expense as a result of defending or challenging brand patents or exclusivities, which is described further in Note 19 *Litigation* included in Part II, Item 8 of this Form 10-K.

Market Types

Viatris focuses its sales and marketing efforts on the people who make key decisions around pharmaceutical prescribing, dispensing or buying. Decision-makers vary by country or region, reflecting law and custom, giving rise to different types of pharmaceutical markets. Many countries feature a mix of or hybrids of various market types, though the Company may focus on just one type in a particular country.

In *prescription* markets, physicians decide which medicines patients will take. Pharmacies then dispense the products as directed. Drug companies employ sales forces to educate doctors about the clinical benefits of their products. Representatives call on individual doctors or group practices; the process is known as detailing. Examples of countries served by Viatris that are mainly prescription markets are the U.S. brand business, China, Turkey, Poland and Mexico.

In *substitution* markets, pharmacists generally are authorized (and in some cases required) by law to dispense an unbranded or branded generic, if available, in place of a brand-name medicine, or vice versa. Drug companies may use sales forces in these markets too, with representatives calling on and educating pharmacy personnel about their organization and products. Examples of countries served by Viatris that are mainly substitution markets are France, Italy, Spain, Portugal, Japan and Australia.

In *tender* markets, payers, such as governments or insurance companies, negotiate the lowest price for a drug (or group of drugs) on behalf of their constituents or members. In exchange, the chosen supplier's product is placed on the payer's formulary, or list of covered prescriptions. Often, a supplier's drug is the only one available in an entire class of drugs. Large sales forces are not needed to reach these decision-makers. Examples of generic markets served by Viatris that are mainly tender markets are New Zealand, Sweden, South Africa, as well as Germany.

In *distribution* markets, retailers and wholesalers make drug-purchasing decisions. Large sales forces are not needed to reach the decision-makers representing these organizations. Note, however, that pharmacists operating in distribution markets also may be authorized to make substitution decisions when dispensing medicines. Examples of countries served by Viatris that are mainly distribution markets are the U.S. generics business, the U.K. and Norway.

The allocation of our sales and marketing resources reflects the characteristics of these different market types.

In the case of OTC products, consumers are the decision-makers. OTC products are commonly sold via retail channels, such as pharmacies, drugstores and supermarkets. This makes their sale and marketing comparable to other retail businesses, with broad advertising and trade-channel promotion. Consumers often are loyal to well-known OTC brands. For this reason, suppliers of OTC products, Viatris included, must invest the time and resources needed to build strong OTC brand names. As discussed above, the Company has entered into a definitive agreement to divest its OTC Business. The Company will retain rights for Viagra® and Dymista® (which, in certain limited markets, are sold as OTC products) and select OTC products in certain markets.

Channel Types

Viatris' products make their way to patients through a variety of intermediaries, or channels.

Pharmaceutical wholesalers/distributors purchase prescription medicines and other medical products directly from manufacturers for storage in warehouses and distribution centers. The distributors then fill orders placed by healthcare providers and other authorized buyers.

Pharmaceutical retailers purchase products directly from manufacturers or wholesalers/distributors. They then sell them to consumers in relatively small quantities for personal use.

Institutional pharmacies address the unique needs of hospitals, nursing homes and other such venues. Among the services provided are specialized packaging, including for injectables and unit-dose products, for controlled administration.

Mail-order and e-commerce pharmacies receive prescriptions by mail, fax, phone or the internet at a central location; process them in large, mostly automated centers; and mail the drugs to the consumer.

Specialty pharmacies focus on managing the handling and service requirements associated with high-cost and more-complex drug therapies, such as those used to treat patients with rare or serious diseases.

Business Segments

Viatris has four reportable segments: Developed Markets, Greater China, JANZ, and Emerging Markets. The Company reports segment information on the basis of markets and geography, which reflects its focus on bringing its broad and diversified portfolio of branded and generic products, including complex products, to people in markets everywhere. Our Developed Markets segment comprises our operations primarily in North America and Europe. Our Greater China segment includes our operations in China, Taiwan and Hong Kong. Our JANZ segment reflects our operations in Japan, Australia and New Zealand. Our Emerging Markets segment encompasses our presence in more than 125 countries with developing markets and emerging economies including in Asia, Africa, Eastern Europe, Latin America and the Middle East as well as the Company's ARV franchise.

Developed Markets

The Developed Markets segment comprises our operations primarily in North America and Europe. The Company's business in North America is driven mainly by our operations in the U.S., where we are one of the largest providers of prescription medicines. The U.S. pharmaceutical industry is very competitive, and the primary means of competition are innovation and development, timely FDA approval, manufacturing capabilities, product quality, marketing, portfolio size, customer service, reputation and price. We rely on cost-effective manufacturing processes to meet the rapidly changing needs of our customers around a reliable, high quality supply of pharmaceutical products. Europe, where many governments provide healthcare at a low direct cost to consumers and regulate pharmaceutical prices or patient reimbursement levels, continues to be a highly competitive market, especially in terms of pricing, quality standards, service levels and product portfolio. Our leadership position in a number of countries provides us a platform to fulfill the needs of patients, physicians, pharmacies, customers and payors.

Significant products sold by the Developed Markets segment include Lyrica®, Lipitor®, Creon®, Influvac®, Wixela Inhub®, EpiPen® Auto-Injector, Fraxiparine®, and Yupelri®.

New product launches are an important growth driver. Important recent launches include lenalidomide and Breyna™ in the U.S.

While our U.S. customer base is extensive, it comprises a small number of very large firms as the pharmaceutical industry has undergone tremendous change and consolidation. We believe Viatris is well positioned to serve such customers in the Developed Markets due to the scale we have built in terms of R&D, manufacturing, and portfolio breadth.

Greater China

The Greater China segment includes our operations in mainland China, Taiwan, and Hong Kong. The Viatris Greater China portfolio predominantly consists of branded LOE products.

In China, the recent healthcare reform measures are aimed at controlling the overall healthcare costs, while providing better and broader care to the population. Healthcare spending is expected to increase in-line with GDP growth. The VBP policy for LOE molecules is now in its fifth year and includes more than 330 molecules. All major Viatris brands are included in the VBP molecule lists. We have re-balanced our business to expand our focus on the retail pharmacy and e-commerce channels while maintaining our presence in the hospital channel. Healthcare consumerism, increased spending power, and demand for premium medical products have generated strong growth in these new channels and partially absorbed the reductions seen in hospital channel due to VBP. Additional pricing and volume pressure for pharmaceutical products sold in the hospital channels is expected to continue during 2024 and could negatively impact our results of operations. For additional information, see Part I, Item 1A "Risk Factors - *We have and may continue to experience pressure on the pricing of and reimbursements for certain of our products due to pricing controls, social or government pressure to lower the cost of drugs, and consolidation across the supply chain.*" of this Form 10-K.

Significant products within the Greater China segment include Lipitor®, Norvasc®, and Viagra®.

JANZ

The JANZ segment consists of our operations in Japan, Australia and New Zealand. In Japan, the National Health Insurance regulates the pricing of pharmaceutical products to healthcare providers. The Company sells products in Japan primarily through a network of wholesalers who then sell the products to doctors, hospitals and pharmacies. In Australia, the healthcare system is a mix of public and private healthcare sectors, with Medicare, Australia's public healthcare system, covering most of the country's medical costs. The Department of Health oversees healthcare governance, law, and policy while the various state and territory governments administer the system. Most prescription pharmaceutical products are subsidized under the pharmaceutical benefits scheme by the federal government. Pricing of reimbursed pharmaceutical products is regulated by the government and funded via the Medicare levy and through company and patient contributions. The Company sells products primarily through the wholesale system, while promoting its products to both physicians and pharmacists.

Significant products within the JANZ segment include AMITIZA®, Lipacreon®, Lyrica®, Norvasc®, Effexor® and Dymista®.

Emerging Markets

The Emerging Markets segment encompasses our presence in more than 125 countries with developing markets and emerging economies including in Asia, Africa, Eastern Europe, Latin America and the Middle East as well as the Company's ARV franchise. With healthcare at various stages of development across these markets, we believe we are positioned to not only leverage our large geographical footprint to maximize the similarities between these markets, but also tailor solutions to meet local need. There is demand in this segment for better healthcare to serve a growing population and economic expansion. Many countries in this segment are brand-conscious with generic penetration rates lower than developed markets.

Among our products sold in the segment are Lipitor®, Lyrica®, Norvasc®, Celebrex®, and ARVs.

Refer to Note 15 *Segment Information* included in Part II, Item 8 of this Form 10-K for more information about our segments.

Government Regulation

Regulation by governmental authorities is a significant factor in the R&D, manufacture, marketing, sales and distribution of pharmaceuticals. Our products are subject to robust developmental studies which include analytical determinations of strength, quality, purity as well as rigorous safety and efficacy determinations using preclinical, pharmacokinetic studies and clinical evaluations to gather data to support regulatory review and approval. This body of work results in extensive data and scientific information that is incorporated into a given product's regulatory dossier. Manufacturing is conducted under exacting conditions governed by extensive regulation including strict in-process and finished pharmaceutical products specifications and controls. Post-approval activities, such as advertising and promotion, pharmacovigilance, post-marketing regulatory commitments, and pharmacopeial monographs, are subject to extensive regulation and controls as well.

The lengthy process of developing products and obtaining required approvals and the continuing need for post-approval compliance with applicable statutes and regulations require the expenditure of substantial resources. Regulatory approval, if and when obtained, may be limited in scope. Further, approved drugs, as well as their manufacturers, are subject to ongoing post-marketing review and inspection, which can lead to the discovery of previously unknown attributes of the products or the manufacturing or quality control procedures used in their production, which may impact the marketing of the products or result in restrictions on their manufacture, sale or use or in their withdrawal from the market.

Any failure or delay by us, our suppliers of manufactured drug product, collaborators or licensees, in obtaining and maintaining regulatory approvals could adversely affect the marketing of our products and our ability to receive product revenue, license revenue or profit-sharing payments.

Other Regulatory Requirements

Our business is subject to a wide range of various other federal, state, non-governmental, and local agency rules and regulations. They focus on fraud and corruption, pricing and reimbursement, data privacy, and the environment, among many other considerations. For more information about certain of these regulations and the associated risks we face, see Part I, Item 1A "Risk Factors" of this Form 10-K.

Research and Development

Our R&D organization, which includes developers and regulatory and clinical experts, works collaboratively across our different R&D centers around the world, which include technology-focused development sites and global R&D centers.

Our research, development and clinical platform, which includes regulatory activities, seeks to deliver new product opportunities across all of our categories and markets and to evaluate opportunities to expand the scope of our existing product portfolio with a focus on development activities. Our product pipeline includes a variety of dosage forms, including oral solid dosage forms, transdermals, injectables, inhalation, and other delivery systems. While committed to generics and specialty products, over the last several years, a greater portion of our investments has been focused on complex or difficult-to-formulate products, such as modified release injectables, rather than on commodity products, such as conventional oral solid dosage forms. For example, we are working on a number of programs including the potential to be first to market for our generics of Abilify Maintena®, Injectafer®, Invega Trinza®, Ozempic®, Venofer® and Wegovy™. We are also working with our partners on novel and/or complex products such as our biosimilar to BOTOX® (onabotulinumtoxinA) and Glatiramer Acetate Depot, a long-acting injection version of the approved glatiramer acetate. As previously mentioned, to facilitate our future growth, we expect to expand our current scope of development into more innovative products, including NCEs and 505(b)(2) products with a particular focus on three therapeutic areas: ophthalmology, gastrointestinal, and dermatology. Viatris invests significant sums in R&D, and this amount is likely to increase as we intend to move up the value chain during Phase 2 of our two-phased strategic vision by focusing on more complex and innovative products to build a more durable higher margin portfolio with exclusivity opportunities. In addition to increasing our R&D and IPR&D investment, we also expect to inorganically grow via business development through strategic alliances with partners, including through our Global Healthcare Gateway®, and agreements with collaboration partners.

Intellectual Property

We consider the protection of our intellectual property rights to be extremely valuable, and we act to protect them from infringement by third parties.

We have an extensive trademark portfolio totaling more than 34,000 trademarks filed globally and routinely apply to register key brand names, generic names, branded generic names, and trade names in numerous countries around the world. Our registered trademarks are renewable indefinitely, and are maintained in accordance with the laws of the countries in which they are registered.

We also have an extensive patent portfolio and actively file for patent protection in various countries to protect our brand-name, generic, branded generic, and OTC products, including processes for making and using them. We have more than 3,300 patents filed globally. For additional information, see Part I, Item 1A "Risk Factors - *We rely on the effectiveness of our patents, trademarks, confidentiality agreements and other measures to protect our intellectual property rights.*" of this Form 10-K.

Further, we have well-established safeguards in place to protect our proprietary know-how and trade secrets, both of which we consider extremely valuable to our intellectual property portfolio.

We look for intellectual property licensing opportunities to or from third parties, related not only to our existing products, but as a means for expanding our product portfolio.

We rely on the aforementioned types of intellectual property, as well as our copyrights, trade dress, regulatory exclusivities and contractual protections, to establish a broad scope of intellectual property rights for our product portfolio.

Sustainability

To learn about our sustainability work in depth, we encourage you to read our 2022 Sustainability Report[1]. The Sustainability Report, published in May 2023, sets forth Viatris' work and efforts in 2022 to further advance sustainable and responsible operations. It also discusses how we progressed in 2022 on our initial companywide sustainability goals in the areas of: access and global health; DEI; and environment (climate, water, and waste). This includes that our Scope 1, 2 and 3 emission reduction targets have been validated and approved by the SBTi.

Viatris 2023 accolades include inclusion on 3BL's 100 Best Corporate Citizens list, Newsweek's America's Greenest Companies 2024, TIME's World's Best Companies 2023 list and USA Today's inaugural list of America's Climate Leaders 2023.

The following highlights our systematic efforts and progress across key areas:

Access and Global Health

As noted above, access is fundamental to our mission. It is not an initiative; it is our business model, and it is personal. We are Access at Scale – all day, every day. It begins with our ability to sustainably deliver quality medicines to people, regardless of geography or circumstance. We believe we are a company uniquely positioned to bridge the traditional divide between generics and brands, combining the best of both to more holistically address healthcare needs globally.

Our exceptionally extensive and diverse portfolio helps address acute conditions to chronic diseases across multiple therapeutic areas. We are focused on striving to meet individual needs, whether with a generic medicine, a trusted brand, an improved version of an existing medicine, or a truly novel therapeutic solution.

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[1] Please note that our website, Sustainability Report and their respective contents are not incorporated by reference into this Form 10-K.

We go beyond developing, manufacturing, and distributing quality medicines. With the needs of people at the center, we often work to help find solutions that support resilient healthcare systems. We have designed our global operations and supply chain to be a reliable and flexible partner for access across the world, constantly adapting to an ever-evolving landscape.

We pursue holistic approaches to prevention, diagnosis, treatment, and disease management. We work to build public health awareness, to support and implement research, to deliver access to health education, and to advocate for public policies that advance sustainable access at scale, globally.

We are keenly aware that no one can meet this high aspiration alone. Partnerships and collaborations are critical, as are policies and strong healthcare systems that allow for healthy competitive environments. The need is universal, and we work with an array of organizations, globally, regionally, locally, public and private to support sustainable access to quality medicines at consistent quality standards.

Environmental Stewardship

We are committed to minimizing our impact on the environment while safeguarding a reliable supply of medicine. Our commitment entails systematic and continuous work, and a global integrated approach to managing our impact on and from climate change, energy efficiency and renewable energy, water and waste reduction, and air emissions.

As part of having our Scope 1, 2 and 3 emission reduction targets validated and approved by SBTi, SBTi classified Viatris' scope 1 and 2 target ambition and has determined that it is in line with the 1.5°C trajectory. Further, we have concluded a climate scenario analysis, a key recommendation of the Task Force on Climate-Related Financial Disclosures. The analysis is global in scope and helps us to continue to understand the risk and uncertainties in different hypothetical scenarios. Key actions and strategies for making progress toward our SBTi climate targets include increasing renewable energy usage, implementing energy-efficiency projects, preventing refrigerant leaks and transitioning to greener refrigerants, using alternative fuels and technologies, and leveraging infrastructure upgrades and utility replacement projects. While it is very hard to predict accurately the future costs associated with compliance with environmental laws, this is not expected to require significant capital expenditures and has not had, and is not expected to have, a material adverse effect on our operations or competitive position.

We remain engaged in promoting environmentally responsible supply chains, including through the continued adoption of the AMR Industry Alliance's Common Antibiotic Manufacturing Standard in our operations and in the external supply chain. Furthermore, we are leveraging our membership in the Pharmaceutical Supply Chains Initiative in external supplier sustainability engagement.

Community Engagement

We seek to foster healthy communities around the world by supporting education, health and disease awareness efforts that, in particular, promote empowering patients and creating access to care. We work via in-kind and monetary donations, volunteering our time and talents and engaging with partners to find solutions. Our work addresses common global themes and leverages our collective capabilities, while addressing unique local needs.

During 2023, Viatris continued our humanitarian support for emergency response to support victims of conflict, disasters and extreme weather in partnership with Direct Relief and the American Red Cross, to name just a few long-term partners. Furthermore, Viatris colleagues across the globe have done beach cleanups, community fundraisers, and participated in volunteer opportunities to raise money and awareness for patients living with disease.

We are committed to helping communities around the world where needs are great. As a global healthcare company, our priorities during the humanitarian crises due to the conflicts in Ukraine and the Middle East have been protecting the safety and wellbeing of our colleagues, supporting impacted communities and doing our best to ensure access to essential medicines. To support affected communities, we have been working with partners such as Direct Relief, UNAIDS and World Central Kitchen to respond to various needs, including supporting medical relief shipments and access to food in Ukraine for refugees fleeing the crisis.

Business partnerships, collaboration within and across sectors, memberships, and philanthropic collaborations help us serve patients, healthcare systems and communities worldwide.

Human Capital

Our people

Our approximately 38,000 colleagues are passionate about our mission, and together we are building a performance-driven, highly engaging and inclusive culture where diverse perspectives drive access, innovation and our ability to make an impact in the world, and truly involves everyone at Viatris in different ways.

The Company has been included on Forbes' list of World's Best Employers 2023, Fortune's Change the World list, Newsweek's America's Most Responsible Companies 2022 list, a Great Place to Work® certification in India, Capital Magazine's Best Employers in France list, and HR Asia's Best Companies to Work for in Asia (Taiwan), among others.

Our colleagues are leading our mission and we continue to build our culture with a focus on colleague experience and engagement; learning and development; career progression; DEI; talent attraction and our deep commitment to the health, safety and wellbeing of our colleagues, their families and the communities we serve.

As a newer company, we have remained committed to building upon our foundations, harmonizing our processes and programs and initiating many firsts for Viatris. These have included conducting our first global employee Voice Survey with an 89% participation rate in 2022, sharing their perspective on engagement, DEI, health and wellbeing and transformation and change, and defining our expectations for how we work together. We also grew our initial Employee Resource Groups, which include EmpoWer advocating for an ecosystem that empowers women to reach their full potential; VIVID supporting LGBTQ+ employees and allies; RISE supporting our colleagues of African descent; and Care, advocating for caregivers with the Company. The insights from our Voice Survey are guiding our efforts as we continually strive to create a work environment where people can learn, grow, feel appreciated and make an impact in the world.

We have expanded our professional development opportunities via internal and external resources, including programs focused on female leadership, management coaching and executive leadership. We completed Viatris' first full cycle of talent review and succession planning. We further performed a broad talent assessment, focusing on establishing a baseline across the entire enterprise.

DEI is essential to our mission. We seek to understand and embrace what makes individuals and their circumstances unique and believe that recognition is fundamental to our success. Following the launch of our initial DEI goals in the areas of foundational learning, and increasing diversity in management for women, Black and Hispanic/LatinX employees, we have focused on identifying initial actions, building our strategy and setting in place the essential building blocks to advance DEI at Viatris. This includes a Focusing on Inclusion course, which is part of every employee's learning curriculum.

Health and Safety

Our ability to make a positive impact for patients worldwide relies on having a healthy and thriving workforce. The wellbeing of our colleagues is a priority, and we support colleagues through wellbeing programs across the world, taking into consideration local markets and needs. We also launched our global wellbeing strategy to support and encourage employees to live life fully by providing access to wellbeing platforms, benefits and resources.

Most importantly, protecting the health and safety of our colleagues is essential at Viatris. We have a global Environmental, Health and Safety Management System, technical requirements, processes and systems that establish the foundation of this program. These elements apply to all locations and guide us in cultivating a culture of health and safety throughout our global workforce.

Exchange Act Reports

Viatris maintains a website at Viatris.com where you can find certain reports and associated amendments that the Company files with the SEC in accordance with the Exchange Act. These filings will include our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports.

We make this information available on our website free of charge, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The contents of our website are not incorporated by reference in this Annual Report on Form 10-K and shall not be deemed "filed" under the Exchange Act.

The SEC also maintains a website (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

ITEM 1A. Risk Factors

We operate in a complex and rapidly changing environment that involves risks, many of which are beyond our control. Our business, financial condition, results of operations, cash flows, ability to pay dividends, and/or stock price could be materially affected by any of these risks, if they occur, or by other factors not currently known to us, or not currently considered to be material. These risk factors should be read in conjunction with the other information in this Form 10-K, as well as our other filings with the SEC.

Our risk factors are organized into five categories: Strategic, Operational, Compliance, Finance and General.

Summary

Below is a summary of some of the more significant risks and uncertainties we face. This summary is not exhaustive and is qualified by reference to the full set of risk factors set forth in this Part I, Item 1A.

- Strategic Risks
  - We may not realize the intended benefits of, or achieve the intended goals or outlooks with respect to, our strategic initiatives, including divestitures, acquisitions or other potential transactions.
  - There are risks and uncertainties associated with the Announced Divestitures, including the OTC Transaction, one or more of which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends or stock price.
  - The integration of acquired businesses as well as restructuring programs have presented and may in the future present significant challenges.
  - There are ongoing risks and uncertainties associated with the Biocon Biologics Transaction, one or more of which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends or stock price.
  - We have and may continue to experience pressure on the pricing of and reimbursements for certain of our products due to pricing controls, social or government pressure to lower the cost of drugs, and consolidation across the supply chain.
  - We have significant operations globally, which exposes us to the risks inherent in conducting our business internationally.
  - Charges to earnings resulting from acquisitions could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.
- Operational Risks
  - Current and changing economic conditions, including inflation, may adversely affect our industry, business, partners and suppliers.
  - The pharmaceutical industry is heavily regulated, and we face significant costs and uncertainties associated with our efforts to comply with applicable laws and regulations.
  - The use of legal, regulatory, and legislative strategies by both brand and generic competitors, including but not limited to "authorized generics" and regulatory petitions, may increase costs associated with the introduction or marketing of our generic products, could delay or prevent such introduction, and could significantly reduce our revenue and profit.
  - If we are unable to successfully introduce new products in a timely manner, our future revenue and profitability may be adversely affected.
  - We expend a significant amount of resources on R&D efforts that may not lead to successful product introductions.
  - Even if our products in development receive regulatory approval, such products may not achieve expected levels of market acceptance.
  - Our business is highly dependent upon market perceptions of us, our products and brands, and the safety and quality of our products and brands, as well as the effectiveness of our sales and marketing activities, and we may be adversely impacted by negative publicity or findings.
  - We have a limited number of manufacturing facilities and certain third-party suppliers produce a substantial portion of our API and products, some of which require a highly exacting and complex manufacturing process.
  - Our future success is highly dependent on our ability to attract, motivate and retain key personnel.

- Compliance Risks
  - We are subject to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, Chinese anti-corruption laws and similar worldwide anti-corruption laws, which impose restrictions on certain conduct and may carry substantial fines and penalties.
  - Our competitors, including branded pharmaceutical companies, and/or other third parties, may allege that we or our suppliers are infringing upon their intellectual property, including in an "at risk launch" situation, which could result in substantial monetary damages, impact our ability to launch a product and/or our ability to continue marketing a product, and/or force us to expend substantial resources in resulting litigation, the outcome of which is uncertain.
  - We are involved in various legal proceedings and certain government inquiries and may experience unfavorable outcomes of such proceedings or inquiries.
  - We are increasingly dependent on IT and information systems and our systems and infrastructure face certain risks, including cybersecurity and data leakage risks.
- Finance Risks
  - There can be no guarantee that we will continue to pay dividends or repurchase shares under our stock buyback program.
  - We may not be able to maintain competitive financial flexibility and our corporate tax rate which could adversely affect us and our shareholders.
  - Currency fluctuations and changes in exchange rates have impacted and could continue to adversely affect our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.
  - We have significant indebtedness, which could lead to adverse consequences or adversely affect our financial position and prevent us from fulfilling our obligations under such indebtedness, and any refinancing of this debt could be at significantly higher interest rates.
  - There are inherent uncertainties involved in estimates, judgments and assumptions used in the preparation of financial statements in accordance with U.S. GAAP. Any future changes in estimates, judgments and assumptions used or necessary revisions to prior estimates, judgments or assumptions or changes in accounting standards could lead to a restatement or revision to previously issued financial statements.
  - Viatris has suffered and in the future could suffer additional losses due to impairment charges.

Strategic Risks

We may not realize the intended benefits of, or achieve the intended goals or outlooks with respect to, our strategic initiatives, including divestitures, acquisitions or other potential transactions.

Viatris has announced various strategic initiatives, transactions and business arrangements, including our two-phased strategic vision. In Phase 1 of this strategy, we have focused on stabilizing the base business, delivering on our pipeline, reducing debt, maintaining an investment grade credit rating and returning capital to shareholders. The Company also entered into certain transactions in order to simplify its business, accelerate paydown of debt and unlock shareholder value, including the Biocon Biologics Transaction and the Announced Divestitures. During Phase 2, the Company anticipates a period of renewed growth and leadership as it intends to move up the value chain by focusing on more complex and innovative products to build a more durable higher margin portfolio, while continuing to explore opportunities to unlock shareholder value.

Implementing these and other strategic initiatives has included and may in the future include divestitures (including the Biocon Biologics Transaction and the Announced Divestitures), acquisitions, asset purchases, partnerships, collaborations, joint ventures, product rationalization and other investments. Certain of these transactions and arrangements have been and may in the future be material both from a strategic and financial perspective (including but not limited to divestitures that have resulted or will in the future result in reductions to our results of operations (including but not limited to total revenues) and cash flows). These initiatives, whether we are able to complete them or not, have been and may continue to be complex, time-consuming or expensive, may divert managements' attention, and expose us to operational ineffectiveness. We may miscalculate the risks associated with our strategic initiatives at the time they are made or not have the resources or ability to access all the relevant information to evaluate them properly, including with regard to the potential of R&D pipelines, manufacturing issues, compliance issues, or the outcome of ongoing legal and other proceedings. More complex products are more difficult, costly and time-consuming to develop, receive regulatory approval for and bring to market. There can be no assurance that we will be able to achieve all of our intended goals or outlooks with respect to such strategies within the anticipated timeframes or at all, fully realize the expected benefits of any such transactions or arrangements, or successfully manage base business erosion or grow in future periods.

Divestitures (including the Biocon Biologics Transaction and the Announced Divestitures), product rationalizations or asset sales have also resulted and could continue to result in asset impairments, or reductions to the size or scope of our business, our market share in particular markets or our opportunities and ability to compete with respect to certain markets, therapeutic areas or products. We may not be successful in separating divested businesses or assets, which could negatively impact our ongoing operations, future earnings and future goals and outlooks. Certain divestitures also have resulted and may in the future result in continued financial and operational exposure to the divested assets or businesses, such as through guarantees or other financial arrangements, indemnification, continued supply and transition services obligations to the divested businesses, stranded costs, or potential litigation. In addition, we may not be able to obtain the required regulatory approvals for a planned divestiture, or may be unable to dispose of businesses that we intend to divest on satisfactory or commercially reasonable terms or within our anticipated timeline, in part because of competition from other companies in pursuing similar transactions in the pharmaceutical industry. We may also not be able to realize the intended or anticipated benefits from such transactions, such as realizing the anticipated proceeds, deploying the proceeds to pay down our outstanding indebtedness and/or fund other important initiatives, maintaining employee morale and retaining key management and other employees to provide the transition services and to operate our retained business, or may be unable to realize the intended or expected goals, outlooks, synergies or operating efficiencies with respect to such transactions. Please also refer to "*There are risks and uncertainties associated with the Announced Divestitures, including the OTC Transaction, one or more of which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends or stock price.*"

We have also entered into strategic alliances with partners, including through our Global Healthcare Gateway®, to develop, manufacture, market and/or distribute certain products, and/or certain components of our products, in various markets. We have entered into and may in the future enter into agreements with our collaboration partners that provide for certain services, as well as cross manufacturing, development and licensing arrangements. We commit substantial efforts and other resources to these various alliances and collaborations. In addition, as we intend to move up the value chain during Phase 2 of our two-phased strategic vision, we expect to use more capital resources and may enter into more financial commitments in connection with these alliances and collaborations. There is a risk that the investments made by us in these alliances and collaborative arrangements will not generate financial returns. While we believe our relationships with our partners generally are successful, disputes or conflicting priorities and regulatory or legal intervention could be a source of delay or uncertainty as to the expected benefits of the obligations.

The overall execution of our strategic initiatives may result in material unanticipated problems, expenses, liabilities, competitive responses, operational inefficiencies, adverse tax consequences, impairment or restructuring charges, loss of customer relationships, difficulty attracting and retaining qualified employees, and diversion of management's and/or employee's attention, among other potential adverse consequences. In addition, we may have to terminate a strategic alliance, agreement or arrangement, or our partners may be unable to fulfill their collaboration.

Any of the risks described above could have a material adverse effect on our reputation, business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

There are risks and uncertainties associated with the Announced Divestitures, including the OTC Transaction, one or more of which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends or stock price.

On October 1, 2023, we announced we had received an offer for the divestiture of substantially all of our OTC Business (the "OTC Transaction") and entered into definitive agreements to divest our women's healthcare business and, separately, in another transaction, our rights to two women's healthcare products in certain countries, our API business in India and commercialization rights in the Upjohn Distributor Markets (all such transactions, including the OTC Transaction, referred to as the Announced Divestitures). As of February 28, 2024, we have consummated certain of the Announced Divestitures, including our rights to two women's healthcare products in certain countries (other than in the U.K., which remains subject to regulatory approval) and commercialization rights in certain of the Upjohn Distributor Markets. Additionally, we expect to consummate the divestiture of our women's healthcare business and our API business in India by the end of the first quarter of 2024, in each case subject to satisfaction of certain closing conditions, and in January 2024, we exercised our option to accept the offer in the OTC Transaction and entered into a definitive transaction agreement with respect to such OTC Transaction. However, there remain a number of risks and uncertainties associated with the Announced Divestitures, including the remaining Announced Divestitures that have not been consummated (all such remaining Announced Divestitures referred to as the Pending Announced Divestitures), including, among other things:

- the Pending Announced Divestitures not being completed on the expected timelines or at all, including but not limited to the inefficiencies and lack of control that may result if the Pending Announced Divestitures are delayed or not implemented effectively, and unforeseen difficulties and expenditures that may arise as a result;
- the risk that the conditions set forth in the definitive agreements with respect to the Pending Announced Divestitures will not be satisfied or waived (including that, with respect to the OTC Transaction, the potential failure of the conditions in that transaction agreement related to obtaining required regulatory and other consents and approvals, which could give rise to the termination of that transaction agreement);
- failure to realize the total transaction values for the Announced Divestitures and/or the expected proceeds for any or all of the Announced Divestitures, including as a result of any purchase price adjustment or a failure to achieve any

conditions to the payment of any contingent consideration (including, with respect to the OTC Transaction, that transaction agreement's net indebtedness and working capital adjustments as well as the up to €100.0 million in contingent additional cash consideration);

- the possibility that the Company may be unable to realize the intended or expected benefits of, or achieve the intended or expected goals, outlooks, synergies or operating efficiencies with respect to, the Announced Divestitures, including but not limited to as a result of carrying stranded costs;
- the risk that we will incur additional losses related to the Pending Announced Divestitures (with respect to the OTC Transaction, for instance, we recorded an estimated pre-tax loss of $735 million in the fourth quarter of 2023 for the difference between the estimated consideration to be received, less estimated costs to sell the business, and the carrying value of the business to be divested, including an allocation of goodwill (see Note 5 *Divestitures* in Part II, Item 8 of this Form 10-K for more information);
- the cost of continued post-closing activities related to the divestiture of the commercialization rights in the Upjohn Distributor Markets and the risk that if the divestiture of the commercialization rights in the remaining Upjohn Distributor Markets are not completed, the distribution arrangements will expire in accordance with our agreement with Pfizer and the Company will wind down operations in these markets, which may result in significant additional asset write-offs and other costs being incurred; and
- the risk that we may incur losses related to unhedged foreign exchange exposure related to receiving proceeds from the OTC Transaction in Euros.

To the extent that the current market price of our common stock reflects an assumption that the Pending Announced Divestitures will be consummated in the timeframe and manner currently anticipated, and that the Company will prioritize use of net proceeds from the Pending Announced Divestitures for debt paydown, any delay in closing or failure to close the Pending Announced Divestitures could result in a decline in the market price of our common stock. Similarly, any delay in closing or failure to close the Pending Announced Divestitures could result in damage to our relationships with customers, suppliers and employees and have an adverse effect on our business. Regarding all of the Announced Divestitures, the attention of our management may be directed toward closing or post-closing matters, and their focus may be diverted from the day-to-day business operations of our company, including from other opportunities that might otherwise be beneficial to us. Also, we have agreed to indemnify the respective purchasers in the Announced Divestitures and certain of their respective representatives against certain losses suffered as a result of certain breaches of our representations, warranties, covenants and agreements in the applicable transaction agreements and related documents. Any event that results in a right for the purchaser in any of the Announced Divestitures to seek indemnity from us could result in substantial liability to us and could adversely affect our financial position and results of operations.

In connection with the Announced Divestitures, we have also agreed, at the closing of the respective transactions, to enter into transition services and manufacturing and supply agreements pursuant to which we will provide services to the respective purchasers, including manufacturing, quality, supply chain, pricing and procurement, regulatory, product safety and risk management, medical affairs, IT, finance, human resources, real estate, commercial development and local commercial operations services, substantially the same as we currently provide to the related businesses, generally for a period of up to 12 months, subject to potential extensions in certain circumstances. In addition, in connection with the OTC Transaction and the divestiture of our women's healthcare business, we have agreed, at the closing of the respective transactions, to enter into distribution agreements. Once in effect, our obligations under these agreements may result in additional expenses that are borne by us and may divert our focus and resources that would otherwise be invested into maintaining or growing our retained business. In connection with our API business divestiture, we have agreed, at the closing of the transaction, to enter into a manufacturing and supply agreement pursuant to which we will purchase a significant amount of API from the purchaser in that transaction. Our obligations under the manufacturing and supply agreement may make us more vulnerable to API supply shortages and price volatility. Please also refer to "*We have a limited number of manufacturing facilities and certain third-party suppliers produce a substantial portion of our API and products, some of which require a highly exacting and complex manufacturing process.*"

Whether the Pending Announced Divestitures are ultimately consummated or not, their pendency could have a number of negative effects on our current business, including potentially disrupting our regular operations, diverting the attention of our workforce and management team, and increasing workforce turnover. It could also disrupt existing business relationships, make it harder to develop new business relationships, or otherwise negatively impact the way that we operate the business, which could negatively impact Viatris' results of operations and cash flows during the pendency of the transactions.

Upon the closing of any or all of the Announced Divestitures, our results of operations (including but not limited to total revenues) and cash flows will be reduced. In addition, we have expended significant time and resources, and expect to continue to expend significant time and resources, on these transactions, including management time and focus, costs and expenses related to the separation of the businesses from Viatris, the provision of the transition services and other transaction costs. Many of these expenses must be paid regardless of whether the transactions close, and even if the expected benefits are not achieved. These costs may be significant and we currently do not expect to be reimbursed for all such costs. We may also face other challenges as a result of the Announced Divestitures, including that we may not be able to realize the anticipated benefits from such transactions, such as prioritizing use of net proceeds from these divestitures for debt paydown, maintaining employee morale and retaining key management and other employees to provide the transition services and to operate our retained business, and the inability to effectively minimize liabilities and stranded costs associated with the Pending Announced Divestitures. Because the businesses or assets we divest, including our Biosimilars Business and the Announced Divestitures, were or are commingled with Viatris' other businesses, their financial information must be carved-out of Viatris' financial and other systems, and this process has impacted or will impact the reporting of our results of operations, financial condition, and cash flows. This process increases the risk of errors in the presentation of our financial results in conformity with U.S. GAAP.

Any of the risks described above could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price. Refer to Note 5 *Divestitures* in Part II, Item 8 of this Form 10-K for more information about the Announced Divestitures.

The integration of acquired businesses as well as restructuring programs have presented and may in the future present significant challenges.

The combination of two or more independent businesses, including, for example, the Combination and our recent acquisitions of Oyster Point and Famy Life Sciences, is a complex, costly and time-consuming process and there is a significant degree of difficulty inherent in the integration process. These difficulties may include:

- diversion of management's attention from the ongoing operations of Viatris to integration and restructuring matters;
- the challenge of integrating the employees and business cultures;
- retaining existing customers and suppliers, or obtaining new customers and suppliers;
- risks associated with managing a larger and more complex company;
- loss of institutional knowledge;
- the challenge and cost of integrating manufacturing, logistics, IT, communications and other systems;
- the potential difficulty retaining key personnel and other employees;
- challenges in reducing reliance on transition services, including difficulties in hiring employees or finding suitable replacements, prior to the expiration of any period in which such services are provided; and
- reducing costs associated with transition services, including managing the amount for replacement costs.

Viatris has in the past undertaken and may in the future undertake restructuring programs in order to achieve synergies and ensure the Company is optimally structured and efficiently resourced. The process of integrating operations and implementing restructuring initiatives could cause an interruption of, or loss of momentum in, the activities of one or more of Viatris' businesses. These integration and restructuring processes have in the past and may in the future require Viatris' senior management to devote considerable amounts of time to these processes, which could decrease the time they have to manage and service Viatris' businesses, and develop new products or strategies. Even if integration activities and restructuring programs are successful, we may not achieve anticipated synergies, growth opportunities and other financial and operating benefits within the timeline we anticipate, or at all.

If integration activities or restructuring programs are unsuccessful, if the estimated costs are higher than anticipated, or if we are unable to realize the anticipated synergies and other benefits, there could be a material adverse effect on Viatris' business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

There are ongoing risks and uncertainties associated with the Biocon Biologics Transaction, one or more of which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends or stock price.

A significant portion of the consideration that we received in the Biocon Biologics Transaction is in the form of equity in Biocon Biologics, which is currently a privately held Indian company. Although we have negotiated certain "downside" protection regarding the value of that equity in the Biocon Agreement and related documents, such protection does not guarantee any particular liquidity event or our ability to monetize our equity and, even if we are able to successfully liquidate our equity, the downside protection may be inadequate to guarantee a minimum return that we or investors expect. In addition, we believe the success of the Biocon Biologics business will be highly dependent upon the successful transition of the business to, and ongoing operation of the business by, Biocon Biologics. While the transition services that we agreed to provide Biocon Biologics were substantially completed by the end of 2023, we continue to provide certain limited services to Biocon Biologics and, if the remaining transition and ongoing operation of the business is not successful, it could have a significant impact on the value of the equity we will own in Biocon Biologics and could negatively impact our business or financial condition.

We have also agreed to indemnify Biocon Biologics and certain of its representatives against certain losses suffered as a result of certain breaches of our representations, warranties, covenants and agreements in the Biocon Agreement and related documents. Any event that results in a right for Biocon Biologics to seek indemnity from us could result in substantial liability to us and could adversely affect our financial position and results of operations.

Any of the risks described above could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We have and may continue to experience pressure on the pricing of and reimbursements for certain of our products due to pricing controls, social or government pressure to lower the cost of drugs, and consolidation across the supply chain.

We operate in a challenging environment, with significant pressures on the pricing of our products and on our ability to obtain and maintain satisfactory rates of reimbursement for our products by governments, insurers and other payors. We face numerous cost-containment measures by governments and other payors, including certain government-imposed industry-wide price reductions, caps on price increases, mandatory rebates or pricing, international reference pricing (i.e., the practice of a country linking its regulated medicine prices to those of other countries), VBP, tender systems, shifting of the payment burden to patients through higher co-payments, and requirements for increased transparency on pricing, all of which may have an adverse impact on the pricing of our products. In addition, rising rates of inflation have increased and may continue to increase pressure on governments, insurers and other payors to implement additional cost containment measures. There is no guarantee that these cost containment measures will be rolled back in the event that inflation rates decrease in the future.

Many markets in which we operate have implemented or may implement tender systems for generic pharmaceuticals in an effort to lower prices. Under such tender systems, manufacturers submit bids which establish prices for generic pharmaceutical products. Upon winning the tender, the winning company will receive a preferential reimbursement for a period of time. If our bids do not win, we may not be able to participate in the given market or may lose out on market share. In addition, if customers to whom we supply API do not win their tender bids, the amount of API that we sell to them may be reduced. While criteria other than price can be included in tenders, tender systems often select the lowest bid, which often results in companies underbidding one another by proposing low pricing in order to win the tender. Other markets may also consider the implementation of a tender system, and even if a tender system or other price controls are ultimately not implemented, the anticipation of such could result in price reductions.

In the EU, U.K. and some other international markets, the government provides healthcare at low cost to consumers and regulates pharmaceutical prices, patient eligibility and/or reimbursement levels to control costs for the government-sponsored healthcare system. These systems of price regulations may lead to inconsistent and lower prices. The availability of our products in some markets at lower prices undermines our sales in other markets with higher prices. Additionally, certain countries set prices by reference to the prices in other countries where our products are marketed. Thus, our inability to secure adequate prices in a particular country may also impair our ability to obtain acceptable prices in existing and potential new markets and may create the opportunity for third party cross-border trade. In addition to the impacts of these government-sponsored healthcare systems, in the EU, U.K. and other international markets, certain governmental agencies have enacted, or are considering enacting, further measures to decrease the costs of providing healthcare, including government mandated price reductions and/or other forms of price controls, including retrospective “clawback” price reductions.

In China, pricing pressures have increased in recent years, and the Chinese government has also increased its focus on patient access and reimbursement for pharmaceutical medicines. For example, in 2013, China began to implement a QCE process for post-LOE products to improve the quality of domestically manufactured generic drugs, primarily by requiring such drugs to pass a test to assess their bioequivalence to a qualified reference drug (typically the originator drug). Effective January 1, 2024, China implemented measures that aim to further improve quality management of drugs, including, among other things, stipulating additional responsibilities of marketing authorization holders and medical institutions to have a robust quality management system with respect to drug purchase, storage and use. In addition, since 2018, China's National Healthcare Security Administration, in conjunction with relevant departments, has been promoting a centralized VBP policy for drugs, which has become standard practice and subjects many drugs to a competitive bidding process. Molecules subject to the VBP bidding process have seen significant price cuts, with some bidders reducing the price of their products by as much as 96% as they attempt to secure volumes on the Chinese pharmaceutical market. We expect pricing pressures on our products included in the VBP bidding process to continue to increase as a result of this policy. We have failed, and may continue to fail, to win bids due to various factors, including uncompetitive bidding prices. In addition, the URP policy will cap reimbursement of molecules at their VBP tender winning price. URP will create additional pricing and volume pressure for pharmaceutical products that are subject to the program and is expected to negatively impact our results of operations.

Demand for our products also depends in part on the extent to which reimbursements are available. In the U.S., third-party payors increasingly challenge the pricing of pharmaceutical products. These trends and other trends toward managed healthcare, the vertical consolidation among insurers, PBMs and pharmacies, and legislative healthcare reform create significant uncertainties regarding the future levels of payment, price or reimbursement for pharmaceutical products. Further, any payment, price or reimbursement may be reduced in the future to the point that market demand for our products and/or our profitability declines. Changes to Medicare and/or state Medicaid programs, or changes required in the way in which Medicare payment rates are set, the design of the Medicare Part D and Part B benefits, and/or the way Medicare or Medicaid rebates are calculated, could adversely affect the payment we receive for our products. In order to control expenditures on pharmaceuticals, most member states in the EU regulate the pricing of products and, in some cases, limit the range of different forms of pharmaceuticals available for prescription by national health services. These controls can result in considerable price differences between member states.

There has also been increasing U.S. federal and state legislative and enforcement interest with respect to drug pricing, as well as from international organizations like the United Nations, WHO and OECD, in addition to intense publicity and scrutiny regarding such matters, including publicity and pressure resulting from prices charged by competitors and peer companies for new products as well as price increases by competitors and peer companies on older products that some have deemed excessive.

In addition, there have been executive orders, legislation, and legislative and regulatory proposals, including in connection with government programs such as Medicare, concerning drug prices and related issues, including the perceived need to bring more transparency to drug pricing, reviewing the relationship between pricing and manufacturer patient programs, and reforming government program reimbursement methodologies for drugs. Some states have also signed into law programs that compel manufacturers to provide certain medicines at free or reduced costs to certain patients, and additional states are exploring such programs. Although we expect to see continued focus in regulating pricing, we cannot predict what, if any, additional legislative or regulatory developments may transpire at the state or country level, or what the ultimate impact may be.

In the U.S., certain of these pressures are further compounded by increasing consolidation among wholesalers, retailer drug chains, PBMs, private insurers, managed care organizations and other private payors, which can increase their negotiating power. Please also refer to "*A significant portion of our revenues is derived from sales to a limited number of customers.*"

The numerous cost-containment measures by governments and other payors, failing to win tenders, the implementation of price control systems, adverse legislation and regulation, the consolidation of our customers, or continued social or government pressure to lower the cost of pharmaceutical products could have a material adverse impact on our business, reputation, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Healthcare reform legislation could have a material adverse effect on our business.

In recent years, there have been numerous initiatives on the federal and state levels for comprehensive reforms affecting the payment for, the availability of and reimbursement for, healthcare services in the U.S., and it is likely that Congress and state legislatures and health agencies will continue to focus on healthcare reform in the future.

In 2022, President Biden signed into law the Inflation Reduction Act, which includes numerous Medicare reforms that will affect reimbursement for certain pharmaceuticals covered by Medicare and modify the Part D and Part B program structure, including shifting the liability for certain prescription drug costs shared between Medicare, pharmaceutical manufacturers, and Part D plans. These reforms include government price negotiation for certain high-spend, single-source Medicare drugs, out-of-pocket caps for Medicare beneficiaries using insulin products, and the application of inflation-based rebates for certain Medicare drugs. The implementation of the Inflation Reduction Act, including rulemaking regarding the application of the Medicare Part B and Part D inflation penalties, is still underway and could negatively affect certain Viatris portfolio products based on future pricing decisions and changes in the Consumer Price Index for All Urban Consumers (CPI-U).

We are unable to predict the future course of federal or state healthcare legislation or reform or the outcome of challenges to such laws or reforms once passed. Significant additional reforms to the U.S. healthcare system, including changes to the ACA, Medicare and Medicaid, or changes to other laws or regulatory frameworks in other markets in which we operate, that reduce our revenues or increase our costs could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We have significant operations globally, which exposes us to the risks inherent in conducting our business internationally.

Our operations extend to numerous countries globally and therefore are subject to the risks inherent in this geographic scope. These risks include, but are not limited to:

- compliance with the national and local laws, regulations and customs of countries in which we do business, including, but not limited to, data privacy and protection, environmental and social regulations, import/export and enforcement of intellectual property rights;

- less established legal and regulatory regimes in certain jurisdictions, including China, where the interpretation and enforcement of laws, rules and regulations may involve uncertainties and can be inconsistent;
- that litigation, administrative and court proceedings may be protracted, expensive and unpredictable;
- that governments in certain jurisdictions may favor local businesses and make it more difficult for foreign businesses to operate on an equal footing, including but not limited to by promoting or requiring the local manufacture of pharmaceutical products and API or the establishment of local sites and offices;
- increased uncertainties related to the enforcement of contracts with certain parties;
- compliance with a variety of U.S. laws including, but not limited to, trade controls or sanctions, regulations put forth by the U.S. Treasury's Office of Foreign Assets Control, the Iran Threat Reduction and Syria Human Rights Act of 2012 and rules relating to the use of certain "conflict minerals" under Section 1502 of the Dodd-Frank Wall Street Reform and the Consumer Protection Act;
- sanctions and our interpretation of those sanctions, trade controls, supply chain and staffing challenges as a result of the ongoing conflict between Russia and Ukraine that have impacted and may continue to impact our ability to market or sell pharmaceuticals in either country or subject us to increased government scrutiny, and a significant escalation or expansion of the conflict's current scope may have a negative impact on our operations and financial results in future periods;
- instability in the Middle East, especially the ongoing conflict in Israel and Gaza, has impacted and may continue to impact our and our partners' ability to develop and manufacture products in the region and to transport those products to other markets, and may impact the ability of regulators to conduct required inspections at our or our partners' manufacturing facilities in the region. The conflict has also impacted our and our partners' ability to market or sell pharmaceutical products in the area, and has caused and may continue to cause other disruptions to the supply chain. A significant escalation or expansion of the conflict's current scope may have a negative impact on our operations and financial results in future periods;
- changes in laws, regulations, and practices that impact the pharmaceutical industry and/or healthcare systems, including but not limited to imports, exports, manufacturing, quality, cost, pricing, reimbursement, approval, inspection, and delivery of healthcare;
- changes in policies designed to promote foreign investment, including significant tax incentives, liberalized import and export duties, and preferential rules on foreign investment and repatriation;
- differing local product preferences and product requirements;
- adverse changes in the economies in which we or our partners and suppliers operate as a result of a slowdown in overall growth;
- changes in government or economic policies, elections, or financial, political, or social change or instability that affects the markets or countries in which we or our partners operate;
- changes in employment or labor laws, or wage increases in the countries in which we or our partners and suppliers operate;
- local, regional and global restrictions on banking and commercial activities in certain markets, especially emerging markets;
- longer payment cycles and increased exposure to counterparty risk;
- volatility in international financial markets and increased foreign currency risk;
- inflation or hyperinflation in certain markets, including Turkey;
- supply disruptions and increases in energy and transportation costs;
- increased tariffs on the import or export of our products or API, including on imports from China to the U.S. as a result of the escalation of trade tensions between the countries or otherwise;
- burdens to comply with multiple, changing and potentially conflicting laws, regulations and disclosure requirements, including those relating to environmental, social and governance matters, carbon emissions, health and safety, labor and human rights;
- natural or man-made disasters, including droughts, floods, earthquakes, hurricanes and the impact of climate change in the countries in which we or our partners and suppliers operate; and
- local disturbances, the outbreak of highly contagious diseases or other health epidemics or pandemics, terrorist attacks, riots, social disruption, wars, or regional hostilities in the countries in which we or our partners and suppliers operate and that could affect the economy, our operations and employees by disrupting operations and communications, making travel and the conduct of our business more difficult, and/or causing our customers to be concerned about our ability to meet their needs.

We also face the risk that some of our competitors have more experience with operations in such countries or with international operations generally and may be able to manage unexpected crises more easily. Moreover, the internal political stability of, or the relationship between, any country or countries where we conduct business operations may deteriorate. Changes in a country's political stability or the state of relations between any such countries are difficult to predict and the political or social stability in and/or diplomatic relations between any countries in which we or our partners and suppliers do business could meaningfully deteriorate.

The occurrence of any one or more of the above risks could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

***Charges to earnings resulting from acquisitions could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price*.**

Under U.S. GAAP provisions relating to business acquisition accounting standards, we recognize the identifiable assets acquired, the liabilities assumed, and any noncontrolling interests in acquired companies generally at their acquisition date fair values and, in each case, separately from goodwill. Goodwill as of the acquisition date is measured as the excess amount of consideration transferred, which is also generally measured at fair value, and the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. Our estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain. After we complete an acquisition, the following factors could result in material charges and adversely affect our operating results and may adversely affect our cash flows:

- costs incurred to combine the operations of companies we acquire, such as transitional employee expenses and employee retention, redeployment or relocation expenses;
- liabilities assumed in purchase accounting;
- impairment of goodwill or intangible assets, including acquired IPR&D;
- amortization of intangible assets acquired;
- a reduction in the useful lives of intangible assets acquired;
- identification of or changes to assumed contingent liabilities, including, but not limited to, litigation reserves, contingent purchase price consideration including fair value adjustments, income tax contingencies and other non-income tax contingencies, after our final determination of the amounts for these contingencies or the conclusion of the measurement period (generally up to one year from the acquisition date), whichever comes first;
- significant costs to restructure our operations and to reduce our cost structure, including cost related to severance payments, plant shutdowns and costs to achieve anticipated synergies; and
- charges to our operating results resulting from expenses incurred to effect the acquisition.

A significant portion of these adjustments could be accounted for as expenses that will decrease our net income and earnings per share for the periods in which those costs are incurred.

In particular, the amount of goodwill and identifiable intangible assets in our consolidated balance sheets is significant as a result of our acquisitions and other transactions, and may increase further following future potential acquisitions, and we have in the past and may in the future decide to sell assets that we determine are not critical to our strategy or execution, including the Biocon Biologics Transaction and the Announced Divestitures. These and other future events or decisions have in the past and may in the future lead to asset impairments and/or related charges. For instance, with respect to the OTC Transaction, we recorded an estimated pre-tax loss of $735 million in the fourth quarter of 2023 for the difference between the estimated consideration to be received, less estimated costs to sell the business, and the carrying value of the business to be divested, including an allocation of goodwill (see Note 5 *Divestitures* in Part II, Item 8 of this Form 10-K for more information). Certain impairments may also result from a change in our strategic goals, business direction or other factors relating to the overall business environment. Any such charges could cause a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

The illegal distribution and sale by third parties of counterfeit or IP-infringing versions of our products or of diverted or stolen products could have a negative impact on our reputation and our business.

The pharmaceutical drug supply is vulnerable to illegal counterfeiting and the presence of counterfeit or IP-infringing products in a growing number of markets, including widespread sales over the internet.

Third parties may illegally distribute and sell counterfeit or IP-infringing versions of our products that do not meet our rigorous manufacturing and testing standards. Counterfeit products are frequently unsafe or ineffective and can be potentially life-threatening. Counterfeit medicines may contain harmful substances, the wrong API, an incorrect dose of API or no API at all, depriving patients of the therapeutic benefit of such medicines. However, to distributors and users, counterfeit products may be visually indistinguishable from the authentic version.

Reports of adverse reactions to counterfeit or IP-infringing drugs or increased levels of counterfeiting could materially affect patient confidence in the authentic product. It is possible that adverse events caused by unsafe counterfeit products will mistakenly be attributed to the authentic product. In addition, unauthorized diversions of products or thefts of inventory at warehouses, plants, or while in-transit could result in improper storage or compromise product integrity and therefore adversely impact patient safety, our reputation, and our business.

Loss of sales or revenues, as well as public loss of confidence in the integrity of pharmaceutical products as a result of counterfeiting, diversion, or theft could have a material adverse effect on our business, reputation, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We face vigorous competition that threatens the commercial acceptance and pricing of our products.

The pharmaceutical industry is highly competitive. We face competition from other pharmaceutical manufacturers globally, some of whom are significantly larger than us and have stronger, more well-established reputations than us. Our competitors may be able to develop products and processes competitive with or superior to our own for many reasons, including but not limited to the possibility that they may have:

- proprietary processes or delivery systems;
- larger or more productive R&D and marketing staff;
- larger or more efficient production capabilities in a particular therapeutic area;
- more experience in preclinical testing and human clinical trials;
- more products;
- more experience in developing new drugs; or
- greater financial resources.

We also face increasing competition from lower-cost generic products and other branded products, including our ARV products. Many of our products are not protected by patent rights or have limited patent life and will soon lose patent protection. Loss of patent protection for a product typically is followed promptly with the launch of generic products. As a result, sales of many of these products may decline or stop growing over time, and may decline faster than has been projected. For example, Perforomist® lost exclusivity and experienced generic competition in June 2021, and Lyrica's pediatric exclusivity expired in Japan in July 2022. In addition, Amitiza®, which we commercialize as a patent licensee, may experience generic competition in Japan prior to the expiration of certain patent term extensions. We may not be successful in managing competition from non-branded generics or other alternatives, or in generally managing revenues after loss of exclusivity, and our business may be materially adversely affected.

Generic competitors are also becoming more aggressive in terms of pricing in many of the regions in which Viatris operates. In China, for example, we face strong competition from certain generic manufacturers, which have resulted and may in the future result in price cuts and volume loss on some of Viatris' branded products. In many emerging markets, we face increased competition and contracting markets for certain of our ARV products, primarily related to competing therapies. We also face competition in the United States, the EU and other mature markets that have a robust generics market and favorable regulatory conditions for generics. In addition, legislative proposals emerge from time to time in various jurisdictions to further encourage the early and rapid approval of generic drugs. Any such proposal that is enacted into law could increase competition and worsen this negative effect on our branded sales.

In addition, certain of our products also face potential competition from products that may be developed in the future that could render our products uncompetitive or obsolete. For example, Viatris or other companies may develop medicines that treat the same indications targeted by our current products, and these medicines could be more effective than our current products or patients and physicians could prefer these medicines over our current medicines. The introduction of these new competing products could also have a negative impact on product sales.

Other related factors that could affect our business include:

- Competitors' products may be safer, more effective, more effectively marketed or sold, or have lower prices or better performance features than ours;
- PBMs and other pharmaceutical manufacturers may utilize contracting strategies that could decrease utilization of or otherwise negatively impact our products;
- Vertical integration of pharmacies and large purchasing organizations or consolidation among distribution outlets; and
- Our sales have suffered and may suffer in the future as a result of changes in consumer demand for our products, including those related to fluctuations in consumer buying patterns tied to seasonality or other factors, willingness of

customers to switch among products of different pharmaceutical manufacturers, importation by consumers or the introduction of new products by competitors.

The occurrence of any of the above risks could have an adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

A relatively small group of products may represent a significant portion of our revenues, net sales, gross profit, or net earnings from time to time.

Sales of a limited number of our products from time to time represent a significant portion of our revenues, net sales, gross profit, and net earnings. For each of the years ended December 31, 2023 and 2022, Viatris' top ten products in terms of sales, in the aggregate, represented approximately 33% of the Company's net sales. If the volume or pricing of our largest selling products declines in the future, our business, financial condition, results of operations, cash flows, and/or share price could be materially adversely affected.

Operational Risks

Current and changing economic conditions, including inflation, may adversely affect our industry, business, partners and suppliers.

The global economy continues to experience significant volatility, and the economic environment may become less favorable. For example, if the U.S. government defaults on its debt, or the U.S. Treasury takes measures to avoid such a default, or if there is an assumption that such an event may occur, this could have a negative impact on general economic conditions, including the liquidity of and access to the capital markets. A sovereign debt default, economic volatility, governmental financial restructuring efforts and evolving deficit and spending reduction programs could negatively impact the global economy and the pharmaceutical industry. This has led, or could lead, to reduced consumer and customer spending, reduced or eliminated governmental or third-party payor coverage or reimbursement or reduced spending on healthcare, including but not limited to pharmaceutical products. While generic drugs present an alternative to higher-priced branded products, our sales could be negatively impacted if patients forego obtaining healthcare, patients and customers reduce spending or purchases, or if governments or third-party payors reduce or eliminate coverage or reimbursement amounts for pharmaceuticals or impose price or other controls adversely impacting the price or availability of pharmaceuticals (whether for generics, branded products or both). Reduced consumer and customer spending, reduced government or third-party payor coverage or reimbursement, or new government controls, may drive us and our competitors to decrease prices, may reduce the ability of customers to pay, or may result in reduced demand for our products.

In addition, higher rates of inflation over the past few years have resulted, and may continue to result, in increased costs of labor, raw materials, other supplies and freight and distribution costs, among others. While inflationary and other macroeconomic pressures have somewhat eased more recently, we do not expect to see a corresponding reduction in these higher costs and expect such higher costs to negatively impact our results of operations. For the pharmaceutical industry and the healthcare systems in the markets in which we participate, regulatory restrictions and the pricing dynamics of our products generally make it difficult to pass on such costs to customers. Inflation has also resulted and may continue to result in higher interest rates and increased costs of capital. In particular, the global economy has recently been impacted by high levels of inflation and rising energy costs, which has resulted in significant economic volatility. As a result, central banks have and continue to tighten their monetary policies and increase interest rates. These macroeconomic pressures combined with the volatility in foreign exchange rates, including the strengthening of the U.S. dollar versus the other currencies in which we operate, has in the past and may in the future, negatively impact our results of operations.

The occurrence of any of the above risks could have a material adverse effect on our industry, business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Failure to comply with applicable environmental and occupational health and safety laws and regulations worldwide could adversely impact our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We are subject globally to various laws and regulations concerning, among other things, the environment, climate change, water, waste, chemicals and employee health and safety. These requirements include regulation of the handling, manufacture, transportation, storage, use and disposal of materials and wastes, including the discharge of regulated materials and emissions into the environment. We are also subject to related permitting, record-keeping, reporting and registration requirements. In the normal course of our business, we are exposed to risks relating to possible releases of hazardous substances into the environment, which could cause environmental or property damage or personal injuries, and which could result in (i) our noncompliance with such environmental and occupational health and safety laws, regulations and permits and (ii) regulatory enforcement actions or claims for personal injury and property damage against us. If environmental discharge occurs, or if we discover contamination caused by third parties, including by prior owners and operators of properties we acquire or lease, or by neighboring properties or other offsite sources, we could be liable for cleanup or remediation obligations, damages and fines or have relevant permits, authorizations or registrations modified or revoked, regardless of our responsibility for such contamination. In addition, any non-compliance with environmental and occupational health and safety laws and regulations and permits, or emissions into the environment, whether actual or perceived, may result in significant reputational damage. The substantial unexpected costs we may incur could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price. Environmental and occupational health and safety laws and regulations are also complex and subject to change, and our related capital expenditures and costs for compliance may increase substantially in the future as a result of such changes, the development and manufacturing of a new product or increased development or manufacturing activities at any of our facilities. We may be required to expend significant funds and our manufacturing activities could be delayed or suspended or we may lose the ability to purchase or use certain materials, or face restrictions on the amounts of materials we may use or purchase, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

The pharmaceutical industry is heavily regulated, and we face significant costs and uncertainties associated with our efforts to comply with applicable laws and regulations.

The pharmaceutical industry is subject to regulation by various governmental authorities in the jurisdictions in which we operate, including the U.S., EU, China and India. For instance, we must comply with applicable laws and requirements of the FDA and other regulatory agencies, including foreign authorities, with respect to the research, development, manufacture, quality, safety, effectiveness, approval, labeling, tracking, tracing, authentication, storage, record-keeping, reporting, pharmacovigilance, sale, distribution, import, export, marketing, advertising, and promotion of pharmaceutical products. We are committed to conducting our business, including the sale and marketing of our products, in compliance with all applicable laws and regulations. These laws and regulations, however, are numerous, complex and continue to evolve, and it is possible that a governmental authority may challenge our activities, or that an employee or agent could violate these laws and regulations without our knowledge. Failure to comply with these laws, regulations or expectations could result in a range of consequences, including, but not limited to, fines, penalties, disgorgement, exclusion from U.S. federal healthcare reimbursement programs, unanticipated compliance expenditures, suspension of review of applications or other submissions, rejection or delay in approval of applications, recall or seizure of products, total or partial suspension of production and/or distribution, our inability to sell products, the return by customers of our products, injunctions, and/or criminal prosecution. Under certain circumstances, a regulator may also have the authority to revoke or vary previously granted drug approvals.

The safety profile of any product will continue to be closely monitored by the FDA and comparable foreign regulatory authorities after approval. If such regulatory authorities become aware of new safety information about any of our marketed or investigational products, those authorities may require further inspections, enhancements to manufacturing controls, labeling changes, establishment of a risk evaluation and mitigation strategy or similar strategy, restrictions on a product's indicated uses or marketing, or post-approval studies or post-market surveillance. In addition, we are subject to regulations in various jurisdictions, including the Federal Drug Supply Chain Security Act in the U.S., the Falsified Medicines Directive in the EU and several other such regulations in other countries that require us to develop electronic systems to serialize, track, trace and authenticate units of our products through the supply chain and distribution system. Compliance with these regulations has in the past and may in the future result in increased expenses for us or impose greater administrative burdens on our organization, and failure to meet these requirements could result in fines or other penalties.

In recent years, the regulatory framework in China regarding the pharmaceutical industry has undergone significant changes and Chinese authorities have become increasingly vigilant in enforcing laws in the pharmaceutical industry. We believe that Viatris' strategies regarding pharmaceutical research, development, manufacturing and commercialization in China are currently aligned with the Chinese government's policies, but they may in the future diverge, requiring a change in such strategies. For example, in order to comply with foreign ownership restrictions and meet regulatory, licensing, and cybersecurity requirements, we conduct some of our business in China through variable interest entities. Although we believe these structures and activities related to our VIEs comply with existing laws and regulations in China, they involve unique risks and uncertainties, including that China may from time to time consider and implement additional changes in their legislative, regulatory, licensing, or other requirements that could subject us to penalties and impact these structures and activities. Any such change may result in increased compliance costs to us or cause delays in or prevent the successful research, development, manufacturing or commercialization of our products in China, result in the loss of required licenses and permits or the suspension or termination of Viatris' activities in China.

The FDA and comparable foreign regulatory authorities also regulate the facilities and operational procedures that we use to manufacture our products. We must register our facilities with the FDA and similar regulators in other countries. Products must be manufactured in our facilities in accordance with cGMP or similar standards in each territory in which we manufacture. Compliance with such regulations and with our own quality standards requires substantial expenditures of time, money, and effort in multiple areas, including training of personnel, record-keeping, production, and quality control and quality assurance. The FDA and other comparable regulatory authorities, including foreign authorities, periodically inspect our manufacturing facilities for compliance with cGMP or similar standards in the applicable territory. Regulatory approval to manufacture a drug is granted on a site-specific basis. Failure to comply with cGMP and other regulatory standards at one of our or our partners' or suppliers' manufacturing facilities could result in an adverse action brought by the FDA or other regulatory authorities, which has resulted and could in the future result in the receipt of an untitled or warning letter, fines, penalties, disgorgement, unanticipated compliance expenditures, rejection or delay in approval of applications, suspension of review of applications or other submissions, suspension of ongoing clinical trials, recall or seizure of products, total or partial suspension of production and/or distribution, our inability to sell products, the return by customers of our products, orders to suspend, vary, or withdraw marketing authorizations, injunctions, consent decrees, requirements to modify promotional materials or issue corrective information to healthcare practitioners, refusal to permit import or export, criminal prosecution and/or other adverse actions.

Our business could be adversely affected if any regulatory body were to delay, withhold, or withdraw approval of an application; require a recall or other adverse product action; require one of our manufacturing facilities to cease or limit production; or suspend, vary, or withdraw related marketing authorization. Delay and cost in obtaining FDA or other regulatory approval to manufacture at a different facility also could have a material adverse effect on our business.

Although we have established internal quality and regulatory compliance programs and policies, there is no guarantee that these programs and policies, as currently designed, will meet regulatory agency standards in the future or will prevent instances of non-compliance with applicable laws and regulations. Additionally, despite our compliance efforts, we or our partners have in the past and may in the future receive notices of manufacturing and quality-related observations following inspections by regulatory authorities around the world, as well as official agency correspondence regarding compliance. If we are unable to resolve these observations and address regulatory concerns in a timely fashion, our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price could be materially adversely affected.

Regulators and policymakers globally are also increasingly focused on addressing drug shortages and expanding transparency across supply chains. In the U.S., Congress and the Biden administration are considering measures to enhance supply chain resiliency and ensure the quality of pharmaceutical products, including expansion of reporting requirements to include API and finished dose manufacturing locations and the use of bioequivalence tests. Compliance with any such requirements may be burdensome or costly.

We utilize controlled substances in certain of our current products and products in development, and therefore must meet the requirements of the Controlled Substances Act of 1970 and the related regulations administered by the DEA in the U.S., as well as those of similar laws in other countries where we operate. These laws relate to the manufacture, shipment, storage, sale, and use of controlled substances. The DEA and other regulatory agencies limit the availability of the controlled substances used in certain of our current products and products in development and, as a result, our procurement quota of these active ingredients may not be sufficient to meet commercial demand or complete clinical trials. We must apply to the DEA and similar regulatory agencies for procurement quotas in order to obtain these substances. Any delay or refusal by the DEA or such similar agencies in establishing our procurement quota for controlled substances could delay or stop our clinical trials or product launches, or could cause trade inventory disruptions for those products that have already been launched. In addition, some states have passed laws and regulations imposing assessments on the sale or distribution of certain controlled substances, and other states are considering and may implement similar laws and regulations in the future.

The occurrence of any of the above risks could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

The use of legal, regulatory, and legislative strategies by both brand and generic competitors, including but not limited to "authorized generics" and regulatory petitions, may increase costs associated with the introduction or marketing of our generic products, could delay or prevent such introduction, and could significantly reduce our revenue and profit.

Our competitors, both branded and generic, often pursue strategies that could prevent or delay generic alternatives to branded products. These strategies include, but are not limited to:

- entering into agreements whereby other generic companies will begin to market an authorized generic, which is the approved brand-name drug without the brand-name on its label, at the same time or after generic competition initially enters the market;
- launching their own authorized generic product prior to or at the same time or after generic competition initially enters the market;
- pricing a branded product at a discount equivalent to generic pricing;
- filing frivolous petitions with the FDA or other regulatory bodies seeking to prevent or delay approvals, including timing the frivolous filings so as to thwart generic competition by causing delays of our product approvals;

- contracting strategies among pharmaceutical manufacturers and PBMs that could decrease generic or biosimilar utilization and negatively impact our product launches;
- seeking to establish regulatory and legal obstacles that would make it more difficult to demonstrate bioequivalence or to meet other requirements for approval, and/or to prevent regulatory agency review of applications;
- initiating legislative or other efforts to limit the substitution of generic versions of brand pharmaceuticals;
- filing suits for patent infringement and other claims that may delay or prevent regulatory approval, manufacture, and/or sale of generic products;
- introducing “next-generation” products prior to the expiration of market exclusivity for the reference product, which often materially reduces the demand for the generic or the reference product for which we seek regulatory approval;
- persuading regulatory bodies to withdraw the approval of brand-name drugs for which the patents are about to expire and converting the market to another product of the brand company on which longer patent protection exists;
- obtaining extensions of market exclusivity by conducting clinical trials of brand drugs in pediatric populations or by other methods; and
- seeking to obtain new patents on drugs for which patent protection is about to expire.

In the U.S., some companies have lobbied Congress for amendments to Hatch-Waxman Act that would give them additional advantages over generic competitors. For example, although the term of a company’s drug patent can be extended to reflect a portion of the time an NDA (which is filed in the U.S. with the FDA when approval is sought to market a newly developed branded product and, in certain instances, for a new dosage form, a new delivery system or a new indication for a previously approved drug) is under regulatory review, some companies have proposed extending the patent term by a full year for each year spent in clinical trials rather than the one-half year that is currently permitted. Additionally, some companies have lobbied Congress to amend legislation related to patent eligible subject matter that would limit generic drug patent challenges to a single forum (inter partes review or district court). These lobbying efforts, if successful, could discourage the use of inter partes review and limit the ability of generic drug companies to efficiently invalidate improperly granted brand drug patents.

If proposals like these in the U.S., EU, or in other countries where we or our partners and suppliers operate were to become effective, or if any other actions by our competitors and other third parties to prevent or delay activities necessary to the approval, manufacture, or distribution of our products are successful, our entry into the market and our ability to generate revenues associated with new products may be delayed, reduced, or eliminated, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

If we are unable to successfully introduce new products in a timely manner, our future revenue and profitability may be adversely affected.

Our future revenues and profitability will depend, in part, upon our ability to successfully and timely develop, license, or otherwise acquire and commercialize new products. Product development is inherently risky, especially for new drugs for which safety and efficacy have not been established and/or the market is not yet fully developed as well as for complex generic drugs and biosimilars. Likewise, product licensing involves inherent risks, including, among others, uncertainties due to matters that may affect the achievement of milestones, as well as the possibility of contractual disagreements with regard to whether the supply of product meets certain specifications or terms such as license scope or termination rights. As Viatris intends to move up the value chain during Phase 2 of its two-phased strategic vision by focusing on more complex and innovative products to build a more durable higher margin portfolio, the development and commercialization process requires substantial time, effort and financial resources. We, or a partner, may not be successful in developing or commercializing such products on a timely basis, or at all, and such products may be less likely or take longer to receive regulatory approval, which could adversely affect our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Before any prescription drug product, including generic drug products, can be marketed, marketing authorization approval is required by the relevant regulatory authorities and/or national regulatory agencies (for example, the FDA in the U.S., the EMA in the EU and other regulatory authorities). The process of obtaining regulatory approval to manufacture and market new branded and generic pharmaceutical products is rigorous, time consuming, costly, and inherently unpredictable. In addition, these regulatory agencies may be delayed in reviewing and approving products as a result of lapsed or insufficient funding, insufficient staffing, travel or work restrictions, or other factors beyond our control. Any delay in regulatory approval could impact the commercial or financial success of a product.

Outside the U.S., the approval process may be more or less rigorous, depending on the country, and the time required for approval may be longer or shorter than that required in the U.S. Bioequivalence, clinical, or other studies conducted in one country may not be accepted in other countries, the requirements for approval may differ among countries, and the approval of a pharmaceutical product in one country does not necessarily mean that the product will be approved in another country. We, or a partner or supplier, may be unable to obtain requisite approvals on a timely basis, or at all, for new products that we may develop, license or otherwise acquire. Moreover, if we obtain regulatory approval for a drug, it may be limited, for example, with respect to the indicated uses and delivery methods for which the drug may be marketed, or may include warnings, precautions or contraindications in the labeling, which could restrict our potential market for the drug. A regulatory approval may also include post-approval study or risk management requirements that may substantially increase the resources required to market the drug. Also, for products pending approval, we may obtain raw materials or produce batches of inventory to be used in efficacy and bioequivalence testing, as well as in anticipation of the product's launch. If regulatory approval is denied or delayed, we could be exposed to the risk of this inventory becoming obsolete.

The approval process for generic pharmaceutical products often results in the relevant regulatory agency granting final approval to a number of generic pharmaceutical products at the time a patent claim for a corresponding branded product or other market exclusivity expires. This often forces us to face immediate competition when we introduce a generic product into the market. Additionally, further generic approvals often continue to be granted for a given product subsequent to the initial launch of the generic product. These circumstances generally result in significantly lower prices, as well as reduced margins, for generic products compared to branded products. New generic market entrants generally cause continued price, margin, and sales erosion over the generic product life cycle.

In the U.S., the Hatch-Waxman Act provides for a period of 180 days of generic marketing exclusivity for a "first applicant," that is the first submitted ANDA (which is filed in the U.S. with the FDA when approval is sought to market a generic equivalent of a drug product previously approved under an NDA and listed in the FDA publication entitled Approved Drug Products with Therapeutic Equivalence Evaluations, popularly known as the "Orange Book" or for a new dosage strength for a drug previously approved under an ANDA) containing a certification of invalidity, non-infringement or unenforceability related to a patent listed with the ANDA's reference drug product, commonly referred to as a Paragraph IV certification. During this exclusivity period, which under certain circumstances may be shared with other ANDAs filed on the same day, the FDA cannot grant final approval to later-submitted ANDAs for the same generic equivalent. If an ANDA is awarded 180-day exclusivity, the applicant generally enjoys higher market share, net revenues, and gross margin for that generic product. However, our ability to obtain 180 days of generic marketing exclusivity may be dependent upon our ability to obtain FDA approval or tentative approval within an applicable time period of the FDA's acceptance of our ANDA. If we are unable to obtain approval or tentative approval within that time period, we may risk forfeiture of such marketing exclusivity. By contrast, if we are not a "first applicant" to challenge a listed patent for such a product, we may lose significant advantages to a competitor with 180-day exclusivity, even if we obtain FDA approval for our generic drug product. The same would be true in situations where we are required to share our exclusivity period with other ANDA sponsors with Paragraph IV certifications.

In the EU and other countries and regions, there is no exclusivity period for the first generic product. The European Commission or national regulatory agencies may grant marketing authorizations to any number of generics.

If we are unable to navigate our products through the approval process in a timely manner, there could be an adverse effect on our product introduction plans, business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We expend a significant amount of resources on R&D efforts that may not lead to successful product introductions.

Much of our development effort is focused on technically difficult-to-formulate products and/or products that require advanced manufacturing technology. We conduct R&D primarily to enable us to gain approval for, manufacture, and market pharmaceuticals in accordance with applicable laws and regulations. We also partner with third parties to develop products. Typically, expenses related to the development of innovative or complex compounds and the filing of marketing authorization applications for innovative and complex compounds (such as NDAs in the U.S.) are significantly greater than those expenses associated with the development of and filing of marketing authorization applications for most generic products (such as ANDAs in the U.S. and abridged applications in Europe). As we intend to move up the value chain during Phase 2 of our two-phased strategic vision by focusing on more complex and innovative products to build a more durable higher margin portfolio, our related expenses have increased and will likely continue to increase. Because of the inherent risk associated with R&D efforts in our industry, including the high cost and uncertainty of conducting clinical trials (where required) particularly with respect to new and/or complex or innovative drugs, our, or a partner's, R&D and Acquired IPR&D expenditures may not result in the successful introduction of new pharmaceutical products approved by the relevant regulatory bodies, or we may incur asset impairment charges in the future if such programs are not successful. Also, after we submit a marketing authorization application for a new compound or generic product, the relevant regulatory authority may change standards and/or request that we conduct additional studies or evaluations and, as a result, we may incur approval delays as well as R&D costs in excess of what we anticipated.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. We or our partners may experience delays in our ongoing or future clinical trials, and we do not know whether planned clinical trials will begin or enroll subjects on time, need to be redesigned, or be completed on schedule, if at all.

Clinical trials may be delayed, suspended or prematurely terminated for a variety of reasons. If we experience delays in the completion of, or the termination of, any clinical trial of our product candidates, the commercial prospects of our product candidates will be harmed, and our ability to generate product revenues from any of these product candidates will be delayed. In addition, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process, and jeopardize our ability to commence product sales and generate revenues. Any of these occurrences may harm our business, financial condition and prospects significantly. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

Finally, we cannot be certain that any investment made in developing products will be recovered, even if we are successful in commercialization. To the extent that we expend significant resources on R&D efforts and are not able, ultimately, to introduce successful new and/or complex or innovative products as a result of those efforts, there could be a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Even if our products in development receive regulatory approval, such products may not achieve expected levels of market acceptance.

Even if we are able to obtain regulatory approvals for our new products, the success of those products is dependent upon market acceptance. Levels of market acceptance for our products could be impacted by several factors, including but not limited to:

- the availability, perceived advantages, and relative safety and efficacy of alternative products from our competitors;
- the degree to which the approved labeling supports promotional initiatives for commercial success;
- the prices of our products relative to those of our competitors;
- the timing of our market entry;
- the effectiveness of our marketing, sales, and distribution strategy and operations; and
- other competitor actions, including legal actions.

Additionally, studies of the proper utilization, safety, and efficacy of pharmaceutical products are being conducted by the industry, government agencies, and others. Such studies, which increasingly employ sophisticated methods and techniques, can call into question the utilization, safety, and efficacy of previously marketed as well as future products. In some cases, such studies have resulted, and may in the future result, in the discontinuation or variation of product marketing authorizations or requirements for risk management programs, such as a patient registry. Any of these events could adversely affect our profitability, business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Our business is highly dependent upon market perceptions of us, our products and brands, and the safety and quality of our products and brands, as well as the effectiveness of our sales and marketing activities, and we may be adversely impacted by negative publicity or findings.

Market perceptions of us are very important to our business, especially market perceptions of our company, products, brands and the safety and quality of our products and brands. Viatris believes that maintaining and enhancing certain of its brands is important and often provides certain competitive advantages. If we, our partners and suppliers, or our products or brands suffer from negative publicity, are subject to market withdrawal or recall or are proven to be, or are claimed to be, ineffective or harmful to consumers, then this could have a material adverse effect on our reputation and business. In addition, if customers, patients or regulatory authorities mistake us, our partners and suppliers, or our products and brands for other companies, products or brands, this could lead to brand confusion, unanticipated regulatory inquiries or proceedings and have a negative impact on our reputation and business.

Viatris' sales and marketing efforts are anchored by promoting its products to physicians, pharmacists, eye care and other healthcare professionals, clinics and hospitals. Therefore, Viatris' sales and marketing force, whether in-house sales representatives or third-party commercial partners, must possess a relatively high level of technical knowledge, up-to-date understanding of industry trends and expertise in the relevant therapeutic areas and products, as well as promotion and communication skills. Marketing, advertising and promotions may be expensive and may not achieve their intended benefits. If Viatris is unable to effectively train its in-house sales representatives and third-party commercial partners or monitor and evaluate their marketing performances, our sales and marketing may be less successful than desired. In addition, fewer in-person sales and marketing efforts, or other similar limitations, may result in less successful sales and marketing activities.

Given our dependence on market perception and sales and marketing efforts, negative publicity associated with product or brand quality, patient illness, or other adverse effects resulting from, or perceived to be resulting from, our products or brands, or our partners' and suppliers' manufacturing facilities, or an inability to increase or maintain the effectiveness and efficiency of our sales and marketing activities could have a material adverse effect on our reputation, business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

A significant portion of our revenues is derived from sales to a limited number of customers.

A significant portion of our revenues is derived from sales to a limited number of customers. For the years ended December 31, 2023 and 2022, Viatris' top three customers in terms of net sales, in the aggregate, represented approximately 25% and 26%, respectively, of the Company's consolidated total net sales. If we were to experience a significant reduction in or loss of business with one or more such customers, or if one or more such customers were to experience difficulty in paying us on a timely basis, our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price could be materially adversely affected.

In addition, a significant amount of our sales are to a relatively small number of drug wholesalers and retail drug chains. These customers represent an essential part of the distribution chain of pharmaceutical products. Drug wholesalers and retail drug chains have undergone, and are continuing to undergo, significant consolidation. This consolidation has resulted in these groups gaining additional purchasing leverage and, consequently, increasing the product pricing pressures facing our business. We expect this trend of increased pricing pressures to continue. Additionally, the emergence of large buying groups representing retail and wholesale pharmacies and the prevalence and influence of managed care organizations and similar institutions increases the negotiating power of these groups, enabling them to attempt to extract price discounts, rebates, and other restrictive pricing terms on our products. These factors could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We have a limited number of manufacturing facilities and certain third-party suppliers produce a substantial portion of our API and products, some of which require a highly exacting and complex manufacturing process.

A substantial portion of our capacity, as well as our current production, is attributable to a limited number of manufacturing facilities and certain third-party suppliers. A significant disruption at any such facilities within our internal or third-party supply chain, even on a short-term basis, whether due to the failure of a third-party supplier to fulfill the terms of their agreement with us, labor disruption, adverse quality or compliance observation, other regulatory action, infringement of brand or other third-party intellectual property rights, natural disaster, civil or political unrest, export or import restrictions, or other events could impair our ability to produce and ship products to the market on a timely basis and could, among other consequences, subject us to exposure to claims from customers. Any of these events could have a material adverse effect on our reputation, business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price. The adverse effects of any of these events could be exacerbated as a result of our previously announced global restructuring program, which includes the closing, downsizing or divesting of a number of facilities globally. If we or our third-party suppliers' face significant manufacturing issues, this could lead to shutdowns, delays or product shortages, or to our being entirely unable to supply certain products to customers for an extended period of time. In addition, our facilities may be required to close for periods of time, be required to staff at reduced capacity, or suffer other manufacturing delays as the result of an outbreak of disease, epidemic or pandemic, in or near any of our facilities. Such shortages, delays or shutdowns have led and could continue to lead to significant losses of sales revenue, third-party litigation, or negative publicity. See also "*The pharmaceutical industry is heavily regulated, and we face significant costs and uncertainties associated with our efforts to comply with applicable laws and regulations.*"

We purchase certain API and other materials and supplies that we use in our manufacturing operations, as well as certain finished products, from many different foreign and domestic suppliers. The price of API and other materials and supplies is subject to volatility, including as a result of global supply chain disruptions and rates of inflation. In certain cases, we have listed only one supplier in our applications with regulatory agencies. There is no guarantee that we will always have timely, sufficient or affordable access to critical raw materials or finished product supplied by third parties, even when we have more than one supplier, which could lead to our or our partners' and suppliers' inability to supply sufficient quantities of our products to meet market demand. In connection with our API business divestiture, we have agreed, at the closing of the transaction, to enter into a manufacturing and supply agreement pursuant to which we will purchase a significant amount of API from the purchaser in that transaction. Our obligations under the manufacturing and supply agreement may make us more vulnerable to API supply shortages and price volatility. In addition, quality deficiencies in the products which we or our suppliers provide, or at our or their manufacturing facilities, have in the past and could in the future adversely impact our manufacturing and supply capabilities, cause supply interruptions, or lead to voluntary market withdrawals or product recalls. For example, the EU has implemented particularly stringent regulations with respect to manufacturing standards for API imported into Europe that place the certification requirement on the regulatory bodies of the exporting countries. An increase in the price, or an interruption in the supply, of a single-sourced or any other raw material, including the relevant API, or in the supply of finished product, could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

In addition, the manufacture of some of our products is a highly exacting and complex process, due in part to strict regulatory requirements. Problems may arise during manufacturing at our or our third-party suppliers' facilities for a variety of reasons, including, among others, equipment malfunction, failure to follow specific protocols and procedures, problems with raw materials, natural disasters, power outages, labor disputes or other civil unrest, cybersecurity or compliance issues, and environmental, health and safety issues, laws, regulations and permits. If problems arise during the production of a batch of product, that batch of product may have to be discarded. This could, among other things, lead to increased costs, contractual penalties, lost revenue, damage to customer relations, time and expense spent investigating the cause, and, depending on the cause, similar losses with respect to other batches or products. If problems are not discovered before the product is released to the market, recall and product liability costs may also be incurred.

If we or one of our suppliers experience any of the problems described above, such problems could have a material adverse effect on our reputation, business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Our future success is highly dependent on our ability to attract, motivate and retain key personnel.

Given the size, complexity and global reach of our business, it is important that we attract, motivate and retain qualified management and other key employees in order to develop and commercialize new products, manage our business, and compete effectively. Our ability to do so also depends in part on how well we maintain a strong, diverse and inclusive workplace culture that is attractive to employees. Competition for qualified personnel in the pharmaceutical industry is intense. Current or prospective Viatris employees may have changing expectations around workplace flexibility, and a failure to meet these evolving expectations may result in reduced ability to attract and retain talent. In addition, current or prospective Viatris employees may experience uncertainty about their future roles at the Company as a result of our strategic initiatives, acquisitions, divestitures, integration activities or restructuring program. As a result, we may lose key personnel or may be unable to attract, retain and motivate qualified individuals, or the associated costs may increase. If we fail to attract, develop, incentivize and retain key scientific, technical, commercial, regulatory, information security/privacy, or management personnel, this could lead to loss of customers, business disruption, and a decline in revenues, adversely affect the progress of pipeline products, or otherwise adversely affect our operations.

In addition, while we work to ensure that we have effective plans in place for management succession throughout the organization (including with respect to the recent transitions of our Executive Chairman and CEO and the previously announced upcoming transitions of our President and CFO), any anticipated or unanticipated management transition could create uncertainty, which could disrupt or result in changes to our strategy and have a negative impact on our business. If we are unsuccessful in retaining our key employees or enforcing certain post-employment contractual provisions such as confidentiality provisions, it may have a material adverse impact on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Compliance Risks

We are subject to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, Chinese anti-corruption laws and similar worldwide anti-corruption laws, which impose restrictions on certain conduct and may carry substantial fines and penalties.

We are subject to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, Chinese anti-corruption laws and similar anti-corruption laws in other jurisdictions. These laws generally prohibit companies and their intermediaries from engaging in bribery or making other prohibited payments to government officials for the purpose of obtaining or retaining business, and some have record keeping requirements. The failure to comply with these laws could result in substantial criminal and/or monetary penalties, or subject us to costly and time consuming government oversight. We operate in jurisdictions that have experienced corruption, bribery, pay-offs and other similar practices from time-to-time and, in certain circumstances, such practices may be local custom. We have implemented and trained relevant employees and third-party agents regarding internal control policies and procedures that mandate compliance with these anti-corruption laws. However, we cannot be certain that these policies and procedures will protect us against liability. There can be no assurance that our employees or other agents will not engage in such conduct for which we might be held responsible. If our employees or agents are found to have engaged in such practices, we could suffer severe criminal or civil penalties, reputational harm and other consequences that could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Our competitors, including branded pharmaceutical companies, and/or other third parties, may allege that we or our suppliers are infringing upon their intellectual property, including in an "at risk launch" situation, which could result in substantial monetary damages, impact our ability to launch a product and/or our ability to continue marketing a product, and/or force us to expend substantial resources in resulting litigation, the outcome of which is uncertain.

Companies that produce branded pharmaceutical products and other patent holders routinely bring litigation against entities selling or seeking regulatory approval to manufacture and market generic forms of their branded products, as well as other entities involved in the manufacture, supply, and other aspects relating to API and finished pharmaceutical products. These companies and other patent holders may allege patent infringement or other violations of intellectual property rights as the basis for filing suit against an applicant for a generic product as well as others who may be involved in some aspect of research, supply, production, distribution, testing, packaging or other processes. Litigation often involves significant expense and can delay or prevent introduction or sale of our generic products. If patents are held valid and infringed by our products in a particular jurisdiction, we and/or our supplier(s) or partner(s) may need to cease manufacturing and other activities, including but not limited to selling in that jurisdiction. We may also need to pay damages, surrender or withdraw the product, or destroy existing stock in that jurisdiction.

There also may be situations where we use our business judgment and decide to market and sell products directly or through third parties, notwithstanding the fact that allegations of patent infringement(s) and other third-party rights have not been finally resolved by the courts (i.e., an "at-risk launch"). The risk involved in doing so can be substantial because the remedies available to the owner of a patent for infringement may include, among other things, a reasonable royalty on sales, damages measured by the profits lost by the patent holder, or by profits earned by the infringer. If there is a finding by a court of willful infringement, the definition of which is subjective, such damages may be increased by up to three times. An adverse decision in a case such as this, or a judicial order preventing us or our suppliers and partners from manufacturing, marketing, selling, and/or other activities necessary to the manufacture and distribution of our products, could result in substantial penalties, and/or have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We rely on the effectiveness of our patents, trademarks, confidentiality agreements and other measures to protect our intellectual property rights.

Our ability to commercialize any branded product successfully will largely depend upon our or any partner's or supplier's ability to obtain, maintain and enforce patents and trademarks of sufficient scope to lawfully prevent third parties from developing and/or marketing infringing products. In the absence of adequate intellectual property or other protections, competitors may adversely affect our branded products business by independently developing and/or marketing substantially equivalent products. It is also possible that we could incur substantial costs if we initiate litigation against others to protect or enforce our intellectual property rights.

We may submit patent filings covering the API, formulation, methods of making, and/or methods of using for our branded products and branded product candidates. We may not be issued patents based on patent applications already filed or that we file in the future. Further, due to other factors that affect patentability, and if patents are issued, they may be insufficient in scope to protect our branded products from generic competition, as generics may be able to design around our patents. Patents are national in scope and therefore the issuance of a patent in one country does not ensure the issuance of a patent in any other country. Furthermore, the patent position of companies in the pharmaceutical industry generally involves complex legal and factual questions and has been and remains the subject of significant litigation. Legal standards relating to scope and validity of patent claims are evolving and may differ in various countries. Any patents we have obtained, or obtain in the future, may be challenged, invalidated or circumvented. Moreover, the U.S. Patent and Trademark Office or any other governmental agency may commence or institute post-grant review, inter partes review, interference proceedings, or other challenges to our patents or patent applications. Although many of our products do not have patent protection, we continue to take steps to defend our patents for certain of our products.

In addition, branded products often have market viability based upon the goodwill of the product name, which typically is the subject of a trademark registration or filing. Our branded products may therefore also be subject to risks related to the loss of a trademark or patent or to competition from generic or other branded products. Challenges can come from other businesses, individuals or governments, and governments could require compulsory licensing of our intellectual property. Any challenge to, or invalidation, opposition or circumvention of, our intellectual property (including patents or patent applications, copyrights and trademark protection) would be costly, would require significant time and attention of our management, and could cause a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We also rely on trade secrets, unpatented proprietary know-how, proprietary designs, trade dress, regulatory exclusivity and continuing technological innovation that we seek to protect, in part by confidentiality agreements with licensees, suppliers, employees and consultants. These measures may not provide adequate protection for our unpatented technology. If these agreements are breached, it is possible that we will not have adequate remedies. Disputes may arise concerning the ownership of intellectual property or the applicability of confidentiality agreements. Furthermore, our trade secrets and proprietary technology may otherwise become known or be independently developed by our competitors or we may not be able to maintain the confidentiality of information relating to such products.

Our ability to enforce intellectual property rights also depends on the laws of individual countries, each country's practices with respect to enforcement of intellectual property rights, and the extent to which certain countries may seek to engage in policies or practices that may weaken its intellectual property framework (e.g., a policy of routine compulsory licensing, or threat of compulsory licensing, of pharmaceutical intellectual property). If we are unable to adequately protect our technology, trade secrets or proprietary know-how, or enforce our intellectual property rights, this could cause a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Our reporting and payment obligations related to our participation in U.S. federal healthcare programs, including Medicare, Medicaid and the VA, are complex and often involve subjective decisions that could change as a result of new business circumstances, new regulations or agency guidance, or advice of legal counsel. Any failure to comply with those obligations could subject us to investigation, penalties, and sanctions.

U.S. federal laws regarding reporting and payment obligations with respect to a pharmaceutical company's participation in federal healthcare programs, including Medicare, Medicaid and the VA, are complex. Because our processes for calculating applicable government prices and the judgments involved in making these calculations involve subjective decisions and complex methodologies, these calculations are subject to risk of errors and differing interpretations. In addition, they are subject to review and challenge by the applicable governmental agencies, and it is possible that such reviews could result in changes that may have material adverse legal, regulatory, or economic consequences.

Any governmental agencies or authorities that have commenced, or may commence, an investigation of us relating to the sales, marketing, pricing, quality, or manufacturing of pharmaceutical products could seek to impose, based on a claim of violation of anti-fraud and false claims laws or otherwise, civil and/or criminal sanctions, including fines, penalties, and possible exclusion from federal healthcare programs, including Medicare, Medicaid and/or the VA. Some of the applicable laws may impose liability even in the absence of specific intent to defraud. Furthermore, should there be ambiguity with regard to how to properly calculate and report payments—and even in the absence of any such ambiguity—a governmental authority may take a position contrary to a position we have taken, and may impose or pursue civil and/or criminal sanctions. Governmental agencies may also make changes in program interpretations, requirements or conditions of participation, some of which may have implications for amounts previously estimated or paid. There can be no assurance that our submissions will not be found by Centers for Medicare & Medicaid Services or the VA to be incomplete or incorrect. Any failure to comply with the above laws and regulations, and any such penalties or sanctions could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We are involved in various legal proceedings and certain government inquiries and may experience unfavorable outcomes of such proceedings or inquiries.

We are or may be involved in various legal proceedings and certain government inquiries or investigations, including, but not limited to, patent infringement, product liability, personal injury, securities fraud, claims with respect to the manufacture, sale, marketing and distribution of opioid products, antitrust matters, breach of contract, and claims involving Medicare, Medicaid and/or VA reimbursements, or laws relating to sales, marketing, and pricing practices. These proceedings may involve claims for, or the possibility of, fines, penalties, or damages involving substantial amounts of money or other relief, including but not limited to civil or criminal fines and penalties and exclusion from participation in various government healthcare-related programs.

Viatris is subject to investigations and extensive regulation by government agencies in the United States, China and other developed markets and emerging markets in which we operate. Criminal charges, substantial fines and/or civil penalties, limitations on Viatris' ability to conduct business in applicable jurisdictions, as well as reputational harm and increased public interest in the matter could result from government investigations. With respect to government enforcement of state and federal laws, including antitrust laws, as well as private plaintiff litigation of so-called "pay for delay" patent settlements, large verdicts, settlements or government fines are possible, especially in the U.S. and EU. Additionally, some state legislatures have enacted, and the U.S. federal government or additional state legislatures could enact, legislation to limit patent settlements between pharmaceutical companies and deem such patent agreements as anticompetitive. These changes could impact our ability to launch generic products prior to the originator's patent expiry.

In connection with the Combination, the Company has generally assumed liability for, and control of, pending and threatened legal matters relating to the Upjohn Business and has agreed to indemnify Pfizer for liabilities arising out of such assumed legal matters. Pfizer, however, has agreed to retain various matters – including certain specified competition law matters – to the extent they arise from conduct during the pre-Distribution period and has agreed to indemnify the Company for liabilities arising out of such matters. If Pfizer were to dispute its retention of these matters, or if there is an adverse outcome in the matters that Pfizer has agreed to retain, this could have an adverse impact on Viatris. In addition, Viatris has agreed to pay Pfizer an amount equal to 57% of any losses actually incurred or suffered by Viatris, its predecessors or subsidiaries, since July 29, 2019, arising out of third-party actions relating to the manufacture, distribution, marketing, promotion or sale of opioids by or on behalf of Viatris, its predecessors or subsidiaries. If any of these legal proceedings or inquiries were to result in an adverse outcome, the impact could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Emerging developments in the U.S. legal landscape relative to the liability of pharmaceutical manufacturers for certain product liabilities claims could increase our exposure to litigation costs and damages, including in connection with third party defense and indemnification demands. Moreover, although we maintain a combination of self-insurance and commercial insurance, no reasonable amount of insurance can fully protect against all risks because of the potential liability inherent in the business of producing pharmaceuticals for human consumption. To the extent that a loss occurs, depending on the nature of the loss and the level of insurance coverage maintained, it could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

In addition, in limited circumstances, entities that we have acquired are party to litigation in matters under which we are, or may be, entitled to indemnification by the previous owners. Even in the case of indemnification, there are risks inherent in such indemnities and, accordingly, there can be no assurance that we will receive the full benefits of such indemnification, or that we will not experience an adverse result in a matter that is not indemnified, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Refer to Note 19 *Litigation* included in Part II, Item 8 in this Form 10-K for further discussion of certain proceedings and litigation matters.

We are increasingly dependent on IT and information systems and our systems and infrastructure face certain risks, including cybersecurity and data leakage risks.

Significant disruptions to our IT and information systems or breaches of information security could adversely affect our business. We are increasingly dependent on sophisticated IT and information systems and infrastructure to operate our business. The number of new vulnerabilities identified to these systems combined with the increased number of systems that reach end of life each year creates an opportunity for successful malicious attacks. Such attacks are increasingly sophisticated and are made by groups and individuals with a wide range of motives and expertise, including state and quasi-state actors, criminal groups, “hackers” and others. Evolving work conditions, including work from home protocols, may be less secure and have introduced operational risk, including increased cybersecurity risk. For example, groups and individuals have sought to exploit remote working environments to initiate hacking, phishing, and social engineering attempts and malware attacks.

We and our suppliers, partners, customers and vendors have in the past and will likely continue to experience cybersecurity threats and incidents, including attacks on and compromises of our systems. Although we do not believe such cybersecurity threats or incidents have had a significant impact on us to date, there is no guarantee that a future cybersecurity threat or incident will be detected and remediated to not have a material adverse impact on our business, reputation, financial conditions, cash flows or results of operations. Any security breach or other disruption to our or our vendors’ IT or information systems infrastructure could also interfere with or disrupt our business operations, including our manufacturing, distribution, R&D, sales and/or marketing activities. While we continue to invest in the monitoring, protection and resilience of our information and data security systems, there can be no assurances that our efforts will detect, prevent, or fully recover systems or data from all breakdowns, service interruptions, cybersecurity threats and incidents, attacks and/or breaches.

We outsource significant elements of our operations to third parties and provide IT, information and security services to some partners under transition services agreements. Some of these third parties are outside the U.S., including significant elements of our IT and information systems infrastructure, and as a result we are managing many independent vendor relationships with third parties who may or could have access to our confidential information. The overall increase in supply chain attacks on companies generally, and our interdependency on third party suppliers increases the potential for supply disruptions and service IT and information system outages. In addition to our reliance upon third parties to provide IT and information system and security services, the market for such services continues to contract and converge, increasing both the challenges in identifying competent providers and the impact of a breach incident with any single vendor. In the ordinary course of business, we and our vendors collect, store and transmit large amounts of confidential information (including trade secrets or other intellectual property, proprietary business information and personal information), and it is critical that we do so in a secure manner to maintain the confidentiality and integrity of such confidential information. The size and complexity of our and our vendors’ systems and the large amounts of confidential information that is present on them also makes them vulnerable to security breaches from inadvertent or intentional actions by our employees, partners or vendors, or from attacks by malicious third parties. Maintaining the security, confidentiality and integrity of this confidential information (including trade secrets or other intellectual property, proprietary business information and personal information) is important to our competitive business position. However, such information can be difficult and costly to protect. While we have taken steps to identify and protect such information, and to ensure that the third-party vendors’ on which we rely have taken adequate steps to protect such information, there can be no assurance that our or our vendors’ efforts will prevent service interruptions or security breaches in our systems or the unauthorized or inadvertent wrongful use or disclosure of confidential or material non-public information that could adversely affect our business operations or result in the loss, misappropriation, and/or unauthorized access, use or disclosure of, or the prevention of access to, confidential information.

A breach of our or our vendors' security measures or the accidental loss, inadvertent disclosure, unapproved dissemination, misappropriation or misuse of trade secrets, proprietary information, or other confidential information, whether as a result of a cybersecurity threat or incident, theft, hacking, fraud, trickery, phishing or other forms of deception, or for any other cause, could enable others to produce competing products, use our proprietary technology or information, and/or adversely affect our business position. Further, any such interruption, security breach, or loss, misappropriation, and/or unauthorized access, use or disclosure of confidential information, including personal information regarding our patients and employees, could result in financial, legal, business, and reputational harm to us and could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Insurance may be insufficient or may not cover the financial, legal, business or reputational losses that may result from a breakdown, breach, cybersecurity threat or incident or other compromise of or interruption to our IT and information systems or confidential and other sensitive information. We also cannot ensure that any limitation of liability or indemnity provisions in our contracts, including with vendors and service providers, for a cybersecurity threat or incident, security lapse or breach or other security incident would be enforceable or adequate or would otherwise protect us from any liabilities or damages with respect to any particular claim. Refer to Part I, Item 1C "Cybersecurity" of this Form 10-K for additional information about the Company's risk management and strategy and governance with respect to cybersecurity threats and incidents.

We are subject to data privacy and security laws and regulations in many different jurisdictions and countries where we do business, and our or our vendors' inability to comply could result in fines, penalties, or reputational damage, and could impact the way we operate our business.

We are subject to federal, state and international data privacy and security laws and regulations governing the collection, use, disclosure, transmission and protection of personal information, including health-related information. As the legislative and regulatory landscape for data privacy and security continues to evolve around the world, there has been an increasing focus on data privacy and security matters that may affect our business.

In the U.S., federal laws include HIPAA, which governs the use, disclosure, and security of protected health information by HIPAA covered entities and business associates. Several U.S. states have enacted or proposed broad data privacy laws and regulations governing the confidentiality, security, use and disclosure of personal information, which may impose greater restrictions than federal data privacy and security laws and regulations and provide transparency and privacy rights for their citizens. We may also be subject to other state data privacy and security breach notification laws, state health information privacy laws, and federal and state consumer protection laws such as the federal Controlling the Assault of Non-Solicited Pornography and Marketing (CAN-SPAM) Act, which impose requirements for the collection, use, disclosure, transmission and protection of personal information. Each of these laws are subject to varying interpretations by courts and regulatory or government agencies, creating complex compliance issues for us. If we, or the third-party vendors on which we rely, fail to comply with applicable laws and regulations we could be subject to fines, penalties or sanctions, including criminal penalties.

The EU's and U.K.'s GDPR and local implementing regulations also impose significant compliance obligations on our organization. The GDPR contains data protection requirements in the EU and U.K. and imposes a framework of obligations and restrictions governing the collection, processing, and the transmission of personal information to jurisdictions outside of the EU and U.K. The GDPR affords individuals with a series of privacy rights related to the collection, processing, and transmission of their personal information. The GDPR imposes significant compliance obligations, including required processes and policies governing our collection, transmission, processing and use of individuals personal information. In addition, the GDPR includes significant penalties for non-compliance, with fines up to the higher of €20 million or 4% of total annual worldwide revenue. In general, GDPR, and other data protection laws and regulations, could require adaptation of our technologies or practices to satisfy local country data protection requirements and standards.

In China, the laws and regulations relating to cybersecurity, data privacy and personal information continue to evolve. In 2021 and 2022, China amended and, in some cases, adopted new laws and regulations governing the collection, transmission, processing and use of individual personal information, including the Administrative Punishment Law of the People's Republic of China, the Data Security Law, the Cybersecurity Review Measures and the Personal Information Protection Law. These laws and regulations restrict our ability to collect, transfer and use certain personal data, absent an application to and, in some cases, approval from relevant governmental authorities in China. Additional regulations, guidelines, and measures relating to data privacy and data protection are expected to be adopted, including more guidance from industry sector regulators on the catalogues of important data, publication of lists of qualified certification institutions for certifications for cross-border transfers of personal information out of China, which may contain additional requirements for transferring personal information out of mainland China.

Other countries in which we operate have, or are developing, laws and regulations governing the collection, use, securing and transmission of personal information as well that may affect our business or require us to adapt our technologies or practices. If we, or the third-party vendors on which we rely, fail to comply with applicable laws and regulations we could be subject to fines, penalties or sanctions, including criminal penalties.

Similar initiatives could increase the cost of developing, implementing or maintaining our IT systems, require us to allocate more resources to compliance initiatives or increase our costs.

In addition, AI-based solutions, including generative AI, are increasingly being used in the pharmaceutical industry, including by us, and we expect to use other systems and tools that incorporate AI-based technologies in the future. The use of AI solutions by our employees or third parties on which we rely could lead to the public disclosure of confidential information (including personal data or proprietary information) in contravention of our internal policies, data protection or other applicable laws, or contractual requirements. The misuse of AI solutions could also result in unauthorized access and use of personal data of our employees, clinical trial participants, collaborators, or other third parties. In addition, the legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain, including in the areas of intellectual property, cybersecurity, and privacy and data protection. Compliance with new or changing laws, regulations or industry standards relating to AI may impose significant operational costs and may limit our ability to develop, deploy or use AI technologies. Failure to appropriately respond to this evolving landscape may result in legal liability, regulatory action, loss of trade secrets or other intellectual property, brand and reputational harm, or lead to outcomes with unintended biases or other consequences.

A failure by us, or our third-party vendors, to comply with applicable data privacy and security laws may lead to government enforcement actions and private litigation, which could result in financial, legal, business, and reputational harm to us and could have a material adverse effect on the way we operate our business, our financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Increasing scrutiny and evolving expectations from customers, regulators, governments, investors, lenders, employees, and other stakeholders with respect to our environmental, social and governance practices may impose additional costs on us or expose us to new or additional risks.

Companies are facing increasing expectations and scrutiny from customers, regulators, governments, investors, lenders, employees and other stakeholders related to their environmental, social and governance practices and disclosure. Investor advocacy groups, investment funds and influential investors are also increasingly focused on these practices, especially as they relate to the environment, climate change, health and safety, supply chain management, diversity, labor conditions and human rights, both in our own operations and in our supply chain. New government regulations, especially in the EU, could also result in new or more stringent forms of environmental, social and governance oversight, including increased greenhouse gas limitations, and the expansion of mandatory and voluntary reporting, due diligence, and disclosure regarding environmental, social and governance matters. Complying with new and changing regulations will likely require us to modify or update certain of our practices, processes, and manufacturing systems, which could require additional investment of time and resources or result in significant costs. Failure to adapt to or comply with government regulations, regulatory requirements or investor or stakeholder expectations and standards could negatively impact our reputation, ability to do business with certain partners, access to investors and capital, and our stock price, and could lead to novel forms of litigation, including shareholder litigation and governmental investigations or enforcement actions related to environmental, social and governance matters.

In addition, a growing number of our customers, including certain government purchasers, have adopted, or may adopt, procurement policies that include social and environmental requirements, including, for example, requirements to monitor and conduct third party audits, or these customers may seek to include such provisions in their procurement contract terms and conditions. These social and environmental responsibility provisions and initiatives are subject to change, vary from jurisdiction to jurisdiction, and certain elements may be difficult and/or cost prohibitive for us to comply with given the inherent complexity of our external supply chain and the global scope of our operations. In certain circumstances, in order to meet the requirements or standards of our customers, we may be obligated to implement additional processes, modify our sourcing practices or make other operational choices which may require additional investments of time and resources, increase our costs or result in inefficiencies. Alternatively, we may be ineligible to participate in bids or tenders in certain markets, which may result in lost sales and revenues or decrease patient access to medicine.

Viatris has company wide sustainability goals in the areas of access; diversity, equity & inclusion; and the environment: climate change, water and waste. Achievement of these goals depends on our development and execution of various operational strategies relating to each discrete target. The development and execution of these strategies and achievements of our targets, including our near-term science based emissions reductions targets for scope 1, 2 and 3, are subject to risk and uncertainties, many of which are outside of our control. There are no assurances that we will be able to successfully develop or execute our environmental, social and governance strategies and achieve our environmental, social and governance targets.

Any of the factors mentioned above, or the perception that we or our suppliers or contract manufacturers have not responded appropriately to the growing concern for such issues, regardless of whether we are legally required to do so, may damage our reputation and have a material adverse effect on our business, employee relations, access to investors and capital, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Our business and operations are subject to risks related to climate change.

The effects of global climate change present risks to our business. Extreme weather, natural disasters, power outages, or other conditions caused by climate change could adversely impact our supply chain and the availability and cost of raw materials, water supply, and other components required for the operation of our business, or result in the delay and/or disruption of our ability to deliver products. Such conditions could also result in physical damage to our or our partners' products, plants and distribution centers, our ability to operate in certain areas, as well as the infrastructure and facilities of hospitals, medical care facilities and other customers. Our programs to plan for and mitigate risk and build resilience to the impacts of climate change may not be successful, and the cost of implementing such programs may be significant. Current or future insurance arrangements may not provide protection for costs that may arise from such events, particularly if such events are catastrophic in nature or occur in combination. In addition, regulations intended to limit greenhouse gas emissions or water usage, such as greenhouse gas emission reduction obligations, carbon pricing, and taxes on emissions, fuel and energy, or to mitigate the impacts of climate change may become more prevalent, which could increase our operating costs and the costs charged by suppliers. These events could have a material adverse effect on the way we operate our business, including the resiliency of our supply chain, our financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Finance Risks

There can be no guarantee that we will continue to pay dividends or repurchase shares under our stock buyback program.

Although Viatris currently intends to continue to pay quarterly dividends to its shareholders, there is no assurance that Viatris will declare and pay, or have the ability to declare and pay, any dividends on its common stock in the future. Whether dividends will be paid, and the amount and frequency of any such dividend payments, will depend upon a number of factors, including Viatris' results of operations, cash flows, financial position, competitive or commercial developments, contractual or statutory restrictions and any other factors considered relevant by the Viatris Board. Such payments, and the amount and frequency thereof, are also subject to the other risks set forth in these risk factors. In addition, the Board of Directors has authorized a $1 billion increase to the Company's previously announced stock buyback program of up to $1 billion, bringing the total authorization to $2 billion. Pursuant to this program the Company repurchased $250 million of shares in 2023 and $250 million of shares in February 2024, however there is no guarantee with respect to the timing or amount of any future share repurchases, or that we will repurchase the full amount authorized under our current stock buyback program. Other factors, including changes in tax or securities laws, such as the U.S. Inflation Reduction Act of 2022 which imposes a corporate excise tax of 1% on net stock repurchases beginning in 2023, could also impact our stock repurchases. A stock buyback program could affect our stock price and increase volatility, and any announcement of a pause in, or termination of, a stock buyback program may result in a decrease in our stock price. Payment of a cash dividend or stock repurchases will reduce the amount of cash available to the Company for other activities, including repayment of debt, investment in the business or other capital expenditures. If we are unable to, or choose not to, pay a quarterly dividend or repurchase shares under our stock buyback program, this may have a negative impact on the perception of the Company as an investment opportunity by shareholders or investment analysts, which may in turn negatively impact our stock price.

If the intercompany terms of cross border arrangements that we have among our subsidiaries are determined to be inappropriate or ineffective, our tax liability may increase.

We have potential tax exposures resulting from the varying application of statutes, regulations, and interpretations which include exposures on intercompany terms of cross-border arrangements among our subsidiaries (including intercompany loans, sales, and services agreements) in relation to various aspects of our business, including manufacturing, marketing, sales, and delivery functions. Although we believe our cross-border arrangements among our subsidiaries are based upon internationally accepted standards and applicable law, tax authorities in various jurisdictions may disagree with and subsequently challenge the amount of profits taxed in their country, which may result in increased tax liability, including accrued interest and penalties, which would cause our tax expense to increase and could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We may not be able to maintain competitive financial flexibility and our corporate tax rate which could adversely affect us and our shareholders.

We believe that our structure and operations give us the ability to achieve competitive financial flexibility and a competitive worldwide effective corporate tax rate. We must make material assumptions underlying our expected tax rates, including regarding the effect of certain internal reorganization transactions, intercompany transactions, and divestitures. We cannot give any assurance as to what our effective tax rate will be, however, because of, among other reasons, uncertainty regarding the tax policies of the jurisdictions where we operate, potential changes of laws and interpretations thereof, and the potential for tax audits or challenges. Our actual effective tax rate may vary from our expectation and that variance may be material. For example, in 2022 the U.S. Inflation Reduction Act was signed into law which, among other things, provides for a corporate alternative minimum tax of 15% beginning in 2023 on adjusted financial statement income and an excise tax of 1% on corporate stock repurchases. Moreover, the rate of tax we pay in other jurisdictions may increase significantly upon the adoption and implementation of the OECD Pillar Two Global Anti-Base Erosion rule, which provides for a minimum 15% tax rate in jurisdictions where adopted. We are continuing to evaluate the impact of these laws, and other proposed changes in corporate tax laws, which may significantly increase our global tax liabilities. In addition, the tax laws of other jurisdictions could change in the future, and such changes could cause a material change in our effective tax rate.

Any of the factors discussed above could materially increase our overall effective income tax rate, income tax expense and cash taxes paid and could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Unanticipated changes in our tax provisions or exposure to additional income tax liabilities and changes in income tax laws and tax rulings may have a significant adverse impact on our effective tax rate and income tax expense.

We are subject to income taxes in many jurisdictions. Significant analysis and judgment are required in determining our worldwide provision for income taxes. In the ordinary course of business, there are many transactions and calculations where the ultimate tax determination is uncertain. We are currently subject to tax audits, investigations and litigations in several jurisdictions, and may be subject to other audits, investigations or litigations in the future. The final determination of any tax audits or related litigation could be materially different from our income tax provisions and accruals.

Additionally, changes in the effective tax rate as a result of a change in the mix of earnings in countries with differing statutory tax rates, changes in our overall profitability, changes in the valuation of deferred tax assets and liabilities, changes in tax laws or in their application, the results of audits and the examination of previously filed tax returns and related challenges and assessments by taxing authorities, and continuing assessments of our tax exposures could impact our tax liabilities, income tax expense and cash taxes paid, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Viatris may be subject to significant U.S. tax liabilities or be obligated to indemnify Pfizer for any such tax liability imposed on Pfizer in connection with the Combination.

In connection with the Combination, Pfizer received a private letter ruling and opinion of counsel, each to the effect that, for U.S. federal income tax purposes, the Distribution, together with certain related transactions, would qualify as a tax-free “reorganization” and the Distribution would qualify as a tax-free distribution. If the Distribution were determined not to have qualified for tax-free treatment, Pfizer would generally be subject to tax as if it sold the Viatris common stock in a transaction taxable to Pfizer, which could result in a material tax liability that, under certain circumstances, Viatris may be required to indemnify Pfizer against pursuant to the Tax Matters Agreement. If Viatris was required to indemnify Pfizer for taxes resulting from the Distribution or certain aspects of the Separation, that indemnification obligation could be substantial and could have a material adverse effect on Viatris, including with respect to our business, financial condition and results of operations.

Currency fluctuations and changes in exchange rates have impacted and could continue to adversely affect our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Although we report our financial results in U.S. Dollars, a significant portion of our revenues, indebtedness and other liabilities and our costs are denominated in non-U.S. currencies, including among others the Chinese Renminbi, Euro, Swedish Krona, Indian Rupee, Korean Won, Japanese Yen, Australian Dollar, Canadian Dollar, and British Pound Sterling. Our financial condition, results of operations and cash flows, have in the past been and may in the future be adversely affected by certain movements in currency exchange rates. Defaults or restructurings in other countries could have a similar adverse impact on our financial condition, results of operations and cash flows. In addition, there remains significant international pressure on the Chinese government to adopt a more flexible currency policy, including from the U.S. government, which designated China as a “currency manipulator” in August 2019 and subsequently removed such designation in January 2020, which could result in greater fluctuation of the Renminbi against the U.S. dollar. From time to time, we may implement currency hedges intended to reduce our exposure to changes in foreign currency exchange rates. However, our hedging strategies may not be successful, and any of our unhedged foreign exchange exposures will continue to be subject to market fluctuations.

In addition, Viatris also faces risks arising from currency devaluations and the imposition of cash repatriation restrictions and exchange controls. Currency devaluations result in a diminished value of funds denominated in the currency of the country instituting the devaluation. Cash repatriation restrictions and exchange controls may limit our ability to convert foreign currencies into U.S. dollars or to remit dividends and other payments by our foreign subsidiaries or businesses located in or conducted within a country imposing restrictions or controls. For example, in China the conversion of currency in the "capital account" (e.g., capital items such as direct investments or loans) requires the approval of, or registration or filing with, relevant governmental authorities in China, which could materially and adversely affect the ability of our Chinese operating subsidiaries and affiliated companies to obtain foreign currencies through equity or debt financing or for capital expenditures, therefore impeding our overall business operations in China. While we currently have no need, and do not intend, to repatriate or convert cash held in countries that have significant restrictions or controls in place, should we need to do so to fund our operations, we may be unable to repatriate or convert such cash, or be unable to do so without incurring substantial costs.

The occurrence of any of the above risks could cause a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We have significant indebtedness, which could lead to adverse consequences or adversely affect our financial position and prevent us from fulfilling our obligations under such indebtedness, and any refinancing of this debt could be at significantly higher interest rates.

Our level of indebtedness could have important consequences, including but not limited to:

- increasing our vulnerability to general adverse economic and industry conditions;
- requiring us to dedicate a substantial portion of our cash flow from operations to make debt service payments, or repay debt as it matures, thereby reducing the availability of cash flow to fund working capital, capital expenditures, acquisitions and investments, dividend payments or share repurchases, and other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, challenges and opportunities, and changes in our businesses and the markets in which we operate;
- limiting our ability to obtain additional financing to fund our working capital, capital expenditures, acquisitions and debt service requirements and other financing needs;
- increasing our vulnerability to increases in interest rates in general related to any of our indebtedness that bears interest at floating rates or when refinancing maturing debt at higher rates;
- increasing our exposure to currency fluctuations, since a significant portion of our indebtedness is denominated in currencies other than the U.S. dollar, such as our Euro and Japanese yen denominated debt; and
- placing us at a competitive disadvantage to our competitors that have less debt.

Our ability to service our indebtedness will depend on our future operating performance and financial results, which will be subject, in part, to factors beyond our control, including interest rates and general economic, financial and business conditions. If we do not have sufficient cash flow to service our indebtedness, including the repayment of significant near-term indebtedness, we may need to refinance all or part of our existing indebtedness, borrow more money or sell securities or assets, some or all of which may not be available to us at acceptable terms or at all. In addition, we may need to incur additional indebtedness in the future in the ordinary course of business. Although the terms of our credit agreements and our bond indentures allow us to incur additional debt, this is subject to certain limitations which may preclude us from incurring the amount of indebtedness we otherwise desire.

Although Viatris expects to maintain an investment grade credit rating, a downgrade in the credit rating of Viatris or any indebtedness of Viatris or its subsidiaries could increase the cost of further borrowings or refinancings of such indebtedness, limit access to sources of financing in the future or lead to other adverse consequences.

Our credit facilities, senior unsecured notes, commercial paper program, other outstanding indebtedness and any additional indebtedness we incur in the future impose, or may impose, significant operating and financial restrictions on us. These restrictions limit our ability to, among other things, incur additional indebtedness, make investments, pay certain dividends, prepay other indebtedness, sell assets, incur certain liens, enter into agreements with our affiliates, or restrict our subsidiaries' ability to pay dividends, merge or consolidate. In addition, our credit facilities require us to maintain specified financial ratios. A breach of any of these covenants or our inability to maintain the required financial ratios could result in a default under the related indebtedness. If a default occurs, the relevant lenders could elect to declare our indebtedness, together with accrued interest and other fees, to be immediately due and payable. These factors could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

If we incur additional debt, the risks described above could intensify. If global credit markets contract, future debt financing may not be available to us when required or may not be available on acceptable terms or at all, and as a result we may be unable to grow our business, take advantage of business opportunities, respond to competitive pressures or satisfy our obligations under our indebtedness. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

There are inherent uncertainties involved in estimates, judgments and assumptions used in the preparation of financial statements in accordance with U.S. GAAP. Any future changes in estimates, judgments and assumptions used or necessary revisions to prior estimates, judgments or assumptions or changes in accounting standards could lead to a restatement or revision to previously issued financial statements.

The consolidated and condensed consolidated financial statements included in the periodic reports we file with the SEC are prepared in accordance with U.S. GAAP. The preparation of financial statements in accordance with U.S. GAAP involves making estimates, judgments and assumptions that affect reported amounts of assets, liabilities, revenues, expenses and income. Estimates, judgments and assumptions are inherently subject to change in the future and any necessary revisions to prior estimates, judgments or assumptions could lead to a restatement. Furthermore, although we have recorded reserves for certain critical accounting estimates, including litigation related contingencies based on estimates of probable future costs, actual costs in the future could be substantially in excess of those reserves. Also, any new or revised accounting standards may require adjustments to previously issued financial statements. Any such changes could result in corresponding changes to the amounts of liabilities, revenues, expenses and income and could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

We must maintain adequate internal controls and be able to provide an assertion as to the effectiveness of such controls on an annual basis.

Effective internal controls are necessary for us to provide reasonable assurance with respect to our financial reports. We spend a substantial amount of management and other employee time and resources to comply with laws, regulations and standards relating to corporate governance and public disclosure. In the U.S., such regulations include the Sarbanes-Oxley Act of 2002, SEC regulations and the NASDAQ listing standards. In particular, Section 404 of the Sarbanes-Oxley Act of 2002 requires management's annual review and evaluation of our internal control over financial reporting and attestation as to the effectiveness of these controls by our independent registered public accounting firm. Additionally, internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. In addition, projections of any evaluation of effectiveness of internal control over financial reporting to future periods are subject to the risk that the control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. If we fail to maintain the adequacy of our internal controls, including any failure to implement required new or improved controls, this could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Viatris has suffered and in the future could suffer additional losses due to impairment charges.

Viatris has significant amounts of goodwill, IPR&D and intangible assets on its balance sheet. Viatris tests goodwill for impairment during the second quarter of every fiscal year, and on an interim date should events or changes in circumstances indicate the carrying value of goodwill may not be recoverable in accordance with ASC 350, *Goodwill and Other Intangible Assets*. If the fair value of a reporting unit is revised downward due to declines in business performance or other factors, an impairment under ASC 350 could result and a non-cash charge could be required. Viatris tests intangible assets with indefinite lives for impairment on an annual basis and intangible assets and IPR&D with finite lives for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. This assessment of the recoverability of intangible assets could result in an impairment and a non-cash charge could be required. In addition, we have incurred and may in the future incur significant impairment charges or losses related to the Announced Divestitures. For instance, in 2022 and 2023 we recorded a total of approximately $511 million of charges related to the commercialization rights in the Upjohn Distributor Markets classified as held for sale, and, with respect to the OTC Transaction, we recorded an estimated pre-tax loss of $735 million in the fourth quarter of 2023 for the difference between the estimated consideration to be received, less estimated costs to sell the business, and the carrying value of the business to be divested, including an allocation of goodwill. Such impairments or losses have in the past and could in the future materially affect Viatris' reported net earnings, business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Viatris may be adversely affected by disruptions in the credit markets, including disruptions that reduce customers' access to credit and increase the costs to customers of obtaining credit.

The credit markets have historically been volatile and therefore it is not possible to predict the ability of Viatris' customers to access short-term financing and other forms of capital. If a disruption in the credit markets were to occur, Viatris could be unable to refinance its outstanding indebtedness on reasonable terms or at all. Such a disruption could also pose a risk to Viatris' business if customers or suppliers are unable to obtain financing to meet their payment or delivery obligations. In addition, customers may decide to downsize, defer or cancel contracts which could negatively affect our revenue.

Further, Viatris had approximately $284 million of floating rate debt as of December 31, 2023. A one percentage point increase in the average interest rate of this debt would increase the combined interest expense by approximately $2.9 million per year. Accordingly, a spike in interest rates could adversely affect our results of operations and cash flows.

Viatris has certain material obligations relating to defined benefit pension and termination benefit programs.

Viatris has certain material pension and post-employment benefit obligations associated with acquired businesses in both the U.S. and foreign countries. Our obligations under these plans are significant and future funding obligations are subject to increased interest rates on asset and liability calculations. Each of these liabilities and the related future payment obligations could restrict cash available for Viatris' operations, capital expenditures, acquisitions, dividend payments and other requirements, and may materially affect Viatris' financial condition and liquidity.

General Risks

The market price of our common stock has been and may continue to be volatile, and the value of your investment could materially decline.

Investors who hold shares of Viatris common stock may not be able to sell their shares at or above the price at which they acquired them. The price of Viatris' common stock has in the past and may continue to fluctuate materially from time to time, including as a result of the other risks described herein, and we cannot predict the price of our common stock at any given time. In addition, the stock market in general, including the market for pharmaceutical companies, has experienced significant price and volume fluctuations which may materially harm the market price of our common stock, regardless of our operating performance. In addition, the price of our common stock may be affected by the valuations and recommendations of the analysts who cover us, and if our results do not meet the analysts' forecasts and expectations, the price of our common stock could decline as a result of analysts lowering their valuations and recommendations or otherwise. Following periods of volatility in the market and/or in the price of a company's stock, securities class-action litigation actions have been instituted against companies (including Viatris) and may be instituted against us in the future. Such litigation may result in substantial costs and diversion of management's attention and resources, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price. In addition, if we or our stockholders offer or sell shares of our common stock or securities convertible into or exchangeable or exercisable for shares of our common stock, this or the possibility thereof, may depress the future trading price of our common stock and the voting power of our then existing stockholders may be diluted if such a transaction were to occur.

The expansion of social media platforms presents new risks and challenges.

To the extent that we seek to use social media tools as a means to communicate about our products and/or business, there are uncertainties as to the rules that apply to such communications, or as to the interpretations that authorities will apply to the rules that exist. As a result, despite our efforts to monitor evolving social media communication guidelines and comply with applicable rules, there is risk that our use of social media for such purposes may cause us to be found in violation of them. Our employees may knowingly or inadvertently make use of social media tools in ways that may not be aligned with our social media strategy, may give rise to liability, or could lead to the loss of material non-public information, trade secrets or other intellectual property, or public exposure of personal information (including sensitive personal information) of our employees, clinical trial patients, customers, and others. In addition, negative posts or comments about us on any social media website could damage our reputation. Any of the above risks could have a material adverse effect on our business, reputation, financial condition, results of operations, cash flows, and/or stock price.

Provisions in the Viatris Charter and Viatris Bylaws and of applicable law may prevent or delay an acquisition of Viatris, which could decrease the trading price of Viatris common stock.

The Viatris Charter, Viatris Bylaws and Delaware law contain provisions that may have the effect of deterring takeovers by making such takeovers more expensive to the acquiror and by encouraging prospective acquirors to negotiate with the Viatris Board rather than to attempt a hostile takeover. These provisions include rules regarding how stockholders may present proposals or nominate directors for election at shareholder meetings and the right of the Viatris Board to issue preferred stock without shareholder approval. Delaware law also imposes some restrictions on mergers and other business combinations between Viatris and any holder of 15% or more of Viatris' outstanding common stock.

These provisions are intended to protect Viatris' stockholders from coercive or otherwise unfair takeover tactics by requiring potential acquirors to negotiate with the Viatris Board and by providing the Viatris Board with more time to assess any acquisition proposal. These provisions are not intended to make Viatris immune from takeovers. However, these provisions apply even if the offer may be considered beneficial by some stockholders and could delay or prevent an acquisition that the Viatris Board determines is not in the best interests of Viatris and its stockholders. Accordingly, if the Viatris Board determines that a potential business combination transaction is not in the best interests of Viatris and its stockholders, but certain stockholders believe that such a transaction would be beneficial to Viatris and its stockholders, such stockholders may elect to sell their shares in Viatris and the trading price of Viatris common stock could decrease. These and other provisions of the Viatris Charter, the Viatris Bylaws and the DGCL could have the effect of delaying, deferring or preventing a proxy contest, tender offer, merger or other change in control, which may have a material adverse effect on Viatris' business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

The exclusive forum provisions in the Viatris Charter could discourage lawsuits against Viatris and its directors and officers.

The Viatris Charter provides that unless Viatris, through approval of the Viatris Board, otherwise consents in writing, the Court of Chancery of the State of Delaware or, if and only if the Court of Chancery of the State of Delaware dismisses such action for lack of subject matter jurisdiction, another state court sitting in the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware), will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of Viatris, any action or proceeding asserting a claim of breach of a fiduciary duty owed by any director or officer or other employees of Viatris to Viatris or its stockholders, creditors or other constituents, any action asserting a claim against Viatris or any of its directors, officers or other employees arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the DGCL or the Viatris Charter or the Viatris Bylaws, as each may be amended from time to time, any action or proceeding asserting a claim against Viatris or any of its directors, officers or other employees governed by the internal affairs doctrine or any action or proceeding as to which the DGCL (as it may be amended from time to time) confers jurisdiction on the Court of Chancery of the State of Delaware. The Viatris Charter also provides that unless Viatris (through approval of the Viatris Board) consents in writing to the selection of an alternative forum, the federal district courts of the United States of America, to the fullest extent permitted by law, shall be the sole and exclusive forum for the resolution of any action asserting a cause of action arising under the Securities Act. The enforceability of similar choice of forum provisions in other companies' charters and bylaws has been challenged in legal proceedings, and it is possible that, in connection with claims arising under federal securities laws or otherwise, a court could find the exclusive forum provisions contained in the Viatris Charter to be inapplicable or unenforceable.

These exclusive forum provisions may limit the ability of Viatris' stockholders to bring a claim in a judicial forum that such stockholders find favorable for disputes with Viatris or its directors or officers, which may discourage such lawsuits against Viatris or its directors or officers. Alternatively, if a court were to find these exclusive forum provisions inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings described above, Viatris may incur additional costs associated with resolving such matters in other jurisdictions or forums, which could materially and adversely affect Viatris' business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Our business and operations could be negatively affected by pressures from outside of the control of the company, including, but not limited to, shareholder actions, government regulations and disclosure requirements, and other market dynamics, which could cause us to incur significant expenses, hinder execution of our business strategy and negatively impact our share price.

In recent years, shareholder actions, government regulations and disclosure requirements, and other market dynamics, involving corporate governance, environmental and social matters, human capital, strategic direction and operations have become increasingly prevalent. Shareholder challenges or more extensive government regulation or intervention in these areas, may create a significant distraction or burden for our management and employees, negatively impact our ability to execute our business plans, require our management to expend significant time and resources, create uncertainties with respect to our financial position and operations, adversely affect our ability to attract and retain key employees or result in loss of potential business opportunities with our current and potential customers and business partners. In addition, such actions, regulation and intervention may cause significant fluctuations in our share price based on temporary or speculative market perceptions, uncertainties or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business, which could cause the market value of our common stock to decline.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 1C. Cybersecurity

Viatris operates in a complex and rapidly changing environment that involves many potential risks, including IT and cybersecurity risks. Risk management is an enterprise-wide objective and is subject to oversight by the Viatris Board and its committees. It is the responsibility of Viatris' management and employees to identify material risks to our business and to implement and administer risk management and mitigation processes and programs, while also maintaining reasonable flexibility in how we operate. Our internal audit function coordinates cross functionally to periodically complete the Company's enterprise risk assessment, including the identification of key and emerging risks, and reviews and refreshes this analysis quarterly with executive management. For each key or emerging risk identified, the Company establishes risk monitoring ownership, evaluating risk mitigation opportunities and collecting quarterly updates for executive management and the Viatris Board's Compliance and Risk Oversight Committee.

With respect to IT and cybersecurity risks, Viatris maintains an information security program that is aligned with the National Institute of Standards and Technology Cybersecurity Framework standards, and which is designed to identify, protect, detect, respond to and recover from cybersecurity threats. Viatris' information security program includes policies, procedures, cybersecurity awareness communications, testing, and training for employees (including mandatory training programs for system users), system monitoring, risk reduction, vulnerability and patch management and monitoring of external developments. The information security team is responsible for defining and overseeing the execution of the Company's information security program and strategy. The Viatris IT team, led by the Chief Information Officer, is responsible for ongoing security operations such as maintaining firewalls and patch management. In addition, the delivery of many information security programs relies on IT resources to execute the delivery and implementation of security solutions, such as end-point protection and end-of-life protocols.

The Company's Chief Information Security Officer & Head of Global Security, under the direction of the Company's Chief Compliance Officer, reports quarterly to the Risk Management Team, which includes the CEO, President, CFO, General Counsel, Chief Human Relations Officer, Head of Corporate Affairs, Regional Presidents, Chief Information Officer and Chief Compliance Officer, and the Viatris Board on the progress of the information security program and overall security status. Viatris' current Chief Information Security Officer & Head of Global Security has over 20 years of experience in information security within the pharmaceutical industry.

As part of this program, Viatris has adopted a Cybersecurity Incident Response Plan (referred to as CIRP) to establish a guide for Viatris' leadership and incident response stakeholders through an "incident" (a single event or a set of anomalous and adverse "events" (for purposes of the CIRP, a change in a system or technology device that could impact the confidentiality, integrity, and availability of Viatris' data and technology assets) caused by malicious intent or by accident impacting Viatris' network, computing systems, or digital information). The CIRP is managed by the information security team and is reviewed at least annually. Viatris tests the CIRP through technical exercises at least semi-annually, reviews the CIRP with executive management annually, and periodically conducts executive tabletop exercises/scenarios. The CIRP provides an overview of critical actions to take through the incident response lifecycle and contains a severity matrix used to guide the Company's incident response stakeholders on communication and escalation protocols. The severity of the incident guides the determination of the parties to whom the incident will be escalated, and the Company may decide to seek assistance from a third-party incident response vendor.

Viatris' Cybersecurity Incident Response Team (referred to as CIRT) reports to the Chief Information Security Officer & Head of Global Security and has the role of investigating and executing incident protocols. The CIRT is generally responsible for determining the potential impacts to the Company, including severity, notifying appropriate parties pursuant to the CIRP and determining whether to engage a third-party incident response vendor, among other responsibilities. Critical and high severity incidents require the engagement of the senior leadership once such an incident is confirmed. The Company's Disclosure Controls and Procedures also require (i) the Company's Information Security function to monitor and escalate, as appropriate, cybersecurity incidents or series of related incidents (including with respect to any third party provider to the Company of IT services) and (ii) the Disclosure Committee to determine, without unreasonable delay, the materiality of any such escalated cybersecurity incidents or series of related incidents with input from Global Compliance, Information Security, Legal, Finance and other groups, as appropriate.

The Company participates in several industry and third-party threat monitoring and information-sharing services, and these engagements provide insight into vulnerabilities and threats which are incorporated into the security operations scanning as well as shared with the IT team for remediation. Key aspects of the information security program are also provided by third-party managed security providers, including but not limited to first- and second-line support for incident response and the Company's vulnerability assessment process. Our suppliers, subcontractors and third-party service providers, including third-party managed security providers, are subject to cybersecurity obligations and controls. We conduct initial risk assessments of third-party suppliers and service providers based on various factors and then review and monitor these third-party suppliers and service providers based on their relative assessed level of risk. We also require our suppliers, subcontractors and third-party service providers to agree to cybersecurity-related contractual terms and conditions of purchase.

The Compliance and Risk Oversight Committee of the Viatris Board is responsible for reviewing management's exercise of its responsibility to identify, assess, and manage material risks not allocated to the Viatris Board or another Committee of the Viatris Board, including data security programs and cybersecurity and IT. In the event of a severe cybersecurity incident, such as a ransomware attack or other incident that has a severe adverse effect on Viatris' operations, critical systems or sensitive data, or which may cause severe reputational damage, executive management may determine that is necessary to notify the Viatris Board or the Compliance and Risk Oversight Committee about such a cybersecurity incident immediately. Otherwise, the Compliance and Risk Oversight Committee receives reports from executive management on data security, cybersecurity and information security-related matters on at least a quarterly basis, including with respect to related risks, risk management, risk reduction programs, and relevant legislative, regulatory, and technical developments. On a biannual basis, the Compliance and Risk Oversight Committee and chairs of each other Committee of the Viatris Board receive an information security update from the Company's Chief Information Security Officer & Head of Global Security, the Chief Compliance Officer and the Chief Information Officer. The full Viatris Board receives a report on the respective quarterly discussions from the Chair of the Compliance and Risk Oversight Committee each quarter.

We and our suppliers, partners, customers and vendors have in the past and will likely continue to experience cybersecurity threats and incidents, including attacks on and compromises of our systems. Although we do not believe such cybersecurity threats or incidents have had a significant impact on us to date, there is no guarantee that a future cybersecurity threat or incident will be detected and remediated to not have a material adverse impact on our business, reputation, financial conditions, cash flows or results of operations. For additional information regarding how cybersecurity threats are reasonably likely to materially affect our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price, see Part I, Item 1A "Risk Factors – "*We are increasingly dependent on IT and our systems and infrastructure face certain risks, including cybersecurity and data leakage risks."* of this Form 10-K.

ITEM 2. Properties

For information regarding properties, refer to Item 1 "Business" in Part I of this Form 10-K.

ITEM 3. Legal Proceedings

For information regarding legal proceedings, refer to Note 19 *Litigation* included in Item 8 in Part II of this 10-K.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

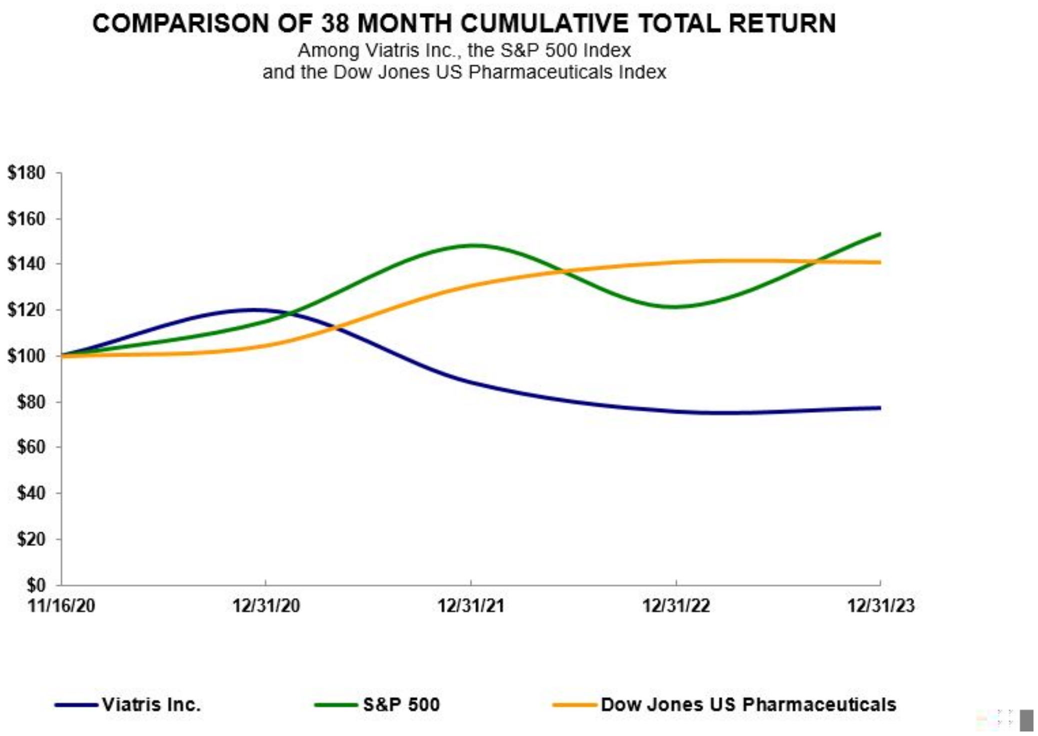
Our common stock is traded on the NASDAQ Stock Market under the symbol "VTRS".

As of February 22, 2024, there were approximately 103,200 holders of record of shares of Viatris common stock.

The Company paid quarterly cash dividends of $0.12 per share on the Company's issued and outstanding common stock on March 17, 2023, June 16, 2023, September 15, 2023 and December 15, 2023. On February 26, 2024, the Company's Board of Directors declared a quarterly cash dividend of $0.12 per share on the Company's issued and outstanding common stock, which will be payable on March 18, 2024 to shareholders of record as of the close of business on March 11, 2024. The declaration and payment of future dividends to holders of the Company's common stock will be at the discretion of the Board of Directors, and will depend upon factors, including but not limited to, the Company's financial condition, earnings, capital requirements of its businesses, legal requirements, regulatory constraints, industry practice, and other factors that the Board of Directors deems relevant. The Company paid quarterly cash dividends of $0.12 per share on the Company's issued and outstanding common stock on March 16, 2022, June 16, 2022, September 16, 2022 and December 16, 2022. The Company paid quarterly cash dividends of $0.11 per share on the Company's issued and outstanding common stock on June 16, 2021, September 16, 2021 and December 16, 2021.

STOCK PERFORMANCE GRAPH

Viatris common stock has been listed on the NASDAQ under the symbol "VTRS" since November 17, 2020. Prior to that time, there was no public market for our common stock. The graph below compares Viatris Inc.'s cumulative total shareholder return on common stock with the cumulative total returns of the S&P 500 index and the Dow Jones US Pharmaceuticals index. The graph tracks the performance of a $100 investment in our common stock and in each index (with the reinvestment of all dividends) from November 16, 2020 to December 31, 2023. The historical share price data has been revised to reflect updated source information. The revisions are not significant to previously reported amounts.



	November 16, 2020	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
Viatris Inc.	100.00	119.67	88.40	75.78	77.34
S&P 500	100.00	115.21	148.28	121.43	153.35
Dow Jones U.S. Pharmaceuticals	100.00	104.70	130.85	141.10	141.08

ITEM 6. [Reserved]

ITEM 7. Management's Discussion and Analysis of Financial Condition And Results of Operations

The following discussion and analysis addresses material changes in the financial condition and results of operations of Viatris Inc. and subsidiaries for the periods presented. Unless context requires otherwise, the "Company," "Viatris," "our" or "we" refer to Viatris Inc. and its subsidiaries.

This discussion and analysis should be read in conjunction with the consolidated financial statements and the related notes to consolidated financial statements included in Part II, Item 8 in this Form 10-K, and our other SEC filings and public disclosures.

This Form 10-K contains "forward-looking statements". These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may include, without limitation, statements about the goals or outlooks with respect to the Company's strategic initiatives, including but not limited to the Company's two-phased strategic vision and potential and announced divestitures, acquisitions or other transactions; the benefits and synergies of such divestitures, acquisitions, or other transactions, or restructuring programs; future opportunities for the Company and its products; and any other statements regarding the Company's future operations, financial or operating results, capital allocation, dividend policy and payments, stock repurchases, debt ratio and covenants, anticipated business levels, future earnings, planned activities, anticipated growth, market opportunities, strategies, competitions, commitments, confidence in future results, efforts to create, enhance or otherwise unlock the value of our unique global platform, and other expectations and targets for future periods. Forward-looking statements may often be identified by the use of words such as "will", "may", "could", "should", "would", "project", "believe", "anticipate", "expect", "plan", "estimate", "forecast", "potential", "pipeline", "intend", "continue", "target", "seek" and variations of these words or comparable words. Because forward-looking statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to:

- the possibility that the Company may not realize the intended benefits of, or achieve the intended goals or outlooks with respect to, its strategic initiatives (including divestitures, acquisitions, or other potential transactions) or move up the value chain by focusing on more complex and innovative products to build a more durable higher margin portfolio;
- the possibility that the Company may be unable to achieve intended or expected benefits, goals, outlooks, synergies, growth opportunities and operating efficiencies in connection with divestitures, acquisitions, other transactions, or restructuring programs, within the expected timeframes or at all;
- with respect to previously announced divestitures that have not been consummated, including the divestiture of substantially all of our OTC Business, such divestitures not being completed on the expected timelines or at all and the risk that the conditions set forth in the definitive agreements with respect to such divestitures will not be satisfied or waived;
- with respect to previously announced divestitures, failure to realize the total transaction values for the divestitures and/or the expected proceeds for any or all such divestitures, including as a result of any purchase price adjustment or a failure to achieve any conditions to the payment of any contingent consideration;
- goodwill or impairment charges or other losses related to the divestiture or sale of businesses or assets (including but not limited to announced divestitures that have not yet been consummated);
- the Company's failure to achieve expected or targeted future financial and operating performance and results;
- the potential impact of public health outbreaks, epidemics and pandemics;
- actions and decisions of healthcare and pharmaceutical regulators;
- changes in relevant laws, regulations and policies and/or the application or implementation thereof, including but not limited to tax, healthcare and pharmaceutical laws, regulations and policies globally (including the impact of recent and potential tax reform in the U.S. and pharmaceutical product pricing policies in China);
- the ability to attract, motivate and retain key personnel;
- the Company's liquidity, capital resources and ability to obtain financing;
- any regulatory, legal or other impediments to the Company's ability to bring new products to market, including but not limited to "at-risk launches";
- success of clinical trials and the Company's or its partners' ability to execute on new product opportunities and develop, manufacture and commercialize products;
- any changes in or difficulties with the Company's manufacturing facilities, including with respect to inspections, remediation and restructuring activities, supply chain or inventory or the ability to meet anticipated demand;
- the scope, timing and outcome of any ongoing legal proceedings, including government inquiries or investigations, and the impact of any such proceedings on the Company;
- any significant breach of data security or data privacy or disruptions to our IT systems;
- risks associated with having significant operations globally;
- the ability to protect intellectual property and preserve intellectual property rights;
- changes in third-party relationships;

- the effect of any changes in the Company's or its partners' customer and supplier relationships and customer purchasing patterns, including customer loss and business disruption being greater than expected following an acquisition or divestiture;
- the impacts of competition, including decreases in sales or revenues as a result of the loss of market exclusivity for certain products;
- changes in the economic and financial conditions of the Company or its partners;
- uncertainties regarding future demand, pricing and reimbursement for the Company's products;
- uncertainties and matters beyond the control of management, including but not limited to general political and economic conditions, inflation rates and global exchange rates; and
- inherent uncertainties involved in the estimates and judgments used in the preparation of financial statements, and the providing of estimates of financial measures, in accordance with U.S. GAAP and related standards or on an adjusted basis.

For more detailed information on the risks and uncertainties associated with Viatris, see the risks described in Part I, Item 1A in this Form 10-K, and our other filings with the SEC. You can access Viatris' filings with the SEC through the SEC website at www.sec.gov or through our website and Viatris strongly encourages you to do so. Viatris routinely posts information that may be important to investors on our website at investor.viatris.com, and we use this website address as a means of disclosing material information to the public in a broad, non-exclusionary manner for purposes of the SEC's Regulation Fair Disclosure (Reg FD). The contents of our website are not incorporated by reference in this Form 10-K and shall not be deemed "filed" under the Securities Exchange Act of 1934, as amended. Viatris undertakes no obligation to update any statements herein for revisions or changes after the filing date of this Form 10-K other than as required by law.

Company Overview

Viatris is a global healthcare company which we believe is uniquely positioned to bridge the traditional divide between generics and brands, combining the best of both to more holistically address healthcare needs globally. With a mission to empower people worldwide to live healthier at every stage of life, Viatris provides access at scale, currently supplying high-quality medicines to approximately 1 billion patients around the world annually and touching all of life's moments, from birth to the end of life, acute conditions to chronic diseases. With our exceptionally extensive and diverse portfolio of medicines, a one-of-a-kind global supply chain designed to reach more people when and where they need them, and the scientific expertise to address some of the world's most enduring health challenges, access takes on deep meaning at Viatris.

Viatris' executive management team is focused on ensuring that the Company is optimally structured and efficiently resourced to deliver sustainable value to patients, shareholders, customers and other key stakeholders. With a global workforce of approximately 38,000, the Company has industry leading commercial, R&D, regulatory, manufacturing, legal and medical expertise complemented by a strong commitment to quality and an unparalleled geographic footprint to deliver high-quality medicines to patients in more than 165 countries and territories. As of December 31, 2023, Viatris' portfolio comprised more than 1,400 approved molecules across a wide range of key therapeutic areas, including globally recognized iconic and key brands and generics, including complex products, and the Company operated approximately 40 manufacturing sites worldwide that produce oral solid doses, injectables, complex dosage forms and APIs. As discussed below, Viatris has entered into certain transactions, including the Pending Announced Divestitures. Viatris is headquartered in the U.S., with global centers in Pittsburgh, Pennsylvania, Shanghai, China and Hyderabad, India.

Viatris has four reportable segments: Developed Markets, Greater China, JANZ, and Emerging Markets. The Company reports segment information on the basis of markets and geography, which reflects its focus on bringing its broad and diversified portfolio of branded and generic products, including complex products, to people in markets everywhere. Our Developed Markets segment comprises our operations primarily in North America and Europe. Our Greater China segment includes our operations in China, Taiwan and Hong Kong. Our JANZ segment reflects our operations in Japan, Australia and New Zealand. Our Emerging Markets segment encompasses our presence in more than 125 countries with developing markets and emerging economies including in Asia, Africa, Eastern Europe, Latin America and the Middle East as well as the Company's ARV franchise.

Certain Market and Industry Factors

The global pharmaceutical industry is a highly competitive and highly regulated industry. As a result, we face a number of industry-specific factors and challenges, which can significantly impact our results. The following discussion highlights some of these key factors and market conditions.

Generic products, particularly in the U.S., generally contribute most significantly to revenues and gross margins at the time of their launch, and even more so in periods of market exclusivity, or in periods of limited generic competition. As such, the timing of new product introductions can have a significant impact on the Company's financial results. The entrance into the market of additional competition generally has a negative impact on the volume and pricing of the affected products. Additionally, pricing is often affected by factors outside of the Company's control. Conversely, generic products generally experience less volatility over a longer period of time in Europe as compared to the U.S., primarily due to the role of government oversight of healthcare systems in the region.

For branded products, the majority of the product's commercial value is usually realized during the period in which the product has market exclusivity. In the U.S. and some other countries, when market exclusivity expires and generic versions of a product are approved and marketed, there can often be very substantial and rapid declines in the branded product's sales. For example, depending on certain factors – including decisions by Japanese regulatory and/or patent authorities – generic entry may occur for Amitiza® 24 µg in Japan prior to one of the patents relevant to Amitiza® expiring in April 2025.

Certain markets in which we do business outside of the U.S. have undergone government-imposed price reductions, and further government-imposed price reductions are expected in the future. Such measures, along with the tender systems discussed below, are likely to have a negative impact on sales and gross profit in these markets. However, government initiatives in certain markets that appear to favor generic products could help to mitigate this unfavorable effect by increasing rates of generic substitution and penetration.

Additionally, a number of markets in which we operate outside of the U.S. have implemented, or may implement, tender systems for generic pharmaceuticals in an effort to lower prices. Generally speaking, tender systems can have an unfavorable impact on sales and profitability. Under such tender systems, manufacturers submit bids that establish prices for generic pharmaceutical products. Upon winning the tender, the winning company will receive priority placement for a period of time. The tender system often results in companies underbidding one another by proposing low pricing in order to win the tender. Sales continue to be negatively affected by the impact of tender systems in certain countries.

In addition to the impact of competition, government pricing actions and other measures designed to reduce healthcare costs, our results of operations, cash flows and financial condition could also be affected by other risks of doing business internationally, including the impact of inflation, elections, geopolitical events, including the ongoing conflicts in the Middle East and between Russia and Ukraine and related trade controls, sanctions, supply chain and staffing challenges and other economic considerations, supply chain disruptions, foreign currency exchange fluctuations, public health epidemics, changes in intellectual property legal protections and other regulatory changes.

Recent Developments

Idorsia Acquisition

On February 28, 2024, the Company announced that it will acquire the development programs and certain personnel related to selatogrel and cenerimod from Idorsia in exchange for an upfront payment to Idorsia of $350 million, potential development and regulatory milestone payments, and certain contingent payments of additional sales milestone payments and tiered sales royalties. Viatris and Idorsia will both contribute to the development costs for both programs. Viatris will have worldwide commercialization rights for both selatogrel and cenerimod (excluding, for cenerimod only, Japan, South Korea and certain countries in the Asia-Pacific region). The agreements also provide Viatris a right of first refusal and a right of first negotiation for certain other assets in Idorsia's pipeline. The closing of the transaction is subject to certain closing conditions.

Divestitures

On October 1, 2023, the Company announced it received an offer for the divestiture of its OTC Business, and entered into definitive agreements to divest its women's healthcare business and, separately, in another transaction, its rights to two women's healthcare products in certain countries, its API business in India and commercialization rights in the Upjohn Distributor Markets. The divestiture of the women's healthcare business is primarily related to our oral and injectable contraceptives and does not include all of our women's healthcare related products; as an example, our Xulane® product in the U.S. is excluded. The transaction to divest the Company's rights to two women's healthcare products in certain countries (other than in the U.K., which remains subject to regulatory approval) closed in December 2023. The divestitures of the commercialization rights in certain of the Upjohn Distributor Markets closed during 2023. Additionally, we expect to consummate the divestiture of our women's healthcare business and our API business in India by the end of the first quarter of 2024, and in January 2024, we exercised our option to accept the offer in the OTC Transaction and entered into a definitive transaction agreement with respect to such OTC Transaction. We currently expect the OTC Transaction to close by mid-year 2024. The transactions that have not yet closed remain subject to regulatory approvals, receipt of required consents and other closing conditions, including, in the case of the API business divestiture, a financing condition. Refer to Note 5 *Divestitures* in Part II, Item 8 of this Form 10-K for more information.

Ophthalmology Acquisitions

During the first quarter of 2023, the Company completed the acquisition of Oyster Point for approximately $427.4 million in cash, which included $11 per share paid to Oyster Point stockholders through a tender offer, payment for vested share-based awards, and the repayment of the Oyster Point debt. Oyster Point is focused on the discovery, development, and commercialization of first-in-class pharmaceutical therapies to treat ophthalmic diseases.

On November 7, 2022, the Company entered into a definitive agreement to acquire the remaining equity shares of Famy Life Sciences, a privately-owned research company with a complementary portfolio of ophthalmology therapies under development, for consideration of $281 million. The transaction to acquire the remaining equity shares of Famy Life Sciences closed during the first quarter of 2023.

Refer to Note 4 *Acquisitions and Other Transactions* in Part II, Item 8 of this Form 10-K for more information.

Share Repurchase Program

On February 28, 2022, the Company announced that its Board of Directors had authorized a share repurchase program for the repurchase of up to $1.0 billion of the Company's shares of common stock. Such repurchases may be made from time-to-time at the Company's discretion and effected by any means, including but not limited to, open market repurchases, pursuant to plans in accordance with Rules 10b5-1 or 10b-18 under the Exchange Act, privately negotiated transactions (including accelerated stock repurchase programs) or any combination of such methods as the Company deems appropriate. The program does not have an expiration date. During the year ended December 31, 2023, the Company repurchased approximately 21.2 million shares of common stock at a cost of approximately $250 million. In February 2024, the Company repurchased approximately 19.2 million shares of common stock at a cost of approximately $250 million. The Company did not repurchase any shares of common stock under the share repurchase program in 2022. The share repurchase program does not obligate the Company to acquire any particular amount of common stock.

The Company announced that on February 26, 2024, its Board of Directors authorized a $1.0 billion increase to the Company's previously announced $1.0 billion share repurchase program. As a result, the Company's share repurchase program now authorizes the repurchase of up to $2.0 billion of the Company's shares of common stock. The Company had repurchased a total of $500 million in shares through February 28, 2024 under the program.

2020 Restructuring Program

During 2020, Viatris announced a significant global restructuring program in order to achieve synergies and ensure that the organization was optimally structured and efficiently resourced to deliver sustainable value to patients, shareholders, customers, and other stakeholders. As part of the restructuring, the Company optimized its commercial capabilities and enabling functions, and closed, downsized or divested certain manufacturing facilities globally that were deemed to be no longer viable either due to surplus capacity, challenging market dynamics or a shift in its product portfolio toward more complex products. The actions under the 2020 restructuring program were substantially completed during 2023.

Since the initiation of the 2020 restructuring program, the Company has incurred total pre-tax charges of approximately $1.4 billion through December 31, 2023. Such charges included approximately $450 million of non-cash charges mainly related to accelerated depreciation and asset impairment charges, including inventory write-offs, and cash costs of approximately $950 million, primarily related to severance and employee benefits expense, as well as other costs, including those related to contract terminations and other plant disposal costs.

Financial Summary

The table below is a summary of the Company's financial results for the year ended December 31, 2023 compared to the prior year period:

(In millions, except per share amounts)	Year Ended December 31, 2023	2022	Change
Total revenues	$ 15,426.9	$ 16,262.7	$ (835.8)
Gross profit	6,438.6	6,497.0	(58.4)
Earnings from operations	766.2	1,614.9	(848.7)
Net earnings	54.7	2,078.6	(2,023.9)
Diluted earnings per share	$ 0.05	$ 1.71	$ (1.66)

A detailed discussion of the Company's financial results can be found below in the section titled "Results of Operations." As part of this discussion, we also report sales performance using the non-GAAP financial measures of "constant currency" net sales and total revenues. These measures provide information on the change in net sales and total revenues assuming that foreign currency exchange rates had not changed between the prior and current period. The comparisons presented at constant currency rates reflect comparative local currency sales at the prior year's foreign exchange rates. We routinely evaluate our net sales and total revenues performance at constant currency so that sales results can be viewed without the impact of foreign currency exchange rates, thereby facilitating a period-to-period comparison of our operational activities, and believe that this presentation also provides useful information to investors for the same reason.

More information about non-GAAP measures used by the Company as part of this discussion, including adjusted cost of sales, adjusted gross margins, adjusted net earnings, and adjusted EBITDA (all of which are defined below) are discussed further in this Part II, Item 7 under *Results of Operations* and *Results of Operations — Use of Non-GAAP Financial Measures*.

Results of Operations

2023 Compared to 2022

(In millions, except %s)	Year Ended December 31, 2023	2022	% Change	2023 Currency Impact [1]	2023 Constant Currency Revenues	Constant Currency % Change [2]
Net sales						
Developed Markets	$ 9,251.9	$ 9,768.9	(5)%	$ (85.2)	$ 9,166.6	(6)%
Greater China	2,160.4	2,201.2	(2)%	87.1	2,247.6	2 %
JANZ	1,424.5	1,632.4	(13)%	96.2	1,520.6	(7)%
Emerging Markets	2,551.6	2,615.6	(2)%	160.8	2,712.4	4 %
Total net sales	15,388.4	16,218.1	(5)%	258.9	15,647.2	(4)%
Other revenues [3]	38.5	44.6	NM	(0.1)	38.4	NM
Consolidated total revenues [4]	$ 15,426.9	$ 16,262.7	(5)%	$ 258.8	$ 15,685.6	(4)%

(1) Currency impact is shown as unfavorable (favorable).

(2) The constant currency percentage change is derived by translating net sales or revenues for the current period at prior year comparative period exchange rates, and in doing so shows the percentage change from 2023 constant currency net sales or revenues to the corresponding amount in the prior year.

(3) For the year ended December 31, 2023, other revenues in Developed Markets, JANZ, and Emerging Markets were approximately $26.1 million, $1.1 million, and $11.3 million, respectively.

(4) Amounts exclude intersegment revenue which eliminates on a consolidated basis.

Total Revenues

For the year ended December 31, 2023, the Company reported total revenues of $15.43 billion, compared to $16.26 billion for the comparable prior year period, representing a decrease of $835.8 million, or 5%. Total revenues include both net sales and other revenues from third parties. Net sales for the year ended December 31, 2023 were $15.39 billion, compared to $16.22 billion for the comparable prior year period, representing a decrease of $829.7 million, or 5%. Other revenues for the year ended December 31, 2023 were $38.5 million, compared to $44.6 million for the comparable prior year period.

The decrease in net sales was partially driven by the unfavorable impact of foreign currency translation of approximately $258.9 million, or 2%, primarily reflecting changes in the U.S. Dollar as compared to the currencies of subsidiaries in Japan, China and India. Additionally, net sales decreased by approximately $629.5 million, or 4%, due to the inclusion of net sales in the prior year period related to divestitures that have closed during 2022 and 2023. The most significant such impact related to the biosimilars business that was divested on November 29, 2022. On a constant currency basis, net sales from the remaining business increased by approximately $17.0 million, or less than 1%, for the year ended December 31, 2023 compared to the prior year period as new product sales of approximately $451.3 million, primarily in the U.S. and Europe, offset the impact of base business erosion of approximately $434.3 million. New product sales include new products launched in 2023 and the carryover impact of new products, including business development, launched within the last twelve months. Net sales from Tyrvaya® totaled $41.7 million during the year ended December 31, 2023.

From time to time, a limited number of our products may represent a significant portion of our net sales, gross profit and net earnings. Generally, this is due to the timing of new product introductions, seasonality, and the amount, if any, of additional competition in the market. Our top ten products in terms of net sales, in the aggregate, represented approximately 33% for each of the years ended December 31, 2023 and 2022.

Net sales are derived from our four reporting segments: Developed Markets, Greater China, JANZ and Emerging Markets.

Developed Markets Segment

Net sales from Developed Markets decreased by $517.0 million or 5% during the year ended December 31, 2023 when compared to the prior year. The favorable impact of foreign currency translation was approximately $85.2 million, or 1%. Net sales decreased by approximately $539.6 million, or 6%, due to the inclusion of net sales in the prior year period related to divestitures that have closed during 2022 and 2023. The most significant such impact related to the biosimilars business that was divested on November 29, 2022. Constant currency net sales from the remaining business decreased by approximately $104.3 million, or 1%, when compared to the prior year. New product sales, including lenalidomide and Breyna™ in the U.S., combined with the stability of the existing product portfolio helped to partially offset the anticipated lower net sales of certain existing products, including Wixela Inhub®, Xulane® and cyclosporine ophthalmic emulsion in the U.S., as a result of lower volumes and lower pricing due to additional competition. Net sales within North America totaled approximately $3.91 billion and net sales within Europe totaled approximately $5.34 billion. Net sales from Tyrvaya® totaled $41.7 million during the year ended December 31, 2023.

Greater China Segment

Net sales from Greater China decreased by $40.8 million, or 2%, for the year ended December 31, 2023 when compared to the prior year. This decrease was the result of the unfavorable impact of foreign currency translation of approximately $87.1 million, or 4%. Constant currency net sales increased by approximately $46.3 million, or 2%, when compared to the prior year, driven primarily by increased volumes of existing products. Divestitures did not have a significant impact on the net sales during the year ended December 31, 2023.

JANZ Segment

Net sales from JANZ decreased by $207.9 million or 13% for the year ended December 31, 2023 when compared to the prior year. This decrease was partially the result of the unfavorable impact of foreign currency translation of approximately $96.2 million, or 6%. Net sales also decreased by approximately $18.8 million, or 1%, due to the inclusion of net sales in the prior year period related to divestitures that have closed during 2022 and 2023. Constant currency net sales from the remaining business decreased by approximately $92.9 million, or 6%, when compared to the prior year. The decrease was due to lower net sales of existing products mainly driven by lower pricing and, to a lesser extent, volumes, in Japan as a result of government price reductions and additional competition, and lower volumes of existing products in Australia.

Emerging Markets Segment

Net sales from Emerging Markets decreased by $64.0 million or 2% for the year ended December 31, 2023 when compared to the prior year. This decrease was driven by the unfavorable impact of foreign currency translation of approximately $160.8 million, or 6%. In addition, net sales also decreased by approximately $70.4 million, or 3%, due to the inclusion of net sales in the prior year period related to divestitures that have closed during 2022 and 2023. Constant currency net sales from the remaining business increased by approximately $167.2 million, or 6%, when compared to the prior year, primarily driven by higher volumes of existing products in certain Asian countries.

Cost of Sales and Gross Profit

Cost of sales decreased from $9.77 billion for the year ended December 31, 2022 to $8.99 billion for the year ended December 31, 2023. Cost of sales was primarily impacted by the decrease in net sales, including the impact of the disposition of the biosimilars business in November 2022, and lower purchase accounting amortization expense.

Gross profit for the year ended December 31, 2023 was $6.44 billion and gross margins were 42%. For the year ended December 31, 2022, gross profit was $6.50 billion and gross margins were 40%. This change in gross profit is primarily related to the decrease in net sales and cost of sales. Adjusted gross margins were approximately 59% for the year ended December 31, 2023, essentially flat when compared to the year ended December 31, 2022.

A reconciliation between cost of sales, as reported under U.S. GAAP, and adjusted cost of sales and adjusted gross margin for the year ended December 31, 2023 compared to the year ended December 31, 2022 is as follows:

(In millions, except %s)	Year Ended December 31, 2023	2022
U.S. GAAP cost of sales	$ 8,988.3	$ 9,765.7
Deduct:		
Purchase accounting amortization and other related items	(2,421.6)	(2,721.2)
Acquisition and divestiture-related costs	(40.7)	(50.0)
Restructuring-related costs	(101.8)	(56.8)
Share-based compensation expense	(2.9)	(1.5)
Other special items	(119.2)	(255.2)
Adjusted cost of sales	$ 6,302.1	$ 6,681.0
Adjusted gross profit [a]	$ 9,124.8	$ 9,581.7
Adjusted gross margin [a]	59 %	59 %

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[a] Adjusted gross profit is calculated as total revenues less adjusted cost of sales. Adjusted gross margin is calculated as adjusted gross profit divided by total revenues.

Operating Expenses

Research and Development Expense

R&D expense for the year ended December 31, 2023 was $805.2 million, compared to $662.2 million for the prior year, an increase of $143.0 million. This increase was primarily due to continued investment in our pipeline, including approximately $42.1 million related to the ophthalmology acquisitions.

Acquired IPR&D

Acquired IPR&D expense for the year ended December 31, 2023 was $105.5 million, compared to $36.4 million for the prior year, an increase of $69.1 million. The increase was primarily due to upfront licensing payments to Mapi of $75.0 million related to additional products under development. This was partially offset by an upfront licensing payment of $20.0 million to Calliditas Therapeutics AB related to Nefecon® recorded during the prior year.

Selling, General and Administrative Expense

SG&A expense for the year ended December 31, 2023 was $4.65 billion, compared to $4.18 billion for the prior year, an increase of $471.0 million. The increase was primarily due to: (1) a goodwill impairment charge of approximately $580.1 million related to the planned divestiture of the OTC Business, (2) expenses related to the ophthalmology acquisitions of approximately $152.8 million, (3) higher investment in selling and promotional activities, and (4) increased compensation, including severance-related costs.

Partially offsetting these increases were: (1) lower acquisition and divestiture-related costs of approximately $88.2 million, primarily as a result of costs incurred in 2022 in conjunction with the Biocon Biologics Transaction and transitioning certain support services from Pfizer, (2) charges of $156.5 million incurred in 2022 related to the divestitures of the commercialization rights in the Upjohn Distributor Markets, and (3) a gain recorded in 2023 of approximately $156.2 million on the transaction to divest the Company's rights to two women's healthcare products in certain countries (other than in the U.K., which remains subject to regulatory approval).

Litigation Settlements and Other Contingencies, Net

The following table includes the losses/(gains) recognized in litigation settlements and other contingencies, net during the years ended December 31, 2023 and 2022, respectively:

	Year Ended December 31,	
(In millions)	**2023**	**2022**
Contingent consideration adjustment (primarily related to the Respiratory Delivery Platform)	$ 80.4	$ 11.1
Litigation settlements, net	31.2	(6.7)
Total litigation settlements and other contingencies, net	$ 111.6	$ 4.4

Interest Expense

Interest expense for the year ended December 31, 2023 totaled $573.1 million, compared to $592.4 million for the year ended December 31, 2022, a decrease of $19.3 million primarily due to the impact of debt repayments.

Other Income, Net

Other income, net includes gains and losses from divestitures of businesses, changes in the fair value of equity securities, foreign exchange, expense (income) related to post-employment benefit plans, TSA income, and interest and dividend income. Other income, net for the year ended December 31, 2023 totaled $9.8 million, compared to $1.79 billion for the year ended December 31, 2022.

The decrease in other income, net was driven by: (1) the gain from the Biocon Biologics Transaction of $1.75 billion recorded in the prior year, and (2) charges incurred during the year ended December 31, 2023 of approximately $154.7 million related to the planned divestiture of the OTC Business to write down the disposal group to fair value, less cost to sell, and approximately $85.2 million related to the divestitures of the commercialization rights in the Upjohn Distributor Markets.

This was partially offset by: (1) net gains recorded during the year ended December 31, 2023 of approximately $43.4 million as a result of remeasuring our equity interests in Mapi and Famy Life Sciences and the CCPS in Biocon Biologics to fair value, (2) higher interest income of approximately $46.8 million, and (3) an increase in TSA income from Biocon Biologics of approximately $150.3 million. The costs related to the transition services are included in SG&A and R&D.

Income Tax Provision

For the year ended December 31, 2023, the Company recognized an income tax provision of $148.2 million, compared to an income tax provision of $734.6 million for the prior year, a change in the provision of $586.4 million. The income tax provision for the year ended December 31, 2023 was negatively impacted by the goodwill impairment related to the planned divestiture of the OTC Business, partially offset by the deferred tax impact of the Company's internal tax restructuring. The income tax provision for the year ended December 31, 2022 was negatively impacted by the gain from the Biocon Biologics Transaction. The current year and prior year provisions were impacted by the levels of income and the changing mix at which it is earned in jurisdictions with differing tax rates.

2022 Compared to 2021

Discussions of 2021 items and year-to-year comparisons between 2022 and 2021 are not included in this Form 10-K, and can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

Use of Non-GAAP Financial Measures

Whenever the Company uses non-GAAP financial measures, we provide a reconciliation of the non-GAAP financial measures to their most directly comparable U.S. GAAP financial measure. Investors and other readers are encouraged to review the related U.S. GAAP financial measures and the reconciliation of non-GAAP measures to their most directly comparable U.S. GAAP measure and should consider non-GAAP measures only as a supplement to, not as a substitute for or as a superior measure to, measures of financial performance prepared in accordance with U.S. GAAP. Additionally, since these are not measures determined in accordance with U.S. GAAP, non-GAAP financial measures have no standardized meaning across companies, or as prescribed by U.S. GAAP and, therefore, may not be comparable to the calculation of similar measures or measures with the same title used by other companies.

Management uses these measures internally for forecasting, budgeting, measuring its operating performance, and incentive-based awards. Primarily due to acquisitions, divestitures and other significant events which may impact comparability of our periodic operating results, we believe that an evaluation of our ongoing operations (and comparisons of our current operations with historical and future operations) would be difficult if the disclosure of our financial results was limited to financial measures prepared only in accordance with U.S. GAAP. We believe that non-GAAP financial measures are useful supplemental information for our investors and when considered together with our U.S. GAAP financial measures and the reconciliation to the most directly comparable U.S. GAAP financial measure, provide a more complete understanding of the factors and trends affecting our operations. The financial performance of the Company is measured by senior management, in part, using adjusted metrics as described below, along with other performance metrics. The Company's use of such non-GAAP measures is governed by an adjusted reporting policy maintained by the Company and such non-GAAP measures are reviewed in detail with the Audit Committee of the Board of Directors.

Adjusted Cost of Sales and Adjusted Gross Margin

We use the non-GAAP financial measure "adjusted cost of sales" and the corresponding non-GAAP financial measure "adjusted gross margin." The principal items excluded from adjusted cost of sales include restructuring, acquisition and divestiture-related costs, and other special items, purchase accounting amortization and other related items, and share-based compensation expense, which are described in greater detail below.

Adjusted Net Earnings

Adjusted net earnings is a non-GAAP financial measure and provides an alternative view of performance used by management. Management believes that, primarily due to acquisitions, divestitures and other significant events, an evaluation of the Company's ongoing operations (and comparisons of its current operations with historical and future operations) would be difficult if the disclosure of its financial results were limited to financial measures prepared only in accordance with U.S. GAAP. Management believes that adjusted net earnings is an important internal financial metric related to the ongoing operating performance of the Company, and is therefore useful to investors and that their understanding of our performance is enhanced by this measure. Actual internal and forecasted operating results and annual budgets used by management include adjusted net earnings.

EBITDA and Adjusted EBITDA

EBITDA and adjusted EBITDA are non-GAAP financial measures that the Company believes are appropriate to provide additional information to investors to demonstrate the Company's ability to comply with financial debt covenants and assess the Company's ability to incur additional indebtedness. The Company also believes that adjusted EBITDA better focuses management on the Company's underlying operational results and true business performance and, is used, in part, for management's incentive compensation. We calculate EBITDA as U.S. GAAP net earnings (loss) adjusted for net contribution attributable to equity method investments, income tax provision (benefit), interest expense and depreciation and amortization. EBITDA is further adjusted for share-based compensation expense, litigation settlements and other contingencies, net, and restructuring, impairment of long-lived assets, acquisition and divestiture related and other special items to determine adjusted EBITDA. These adjustments are generally permitted under our credit agreement in calculating adjusted EBITDA for determining compliance with our debt covenants.

The significant items excluded from adjusted cost of sales, adjusted net earnings, and adjusted EBITDA include:

Purchase Accounting Amortization and Other Related Items

The ongoing impact of certain amounts recorded in connection with acquisitions of both businesses and assets is excluded from adjusted cost of sales, adjusted net earnings, and adjusted EBITDA. These amounts include the amortization of intangible assets, inventory step-up, property, plant and equipment step-up, intangible asset impairment charges, including for IPR&D, and impairment of goodwill. For the acquisition of businesses accounted for under the provisions of ASC 805, *Business Combinations*, these purchase accounting impacts are excluded regardless of the financing method used for the acquisitions, including the use of cash, long-term debt, the issuance of common stock, contingent consideration or any combination thereof.

Fair Value Adjustments, Including Contingent Consideration

The impact of changes to the fair value of assets and liabilities, including contingent and deferred consideration and non-marketable equity investments, and the related accretion income or expense are excluded from adjusted net earnings and adjusted EBITDA because they are not indicative of the Company's ongoing operations due to the variability of the amounts and the lack of predictability as to the occurrence and/or timing and management believes their exclusion is helpful to understanding the underlying, ongoing operational performance of the business.

Share-based Compensation Expense

Share-based compensation expense is excluded from adjusted cost of sales, adjusted net earnings and adjusted EBITDA. Our share-based compensation programs have become increasingly weighted toward performance-based compensation, which leads to variability and to a lack of predictability as to the occurrence and/or timing of amounts incurred. As such, management believes the exclusion of such amounts on an ongoing basis is helpful to understanding the underlying operational performance of the business.

Restructuring, Acquisition and Divestiture-Related Costs, and Other Special Items

Costs related to restructuring, acquisition and divestiture-related activities and other actions are excluded from adjusted cost of sales, adjusted net earnings and adjusted EBITDA, as applicable. These amounts include items such as:

- Costs related to formal restructuring programs and actions, including costs associated with facilities to be closed or divested, employee separation costs, impairment charges, accelerated depreciation, incremental manufacturing variances, equipment relocation costs, decommissioning and other restructuring related costs;
- Certain acquisition and divestiture costs, including costs relating to integration and planning, advisory and legal fees, certain financing related costs, certain reimbursements related to the Company's obligation to reimburse Pfizer for certain financing and transaction related costs under the Business Combination Agreement and Separation and Distribution Agreement, certain other TSA related set-up and exit costs, and other business transformation and/or optimization initiatives, which are not part of a formal restructuring program, including employee separation and post-employment costs;
- The pre-tax loss of the Company's clean energy investments, whose activities qualify for income tax credits under the Code; only included in adjusted net earnings is the net tax effect of the entity's activities;
- Other costs, incurred from time to time, related to certain special events or activities that lead to gains or losses, including, but not limited to, incremental manufacturing variances, asset write-downs, including other-than-temporary impairments of investments in equity or debt instruments, or liability adjustments;
- Certain costs to further develop and optimize our global enterprise resource planning systems, operations and supply chain;
- Gains or losses from divestitures, including impairments of held for sale assets; and
- The impact of changes related to uncertain tax positions are excluded from adjusted cost of sales and adjusted net earnings. In addition, tax adjustments to adjusted earnings are recorded to present items on an after-tax basis consistent with the presentation of adjusted net earnings.

The Company has undertaken restructurings and other optimization initiatives of differing types, scope and amount during the covered periods and, therefore, these charges should not be considered non-recurring; however, management excludes these amounts from adjusted cost of sales, adjusted net earnings and adjusted EBITDA because it believes it is helpful to understanding the underlying, ongoing operational performance of the business.

Litigation Settlements, Net

Charges and gains related to legal matters, such as those discussed in Note 19 *Litigation* included in Part II, Item 8 of this Form 10-K are generally excluded from adjusted net earnings and adjusted EBITDA. Normal, ongoing defense costs of the Company made in the normal course of our business are not excluded.

Reconciliation of U.S. GAAP Net Earnings (Loss) to Adjusted Net Earnings

A reconciliation between net earnings (loss) as reported under U.S. GAAP, and adjusted net earnings for the periods shown follows:

	Year Ended December 31,		
(In millions)	2023	2022	2021
U.S. GAAP net earnings (loss)	$ 54.7	$ 2,078.6	$ (1,269.1)
Purchase accounting related amortization (primarily included in cost of sales) [(a)]	2,421.5	2,721.3	4,039.7
Impairment of goodwill related to assets held for sale (included in SG&A) [(b)]	580.1	117.0	—
Litigation settlements and other contingencies, net	111.6	4.4	329.2
Interest expense (primarily amortization of premiums and discounts on long term debt)	(42.4)	(48.7)	(53.8)
Clean energy investments pre-tax loss	—	—	61.9
Acquisition and divestiture-related costs (primarily included in SG&A) [(c)]	377.9	475.7	234.6
Loss (gain) on divestitures of businesses (included in other income, net) [(d)]	239.9	(1,754.1)	—
Restructuring-related costs [(e)]	125.2	86.9	899.4
Share-based compensation expense	180.7	116.5	111.2
Other special items included in:			
Cost of sales [(f)]	119.2	255.2	333.0
Research and development expense	2.8	1.0	13.1
Selling, general and administrative expense [(g)]	(83.5)	68.8	49.5
Other income, net [(h)]	(24.4)	(3.8)	(8.0)
Tax effect of the above items and other income tax related items [(i)]	(525.6)	(41.7)	(330.7)
Adjusted net earnings	$ 3,537.7	$ 4,077.1	$ 4,410.0

Significant items for the year ended December 31, 2023 include the following:

(a) Includes an intangible asset charge related to the divestitures of the commercialization rights in the Upjohn Distributor Markets of approximately $32.0 million to write down the disposal group to fair value, less cost to sell. Also includes amortization of the step-up in the fair value of inventory related to the Oyster Point acquisition of approximately $29.3 million.

(b) A goodwill impairment charge of approximately $580.1 million related to the planned divestiture of the OTC Business.

(c) Acquisition and divestiture-related costs consist primarily of transaction costs including legal and consulting fees and integration activities.

(d) Includes a charge related to the planned divestiture of the OTC Business of approximately $154.7 million to write down the disposal group to fair value, less cost to sell, and a charge of approximately $85.2 million related to the divestitures of the commercialization rights in the Upjohn Distributor Markets.

(e) Includes approximately $101.8 million in cost of sales, approximately $0.3 million in R&D, and approximately $23.1 million in SG&A. Refer to Note 17 *Restructuring* included in Part II, Item 8 of this Form 10-K for additional information.

(f) Includes incremental manufacturing variances at plants in the 2020 restructuring program of approximately $45.9 million and charges related to the divestitures of the commercialization rights in the Upjohn Distributor Markets of approximately $19.2 million.

(g) Includes a gain of approximately $156.2 million on the transaction to divest the Company’s rights to two women’s healthcare products in certain countries (other than in the U.K., which remains subject to regulatory approval), which closed in December 2023.

(h) Includes net gains of approximately $43.4 million as a result of remeasuring our non-marketable equity investments to fair value, including our equity interests in Mapi and Famy Life Sciences and the CCPS in Biocon Biologics.

(i) Adjusted for changes for uncertain tax positions.

Reconciliation of U.S. GAAP Net Earnings (Loss) to EBITDA and Adjusted EBITDA

Below is a reconciliation of U.S. GAAP net earnings (loss) to EBITDA and adjusted EBITDA for the year ended December 31, 2023 compared to the prior year periods:

	Year Ended December 31,		
(In millions)	2023	2022	2021
U.S. GAAP net earnings (loss)	$ 54.7	$ 2,078.6	$ (1,269.1)
Add adjustments:			
Net contribution attributable to equity method investments	—	—	61.9
Income tax provision	148.2	734.6	604.7
Interest expense [(a)]	573.1	592.4	636.2
Depreciation and amortization [(b)]	2,740.5	3,027.6	4,506.5
EBITDA	$ 3,516.5	$ 6,433.2	$ 4,540.2
Add / (deduct) adjustments:			
Share-based compensation expense	180.7	116.4	111.2
Litigation settlements and other contingencies, net	111.6	4.4	329.2
Loss (gain) on divestitures of businesses	239.9	(1,754.1)	—
Impairment of goodwill related to assets held for sale	580.1	117.0	—
Restructuring, acquisition and divestiture-related and other special items [(c)]	495.3	859.9	1,375.4
Adjusted EBITDA	$ 5,124.1	$ 5,776.8	$ 6,356.0

(a) Includes amortization of premiums and discounts on long-term debt.

(b) Includes purchase accounting related amortization.

(c) See items detailed in the Reconciliation of U.S. GAAP Net Earnings (Loss) to Adjusted Net Earnings.

Liquidity and Capital Resources

Our primary source of liquidity is net cash provided by operating activities, which was $2.80 billion for the year ended December 31, 2023. We believe that net cash provided by operating activities and available liquidity will continue to allow us to meet our needs for working capital, capital expenditures, interest and principal payments on debt obligations, dividend payments, and share repurchases. Nevertheless, our ability to satisfy our working capital requirements and debt service obligations, and fund planned capital expenditures, share repurchases, or dividend payments, will substantially depend upon our future operating performance (which will be affected by prevailing economic conditions), and financial, business and other factors, some of which are beyond our control.

Operating Activities

Net cash provided by operating activities decreased by $153.0 million to $2.80 billion for the year ended December 31, 2023, as compared to net cash provided by operating activities of $2.95 billion for the year ended December 31, 2022. Net cash provided by operating activities is derived from net earnings (loss) adjusted for non-cash operating items, gains and losses attributed to investing and financing activities and changes in operating assets and liabilities resulting from timing differences between the receipts and payments of cash, including changes in cash primarily reflecting the timing of cash collections from customers, payments to vendors and employees and tax payments in the ordinary course of business.

The decrease in net cash provided by operating activities was principally due to lower operating earnings, including as a result of the disposition of the biosimilars business in November 2022 and other divestitures during 2023, and the timing of cash payments and collections. This was partially offset by higher deal-related costs in 2022, primarily taxes and transaction costs, associated with the closing of the Biocon Biologics Transaction.

Investing Activities

Net cash used in investing activities was $764.1 million for the year ended December 31, 2023, as compared to net cash from investing activities of $1.52 billion for the year ended December 31, 2022, a decrease of $2.28 billion.

In 2023, significant items in investing activities included the following:

- cash paid for acquisitions, net of cash acquired, of $667.7 million;
- payments for product rights and other, net totaling approximately $97.5 million, related to various product-related payments;
- capital expenditures, primarily for equipment and facilities, totaling approximately $377.0 million. While there can be no assurance that current expectations will be realized, capital expenditures for the 2024 calendar year are expected to be approximately $350 million to $450 million; and
- proceeds from the sale of assets and businesses of $364.1 million, primarily related to divestitures of the Company's rights to two women's healthcare products in certain countries (other than in the U.K., which remains subject to regulatory approval) and commercialization rights in certain Upjohn Distributor Markets.

In 2022, significant items in investing activities included the following:

- proceeds from the sale of assets of $1.95 billion related to the Biocon Biologics Transaction; and
- capital expenditures, primarily for equipment and facilities, totaling approximately $406.0 million.

Financing Activities

Net cash used in financing activities was $2.30 billion for the year ended December 31, 2023, as compared to net cash used in financing activities of $3.88 billion for the year ended December 31, 2022, a decrease of $1.58 billion.

In 2023, significant items in financing activities included the following:

- repayments of Senior Notes at maturity of approximately $1.25 billion, consisting of the 3.125% Senior Notes and the 4.200% Senior Notes;
- share repurchases of $250.0 million;
- cash dividends paid of $575.6 million; and
- payment of $220.0 million to Biocon Biologics related to the closing working capital target, partially offset by net cash of $47.6 million, primarily collected on behalf of other partners, which are included in Other items, net.

In 2022, significant items in financing activities included the following:

- repayments of Senior Notes at maturity of approximately $1.79 billion, consisting of the 0.816% Euro Senior Notes and the 1.125% Senior Notes;
- borrowings and repayments under the Revolving Facility of $1.88 billion;
- net repayments of short-term borrowings of $1.49 billion;
- cash dividends paid of $581.6 million; and
- proceeds of $19.3 million related to cash collected on behalf of Biocon Biologics.

Refer to the consolidated statements of cash flows in Part II, Item 8 of this Form 10-K for additional details on other significant sources and uses of cash during the years ended December 31, 2023 and 2022.

Capital Resources

Our cash and cash equivalents totaled $991.9 million at December 31, 2023. The majority of our cash is invested in U.S. government money market funds. In order to support our global operations, we maintain significant cash and cash equivalents within the banking system with the majority of this at Global Systemically Important Banks. We monitor the third-party depository institutions that hold our cash and cash equivalents on a regular basis. Our primary emphasis is on the safety of the principal. Where possible, we diversify our cash and cash equivalents among counterparties to minimize exposure to any one counterparty. The Company anticipates having sufficient liquidity, including existing borrowing capacity under the Revolving Facility, Commercial Paper Program, Receivables Facility, and Note Securitization Facility combined with cash to be generated from operations, to fund foreseeable cash needs without requiring the repatriation of non-U.S. cash.

The Company has access to $4.0 billion under the Revolving Facility which matures in July 2026. Effective April 28, 2023, we executed an amendment to the Revolving Facility to convert the benchmark interest rate from LIBOR to an adjusted SOFR, with no change in the applicable interest rate margins. Up to $1.65 billion of the Revolving Facility may be used to support borrowings under our Commercial Paper Program. As of December 31, 2023, the Company did not have any borrowings outstanding under the Commercial Paper Program and the Revolving Facility.

The Company has a $400 million Receivables Facility which expires in April 2025 and a $200 million Note Securitization Facility which expires in August 2024. As of December 31, 2023, the Company did not have any borrowings outstanding under the Receivables Facility or the Note Securitization Facility.

Under the terms of each of the Receivables Facility and Note Securitization Facility, certain of our accounts receivable secure the amounts borrowed and cannot be used to pay our other debts or liabilities. The amount that we may borrow at a given point in time is determined based on the amount of qualifying accounts receivable that are present at such point in time. Borrowings outstanding under the Receivables Facility bear interest at the applicable base rate plus 0.775%, and under the Note Securitization Facility at the relevant base rate plus 1.00% and are included as a component of short-term borrowings, while the accounts receivable securing these obligations remain as a component of accounts receivable, net, in our consolidated balance sheets. In addition, the agreements governing the Receivables Facility and Note Securitization Facility contain various customary affirmative and negative covenants, and customary default and termination provisions.

We have entered into accounts receivable factoring agreements with financial institutions to sell certain of our non-U.S. accounts receivable. These transactions are accounted for as sales and result in a reduction in accounts receivable because the agreements transfer effective control over and risk related to the receivables to the buyers. Our factoring agreements do not allow for recourse in the event of uncollectibility, and we do not retain any interest in the underlying accounts receivable once sold. We derecognized $30.8 million and $34.7 million of accounts receivable as of December 31, 2023 and 2022 under these factoring arrangements, respectively. Additionally, in 2023, we entered into a similar arrangement for certain European countries. As of December 31, 2023, we have assigned and derecognized approximately $415.7 million of *Trade Receivables, Net*, which are now included in *Other Receivables*.

The Company has certain voluntary supply chain finance programs with financial intermediaries which provide participating suppliers the option to be paid by the intermediary earlier than the original invoice due date. The Company's responsibility is limited to making payments on the terms originally negotiated with the suppliers, regardless of whether the intermediary pays the supplier in advance of the original due date. The range of payment terms the Company negotiates with suppliers are consistent, regardless of whether a supplier participates in a supply chain finance program. The total amounts due to financial intermediaries to settle supplier invoices under supply chain finance programs as of December 31, 2023 and 2022 were $65.1 million and $33.4 million, respectively. These amounts are included within *Accounts payable* in the consolidated balance sheets.

We are continuously evaluating the potential acquisition of products, as well as companies, as a strategic part of our future growth. Consequently, we may utilize current cash reserves or incur additional indebtedness to finance any such acquisitions, which could impact future liquidity. Also, on an ongoing basis, we review our operations, including the evaluation of potential divestitures of products and businesses, as part of our future strategy. Any divestitures could impact future liquidity. In addition, we plan to continue to explore various other ways to create, enhance or otherwise unlock the value of the Company's unique global platform in order to create shareholder value.

As previously discussed, on October 1, 2023, the Company announced certain divestiture related transactions. Refer to Note 5 *Divestitures* in Part II, Item 8 of this Form 10-K for more information.

For information regarding our dividends paid and declared and share repurchase program, refer to Note 2 *Summary of Significant Accounting Policies* in Part II, Item 8 of this Form 10-K.

Long-term Debt Maturity

For information regarding our debt agreements and mandatory minimum repayments remaining on the outstanding notional amount of long-term debt at December 31, 2023, refer to Note 10 *Debt* in Part II, Item 8 of this Form 10-K.

The YEN Term Loan Facility and the Revolving Facility contain customary affirmative covenants for facilities of this type, including among others, covenants pertaining to the delivery of financial statements, notices of default and certain material events, maintenance of corporate existence and rights, property, and insurance and compliance with laws, as well as customary negative covenants for facilities of this type, including a financial covenant, which set the Maximum Leverage Ratio as of the end of any quarter at 3.75 to 1.00 for the quarter ended March 31, 2023 and each quarter ending thereafter, except in circumstances as defined in the related credit agreement, and other limitations on the incurrence of subsidiary indebtedness, liens, mergers and certain other fundamental changes, investments and loans, acquisitions, transactions with affiliates, payments of dividends and other restricted payments and changes in our lines of business.

The Company is in compliance with its covenants at December 31, 2023 and expects to remain in compliance for the next twelve months.

We and our subsidiaries and affiliates may from time to time, in our sole discretion, purchase, repay, redeem or retire any of our outstanding debt securities (including any publicly-issued debt securities) in privately negotiated or open market transactions, by tender offer or otherwise, or extend or refinance any of our outstanding indebtedness.

Supplemental Guarantor Financial Information

Viatris Inc. is the issuer of the Registered Upjohn Notes, which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.

Following the Combination, Utah Acquisition Sub Inc. is the issuer of the Utah U.S. Dollar Notes, which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Viatris Inc. and Mylan II B.V.

Mylan Inc. is the issuer of the Mylan Inc. U.S. Dollar Notes, which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan II B.V., Viatris Inc. and Utah Acquisition Sub Inc.

The respective obligations of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc., and Mylan II B.V. as guarantors of the applicable series of Senior U.S. Dollar Notes are senior unsecured obligations of the applicable guarantor and rank *pari passu* in right of payment with all of such guarantor’s existing and future senior unsecured obligations that are not expressly subordinated to such guarantor’s guarantee of the applicable series of Senior U.S. Dollar Notes, rank senior in right of payment to any future obligations of such guarantor that are expressly subordinated to such guarantor’s guarantee of the applicable series of Senior U.S. Dollar Notes, and are effectively subordinated to such guarantor’s existing and future secured obligations to the extent of the value of the collateral securing such obligations. Such obligations are structurally subordinated to all of the existing and future liabilities, including trade payables, of the existing and future subsidiaries of such guarantor that do not guarantee the applicable series of Senior U.S. Dollar Notes.

The guarantees by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc. under the applicable series of Senior U.S. Dollar Notes will terminate under certain customary circumstances, each as described in the applicable indenture, including: (1) a sale or disposition of the applicable guarantor in a transaction that complies with the applicable indenture such that such guarantor ceases to be a subsidiary of the issuer of the applicable series of Senior U.S. Dollar Notes; (2) legal defeasance or covenant defeasance or if the issuer’s obligations under the applicable indenture are discharged; (3) with respect to the Utah U.S. Dollar Notes, the earlier to occur of (i) with respect to the guarantee provided by Mylan Inc., (x) the release of Utah Acquisition Sub Inc.’s guarantee under all applicable Mylan Inc. Debt (as defined in the applicable indenture) and (y) Mylan Inc. no longer having any obligations in respect of any Mylan Inc. Debt and (ii) with respect to the guarantee provided by Mylan II B.V., (x) the release of Mylan II B.V.’s guarantee under all applicable Triggering Indebtedness (as defined in the applicable indenture) and (y) the issuer and/or borrower of the applicable Triggering Indebtedness no longer having any obligations with respect to such Triggering Indebtedness; (4) with respect to the guarantees provided by Utah Acquisition Sub Inc. and Mylan II B.V. of the Mylan Inc. U.S. Dollar Notes, subject to certain exceptions set forth in the applicable indenture, such guarantor ceasing to be a guarantor or obligor in respect of any Triggering Indebtedness; and (5) with respect to the Registered Upjohn Notes, (a) upon the applicable guarantor no longer being an issuer or guarantor in respect of (i) Mylan Notes (as defined in the indenture governing the Registered Upjohn Notes) that have an aggregate principal amount in excess of $500.0 million or (ii) any Triggering Indebtedness; in each case, other than in respect of indebtedness or guarantees, as applicable, that are being concurrently released; or (b) upon receipt of the consent of holders of a majority of the aggregate principal amount of the outstanding notes of such series in accordance with the indenture governing the Registered Upjohn Notes.

The guarantee obligations of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc., and Mylan II B.V. under the Senior U.S. Dollar Notes are subject to certain limitations and terms similar to those applicable to other guarantees of similar instruments, including that (i) the guarantees are subject to fraudulent transfer and conveyance laws and (ii) each guarantee is limited in amount to an amount not to exceed the maximum amount that can be guaranteed by the applicable guarantor without rendering the guarantee, as it relates to such guarantor, voidable under applicable fraudulent transfer and conveyance laws or similar laws affecting the rights of creditors generally.

The following table presents unaudited summarized financial information of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc., and Mylan II B.V. on a combined basis as of and for the years ended December 31, 2023 and 2022. All intercompany balances have been eliminated in consolidation. This unaudited combined summarized financial information is presented utilizing the equity method of accounting.

	Combined Summarized Balance Sheet Information of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc. and Mylan II B.V.	
(In millions)	**December 31, 2023**	**December 31, 2022**
ASSETS		
Current assets	$ 1,013.1	$ 996.3
Non-current assets	63,212.6	61,972.6
LIABILITIES AND EQUITY		
Current liabilities	29,824.8	26,631.5
Non-current liabilities	13,933.6	15,265.2

	Combined Summarized Income Statement Information of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc. and Mylan II B.V.	
(In millions)	**Year Ended December 31, 2023**	**Year Ended December 31, 2022**
Revenues	$ —	$ —
Gross profit	—	—
Loss from operations	(1,243.8)	(1,132.4)
Net earnings	54.7	2,078.6

Other Commitments

The Company is involved in various disputes, governmental and/or regulatory inquiries, investigations and proceedings, tax proceedings and litigation matters, both in the U.S. and abroad, that arise from time to time, some of which could result in losses, including damages, fines and/or civil penalties, and/or criminal charges against the Company. These matters are often complex and have outcomes that are difficult to predict. We have approximately $173 million accrued for legal contingencies at December 31, 2023.

While the Company believes that it has meritorious defenses with respect to the claims asserted against it and the assumed legal matters referenced above, and intends to vigorously defend its position, the process of resolving these matters is inherently uncertain and may develop over a long period of time, and so it is not possible to predict the ultimate resolution of any such matter. It is possible that an unfavorable resolution of any of the ongoing matters could have a material effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

In conjunction with the Combination, Viatris entered into a TSA with Pfizer pursuant to which each party provided certain limited transition services to the other party. In addition to the monthly service fees under the TSA, Viatris has agreed to reimburse Pfizer for fifty percent of the costs, up to the first $380 million incurred, to establish and wind down the TSA services. Viatris will be required to fully reimburse Pfizer for total costs in excess of $380 million. During the years ended December 31, 2023, 2022 and 2021, the Company incurred $5.5 million, $54.5 million, and $30.4 million, respectively, related to this provision of the TSA, and approximately $143.5 million during the period beginning on the closing date of the Combination and ended December 31, 2023. As of December 31, 2022, the Company had exited substantially all transition services with Pfizer.

At the time of closing of the Biocon Biologics Transaction, Viatris and Biocon Biologics also entered an agreement pursuant to which Viatris was providing commercialization and certain other transition services on behalf of Biocon Biologics, including billings, collections and the remittance of rebates, to ensure business continuity for patients, customers and colleagues. Biocon Biologics had substantially exited all transition services with Viatris as of December 31, 2023.

In connection with the Announced Divestitures, Viatris has agreed, at the closing of the respective transactions, to enter into transition services and manufacturing and supply agreements pursuant to which the Company will provide services to the respective purchasers, substantially the same as we currently provide to the related businesses, generally for a period of up to 12 months, subject to potential extensions in certain circumstances. In addition, in connection with the OTC Transaction and the divestiture of our women's healthcare business, we have agreed, at the closing of the respective transactions, to enter into distribution agreements for certain markets for a limited period of time. In connection with our API business divestiture, we have agreed to enter into a manufacturing and supply agreement pursuant to which we will purchase a significant amount of API from the purchaser in that transaction.

At December 31, 2023, our material cash requirements from known contractual and other obligations primarily relate to repayment of outstanding borrowings and interest, open purchase orders, post-employment benefit plans, unrecognized tax benefits, capital expenditures, dividends and leases. For additional information, refer to Notes 2, 7, 10, 12, 14, and 16 in Part II, Item 8 of this Form 10-K. We anticipate our cash requirements related to ordinary course purchases of goods and services will be consistent with our past levels.

In the normal course of business, Viatris periodically enters into employment, legal settlement and other agreements which incorporate indemnification provisions. While the maximum amount to which Viatris may be exposed under such agreements cannot be reasonably estimated, the Company maintains insurance coverage, which management believes will effectively mitigate the Company's obligations under these indemnification provisions. No amounts have been recorded in the consolidated financial statements with respect to the Company's obligations under such agreements.

We have entered into employment and other agreements with certain executives and other employees that provide for compensation and certain other benefits. These agreements provide for severance payments under certain circumstances.

Licensing and Other Partner Agreements

Under our licensing and other partner agreements, our potential maximum development milestones not accrued for at December 31, 2023 totaled approximately $415.0 million. We estimate that the amounts that may be paid during the next twelve months to be approximately $89 million. Additionally, these agreements may also include potential sales-based milestones and call for us to pay a percentage of amounts earned from the sale of the product as a royalty or a profit share. Refer to Note 18 *Licensing and Other Partner Agreements* included in Part II, Item 8 of this Form 10-K for additional information.

Application of Critical Accounting Policies

Our significant accounting policies are described in Note 2 *Summary of Significant Accounting Policies* included in Part II, Item 8 of this Form 10-K and are in accordance with U.S. GAAP.

Included within these policies are certain policies which contain critical accounting estimates and, therefore, have been deemed to be "critical accounting policies." Critical accounting estimates are those which require management to make assumptions about matters that were uncertain at the time the estimate was made and for which the use of different estimates, which reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur from period to period could have a material impact on our financial condition or results of operations. We have identified the following to be our critical accounting policies: the determination of net revenue provisions, acquisitions, intangible assets, goodwill and contingent consideration, income taxes and the impact of existing legal matters.

Revenue Recognition

We recognize revenues in accordance with ASC 606, *Revenue from Contracts with Customers*. Under ASC 606, the Company recognizes net revenue for product sales when control of the promised goods or services is transferred to our customers in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. Revenues are recorded net of provisions for variable consideration, including discounts, rebates, governmental rebate programs, price adjustments, returns, chargebacks, promotional programs and other sales allowances. Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net sales and as a contra asset in accounts receivable, net (if settled via credit) and other current liabilities (if paid in cash). Amounts recorded for revenue deductions can result from a complex series of judgements about future events and uncertainties and can rely heavily on estimates and assumptions. As such, they have been identified as critical accounting estimates. The following section briefly describes the nature of our provisions for variable consideration and how such provisions are estimated:

- *Chargebacks*: the Company has agreements with certain indirect customers, such as independent pharmacies, retail pharmacy chains, managed care organizations, hospitals, nursing homes, governmental agencies and pharmacy benefit managers, which establish contract prices for certain products. The indirect customers then independently select a wholesaler from which to purchase the products at these contracted prices. Alternatively, certain wholesalers may enter into agreements with indirect customers that establish contract pricing for certain products, which the wholesalers provide. Under either arrangement, Viatris will provide credit to the wholesaler for any difference between the contracted price with the indirect party and the wholesaler's invoice price. Such credits are called chargebacks. The provision for chargebacks is based on expected sell-through levels by our wholesaler customers to indirect customers, as well as estimated wholesaler inventory levels. We continually monitor our provision for chargebacks and evaluate our reserve and estimates as additional information becomes available. A change of 5% would have an effect on our reserve balance of approximately $26.5 million.
- *Rebates, promotional programs and other sales allowances*: this category includes rebate and other programs to assist in product sales. These programs generally provide that the customer receives credit directly related to the amount of purchases or credits upon the attainment of pre-established volumes. Also included in this category are prompt pay discounts, administrative fees and price adjustments to reflect decreases in the selling prices of products. A change of 5% would have an effect on our reserve balance of approximately $55.2 million.
- *Returns*: consistent with industry practice, Viatris maintains a return policy that allows customers to return a product, which varies country by country in accordance with local practices, generally within a specified period prior (six months) and subsequent (twelve months) to the expiration date. The Company's estimate of the provision for returns is generally based upon historical experience with actual returns. Generally, returned products are destroyed and customers are refunded the sales price in the form of a credit. A change of 5% would have an effect on our reserve balance of approximately $21.3 million.
- *Governmental rebate programs*: government reimbursement programs in the U.S. include Medicare, Medicaid, and State Pharmacy Assistance Programs established according to statute, regulations and policy. Manufacturers of pharmaceutical products that are covered by the Medicaid program are required to pay rebates to each state based on a statutory formula set forth in the Social Security Act. Medicare beneficiaries are eligible to obtain discounted prescription drug coverage from private sector providers. In addition, certain states have also implemented supplemental rebate programs that obligate manufacturers to pay rebates in excess of those required under federal law. Our estimate of these rebates is based on the historical trends of rebates paid as well as on changes in wholesaler inventory levels and increases or decreases in the level of sales. We estimate discounts on branded prescription drug sales to Medicare Part D participants in the Medicare "coverage gap" based on historical experience of prescriptions and utilization expected to result in the discount of the "coverage gap".

  Outside the U.S., the majority of our pharmaceutical sales are contractually or legislatively governed. In certain European countries, certain rebates are calculated on the governments total pharmaceutical spending or on specific product sale thresholds. We utilize historical data and obtain third party information to determine the adequacy of these accruals. Also, this provision includes price reductions that are mandated by law outside of the U.S.

  A change of 5% would have an effect on our reserve balance of approximately $21.1 million.

The following is a rollforward of the categories of variable consideration during 2023:

(In millions)	Balance at December 31, 2022	Current Provision Related to Sales Made in the Current Period	Acquisitions, Divestitures, and Other	Checks/ Credits Issued to Third Parties	Effects of Foreign Exchange	Balance at December 31, 2023
Chargebacks	$ 523.4	$ 5,457.9	$ (8.1)	$ (5,443.6)	$ 0.7	$ 530.3
Rebates, promotional programs and other sales allowances	1,284.2	3,857.6	20.6	(4,071.3)	11.8	1,102.9
Returns	513.4	223.2	(26.2)	(286.8)	1.8	425.4
Governmental rebate programs	366.5	766.0	8.7	(726.3)	6.4	421.3
Total	$ 2,687.5	$ 10,304.7	$ (5.0)	$ (10,528.0)	$ 20.7	$ 2,479.9

Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net revenues and as a contra asset in accounts receivable, net (if settled via credit) and other current liabilities (if paid in cash). Accounts receivable are presented net of allowances relating to these provisions, which were comprised of the following at December 31, 2023 and 2022, respectively:

(In millions)	December 31, 2023	December 31, 2022
Accounts receivable, net	$ 1,483.6	$ 1,798.7
Other current liabilities	996.3	888.8
Total	$ 2,479.9	$ 2,687.5

We have not made and do not anticipate making any significant changes to the methodologies that we use to measure provisions for variable consideration; however, the balances within these reserves can fluctuate significantly through the consistent application of our methodologies. Historically, we have not recorded in any current period any material amounts related to adjustments made to prior period reserves.

Acquisitions, Intangible Assets, Goodwill and Contingent Consideration

The Company accounts for acquired businesses using the acquisition method of accounting in accordance with the provisions of ASC 805*, Business Combinations*, which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective estimated fair values. The cost to acquire businesses is allocated to the underlying net assets of the acquired business based on estimates of their respective fair values. Amounts allocated to acquired IPR&D are capitalized at the date of acquisition and, at that time, such IPR&D assets have indefinite lives. As products in development are approved for sale, amounts are allocated to product rights and licenses and will be amortized over their estimated useful lives. Finite-lived intangible assets are amortized over the expected life of the asset. Any excess of the purchase price over the estimated fair values of the net assets acquired is recorded as goodwill. Refer to Note 4 *Acquisitions and Other Transactions* and Note 8 *Goodwill and Intangible Assets* included in Part II, Item 8 of this Form 10-K for additional information.

Purchases of developed products and licenses that are accounted for as asset acquisitions are capitalized as intangible assets and amortized over an estimated useful life. IPR&D assets acquired as part of an asset acquisition are expensed immediately if they have no alternative future uses.

The judgments made in determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact our results of operations. Fair values and useful lives are determined based on, among other factors, the expected future period of benefit of the asset, the various characteristics of the asset and projected cash flows. Because this process involves management making estimates with respect to future sales volumes, pricing, new product launches, government reform actions, anticipated cost environment and overall market conditions, and because these estimates form the basis for the determination of whether or not an impairment charge should be recorded, these estimates are considered to be critical accounting estimates.

The Company records contingent consideration liabilities resulting from business acquisitions or divestitures at its estimated fair value on the acquisition or divestiture date. Each reporting period thereafter, the Company revalues these obligations and records increases or decreases in their fair value as adjustments to litigation settlements and other contingencies, net within the consolidated statements of operations. Changes in the fair value of the contingent consideration obligations can result from adjustments to the discount rates, payment periods and adjustments in the probability of achieving future development steps, regulatory approvals, market launches, operating results, sales targets and profitability. These fair value measurements represent Level 3 measurements as they are based on significant inputs not observable in the market.

Significant judgment is employed in determining the assumptions utilized as of the acquisition or divestiture date and for each subsequent measurement period. Accordingly, changes in the assumptions described above could have a material impact on the Company's consolidated financial condition and results of operations.

The Company reviews goodwill for impairment at least annually or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable based on management's assessment of the fair value of the Company's reporting units as compared to their related carrying value. Under the authoritative guidance issued by the FASB, we have the option to first assess the qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform a quantitative goodwill impairment test. If we choose to use qualitative factors and determine that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then the goodwill impairment test would be required. The goodwill impairment test requires the Company to estimate the fair value of the reporting unit and to compare the fair value of the reporting unit with its carrying amount. If the carrying amount is less than its fair value, then no impairment is recognized. If the carrying amount recorded exceeds the fair value calculated, an impairment charge is recorded for the difference. The judgments made in determining the projected cash flows used to estimate the fair value can materially impact the Company's financial condition and results of operations.

The Company performed its annual goodwill impairment test on a quantitative basis for its five reporting units, North America, Europe, Emerging Markets, JANZ, and Greater China. In estimating each reporting unit's fair value, the Company performed an extensive valuation analysis, utilizing a discounted cash flow approach. The determination of the fair value of the reporting units requires the Company to make significant estimates and assumptions that affect the reporting unit's expected future cash flows. These estimates and assumptions, utilizing Level 3 inputs, primarily include, but are not limited to, the discount rate, terminal growth rates, operating income before depreciation and amortization, capital expenditures forecasts and control premiums.

When compared to the prior year's annual goodwill impairment test completed on April 1, 2022, the Company has experienced significant fluctuations in foreign exchange rates in certain international markets, combined with a significant increase in market interest rates. These market factors have caused the discount rate utilized in all our reporting units to increase between 1.0% to 4.5%, resulting in a significant reduction in the calculated fair values at April 1, 2023 for all our reporting units. Also, in conjunction with the Company's annual strategic planning process which included determining long-term growth rate targets for our business, operational results during the forecast period were reduced and long-term growth rates were increased. As a result of these changes, the calculated fair values of the North America, Greater China and Europe reporting units declined in excess of 10% and the JANZ and Emerging Markets reporting units declined in excess of 15% when compared to the prior year fair values.

As of April 1, 2023, the allocation of the Company's total goodwill was as follows: North America $3.15 billion, Europe $4.47 billion, Emerging Markets $1.34 billion, JANZ $0.68 billion and Greater China $0.94 billion.

As of April 1, 2023, the Company determined that the fair value of the North America and Greater China reporting units was substantially in excess of the respective unit's carrying value.

For the Europe reporting unit, the estimated fair value exceeded its carrying value by approximately $535 million or 3.9% for the annual goodwill impairment test. As it relates to the discounted cash flow approach for the Europe reporting unit at April 1, 2023, the Company forecasted cash flows for the next 10 years. During the forecast period, the revenue compound annual growth rate was approximately 2.4%. A terminal year value was calculated with a 2.0% revenue growth rate applied. The discount rate utilized was 11.0% and the estimated tax rate was 14.9%. If all other assumptions are held constant, a reduction in the terminal value growth rate by 1.0% or an increase in discount rate by 0.5% would result in an impairment charge for the Europe reporting unit.

For the JANZ reporting unit, the estimated fair value exceeded its carrying value by approximately $145 million or 5.5% for the annual goodwill impairment test. As it relates to the discounted cash flow approach for the JANZ reporting unit at April 1, 2023, the Company forecasted cash flows for the next 10 years. During the forecast period, the revenue compound annual growth rate was approximately negative 2.0%. A terminal year value was calculated with a 1.5% revenue growth rate applied. The discount rate utilized was 7.0% and the estimated tax rate was 30.6%. If all other assumptions are held constant, a reduction in the terminal value growth rate by 0.5% or an increase in discount rate by 0.5% would result in an impairment charge for the JANZ reporting unit.

For the Emerging Markets reporting unit, the estimated fair value exceeded its carrying value by approximately $513 million or 7.7% for the annual goodwill impairment test. As it relates to the discounted cash flow approach for the Emerging Markets reporting unit at April 1, 2023, the Company forecasted cash flows for the next 10 years. During the forecast period, the revenue compound annual growth rate was approximately 1.8%. A terminal year value was calculated with a 2.0% revenue growth rate applied. The discount rate utilized was 11.5% and the estimated tax rate was 17.4%. If all other assumptions are held constant, a reduction in the terminal value growth rate by 2.5% or an increase in discount rate by 1.0% would result in an impairment charge for the Emerging Markets reporting unit.

In the fourth quarter of 2022, the commercialization rights in the Upjohn Distributor Markets met the criteria to be classified as held for sale. The Company allocated goodwill to its commercialization rights in the Upjohn Distributor Markets using a relative fair value approach and recorded a goodwill impairment charge of $117.0 million in that quarter within the Emerging Markets reporting unit, which was recorded within *SG&A* in the consolidated statement of operations. The goodwill impairment charge was the result of the estimated proceeds less selling costs from the disposal of the commercialization rights in the Upjohn Distributor Markets being below the carrying value of the net assets of the disposal group.

In the fourth quarter of 2023, the OTC Business met the criteria to be classified as held for sale. The Company allocated goodwill to its OTC Business using a relative fair value approach and recorded a goodwill impairment charge of $580.1 million in that quarter within the Europe (majority of the charge), JANZ and Emerging Markets reporting units, which was recorded within *SG&A* in the consolidated statement of operations. The goodwill impairment charge was the result of the estimated proceeds less selling costs from the planned divestiture of the OTC Business being below the carrying value of the net assets of the disposal group.

Refer to Note 5 *Divestitures* included in Part II, Item 8 of this Form 10-K for additional information on these divestitures.

Due to the inherent uncertainty involved in making these estimates, actual results could differ from those estimates. In addition, changes in underlying assumptions, especially as they relate to the key assumptions detailed, could have a significant impact on the fair value of the reporting units.

The carrying values of long-lived assets, which include property, plant and equipment and intangible assets with finite lives, are evaluated periodically in relation to the expected future undiscounted cash flows of the underlying assets and monitored for other potential triggering events. We assess the recoverability of certain long-lived assets, principally finite-lived intangible assets, contained within the reporting units whenever certain impairment indicators are present. Any impairment of these assets must be considered prior to our impairment review of goodwill. The assessment for impairment is based on our ability to recover the carrying value of the long-lived assets or asset grouping by analyzing the expected future undiscounted pre-tax cash flows specific to the asset or asset grouping. If the carrying amount is greater than the undiscounted cash flows, the Company recognizes an impairment loss for the excess of the carrying amount over the estimated fair value based on discounted cash flows.

Significant management judgment is involved in estimating the recoverability of these assets and is dependent upon the accuracy of the assumptions used in making these estimates, as well as how the estimates compare to the eventual future operating performance of the specific asset or asset grouping. The fair value of finite-lived intangible assets was calculated as the present value of the estimated future net cash flows using a market rate of return. For the year ended December 31, 2021, the Company recorded $83.4 million (related to the divestiture of a group of OTC products in the U.S.) of impairment charges for finite-lived intangible assets, which were recorded as a component of amortization expense. At December 31, 2023 and 2022, the Company’s finite-lived intangible assets totaled $18.86 billion and $22.57 billion, respectively. Changes to any of the Company’s assumptions related to the estimated fair value based on the discounted cash flows, including discount rates or the competitive environment related to the assets, could lead to future material impairment charges. Any future long-lived assets impairment charges could have a material impact on the Company’s consolidated financial condition and results of operations.

If the divestitures of the commercialization rights in the remaining Upjohn Distributor Markets are not completed, the distribution arrangements will expire and the Company will wind down operations in these markets, which may result in additional asset write-offs and other costs being incurred.

The Company's indefinite-lived intangible assets, principally IPR&D acquired as part of business combinations, are tested at least annually for impairment or upon the occurrence of a triggering event. The impairment test for IPR&D consists of a comparison of the asset's fair value with its carrying value. Impairment is determined to exist when the fair value of IPR&D assets, which is based upon updated forecasts and commercial development plans, is less than the carrying value of the assets being tested. For the years ended December 31, 2022 and 2021, the Company recorded $0.6 million, and $19.4 million, respectively, of impairment charges, which were recorded as a component of amortization expense. At December 31, 2023 and 2022, the Company's IPR&D assets totaled $319.4 million and $40.2 million, respectively.

The fair value of both IPR&D and finite-lived intangible assets was determined based upon detailed valuations employing the income approach which utilized Level 3 inputs, as defined in Note 9 *Financial Instruments and Risk Management* included in Part II, Item 8 of this Form 10-K. Changes to any of the Company's assumptions including changes to or abandonment of development programs, regulatory timelines, discount rates or the competitive environment related to the assets could lead to future material impairment charges.

Income Taxes

We compute our income taxes based on the statutory tax rates and tax reliefs available to Viatris in the various jurisdictions in which we generate income. Significant judgment is required in determining our income taxes and in evaluating our tax positions. We establish reserves in accordance with Viatris' policy regarding accounting for uncertainty in income taxes. Our policy provides that the tax effects from an uncertain tax position be recognized in Viatris' financial statements, only if the position is more likely than not of being sustained upon audit, based on the technical merits of the position. We adjust these reserves in light of changing facts and circumstances, such as the settlement of a tax audit. Our provision for income taxes includes the impact of reserve provisions and changes to reserves. Favorable resolution would be recognized as a reduction to our provision for income taxes in the period of resolution or expiration of the underlying statutes of limitation. Based on this evaluation, as of December 31, 2023, our reserve for unrecognized tax benefits totaled $272.8 million, of which $204.3 million was recorded in connection with the Combination and is subject to Pfizer's indemnification obligations to Viatris under the Tax Matters Agreement.

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative loss incurred in certain taxing jurisdictions over the three-year period ended December 31, 2023. Such objective evidence limits the ability to consider other subjective evidence such as our projections for future growth.

Based on this evaluation and other factors, as of December 31, 2023, a valuation allowance of $421.4 million has been recorded in order to measure only the portion of the deferred tax asset that more likely than not will be realized. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or if objective negative evidence in the form of cumulative losses is no longer present and additional weight may be given to subjective evidence such as projections for growth. When assessing the realizability of deferred tax assets, management considers all available evidence, including historical information, long-term forecasts of future taxable income and possible tax planning strategies. Amounts recorded for valuation allowances can result from a complex series of estimates, assumptions and judgments about future events. Due to the inherent uncertainty involved in making these estimates, assumptions and judgments, actual results could differ materially. Any future increases to the Company's valuation allowances could materially impact the Company's consolidated financial condition and results of operations. At December 31, 2023 and 2022, the Company's net deferred tax assets totaled $692.9 million and $925.9 million, respectively.

A variance of 5% between estimated reserves and valuation allowances and actual resolution and realization of these tax items would have an effect on our reserve balance and valuation allowance of approximately $34.7 million.

Legal Matters

Viatris is involved in various legal proceedings, some of which involve claims for substantial amounts. An estimate is made to accrue for a loss contingency relating to any of these legal proceedings if it is probable that a liability was incurred as of the date of the financial statements and the amount of loss can be reasonably estimated. Because of the subjective nature inherent in assessing the outcome of litigation and because of the potential that an adverse outcome in a legal proceeding could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price, such estimates are considered to be critical accounting estimates.

A variance of 5% between estimated and recorded litigation reserves and actual resolution of certain legal matters would have an effect on our litigation reserve balance of approximately $8.6 million. Refer to Note 19 *Litigation* included in Part II, Item 8 of this Form 10-K for further discussion of litigation matters.

Impact of Currency Fluctuations and Inflation

Because our results are reported in U.S. Dollars, changes in the rate of exchange between the U.S. Dollar and the local currencies in the markets in which we operate, mainly the Euro, Indian Rupee, Chinese Renminbi, Japanese Yen, Australian Dollar, Canadian Dollar, Pound Sterling and South Korean Won affect our results as previously noted. During 2022 and 2023, the global economy has been impacted by high levels of inflation and rising energy costs, which has resulted in significant economic volatility. As a result, central banks have and may continue to tighten their monetary policies and increase interest rates. These macroeconomic pressures combined with the volatility in foreign exchange rates, including the strengthening of the U.S. dollar versus certain of the other currencies in which we operate, negatively impact our results of operations. We proactively look to manage such macroeconomic pressures by implementing strategies to mitigate and partially offset the impact of these factors. While inflationary and other macroeconomic pressures have somewhat eased more recently, we do not expect to see a corresponding reduction in these higher costs.

Recent Accounting Pronouncements

Refer to Note 2 *Summary of Significant Accounting Policies* in Part II, Item 8 of this Form 10-K for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted.

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

Foreign Currency Exchange Risk

A significant portion of our revenues and earnings are exposed to changes in foreign currency exchange rates. We seek to manage this foreign exchange risk in part through operational means, including managing same currency revenues in relation to same currency costs and same currency assets in relation to same currency liabilities.

From time to time, foreign exchange risk is managed through the use of foreign currency forward-exchange contracts. These contracts are used to offset the potential earnings effects from mostly intercompany foreign currency assets and liabilities that arise from operations and from intercompany loans. Any unhedged foreign exchange exposures continue to be subject to market fluctuations.

Our financial instrument holdings at year end were analyzed to determine their sensitivity to foreign exchange rate changes. The fair values of these instruments were determined as follows:

- foreign currency forward-exchange contracts — net present values
- foreign currency denominated receivables, payables, debt and loans — changes in exchange rates

In this sensitivity analysis, we assumed that the change in one currency's rate relative to the U.S. Dollar would not have an effect on other currencies' rates relative to the U.S. Dollar. All other factors were held constant.

If there were an adverse change in foreign currency exchange rates of 10%, the expected net effect on net income related to Viatris' foreign currency denominated financial instruments would not be material.

The Company is also exposed to translation risk on non-U.S. dollar-denominated net assets. Non-U.S. dollar borrowings, principally our Euro and Yen denominated long-term debt, are used to hedge the foreign currency exposures of our net investment in certain foreign affiliates and are designated as hedges of net investments. The foreign exchange gains or losses on these hedges is included in the foreign currency translation component of accumulated other comprehensive income (loss). If our net investment decreases below the equivalent value of the non-U.S. debt borrowings, the change in the remeasurement basis of the debt would be subject to recognition in net income as changes occur.

Interest Rate and Long-Term Debt Risk

Viatris' exposure to interest rate risk arises primarily from our U.S. Dollar and Euro borrowings and U.S. Dollar investments. We invest primarily on a variable-rate basis and we borrow on both a fixed and variable basis. In order to maintain a certain ratio of fixed to variable rate debt, from time to time, depending on market conditions, Viatris will use derivative financial instruments such as interest rate swaps to fix interest rates on variable-rate borrowings or to convert fixed-rate borrowings to variable interest rates.

As of December 31, 2023, Viatris' outstanding fixed rate borrowings consist principally of $17.33 billion notional amount of senior U.S. dollar and Euro notes. Generally, the fair value of fixed interest rate debt will decrease as interest rates rise and increase as interest rates fall. As of December 31, 2023, the fair value of our outstanding fixed rate senior U.S. dollar and Euro notes was approximately $15.25 billion. As of December 31, 2023, Viatris' outstanding variable rate borrowings consist principally of borrowings under the Yen Term Loan Facility of $283.6 million. A 100 basis point change in interest rates on Viatris' variable rate debt would result in a change in interest expense of approximately $2.9 million per year.

Fair Value Risk

The Company's fair value risk exposure relates primarily to our equity investments that do not have readily determinable fair values, principally the CCPS received as part of the Biocon Biologics Transaction. As of December 31, 2023 and 2022, the carrying value of these investments were approximately $1.14 billion and $1.09 billion, respectively. A hypothetical 20 percent decline in the fair value of these investments would have decreased the carrying value and other income, net by approximately $228.4 million at December 31, 2023.

ITEM 8. Financial Statements And Supplementary Data

Index to Consolidated Financial Statements and Supplementary Financial Information

Management's Report on Internal Control over Financial Reporting

Management of Viatris Inc. is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. In order to evaluate the effectiveness of internal control over financial reporting, management has conducted an assessment, including testing, using the criteria in *Internal Control - Integrated Framework* (*2013)*, issued by COSO. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

As a result of this assessment, management has concluded that the Company maintained effective internal control over financial reporting as of December 31, 2023 based on the criteria in *Internal Control - Integrated Framework (2013)* issued by COSO.

Our independent registered public accounting firm, Deloitte & Touche LLP (PCAOB ID No. 34), has audited the effectiveness of the Company's internal control over financial reporting. Deloitte & Touche LLP's opinion on the Company's internal control over financial reporting appears on page 84 of this Annual Report on Form 10-K.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Viatris Inc.:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Viatris Inc. and subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive earnings (loss), equity, and cash flows, for each of the three years in the period ended December 31, 2023, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 28, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Goodwill – Viatris Inc. Europe, JANZ, and Emerging Markets Reporting Units – Refer to Note 8 to the financial statements.

Critical Audit Matter Description

The Company performed an annual goodwill impairment test as of April 1, 2023. As of April 1, 2023, the Company had approximately $10.6 billion of consolidated goodwill, $4.47 billion, $1.34 billion and $0.68 billion of which was allocated to its Europe, Emerging Markets and JANZ reporting units, respectively. The Company’s evaluation of goodwill for impairment involves the comparison of the estimated fair value of each reporting unit to its carrying value. The Company performed its valuation analysis, using an income-based approach, to determine the fair value of its Europe, Emerging Markets and JANZ reporting units. The determination of the fair value requires management to make significant estimates and assumptions that affect the reporting unit’s expected future cash flows. These estimates and assumptions, utilizing Level 3 valuation inputs, primarily include, but are not limited to, discount rates, terminal growth rates, operating income before depreciation and amortization, and capital expenditures forecasts. The fair values of the Europe, Emerging Markets and the JANZ reporting units exceeded their carrying values by approximately $0.54 billion, or 3.9%, $0.51 billion, or 7.7%, and $0.15 billion, or 5.5%, respectively, as of April 1, 2023 and, therefore, no impairments were recognized.

Given that the Europe, Emerging Markets, and JANZ reporting unit's revenues are sensitive to changes in consumer demand, the approval of new product launches, the expansion of existing products into new jurisdictions (which have differentiated distribution and commercialization models throughout the regions), and the impact of business development activity, auditing management's judgments regarding forecasts of future revenues, and the selection of the discount rates and terminal growth rates required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecasts of future revenues ("forecasts"), and the selection of the discount rates and terminal growth rates for the Europe, Emerging Markets, and the JANZ reporting units included the following procedures, among others:

- We tested the effectiveness of controls over the review of the goodwill impairment tests, including those over the development of the business forecasts of future revenues and the selection of the discount rates and terminal growth rates.

- We evaluated management's ability to accurately forecast future revenues of the Europe, Emerging Markets, and JANZ reporting units by comparing actual results to management's historical forecasts.

- We evaluated the reasonableness of management's revenue forecasts by comparing the projections to (1) historical results, (2) internal communications to management and the Board of Directors, and (3) forecasted information included in Company press releases. We also considered third party reports related to macroeconomic and industry trends and made inquiries of management, including various regional commercial and operations leaders to assess key inputs in the forecast assumptions.

- With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology, discount rates, and terminal growth rates, including (1) testing the source information underlying the determination of the discount rates and terminal growth rates and the mathematical accuracy of the calculations, (2) developing a range of independent estimates and comparing those to the discount rates selected by management, and (3) considering third party macroeconomic reports.

Net Revenue Provisions – Sales Returns Accrual at MPI – Refer to Note 3 to the financial statements.

Critical Audit Matter Description

The Company provides customers with the ability to return product, which varies country by country in accordance with local practices, generally within a specified period prior (six months) and subsequent (twelve months) to the expiration date. The Company's estimate of the provision for returns is generally based upon historical experience with actual returns. The returns reserve at MPI represents a significant component of the global sales returns reserve as of December 31, 2023.

Estimating the amounts to be accrued for returns requires significant estimation as management's model utilizes historical experience with actual returns and considers levels of inventory in the distribution channel, product dating and expiration period, size and maturity of the market prior to a product launch, entrance into the market of additional competitors, and changes in the regulatory environment. Given the volume of sales returns and the level of estimation uncertainty involved, auditing management's judgments required a high degree of auditor judgment and an increased extent of effort.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Net Revenue Provisions – Sales Returns Accrual at MPI included the following, among others:

- We evaluated the Company's methodology and assumptions in developing their sales returns accrual model, including assessing the completeness and accuracy of the underlying data used by management in their estimates.

- We tested the effectiveness of controls over the calculation of the sales returns reserve at MPI.

- We compared prior period sales returns accruals to sales returns credits subsequently issued to evaluate management’s ability to accurately forecast sales returns activity.

- We developed independent expectations of product-level sales returns accruals and sales returns accruals in the aggregate using the following: 1) historical sales and returns activity, 2) remaining shelf life information, 3) finished goods inventory on-hand at the end of the period, and 4) adjustments for known or anticipated sales return activity based on market dynamics (market prior to Viatris launch, impact of competition, and overall regulatory environment) and compared those to the recorded amounts.

/s/ DELOITTE & TOUCHE LLP
Pittsburgh, Pennsylvania

February 28, 2024

We have served as the Company's auditor since 1976.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Viatris Inc.:

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Viatris, Inc. and subsidiaries (the "Company") as of December 31, 2023, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2023, of the Company and our report dated February 28, 2024, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP
Pittsburgh, Pennsylvania
February 28, 2024

VIATRIS INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(In millions, except share and per share amounts)

	December 31, 2023	December 31, 2022
ASSETS		
Assets		
Current assets:		
Cash and cash equivalents	$ 991.9	$ 1,259.9
Accounts receivable, net	3,700.4	3,814.5
Inventories	3,469.7	3,519.5
Prepaid expenses and other current assets	2,028.1	1,811.2
Assets held for sale	2,786.0	230.3
Total current assets	12,976.1	10,635.4
Property, plant and equipment, net	2,759.6	3,024.5
Intangible assets, net	19,181.1	22,607.1
Goodwill	9,867.1	10,425.8
Deferred income tax benefit	692.9	925.9
Other assets	2,208.7	2,403.5
Total assets	$ 47,685.5	$ 50,022.2
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Accounts payable	$ 1,938.2	$ 1,766.6
Income taxes payable	226.8	279.6
Current portion of long-term debt and other long-term obligations	1,943.4	1,259.1
Liabilities held for sale	275.1	—
Other current liabilities	3,393.9	3,440.9
Total current liabilities	7,777.4	6,746.2
Long-term debt	16,188.1	18,015.2
Deferred income tax liability	1,735.7	2,432.0
Other long-term obligations	1,516.9	1,756.5
Total liabilities	27,218.1	28,949.9
Equity		
Viatris Inc. shareholders' equity		
Common stock: $0.01 par value, 3,000,000,000 shares authorized; shares issued: 1,221,994,491 and 1,213,793,231, respectively	12.2	12.1
Additional paid-in capital	18,814.7	18,645.8
Retained earnings	4,639.7	5,175.6
Accumulated other comprehensive loss	(2,747.4)	(2,761.2)
	20,719.2	21,072.3
Less: Treasury stock — at cost		
Common stock shares: 21,239,521 as of December 31, 2023	251.8	—
Total equity	20,467.4	21,072.3
Total liabilities and equity	$ 47,685.5	$ 50,022.2

See Notes to Consolidated Financial Statements

VIATRIS INC. AND SUBSIDIARIES
Consolidated Statements of Operations
(In millions, except per share amounts)

	Year Ended December 31,		
	2023	2022	2021
Revenues:			
Net sales	$ 15,388.4	$ 16,218.1	$ 17,813.6
Other revenues	38.5	44.6	72.7
Total revenues	15,426.9	16,262.7	17,886.3
Cost of sales	8,988.3	9,765.7	12,310.8
Gross profit	6,438.6	6,497.0	5,575.5
Operating expenses:			
Research and development	805.2	662.2	681.0
Acquired IPR&D	105.5	36.4	70.1
Selling, general and administrative	4,650.1	4,179.1	4,529.2
Litigation settlements and other contingencies, net	111.6	4.4	329.2
Total operating expenses	5,672.4	4,882.1	5,609.5
Earnings (loss) from operations	766.2	1,614.9	(34.0)
Interest expense	573.1	592.4	636.2
Other income, net	(9.8)	(1,790.7)	(5.8)
Earnings (loss) before income taxes	202.9	2,813.2	(664.4)
Income tax provision	148.2	734.6	604.7
Net earnings (loss)	54.7	2,078.6	(1,269.1)
Earnings (loss) per share attributable to Viatris Inc. shareholders			
Basic	$ 0.05	$ 1.71	$ (1.05)
Diluted	$ 0.05	$ 1.71	$ (1.05)
Weighted average shares outstanding:			
Basic	1,200.3	1,212.1	1,208.8
Diluted	1,206.9	1,217.4	1,208.8

See Notes to Consolidated Financial Statements

VIATRIS INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Earnings (Loss)
(In millions)

	Year Ended December 31,		
	2023	2022	2021
Net earnings (loss)	$ 54.7	$ 2,078.6	$ (1,269.1)
Other comprehensive (loss), before tax:			
Foreign currency translation adjustment	139.2	(1,583.5)	(1,340.9)
Change in unrecognized (loss) gain and prior service cost related to defined benefit plans	(18.7)	279.1	73.9
Net unrecognized gain (loss) on derivatives in cash flow hedging relationships	13.9	(36.9)	36.1
Net unrecognized (loss) gain on derivatives in net investment hedging relationships	(178.5)	460.1	456.8
Net unrealized gain (loss) on available-for-sale fixed income securities	1.5	(2.8)	(1.1)
Other comprehensive loss, before tax	(42.6)	(884.0)	(775.2)
Income tax (benefit) provision	(56.4)	132.9	111.1
Other comprehensive earnings (loss), net of tax	13.8	(1,016.9)	(886.3)
Comprehensive earnings (loss)	$ 68.5	$ 1,061.7	$ (2,155.4)

See Notes to Consolidated Financial Statements

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VIATRIS INC. AND SUBSIDIARIES
Consolidated Statements of Equity
(In millions, except share amounts)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Total Equity
	Shares	Cost			Shares	Cost		
Balance at December 31, 2020	1,206,895,644	$ 12.1	$ 18,438.8	$ 5,361.2	—	$ —	$ (858.0)	$ 22,954.1
Net loss	—	—	—	(1,269.1)	—	—	—	(1,269.1)
Other comprehensive loss, net of tax	—	—	—	—	—	—	(886.3)	(886.3)
Share-based compensation expense	—	—	111.2	—	—	—	—	111.2
Issuance of restricted stock, net	2,611,819	—	—	—	—	—	—	—
Taxes related to the net share settlement of equity awards	—	—	(13.9)	—	—	—	—	(13.9)
Cash dividends declared, $0.33 per common share	—	—	—	(403.3)	—	—	—	(403.3)
Balance at December 31, 2021	1,209,507,463	$ 12.1	$ 18,536.1	$ 3,688.8	—	$ —	$ (1,744.3)	$ 20,492.7
Net earnings	—	$ —	$ —	$ 2,078.6	—	$ —	$ —	$ 2,078.6
Other comprehensive loss, net of tax	—	—	—	—	—	—	(1,016.9)	(1,016.9)
Share-based compensation expense	—	—	116.4	—	—	—	—	116.4
Issuance of restricted stock, net	3,972,427	—	1.6	—	—	—	—	1.6
Taxes related to the net share settlement of equity awards	—	—	(11.6)	—	—	—	—	(11.6)
Issuance of common stock	313,341	—	3.3	—	—	—	—	3.3
Cash dividends declared, $0.48 per common share	—	—	—	(591.8)	—	—	—	(591.8)
Balance at December 31, 2022	1,213,793,231	$ 12.1	$ 18,645.8	$ 5,175.6	—	$ —	$ (2,761.2)	$ 21,072.3
Net earnings	—	$ —	$ —	$ 54.7	—	$ —	$ —	$ 54.7
Other comprehensive earnings, net of tax	—	—	—	—	—	—	13.8	13.8
Share-based compensation expense		—	180.7	—	—	—	—	180.7
Issuance of restricted stock and stock options exercised, net	7,892,041	0.1	5.1	—	—	—	—	5.2
Common stock repurchase	—	—	—	—	21,239,521	(251.8)	—	(251.8)
Taxes related to the net share settlement of equity awards	—	—	(26.1)	—	—	—	—	(26.1)
Issuance of common stock	309,219	—	3.1	—	—	—	—	3.1
Cash dividends declared, $0.48 per common share	—	—	—	(590.6)	—	—	—	(590.6)
Other	—	—	6.1	—	—	—	—	6.1
Balance at December 31, 2023	1,221,994,491	$ 12.2	$ 18,814.7	$ 4,639.7	21,239,521	$ (251.8)	$ (2,747.4)	$ 20,467.4

See Notes to Consolidated Financial Statements

VIATRIS INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(In millions)

	Year Ended December 31, 2023	2022	2021
Cash flows from operating activities:			
Net earnings (loss)	$ 54.7	$ 2,078.6	$ (1,269.1)
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	2,740.5	3,027.6	4,506.5
Deferred income tax expense (benefit)	(387.1)	(25.9)	675.7
Litigation settlements and other contingencies, net	86.8	(1.7)	323.7
Loss from equity method investments	—	—	61.9
Loss (gain) on disposal of business	239.9	(1,754.1)	—
Share-based compensation expense	180.7	116.4	111.2
Other non-cash items	595.4	434.3	411.8
Changes in operating assets and liabilities:			
Accounts receivable	78.6	(240.3)	59.3
Inventories	(613.3)	(259.5)	(427.6)
Trade accounts payable	314.7	170.2	(70.4)
Income taxes	(76.7)	25.3	(699.6)
Other operating assets and liabilities, net	(414.6)	(618.3)	(666.5)
Net cash provided by operating activities	2,799.6	2,952.6	3,016.9
Cash flows from investing activities:			
Cash (paid) received for acquisitions, net of cash acquired	(667.7)	—	277.0
Capital expenditures	(377.0)	(406.0)	(457.2)
Payments for product rights and other, net	(97.5)	(37.0)	(52.2)
Proceeds from sale of property, plant and equipment	14.0	13.8	18.3
Proceeds from sale of assets and subsidiaries	364.1	1,950.0	96.7
Purchase of marketable securities	(26.3)	(30.2)	(30.2)
Proceeds from the sale of marketable securities	26.3	29.9	29.8
Net cash (used in) provided by investing activities	(764.1)	1,520.5	(117.8)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	0.3	1,875.6	1,710.1
Payments of long-term debt	(1,250.2)	(3,662.5)	(4,201.3)
Payments of financing fees	(0.5)	(1.9)	(7.0)
Change in short-term borrowings, net	0.3	(1,493.2)	392.1
Purchase of common stock	(250.0)	—	—
Taxes paid related to net share settlement of equity awards	(38.2)	(17.3)	(17.4)
Contingent consideration payments	(8.4)	(18.9)	(28.6)
Cash dividends paid	(575.6)	(581.6)	(399.0)
Non-contingent payments for product rights	(9.7)	—	(456.0)
Issuance of common stock	3.1	3.3	—
Other items, net	(173.0)	18.6	(4.9)
Net cash used in financing activities	(2,301.9)	(3,877.9)	(3,012.0)
Effect on cash of changes in exchange rates	(2.5)	(38.9)	(30.9)
Net (decrease) increase in cash, cash equivalents and restricted cash	(268.9)	556.3	(143.8)
Cash, cash equivalents and restricted cash — beginning of period	1,262.5	706.2	850.0
Cash, cash equivalents and restricted cash — end of period	$ 993.6	$ 1,262.5	$ 706.2
Supplemental disclosures of cash flow information —			
Cash paid during the period for:			
Income taxes	$ 570.9	$ 735.2	$ 641.7
Interest	$ 611.6	$ 642.5	$ 684.8

See Notes to Consolidated Financial Statements

Viatris Inc. and Subsidiaries

Notes to Consolidated Financial Statements

1. Nature of Operations

Viatris is a global healthcare company which we believe is uniquely positioned to bridge the traditional divide between generics and brands, combining the best of both to more holistically address healthcare needs globally. With a mission to empower people worldwide to live healthier at every stage of life, Viatris provides access at scale, supplying high-quality medicines to patients around the world and touching all of life’s moments, from birth to the end of life, acute conditions to chronic diseases. With our exceptionally extensive and diverse portfolio of medicines, a one-of-a-kind global supply chain designed to reach more people when and where they need them, and the scientific expertise to address some of the world's most enduring health challenges, access takes on deep meaning at Viatris.

As of December 31, 2023, Viatris’ portfolio comprised more than 1,400 approved molecules across a wide range of key therapeutic areas, including globally recognized iconic and key brands and generics, including complex products, and the Company operated approximately 40 manufacturing sites worldwide that produce oral solid doses, injectables, complex dosage forms and APIs. We conduct our business through four segments: Developed Markets, Greater China, JANZ, and Emerging Markets. Viatris is headquartered in the U.S., with global centers in Pittsburgh, Pennsylvania, Shanghai, China and Hyderabad, India.

2. Summary of Significant Accounting Policies

Principles of Consolidation. The consolidated financial statements include the accounts of Viatris and those of its wholly owned and majority-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. Investments in equity method affiliates are recorded at cost and adjusted for the Company’s share of the affiliates’ cumulative results of operations, capital contributions and distributions.

Use of Estimates in the Preparation of Financial Statements. The preparation of financial statements, in conformity with U.S. GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Because of the uncertainty inherent in such estimates, actual results could differ from those estimates.

Foreign Currencies. The consolidated financial statements are presented in U.S. Dollars, the reporting currency of Viatris. Statements of Operations and Cash Flows of all of the Company’s subsidiaries that have functional currencies other than U.S. Dollars are translated at a weighted average exchange rate for the period for inclusion in the consolidated statements of operations and cash flows, whereas assets and liabilities are translated at the end of the period exchange rates for inclusion in the consolidated balance sheets. Translation differences are recorded directly in shareholders’ equity as foreign currency translation adjustments. Gains or losses on transactions denominated in a currency other than the subsidiaries’ functional currency, which arise as a result of changes in foreign currency exchange rates, are recorded in the consolidated statements of operations.

Under ASC 830, *Foreign Currency Matters* (“ASC 830”), a highly inflationary economy is one that has cumulative inflation of approximately 100% or more over a three-year period. Effective April 1, 2022, we classified Turkey as highly inflationary and began to utilize the U.S. dollar as our functional currency in Turkey, which historically utilized the Turkish lira as the functional currency. Application of the guidance in ASC 830 did not have a material impact on our consolidated financial statements for the years ended December 31, 2023 and 2022.

Cash and Cash Equivalents. Cash and cash equivalents are comprised of highly liquid investments with an original maturity of three months or less at the date of purchase.

Debt and Equity Securities. Debt securities classified as available-for-sale on the date of purchase are recorded at fair value, with net unrealized gains and losses, net of income taxes, reflected in accumulated other comprehensive loss as a component of shareholders' equity. Net realized gains and losses on sales of available-for-sale debt securities are computed on a specific security basis and are included in *Other income, net* in the consolidated statements of operations. Debt securities classified as trading securities are valued using the quoted market price from broker or dealer quotations or transparent pricing sources at the reporting date, with gains and losses included in *Other income, net* in the consolidated statements of operations. Fair value is determined based on observable market quotes or valuation models using assessments of counterparty credit worthiness, credit risk or underlying security and overall capital market liquidity. Debt securities are reviewed for impairment by assessing if the decline in market value of the investment below the carrying value is other than temporary.

Changes in the fair value of equity securities are recorded in *Other income, net* in the consolidated statements of operations. Investments in equity securities with readily determinable fair values are recorded at fair value. Investments in equity securities without readily determinable fair values for which the Company has elected to utilize the measurement alternative under ASC 321, *Investments - Equity Securities* are recorded at cost minus any impairment, plus or minus changes in their estimated fair value resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. Investments in entities are accounted for using the equity method of accounting when the ability to exercise significant influence over the operating and financial decisions of the investee is maintained. The share of net income or losses of equity method investments are included in *Other income, net* in the consolidated statements of operations. Investments in equity securities without readily determinable fair values and investments in equity accounted for using the equity method are assessed for potential impairment on a quarterly basis based on qualitative factors.

Concentrations of Credit Risk. Financial instruments that potentially subject the Company to credit risk consist principally of interest-bearing investments, derivatives and accounts receivable.

Viatris invests its excess cash in high-quality, liquid money market instruments, principally overnight deposits and highly rated money market funds. The Company maintains deposit balances at certain financial institutions in excess of federally insured amounts. Periodically, the Company reviews the creditworthiness of its counterparties to derivative transactions, and it does not expect to incur a loss from failure of any counterparties to perform under agreements it has with such counterparties.

Inventories. Inventories are stated at the lower of cost and net realizable value, with cost principally determined by the weighted average cost method. Provisions for potentially obsolete or slow-moving inventory, including pre-launch inventory, are made based on our analysis of product dating, inventory levels, historical obsolescence and future sales forecasts. Included as a component of cost of sales is expense related to the net realizable value of inventories.

Property, Plant and Equipment. Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is computed and recorded on a straight-line basis over the assets' estimated service lives (3 to 18 years for machinery and equipment and other fixed assets and 15 to 39 years for buildings and improvements). Capitalized software is included in property, plant and equipment and is amortized over estimated useful lives ranging from 3 to 7 years.

Intangible Assets and Goodwill. Intangible assets are stated at cost less accumulated amortization. Amortization is generally recorded on a straight-line basis over estimated useful lives ranging from 3 to 20 years. The Company periodically reviews the estimated useful lives of intangible assets and makes adjustments when events indicate that a shorter life is appropriate.

The Company accounts for acquired businesses using the acquisition method of accounting in accordance with the provisions of ASC 805, *Business Combinations*, which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective estimated fair values. The cost to acquire businesses is allocated to the underlying net assets of the acquired business based on estimates of their respective fair values. Amounts allocated to acquired IPR&D are capitalized at the date of acquisition and, at that time, such IPR&D assets have indefinite lives. As products in development are approved for sale, amounts are allocated to product rights and licenses and will be amortized over their estimated useful lives.

Finite-lived intangible assets are amortized over the expected life of the asset. Any excess of the purchase price over the estimated fair values of the net assets acquired is recorded as goodwill.

Purchases of developed products and licenses that are accounted for as asset acquisitions, including milestone payments related to development compounds due upon receipt of regulatory approvals, are capitalized as intangible assets and amortized over an estimated useful life. IPR&D assets acquired as part of an asset acquisition are expensed immediately if they have no alternative future uses.

The Company reviews goodwill for impairment at least annually or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable based on management's assessment of the fair value of the Company's reporting units as compared to their related carrying value. Under the authoritative guidance issued by the FASB, we have the option to first assess the qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform a quantitative goodwill impairment test. If we choose to use qualitative factors and determine that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then the goodwill impairment test would be required. The goodwill impairment test requires the Company to estimate the fair value of the reporting unit and to compare the fair value of the reporting unit with its carrying amount. If the carrying amount is less than its fair value, then no impairment is recognized. If the carrying amount recorded exceeds the fair value calculated, an impairment charge is recorded for the difference. The judgments made in determining the projected cash flows used to estimate the fair value can materially impact the Company’s financial condition and results of operations.

Indefinite-lived intangible assets, principally IPR&D acquired as part of business combinations, are tested at least annually for impairment or upon the occurrence of a triggering event. The impairment test for IPR&D consists of a comparison of the asset’s fair value with its carrying value. Impairment is determined to exist when the fair value of IPR&D assets, which is based upon updated forecasts and commercial development plans, is less than the carrying value of the assets being tested.

Contingent Consideration. Viatris records contingent consideration liabilities resulting from business acquisitions or divestitures at its estimated fair value on the acquisition or divestiture date. Each reporting period thereafter, the Company revalues these obligations and records increases or decreases in their fair value as adjustments to litigation settlements and other contingencies, net within the consolidated statements of operations. Changes in the fair value of the contingent consideration obligations can result from adjustments to the discount rates, payment periods and adjustments in the probability of achieving future development steps, regulatory approvals, market launches, operating results, sales targets and profitability. These fair value measurements represent Level 3 measurements as they are based on significant inputs not observable in the market.

Significant judgment is employed in determining the assumptions utilized as of the acquisition or divestiture date and for each subsequent measurement period. Accordingly, changes in the assumptions described above could have a material impact on the Company’s consolidated financial condition and results of operations.

Viatris records contingent consideration assets resulting from divestitures when the contingent consideration is resolved.

Impairment of Long-Lived Assets. The carrying values of long-lived assets, which include property, plant and equipment and intangible assets with finite lives, are evaluated periodically in relation to the expected future undiscounted cash flows of the underlying assets and monitored for other potential triggering events. The assessment for impairment is based on our ability to recover the carrying value of the long-lived assets or asset grouping by analyzing the expected future undiscounted pre-tax cash flows specific to the asset or asset grouping. If the carrying amount is greater than the undiscounted cash flows, the Company recognizes an impairment loss for the excess of the carrying amount over the estimated fair value based on discounted cash flows.

Significant management judgment is involved in estimating the recoverability of these assets and is dependent upon the accuracy of the assumptions used in making these estimates, as well as how the estimates compare to the eventual future operating performance of the specific asset or asset grouping. Any future long-lived assets impairment charges could have a material impact on the Company’s consolidated financial condition and results of operations.

Divestitures. For businesses that are divested, including divestitures of products that qualify as a business, the Company records the net gain or loss on the sale within *Other income, net*, and allocates the relative fair value of goodwill associated with the businesses in the determining the gain or loss on sale. Any resulting goodwill impairment is recorded within SG&A. The Company records amounts received as part of TSAs within *Other income, net.* For divestitures of products that qualify as assets, the Company records the gain or loss on sale within SG&A.

Short-Term Borrowings. The Company’s subsidiaries in India have working capital facilities with several banks which are secured by its current assets. The Company also has the CP Notes, Receivables Facility and the Note Securitization Facility. Under the terms of each of the Receivables Facility and Note Securitization Facility, certain of our accounts receivable secure the amounts borrowed and cannot be used to pay our other debts or liabilities. As the accounts receivable do not transfer to the banks, any amounts outstanding under the facilities are recorded as borrowings and the underlying receivables continue to be included in accounts receivable, net, in the consolidated balance sheets.

Revenue Recognition. The Company recognizes revenues in accordance with ASC 606, *Revenue from Contracts with Customers*. Under ASC 606, the Company recognizes net revenue for product sales when control of the promised goods or services is transferred to our customers in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. Revenues are recorded net of provisions for variable consideration, including discounts, rebates, governmental rebate programs, price adjustments, returns, chargebacks, promotional programs and other sales allowances. Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net sales and as a contra asset in accounts receivable, net (if settled via credit) and other current liabilities (if paid in cash). Amounts recorded for revenue deductions can result from a complex series of judgements about future events and uncertainties and can rely heavily on estimates and assumptions. The following section briefly describes the nature of our provisions for variable consideration and how such provisions are estimated:

- *Chargebacks*: the Company has agreements with certain indirect customers, such as independent pharmacies, retail pharmacy chains, managed care organizations, hospitals, nursing homes, governmental agencies and pharmacy benefit managers, which establish contract prices for certain products. The indirect customers then independently select a wholesaler from which to purchase the products at these contracted prices. Alternatively, certain wholesalers may enter into agreements with indirect customers that establish contract pricing for certain products, which the wholesalers provide. Under either arrangement, Viatris will provide credit to the wholesaler for any difference between the contracted price with the indirect party and the wholesaler’s invoice price. Such credits are called chargebacks. The provision for chargebacks is based on expected sell-through levels by our wholesaler customers to indirect customers, as well as estimated wholesaler inventory levels.
- *Rebates, promotional programs and other sales allowances*: this category includes rebate and other programs to assist in product sales. These programs generally provide that the customer receives credit directly related to the amount of purchases or credits upon the attainment of pre-established volumes. Also included in this category are prompt pay discounts, administrative fees and price adjustments to reflect decreases in the selling prices of products.
- *Returns*: consistent with industry practice, Viatris maintains a return policy that allows customers to return a product, which varies country by country in accordance with local practices, generally within a specified period prior (six months) and subsequent (twelve months) to the expiration date. The Company’s estimate of the provision for returns is generally based upon historical experience with actual returns. Generally, returned products are destroyed and customers are refunded the sales price in the form of a credit.
- *Governmental rebate programs*: government reimbursement programs in the U.S. include Medicare, Medicaid, and State Pharmacy Assistance Programs established according to statute, regulations and policy. Manufacturers of pharmaceutical products that are covered by the Medicaid program are required to pay rebates to each state based on a statutory formula set forth in the Social Security Act. Medicare beneficiaries are eligible to obtain discounted prescription drug coverage from private sector providers. In addition, certain states have also implemented supplemental rebate programs that obligate manufacturers to pay rebates in excess of those required under federal law. Our estimate of these rebates is based on the historical trends of rebates paid as well as on changes in wholesaler inventory levels and increases or decreases in the level of sales. We estimate discounts on branded prescription drug sales to Medicare Part D participants in the Medicare “coverage gap” based on historical experience of prescriptions and utilization expected to result in the discount of the “coverage gap”.

  Outside the U.S., the majority of our pharmaceutical sales are contractually or legislatively governed. In certain European countries, certain rebates are calculated on the governments total pharmaceutical spending or on specific product sale thresholds. We utilize historical data and obtain third party information to determine the adequacy of these accruals. Also, this provision includes price reductions that are mandated by law outside of the U.S.

Our net sales may be impacted by wholesaler and distributor inventory levels of our products, which can fluctuate throughout the year due to the seasonality of certain products, pricing, the timing of product demand, purchasing decisions and other factors. Such fluctuations may impact the comparability of our net sales between periods.

Consideration received from licenses of intellectual property is recorded as other revenues. Royalty or profit share amounts, which are based on sales of licensed products or technology, are recorded when the customer’s subsequent sales or usages occur. Such consideration is included in other revenues in the consolidated statements of operations.

Receivables, including deferred consideration, with terms in excess of one year are initially recorded at their net present value using discount rates reflecting the relative credit risk.

Research and Development. R&D expenses are charged to operations as incurred. R&D expense consists of costs incurred in performing research and development activities, including but not limited to, compensation and benefits, facilities and overhead expense, clinical trial expense and fees paid to contract research organizations.

Acquired IPR&D. Acquired IPR&D expense includes the initial cost of externally developed IPR&D projects, acquired directly in a transaction other than a business combination, that do not have an alternative future use. Additionally, the related milestone payment obligations that are incurred prior to regulatory approval of the compound are recorded as acquired IPR&D expense when the event triggering the obligation to pay the milestone occurs.

Income Taxes. Income taxes have been provided for using an asset and liability approach in which deferred income taxes reflect the tax consequences on future years of events that the Company has already recognized in the financial statements or tax returns. Changes in enacted tax rates or laws may result in adjustments to the recorded tax assets or liabilities in the period that the new tax law is enacted.

Earnings per Share. Basic earnings per share is computed by dividing net earnings attributable to holders of Viatris Inc. common stock by the weighted average number of shares outstanding during the period. Diluted earnings per share is computed by dividing net earnings attributable to holders of Viatris Inc. common stock by the weighted average number of shares outstanding during the period increased by the number of additional shares that would have been outstanding related to potentially dilutive securities or instruments, if the impact is dilutive.

Basic and diluted earnings per share attributable to Viatris Inc. are calculated as follows:

	Year Ended December 31,		
(In millions, except per share amounts)	**2023**	**2022**	**2021**
Basic earnings (loss) attributable to Viatris Inc. common shareholders (numerator):			
Net earnings (loss) attributable to Viatris Inc. common shareholders	$ 54.7	$ 2,078.6	$ (1,269.1)
Shares (denominator):			
Weighted average shares outstanding	1,200.3	1,212.1	1,208.8
Basic earnings (loss) per share attributable to Viatris Inc. shareholders	$ 0.05	$ 1.71	$ (1.05)
Diluted earnings (loss) attributable to Viatris Inc. common shareholders (numerator):			
Net earnings (loss) attributable to Viatris Inc. common shareholders	$ 54.7	$ 2,078.6	$ (1,269.1)
Shares (denominator):			
Weighted average shares outstanding	1,200.3	1,212.1	1,208.8
Share-based awards	6.6	5.3	—
Total dilutive shares outstanding	1,206.9	1,217.4	1,208.8
Diluted earnings (loss) per share attributable to Viatris Inc. shareholders	$ 0.05	$ 1.71	$ (1.05)

Additional stock awards and Restricted Stock Awards were outstanding during the years ended December 31, 2023, 2022 and 2021 but were not included in the computation of diluted earnings per share for each respective period because the effect would be anti-dilutive. Excluded shares also include certain share-based compensation awards and restricted shares whose performance conditions had not been fully met. Such excluded shares and anti-dilutive awards represented 16.4 million, 11.8 million and 12.7 million shares for the years ended December 31, 2023, 2022 and 2021, respectively.

The Company paid quarterly cash dividends of $0.12 per share on the Company's issued and outstanding common stock on March 17, 2023, June 16, 2023, September 15, 2023 and December 15, 2023. On February 26, 2024, the Company's Board of Directors declared a quarterly cash dividend of $0.12 per share on the Company's issued and outstanding common stock, which will be payable on March 18, 2024 to shareholders of record as of the close of business on March 11, 2024. The declaration and payment of future dividends to holders of the Company's common stock will be at the discretion of the Board of Directors, and will depend upon factors, including but not limited to, the Company's financial condition, earnings, capital requirements of its businesses, legal requirements, regulatory constraints, industry practice, and other factors that the Board of Directors deems relevant. The Company paid quarterly cash dividends of $0.12 per share on the Company's issued and outstanding common stock on March 16, 2022, June 16, 2022, September 16, 2022 and December 16, 2022. The Company paid quarterly cash dividends of $0.11 per share on the Company's issued and outstanding common stock on June 16, 2021, September 16, 2021, and December 16, 2021.

On May 6, 2022, the Company announced that its Board of Directors had authorized a DRIP. The DRIP allows shareholders to automatically reinvest all or a portion of the cash dividends paid on their shares of the Company's common stock and to make certain additional optional cash investments in the Company's common stock.

On February 28, 2022, the Company announced that its Board of Directors had authorized a share repurchase program for the repurchase of up to $1.0 billion of the Company's shares of common stock. Such repurchases may be made from time-to-time at the Company's discretion and effected by any means, including but not limited to, open market repurchases, pursuant to plans in accordance with Rules 10b5-1 or 10b-18 under the Exchange Act, privately negotiated transactions (including accelerated stock repurchase programs) or any combination of such methods as the Company deems appropriate. The program does not have an expiration date. During the year ended December 31, 2023, the Company repurchased approximately 21.2 million shares of common stock at a cost of approximately $250 million. In February 2024, the Company repurchased approximately 19.2 million shares of common stock at a cost of approximately $250 million. The Company did not repurchase any shares of common stock under the share repurchase program in 2022. The share repurchase program does not obligate the Company to acquire any particular amount of common stock.

The Company announced that on February 26, 2024, its Board of Directors authorized a $1.0 billion increase to the Company's previously announced $1.0 billion share repurchase program. As a result, the Company's share repurchase program now authorizes the repurchase of up to $2.0 billion of the Company's shares of common stock. The Company had repurchased a total of $500 million in shares through February 28, 2024 under the program.

Share-Based Compensation. The fair value of share-based compensation is recognized as expense in the consolidated statements of operations over the vesting period.

Derivatives. From time to time the Company may enter into derivative financial instruments (mainly foreign currency exchange forward contracts, interest rate swaps and purchased equity call options) designed to: 1) hedge the cash flows resulting from existing assets and liabilities and transactions expected to be entered into over the next 24 months in currencies other than the functional currency, 2) hedge the variability in interest expense on floating rate debt, 3) hedge the fair value of fixed-rate notes, 4) hedge against changes in interest rates that could impact future debt issuances, 5) hedge cash or share payments required on conversion of issued convertible notes, 6) hedge a net investment in a foreign operation, or 7) economically hedge the foreign currency exposure associated with the purchase price of non-U.S. acquisitions or divestitures. Derivatives are recognized as assets or liabilities in the consolidated balance sheets at their fair value. When the derivative instrument qualifies as a cash flow hedge, changes in the fair value are deferred through other comprehensive earnings. If a derivative instrument qualifies as a fair value hedge, the changes in the fair value, as well as the offsetting changes in the fair value of the hedged items, are generally included in within the same line item in the consolidated statements of operations as the hedged item. When such instruments do not qualify for hedge accounting the changes in fair value are recorded in the consolidated statements of operations within *Other income, net*.

Financial Instruments. The Company's financial instruments consist primarily of short-term and long-term debt, interest rate swaps, forward contracts and option contracts. The Company's financial instruments also include cash and cash equivalents as well as accounts and other receivables and accounts payable, the fair values of which approximate their carrying values. As a policy, the Company does not engage in speculative or leveraged transactions.

The Company carries derivative instruments in the consolidated balance sheets at fair value, determined by reference to market data such as forward rates for currencies, implied volatility, and interest rate swap yield curves. The accounting for changes in the fair value of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and, if so, the reason for holding it. In addition, the Company has designated certain long-term debt instruments as net investment hedges.

Recent Accounting Pronouncements.

Adoption of New Accounting Standards

In September 2022, the FASB issued ASU 2022-04, *Liabilities—Supplier Finance Programs (Subtopic 405-50),* which requires entities to provide qualitative and quantitative disclosures about their supplier finance programs, including a rollforward of related obligations. We adopted this ASU effective January 1, 2023, with the exception of the amendment on rollforward information, which will be adopted in our fiscal year beginning on January 1, 2024 as set forth in ASU 2022-04. Refer to Note 6 *Balance Sheet Components* for additional information. The adoption of ASU 2022-04 did not affect the Company's financial condition, results of operations or cash flows as the guidance only requires additional disclosures.

In October 2021, the FASB issued Accounting Standards Update 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which requires entities (acquirers) to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with ASC Topic 606. We adopted this ASU effective January 1, 2023. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements and disclosures.

Accounting Standards Issued Not Yet Adopted

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848) Facilitation of the Effects of Reference Rate Reform on Financial Reporting* ("ASU 2020-04"), which for a limited period of time adds ASC 848 to provide optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. ASU 2020-04 applies only to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. On December 21, 2022, the FASB issued ASU 2022-06 to defer the sunset date of ASC 848 until December 31, 2024. ASU 2022-06 became effective upon issuance. Entities can apply the provisions of ASU 2020-04 immediately, as applicable, and generally the provisions of the guidance are available through December 31, 2024 as entities transition away from reference rates that are expected to be discontinued. The Company is currently assessing the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* ("ASU 2023-07"), which includes amendments to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss, provide new segment disclosure requirements for entities with a single reportable segment, and contain other disclosure requirements. The amendments in ASU 2023-07 are effective for all public entities for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption is permitted. The Company is currently assessing the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"), which requires expanded income tax disclosures, including greater disaggregation of information in the effective tax rate reconciliation and of income taxes paid. The amendments in ASU 2023-09 are effective for all public entities for fiscal years beginning after December 15, 2024, with early adoption is permitted. The Company is currently assessing the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

3. Revenue Recognition and Accounts Receivable

The following table presents the Company's net sales by product category for each of our reportable segments for the years ended December 31, 2023, 2022, and 2021, respectively:

(In millions)	**2023 Net Sales**				
Product Category	**Developed Markets**	**Greater China**	**JANZ**	**Emerging Markets**	**Total**
Brands	5,239.0	2,152.1	782.9	1,626.5	9,800.5
Generics	4,012.9	8.3	641.6	925.1	5,587.9
Total Viatris	$ 9,251.9	$ 2,160.4	$ 1,424.5	$ 2,551.6	$ 15,388.4

(In millions)	**2022 Net Sales**				
Product Category	**Developed Markets**	**Greater China**	**JANZ**	**Emerging Markets**	**Total**
Brands	5,160.4	2,190.7	922.6	1,615.9	9,889.6
Generics	4,608.5	10.5	709.8	999.7	6,328.5
Total Viatris	$ 9,768.9	$ 2,201.2	$ 1,632.4	$ 2,615.6	$ 16,218.1

(In millions)	2021 Net Sales				
Product Category	**Developed Markets**	**Greater China**	**JANZ**	**Emerging Markets**	**Total**
Brands	5,759.2	2,207.8	1,197.1	1,677.2	10,841.3
Generics	4,669.5	5.0	830.3	1,467.5	6,972.3
Total Viatris	$ 10,428.7	$ 2,212.8	$ 2,027.4	$ 3,144.7	$ 17,813.6

[a] Amounts include the impact of foreign currency translations compared to the prior year period.

[b] Amounts for the years ended December 31, 2022 and 2021 include approximately $601.1 million and $607.3 million, respectively, related to the biosimilars business which was contributed to Biocon Biologics in November 2022. The Company has not recognized the results of the biosimilars business in its consolidated financial statements subsequent to November 29, 2022.

[c] As a result of the contribution of the biosimilars business to Biocon Biologics in November 2022, *Complex Gx and Biosimilars*, which were previously presented as a separate line item, are now included within *Generics*. Reclassifications were made to prior periods to conform to the current period presentation.

The following table presents net sales on a consolidated basis for select key products for the years ended December 31, 2023, 2022, and 2021, respectively:

	Year Ended December 31,		
(In millions)	**2023**	**2022**	**2021**
Select Key Global Products			
Lipitor ®	$ 1,559.3	$ 1,635.2	$ 1,663.2
Norvasc ®	732.4	775.1	824.7
Lyrica ®	556.5	623.8	728.5
EpiPen® Auto-Injectors	442.2	378.0	391.7
Viagra ®	428.8	458.9	533.8
Celebrex ®	330.6	338.1	344.4
Creon ®	304.9	304.0	309.8
Effexor ®	262.9	279.6	316.8
Zoloft ®	235.7	246.2	284.3
Xalabrands	193.2	195.1	226.0
Select Key Segment Products			
Yupelri ®	$ 220.8	$ 202.1	$ 161.9
Dymista ®	200.0	179.8	168.0
Influvac ®	192.4	225.5	299.3
Amitiza ®	157.0	167.9	201.5
Xanax ®	154.8	156.5	185.9

[a] The Company does not disclose net sales for any products considered competitively sensitive.

[b] Products disclosed may change in future periods, including as a result of seasonality, competition or new product launches.

[c] Amounts include the impact of foreign currency translations compared to the prior year period.

[d] Refer to intellectual property matters included in Note 19 *Litigation* for additional information regarding Yupelri® and Amitiza®.

Variable Consideration and Accounts Receivable

The following table presents a reconciliation of gross sales to net sales by each significant category of variable consideration during the years ended December 31, 2023, 2022 and 2021, respectively:

(In millions)	Year Ended December 31, 2023	2022	2021
Gross sales	$ 25,693.1	$ 27,662.1	$ 30,553.4
Gross to net adjustments:			
Chargebacks	(5,457.9)	(6,192.2)	(5,530.1)
Rebates, promotional programs and other sales allowances	(3,857.6)	(4,346.2)	(6,135.6)
Returns	(223.2)	(296.7)	(384.6)
Governmental rebate programs	(766.0)	(608.9)	(689.5)
Total gross to net adjustments	$ (10,304.7)	$ (11,444.0)	$ (12,739.8)
Net sales	$ 15,388.4	$ 16,218.1	$ 17,813.6

[a] Amounts for the years ended December 31, 2022 and 2021 include the biosimilars business which was contributed to Biocon Biologics in November 2022. The Company has not recognized the results of the biosimilars business in its consolidated financial statements subsequent to November 29, 2022.

The following is a rollforward of the categories of variable consideration during 2023:

(In millions)	Balance at December 31, 2022	Current Provision Related to Sales Made in the Current Period	Acquisitions, Divestitures, and Other	Checks/ Credits Issued to Third Parties	Effects of Foreign Exchange	Balance at December 31, 2023
Chargebacks	$ 523.4	$ 5,457.9	$ (8.1)	$ (5,443.6)	$ 0.7	$ 530.3
Rebates, promotional programs and other sales allowances	1,284.2	3,857.6	20.6	(4,071.3)	11.8	1,102.9
Returns	513.4	223.2	(26.2)	(286.8)	1.8	425.4
Governmental rebate programs	366.5	766.0	8.7	(726.3)	6.4	421.3
Total	$ 2,687.5	$ 10,304.7	$ (5.0)	$ (10,528.0)	$ 20.7	$ 2,479.9

Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net revenues and as a contra asset in accounts receivable, net (if settled via credit) and other current liabilities (if paid in cash). Accounts receivable are presented net of allowances relating to these provisions, which were comprised of the following at December 31, 2023 and 2022, respectively:

(In millions)	December 31, 2023	December 31, 2022
Accounts receivable, net	$ 1,483.6	$ 1,798.7
Other current liabilities	996.3	888.8
Total	$ 2,479.9	$ 2,687.5

We have not made and do not anticipate making any significant changes to the methodologies that we use to measure provisions for variable consideration; however, the balances within these reserves can fluctuate significantly through the consistent application of our methodologies. Historically, we have not recorded in any current period any material amounts related to adjustments made to prior period reserves.

Accounts receivable, net was comprised of the following at December 31, 2023 and 2022, respectively:

(In millions)	December 31, 2023	December 31, 2022
Trade receivables, net	$ 2,823.8	$ 3,243.8
Other receivables	876.6	570.7
Accounts receivable, net	$ 3,700.4	$ 3,814.5

Total allowances for doubtful accounts were $118.8 million and $114.7 million at December 31, 2023 and 2022, respectively. Viatris performs ongoing credit evaluations of its customers and generally does not require collateral. Approximately 28% and 23% of the accounts receivable balances represent amounts due from three customers at December 31, 2023 and 2022, respectively.

Accounts Receivable Factoring Arrangements

We have entered into accounts receivable factoring agreements with financial institutions to sell certain of our non-U.S. accounts receivable. These transactions are accounted for as sales and result in a reduction in accounts receivable because the agreements transfer effective control over and risk related to the receivables to the buyers. Our factoring agreements do not allow for recourse in the event of uncollectibility, and we do not retain any interest in the underlying accounts receivable once sold. We derecognized $30.8 million and $34.7 million of accounts receivable as of December 31, 2023 and 2022, respectively, under these factoring arrangements. Additionally, in 2023, we entered into a similar arrangement for certain European countries. As of December 31, 2023, we have assigned and derecognized approximately $415.7 million of *Trade Receivables, Net* which are now included in *Other Receivables*.

4. Acquisitions and Other Transactions

Oyster Point Acquisition

During the first quarter of 2023, the Company completed the acquisition of Oyster Point for approximately $427.4 million in cash, which included $11 per share paid to Oyster Point stockholders through a tender offer, payment for vested share-based awards, and the repayment of the Oyster Point debt.

Vested share-based awards to acquire Oyster Point common stock that were outstanding immediately prior to the closing of the acquisition were cancelled in exchange for the right to receive an amount in cash based upon a formula contained within the merger agreement. The unvested share-based awards were converted into Viatris share-based awards based upon a formula contained within the merger agreement.

In accordance with U.S. GAAP, the Company used the acquisition method of accounting to account for this transaction. Under the acquisition method of accounting, the assets acquired and liabilities assumed in the transaction were recorded at their respective estimated fair values at the acquisition date. During the year ended December 31, 2023, the Company incurred acquisition related costs of approximately $22.8 million, which were recorded primarily in SG&A in the consolidated statement of operations.

During the year ended December 31, 2023, adjustments were made to the preliminary purchase price recorded at January 3, 2023, and are reflected as "Measurement Period Adjustments" in the table below. The U.S. GAAP purchase price was $392.7 million, net of cash acquired. The allocation of the purchase price to the assets acquired and liabilities assumed for Oyster Point is as follows:

(In millions)	Preliminary Purchase Price Allocation as of January 3, 2023 [(a)]	Measurement Period Adjustments [(b)]	Purchase Price Allocation as of December 31, 2023 (as adjusted)
Current assets (excluding inventories and net of cash acquired)	$ 26.9	$ —	$ 26.9
Inventories	37.8	—	37.8
Property, plant and equipment	1.4	—	1.4
Identified intangible assets	334.0	—	334.0
Goodwill	5.9	0.8	6.7
Deferred income tax benefit	17.7	(0.8)	16.9
Other assets	7.7	—	7.7
Total assets acquired	$ 431.4	$ —	$ 431.4
Current liabilities	37.0	—	37.0
Other noncurrent liabilities	1.7	—	1.7
Net assets acquired (net of $34.7 of cash acquired)	$ 392.7	$ —	$ 392.7

(a) As previously reported in the Company's Quarterly Report on Form 10-Q for the three months ended March 31, 2023.

(b) The measurement period adjustments were recorded in the fourth quarter of 2023 and are related to income taxes.

The Company recorded a step-up in the fair value of inventory of approximately $29.3 million, which was fully amortized during the year ended December 31, 2023 and is included in *Cost of sales* in the consolidated statement of operations.

The identified intangible assets of $334.0 million are comprised of product rights and licenses related to a commercial asset, Tyrvaya®, for the treatment of dry eye disease, that have an estimated useful life of 10 years. Significant assumptions utilized in the valuation of identified intangible assets were based on company specific information and projections which are not observable in the market and are thus considered Level 3 measurements as defined by U.S. GAAP.

The goodwill of $6.7 million arising from the acquisition consisted largely of the value of the employee workforce and the expected value of products to be developed in the future. All of the goodwill was assigned to the Developed Markets segment. None of the goodwill recognized in this transaction is currently expected to be deductible for income tax purposes. The operating results of Oyster Point have been included in the Company's consolidated statements of operations since the acquisition date. The total revenues of Oyster Point for the period from the acquisition date to December 31, 2023 were $41.7 million and net loss, net of tax, was approximately $163.1 million. The net loss for the period includes the effect of the purchase accounting adjustments and acquisition related costs.

The following table presents supplemental unaudited pro forma information for the acquisition, as if it had occurred on January 1, 2022. The unaudited pro forma results reflect certain adjustments related to past operating performance and acquisition accounting adjustments, such as increased amortization expense based on the fair value of assets acquired, the impact of transaction costs and the related income tax effects. The unaudited pro forma results do not include any anticipated synergies which may be achievable, or have been achieved, subsequent to the closing of the acquisition. Accordingly, the unaudited pro forma results are not necessarily indicative of the results that actually would have occurred had the acquisitions been completed on the stated date above, nor are they indicative of the future operating results of Viatris and its subsidiaries.

(Unaudited, in millions, except per share amounts)	Year Ended December 31, 2023	December 31, 2022
Total revenues	$ 15,426.9	$ 16,283.4
Net earnings	$ 93.8	$ 1,905.7
Earnings per share:		
Basic	$ 0.08	$ 1.57
Diluted	$ 0.08	$ 1.57
Weighted average shares outstanding:		
Basic	1,200.3	1,212.1
Diluted	1,206.9	1,217.4

Famy Life Sciences Acquisition

On November 7, 2022, the Company entered into a definitive agreement to acquire the remaining equity shares of Famy Life Sciences, a privately-owned research company with a complementary portfolio of ophthalmology therapies under development, for consideration of $281 million. The Company had previously entered into a Master Development Agreement with Famy Life Sciences on December 20, 2019 under which the Company obtained rights with respect to acquiring certain pharmaceutical products and a 13.5% equity interest in Famy Life Sciences for $25.0 million. The investment was accounted for in accordance with ASC 321, *Investments - Equity Securities*.

The transaction to acquire the remaining equity shares of Famy Life Sciences closed during the first quarter of 2023. The Company recognized a gain of $18.9 million during the first quarter of 2023 as a result of remeasuring its pre-existing 13.5% equity interest in Famy Life Sciences to fair value, which was recognized as a component of *Other income, net* in the consolidated statements of operations.

In accordance with U.S. GAAP, the Company used the acquisition method of accounting to account for this transaction. Under the acquisition method of accounting, the assets acquired and liabilities assumed in the transaction were recorded at their respective estimated fair values at the acquisition date. The U.S. GAAP purchase price allocated to the transaction was $325.0 million, which consisted of $281 million of cash consideration paid for the remaining equity shares and $43.9 million for the fair value of the pre-existing 13.5% equity interest.

During the year ended December 31, 2023, an adjustment was made to the preliminary purchase price recorded at January 3, 2023, and is reflected as “Measurement Period Adjustments” in the table below. The allocation of the purchase price to the assets acquired and liabilities assumed for Famy Life Sciences is as follows:

(In millions)	Preliminary Purchase Price Allocation as of January 3, 2023 [(a)]	Measurement Period Adjustments [(b)]	Purchase Price Allocation as of December 31, 2023 (as adjusted)
IPR&D	$ 290.0	$ —	$ 290.0
Goodwill	89.3	(0.1)	89.2
Total assets acquired	$ 379.3	$ (0.1)	$ 379.2
Current liabilities	2.2	—	2.2
Deferred tax liabilities	52.1	(0.1)	52.0
Net assets acquired (net of $0.2 of cash acquired)	$ 325.0	$ —	$ 325.0

(a) As previously reported in the Company’s Quarterly Report on Form 10-Q for the three months ended March 31, 2023.

(b) The measurement period adjustment was recorded in the fourth quarter of 2023 and is related to income taxes.

The amount allocated to IPR&D represents an estimate of the fair value of purchased in-process technology for research projects that, as of the closing date of the acquisition, had not reached technological feasibility and had no alternative future use. The fair value of IPR&D of $290.0 million was based on the excess earnings method, which utilizes forecasts of expected cash inflows (including estimates for ongoing costs) and other contributory charges. A discount rate of 23.9% was utilized to discount net cash inflows to present values. IPR&D is accounted for as an indefinite-lived intangible asset and will be subject to impairment testing until completion or abandonment of the projects. Upon successful completion and launch of each product, the Company will make a determination of the estimated useful life of the individual asset. The acquired IPR&D projects are in various stages of completion and the estimated costs to complete these projects total approximately $120 million, which are expected to be incurred through 2024. There are risks and uncertainties associated with the timely and successful completion of the projects included in IPR&D, and no assurances can be given that the underlying assumptions used to estimate the fair value of IPR&D will not change or the timely completion of each project to commercial success will occur.

The goodwill of $89.2 million arising from the acquisition consisted largely of the value of the employee workforce and the expected value of products to be developed in the future. All of the goodwill was assigned to the Developed Markets segment. None of the goodwill recognized in this transaction is currently expected to be deductible for income tax purposes. The acquisition did not have a material impact on the Company's results of operations since the acquisition date or on a pro forma basis for the years ended December 31, 2023 and 2022.

Ophthalmology is one of the key therapeutic areas of focus that the Company announced in February 2022 when it announced plans for certain strategic actions. With the combination of Viatris' global commercial footprint, R&D and regulatory capabilities and supply chain, along with Oyster Point's deep knowledge of the ophthalmology space from a clinical, medical, regulatory and commercial perspective—including Tyrvaya®—and Famy Life Sciences' Phase III-ready pipeline, the Company believes it has the foundation to create a leading global ophthalmology franchise, accelerating efforts to address the unmet needs of patients with ophthalmic disease and the eye care professionals who treat them.

Idorsia

On February 28, 2024, the Company announced that it will acquire the development programs and certain personnel related to selatogrel and cenerimod from Idorsia in exchange for an upfront payment to Idorsia of $350 million, potential development and regulatory milestone payments, and certain contingent payments of additional sales milestone payments and tiered sales royalties. Viatris and Idorsia will both contribute to the development costs for both programs. Viatris will have worldwide commercialization rights for both selatogrel and cenerimod (excluding, for cenerimod only, Japan, South Korea and certain countries in the Asia-Pacific region). The agreements also provide Viatris a right of first refusal and a right of first negotiation for certain other assets in Idorsia's pipeline. The closing of the transaction is subject to certain closing conditions.

5. Divestitures

On October 1, 2023, the Company announced it received an offer for the divestiture of its OTC Business, and entered into definitive agreements to divest its women's healthcare business and, separately, in another transaction, its rights to two women's healthcare products in certain countries, its API business in India and commercialization rights in the Upjohn Distributor Markets. The divestiture of the women's healthcare business is primarily related to our oral and injectable contraceptives and does not include all of our women's healthcare related products; as an example, our Xulane® product in the U.S. is excluded. The transaction to divest the Company's rights to two women's healthcare products in certain countries (other than in the U.K., which remains subject to regulatory approval) closed in December 2023. The divestitures of the commercialization rights in certain of the Upjohn Distributor Markets closed during 2023. Additionally, we expect to consummate the divestiture of our women's healthcare business and our API business in India by the end of the first quarter of 2024, and in January 2024, we exercised our option to accept the offer in the OTC Transaction and entered into a definitive transaction agreement with respect to such OTC Transaction. We currently expect the OTC Transaction to close by mid-year 2024. The transactions that have not yet closed remain subject to regulatory approvals, receipt of required consents and other closing conditions, including, in the case of the API business divestiture, a financing condition.

Under the terms of the agreements, Viatris expects to receive gross proceeds of up to approximately $2.17 billion for the OTC Business and up to approximately $1.4 billion for the remaining divestitures. Upon closing of the divestitures of the women's healthcare and API businesses, the Company expects to record gains for the differences between the expected consideration to be received and the carrying values of the businesses to be divested. The OTC, API and women's healthcare businesses are deemed businesses for U.S. GAAP accounting purposes. As such, the assets and liabilities include an allocation of goodwill. The sale of the rights to two women's healthcare products in certain countries was accounted for as an asset sale. In conjunction with these transactions, Viatris and the respective buyers have entered or will enter into various agreements to provide a framework for our relationship with the respective buyers after the closing of the divestitures, including TSAs, manufacturing and supply agreements, and distribution agreements, as necessary.

Women's Healthcare

In the third quarter of 2023, Viatris executed an agreement to divest its women's healthcare business, primarily related to oral and injectable contraceptives, to Insud Pharma, S. L., a leading Spanish multinational pharmaceutical company. The transaction includes two manufacturing facilities in India. Viatris expects to consummate the divestiture of its women's healthcare business by the end of the first quarter of 2024, subject to the satisfaction of certain closing conditions. Assets and liabilities associated with the women's healthcare business to be divested were classified as held for sale in the consolidated balance sheet as of December 31, 2023.

In the third quarter of 2023, Viatris also entered into a separate agreement to divest its rights to women's healthcare products Duphaston® and Femoston® in certain countries to Theramex HQ UK Limited, a leading global specialty pharmaceutical company dedicated to women's health. The transaction (other than in the U.K., which remains subject to regulatory approval) closed in December 2023, and upon closing, the Company recognized a pre-tax gain on sale of approximately $156.2 million for the difference between the consideration received and the carrying value of the assets transferred. The gain was recorded as a component of *SG&A* expense in the consolidated statement of operations during the year ended December 31, 2023.

OTC

On October 1, 2023, Viatris received an offer from Cooper Consumer Health SAS, a leading European OTC drug manufacturer and distributor, for Viatris to divest its OTC Business, including two manufacturing sites located in Merignac, France, and Confienza, Italy, and an R&D site in Monza, Italy. In January 2024, Viatris exercised its option to accept the offer in the OTC Transaction and entered into a definitive transaction agreement with respect to such OTC Transaction. The Company will retain rights for Viagra®, Dymista® (which, in certain limited markets, are sold as OTC products) and select OTC products in certain markets.

The OTC Business to be divested met the criteria to be classified as held for sale on October 1, 2023. As such, the related assets and liabilities were classified as held for sale in the consolidated balance sheet as of December 31, 2023. Upon classification as held for sale, we recognized a total charge of approximately $734.7 million, which was comprised of a goodwill impairment charge of approximately $580.1 million (recorded as a component of *SG&A* expense), and a charge of approximately $154.7 million to write down the disposal group to fair value, less cost to sell (recorded as a component of *Other income, net)* in the consolidated statement of operations, during the year ended December 31, 2023.

API

On October 1, 2023, Viatris executed an agreement to divest its API business in India to an affiliate of IQuest Enterprises Private Limited, a privately held pharmaceutical company based in India. The transaction includes three manufacturing sites and a R&D lab in Hyderabad, three manufacturing sites in Vizag and third-party API sales. Viatris expects to consummate the divestiture of its API business in India by the end of the first quarter of 2024, subject to the satisfaction of certain closing conditions. Viatris will retain some selective R&D capabilities in API. The API business in India met the criteria to be classified as held for sale on October 1, 2023 and the related assets and liabilities were reclassified as held for sale in the consolidated balance sheet as of December 31, 2023.

Upjohn Distributor Markets

In the fourth quarter of 2022, the commercialization rights in the Upjohn Distributor Markets met the criteria to be classified as held for sale. Upon classification as held for sale, the Company recognized a total charge of $374.2 million in 2022, which was comprised of a goodwill impairment charge of $117.0 million, other charges, principally inventory write-offs, of $84.3 million and a charge of approximately $172.9 million to write down the disposal group to fair value, less cost to sell. During the year ended December 31, 2023, the Company recorded additional charges totaling $136.4 million, primarily consisting of losses on the disposals of $85.2 million, which were recorded as a component of *Other Income, Net*. The majority of the divestitures of the commercialization rights in the Upjohn Distributor Markets closed during 2023 and the remaining transactions are expected to be completed during 2024. If the remaining transactions are not completed, the distribution arrangements will expire in accordance with our agreement with Pfizer and the Company will wind down operations in these markets, which may result in additional asset write-offs and other costs being incurred.

Biocon Biologics Transaction

On November 29, 2022, Viatris completed a transaction to contribute its biosimilars portfolio to Biocon Biologics. Under the terms of the Biocon Agreement, Viatris received $3 billion in consideration in the form of a $2 billion cash payment, adjusted as set forth in the Biocon Agreement, and approximately $1 billion of CCPS representing a stake of approximately 12.9% (on a fully diluted basis) in Biocon Biologics. During the year ended December 31, 2023, the Company recorded a loss of $21.1 million as a component of *Other Income, Net*, as a result of remeasuring the CCPS in Biocon Biologics to fair value. The Company's CCPS in Biocon Biologics are classified as equity securities and are included in *Other Assets* in the consolidated balance sheets. The fair value is reassessed quarterly. Refer to Note 9 *Financial Instruments and Risk Management* for further discussion. Viatris also is entitled to $335 million of additional cash payments in 2024. In addition, Viatris and Biocon Biologics have agreed to a closing working capital target of $250 million, of which $220 million was paid during 2023. The remaining amount may become payable to Biocon Biologics in connection with certain events in the future, depending on the valuations attributable to such events. Refer to Note 6 *Balance Sheet Components* for additional information on assets and liabilities related to Biocon Biologics.

At the time of closing of the Biocon Biologics Transaction, Viatris and Biocon Biologics also entered an agreement pursuant to which Viatris was providing commercialization and certain other transition services on behalf of Biocon Biologics, including billings, collections and the remittance of rebates, to ensure business continuity for patients, customers and colleagues. Biocon Biologics had substantially exited all transition services with Viatris as of December 31, 2023. During the years ended December 31, 2023 and 2022, the Company recognized TSA income of approximately $168.0 million and $17.7 million, respectively, as a component of *Other Income, Net*.

Upon closing of the Biocon Biologics Transaction, the Company recognized a gain on sale of approximately $1.75 billion for the difference between the consideration received, including the fair value of the CCPS, and the carrying value of the biosimilars portfolio (including an allocation of goodwill). The gain was recognized as a component of *Other Income, Net* in the consolidated statement of operations during the year ended December 31, 2022. The Company has not recognized the results of the business in its consolidated financial statements subsequent to November 29, 2022.

The Company had previously entered into an exclusive collaboration with Biocon on the development, manufacturing, supply and commercialization of multiple, high value biosimilar compounds and three insulin analog products for the global marketplace. The collaboration was terminated upon closing of the Biocon Biologics Transaction.

Assets and Liabilities Held for Sale

Assets and liabilities held for sale consisted of the following:

(In millions)	**December 31, 2023**	**December 31, 2022**
Assets held for sale		
Accounts receivable, net	$ 112.1	$ —
Inventories	422.4	—
Prepaid expenses and other current assets	7.5	—
Property, plant and equipment, net	262.2	—
Intangible assets, net	1,946.0	230.3
Goodwill	188.0	—
Other assets	5.1	—
Valuation allowance on assets held for sale	(157.3)	—
Total assets held for sale	$ 2,786.0	$ 230.3
Liabilities held for sale		
Accounts payable	$ 137.4	$ —
Other current liabilities	35.3	—
Deferred income tax liability	77.2	—
Other long-term obligations	25.2	—
Total liabilities held for sale	$ 275.1	$ —

Other

On April 30, 2021, the Company completed an agreement to divest a group of OTC products in the U.S. As a result of this transaction, the Company recognized an intangible asset impairment charge of approximately $83.4 million during the year ended December 31, 2021.

6. Balance Sheet Components

Selected balance sheet components consist of the following:

Cash and restricted cash

(In millions)	December 31, 2023	December 31, 2022	December 31, 2021
Cash and cash equivalents	$ 991.9	$ 1,259.9	$ 701.2
Restricted cash, included in prepaid and other current assets	1.7	2.6	5.0
Cash, cash equivalents and restricted cash	$ 993.6	$ 1,262.5	$ 706.2

Inventories

(In millions)	December 31, 2023	December 31, 2022
Raw materials	$ 731.7	$ 571.5
Work in process	602.1	755.4
Finished goods	2,135.9	2,192.6
Inventories	$ 3,469.7	$ 3,519.5

Inventory reserves totaled $479.3 million and $484.8 million at December 31, 2023 and 2022, respectively. Included as a component of cost of sales is expense related to the net realizable value of inventories of $226.9 million, $326.1 million and $474.9 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Prepaid expenses and other current assets

(In millions)	December 31, 2023	December 31, 2022
Prepaid expenses	$ 155.9	$ 194.6
Deferred consideration due from Biocon Biologics	321.2	—
Available-for-sale fixed income securities	37.0	35.3
Fair value of financial instruments	106.2	134.7
Equity securities	49.3	42.6
Deferred charge for taxes on intercompany profit	747.3	747.2
Income tax receivable	340.2	328.4
Other current assets	271.0	328.4
Prepaid expenses and other current assets	$ 2,028.1	$ 1,811.2

Prepaid expenses consist primarily of prepaid rent, insurance and other individually insignificant items.

Property, plant and equipment, net

(In millions)	December 31, 2023	December 31, 2022
Machinery and equipment	$ 2,774.5	$ 2,936.7
Buildings and improvements	1,444.4	1,539.7
Construction in progress	431.2	474.0
Land and improvements	120.2	133.4
Gross property, plant and equipment	4,770.3	5,083.8
Accumulated depreciation	2,010.7	2,059.3
Property, plant and equipment, net	$ 2,759.6	$ 3,024.5

Capitalized software costs included in our consolidated balance sheets were $167.2 million and $121.5 million, net of accumulated depreciation, at December 31, 2023 and 2022, respectively. The Company periodically reviews the estimated useful lives of assets and makes adjustments when appropriate. Depreciation expense was approximately $362.1 million, $349.5 million and $509.5 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Other assets

(In millions)	December 31, 2023	December 31, 2022
CCPS in Biocon Biologics	$ 976.3	$ 997.4
Operating lease right-of-use assets	245.6	259.3
Non-marketable equity investments	165.7	94.0
Deferred consideration due from Biocon Biologics	—	299.5
Other long-term assets	821.1	753.3
Other assets	$ 2,208.7	$ 2,403.5

Accounts payable

(In millions)	December 31, 2023	December 31, 2022
Trade accounts payable	$ 1,381.4	$ 1,158.0
Other payables	556.8	608.6
Accounts payable	$ 1,938.2	$ 1,766.6

The Company has certain voluntary supply chain finance programs with financial intermediaries which provide participating suppliers the option to be paid by the intermediary earlier than the original invoice due date. The Company’s responsibility is limited to making payments on the terms originally negotiated with the suppliers, regardless of whether the intermediary pays the supplier in advance of the original due date. The range of payment terms the Company negotiates with suppliers are consistent, regardless of whether a supplier participates in a supply chain finance program. The total amounts due to financial intermediaries to settle supplier invoices under supply chain finance programs as of December 31, 2023 and 2022 were $65.1 million and $33.4 million, respectively. These amounts are included within *Accounts payable* in the consolidated balance sheets.

Other current liabilities

(In millions)	December 31, 2023	December 31, 2022
Accrued sales allowances	$ 996.3	$ 888.8
Payroll and employee benefit liabilities	844.5	746.8
Legal and professional accruals, including litigation accruals	244.0	297.2
Contingent consideration	76.1	64.4
Accrued restructuring	36.4	95.3
Accrued interest	66.8	80.2
Fair value of financial instruments	124.6	187.0
Operating lease liability	83.0	80.6
Due to Biocon Biologics	23.8	22.5
Other	898.4	978.1
Other current liabilities	$ 3,393.9	$ 3,440.9

Other long-term obligations

(In millions)	December 31, 2023	December 31, 2022
Employee benefit liabilities	$ 504.3	$ 544.6
Contingent consideration [(1)]	139.0	310.6
Tax related items, including contingencies	399.3	414.6
Operating lease liability	165.4	181.4
Accrued restructuring	59.2	60.4
Other	249.7	244.9
Other long-term obligations	$ 1,516.9	$ 1,756.5

(1) Balances as of December 31, 2023 and 2022 include a total of $15.8 million and $221.2 million, respectively, due to Biocon Biologics. Refer to Note 9 *Financial Instruments and Risk Management* for additional information.

7. Leases

The Company has operating leases of real estate, consisting primarily of administrative offices, manufacturing and distribution facilities, and R&D facilities. We also have operating leases of certain equipment, primarily automobiles, and certain limited supply arrangements.

We elected to apply the practical expedient to not separate lease and non-lease components for our leases except for those related to certain limited supply arrangements. We have also elected to apply the short-term lease recognition exemption which means we will not recognize ROU assets or lease liabilities for leases with an initial term of 12 months of less.

As of December 31, 2023, the Company recognized ROU assets of $245.6 million and total lease liabilities of $248.4 million. The Company's ROU assets are recorded in other assets. The related lease liability balances are recorded in other current liabilities and other long-term obligations in the consolidated balance sheets. Refer to Note 6 *Balance Sheet Components* for additional information.

ROU assets and liabilities are recognized at the present value of the future minimum lease payments over the lease term at commencement date. As most of our leases do not provide an implicit rate, we use an applicable incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. Options to extend or terminate the ROU assets are reviewed at lease inception and these options are accounted for when they are reasonably certain of being exercised.

Other information related to leases was as follows:

	As of December 31, 2023
Remaining lease terms	1 year to 21 years
Weighted-average remaining lease term	5 years
Weighted-average discount rate	3.3 %

As of December 31, 2023, maturities of lease liabilities were as follows for each of the years ending December 31:

(In millions)		
2024	$	79.3
2025		62.7
2026		41.5
2027		30.4
2028		17.3
Thereafter		39.5
Total lease payments	$	270.7
Less imputed interest		22.3
Total lease liability	$	248.4

As of December 31, 2023, the Company had additional leases, primarily for administrative offices, that have not yet commenced totaling approximately $6.1 million. For the years ended December 31, 2023, 2022 and 2021, the Company had operating lease expense of approximately $87.6 million, $90.9 million and $97.6 million, respectively. Operating lease costs are classified primarily as SG&A and cost of sales in the consolidated statements of operations.

8. Goodwill and Intangible Assets

Goodwill

The changes in the carrying amount of goodwill for the years ended December 31, 2023 and 2022 are as follows:

(In millions)	Developed Markets [1]	Greater China	JANZ [2]	Emerging Markets [3]	Total
Balance at December 31, 2021	$ 8,723.4	$ 969.5	$ 776.3	$ 1,644.5	$ 12,113.7
Disposition [4]	(743.9)	(2.7)	(32.6)	(140.5)	(919.7)
Impairment	—	—	—	(117.0)	(117.0)
Foreign currency translation	(518.0)	(26.2)	(54.7)	(52.3)	(651.2)
Balance at December 31, 2022	$ 7,461.5	$ 940.6	$ 689.0	$ 1,334.7	$ 10,425.8
Acquisitions	95.9	—	—	—	95.9
Impairment [4]	(544.0)	—	(30.0)	(7.0)	(581.0)
Reclassification to assets held for sale	(52.0)	—	—	(137.0)	(189.0)
Foreign currency translation	146.0	(7.8)	(13.3)	(9.5)	115.4
Balance at December 31, 2023	$ 7,107.4	$ 932.8	$ 645.7	$ 1,181.2	$ 9,867.1

(1) Balance as of December 31, 2023 includes an accumulated impairment loss of $929.0 million. Balances as of December 31, 2022 and 2021 include an accumulated impairment loss of $385.0 million.

(2) Balance as of December 31, 2023 includes an accumulated impairment loss of $30.0 million.

(3) Balance as of December 31, 2023 includes an accumulated impairment loss of $124.0 million. Balance as of December 31, 2022 includes an accumulated impairment loss of $117.0 million.

(4) Reflects goodwill relating to the divestitures. Refer to Note 5 *Divestitures* for additional information.

The Company reviews goodwill for impairment annually on April 1st or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable. The Company performed the annual goodwill impairment test as of April 1, 2023.

The Company performed its annual goodwill impairment test on a quantitative basis for its five reporting units, North America, Europe, Emerging Markets, JANZ, and Greater China. In estimating each reporting unit's fair value, the Company performed an extensive valuation analysis, utilizing a discounted cash flow approach. The determination of the fair value of the reporting units requires the Company to make significant estimates and assumptions that affect the reporting unit's expected future cash flows. These estimates and assumptions, utilizing Level 3 inputs, primarily include, but are not limited to, the discount rate, terminal growth rates, operating income before depreciation and amortization, capital expenditures forecasts and control premiums.

When compared to the prior year's annual goodwill impairment test completed on April 1, 2022, the Company has experienced significant fluctuations in foreign exchange rates in certain international markets, combined with a significant increase in market interest rates. These market factors have caused the discount rate utilized in all our reporting units to increase between 1.0% to 4.5%, resulting in a significant reduction in the calculated fair values at April 1, 2023 for all our reporting units. Also, in conjunction with the Company's annual strategic planning process which included determining long-term growth rate targets for our business, operational results during the forecast period were reduced and long-term growth rates were increased. As a result of these changes, the calculated fair values of the North America, Greater China and Europe reporting units declined in excess of 10% and the JANZ and Emerging Markets reporting units declined in excess of 15% when compared to the prior year fair values.

As of April 1, 2023, the allocation of the Company's total goodwill was as follows: North America $3.15 billion, Europe $4.47 billion, Emerging Markets $1.34 billion, JANZ $0.68 billion and Greater China $0.94 billion.

As of April 1, 2023, the Company determined that the fair value of the North America and Greater China reporting units was substantially in excess of the respective unit's carrying value.

For the Europe reporting unit, the estimated fair value exceeded its carrying value by approximately $535 million or 3.9% for the annual goodwill impairment test. As it relates to the discounted cash flow approach for the Europe reporting unit at April 1, 2023, the Company forecasted cash flows for the next 10 years. During the forecast period, the revenue compound annual growth rate was approximately 2.4%. A terminal year value was calculated with a 2.0% revenue growth rate applied. The discount rate utilized was 11.0% and the estimated tax rate was 14.9%. If all other assumptions are held constant, a reduction in the terminal value growth rate by 1.0% or an increase in discount rate by 0.5% would result in an impairment charge for the Europe reporting unit.

For the JANZ reporting unit, the estimated fair value exceeded its carrying value by approximately $145 million or 5.5% for the annual goodwill impairment test. As it relates to the discounted cash flow approach for the JANZ reporting unit at April 1, 2023, the Company forecasted cash flows for the next 10 years. During the forecast period, the revenue compound annual growth rate was approximately negative 2.0%. A terminal year value was calculated with a 1.5% revenue growth rate applied. The discount rate utilized was 7.0% and the estimated tax rate was 30.6%. If all other assumptions are held constant, a reduction in the terminal value growth rate by 0.5% or an increase in discount rate by 0.5% would result in an impairment charge for the JANZ reporting unit.

For the Emerging Markets reporting unit, the estimated fair value exceeded its carrying value by approximately $513 million or 7.7% for the annual goodwill impairment test. As it relates to the discounted cash flow approach for the Emerging Markets reporting unit at April 1, 2023, the Company forecasted cash flows for the next 10 years. During the forecast period, the revenue compound annual growth rate was approximately 1.8%. A terminal year value was calculated with a 2.0% revenue growth rate applied. The discount rate utilized was 11.5% and the estimated tax rate was 17.4%. If all other assumptions are held constant, a reduction in the terminal value growth rate by 2.5% or an increase in discount rate by 1.0% would result in an impairment charge for the Emerging Markets reporting unit.

In the third quarter of 2023, the Company allocated goodwill of $69 million to its women’s healthcare business using a relative fair value approach and reclassified the amount to *Assets Held for Sale*.

In the fourth quarter of 2023, the Company allocated goodwill of $120 million to its API business in India using a relative fair value approach and reclassified the amount to *Assets Held for Sale*.

In the fourth quarter of 2023, the OTC Business met the criteria to be classified as held for sale. The Company allocated goodwill to its OTC Business using a relative fair value approach and recorded a goodwill impairment charge of $580.1 million in that quarter within the Europe (majority of the charge), JANZ and Emerging Markets reporting units, which was recorded within *SG&A* in the consolidated statement of operations. The goodwill impairment charge was the result of the estimated proceeds less selling costs from the planned divestiture of the OTC Business being below the carrying value of the net assets of the disposal group.

In conjunction with the Biocon Biologics Transaction, the Company allocated goodwill to its biosimilars portfolio using a relative fair value approach and reclassified the amount to assets held for sale. Upon closing of the Biocon Biologics Transaction on November 29, 2022, we derecognized goodwill of $919.7 million allocated to the biosimilars portfolio.

In the fourth quarter of 2022, the commercialization rights in the Upjohn Distributor Markets met the criteria to be classified as held for sale. The Company allocated goodwill to its commercialization rights in the Upjohn Distributor Markets using a relative fair value approach and recorded a goodwill impairment charge of $117.0 million in that quarter within the Emerging Markets reporting unit, which was recorded within *SG&A* in the consolidated statement of operations. The goodwill impairment charge was the result of the estimated proceeds less selling costs from the disposal of the commercialization rights in the Upjohn Distributor Markets being below the carrying value of the net assets of the disposal group.

Refer to Note 5 *Divestitures* for additional information on these divestitures.

Due to the inherent uncertainty involved in making these estimates, actual results could differ from those estimates. In addition, changes in underlying assumptions, especially as they relate to the key assumptions detailed, could have a significant impact on the fair value of the reporting units.

Intangible Assets, Net

Intangible assets consist of the following components at December 31, 2023 and 2022:

(In millions)	Weighted Average Life (Years)	Cost	Accumulated Amortization	Net Book Value
December 31, 2023				
Product rights, licenses and other [(1)]	13	$ 34,178.1	$ 15,316.4	$ 18,861.7
In-process research and development		319.4	—	319.4
		$ 34,497.5	$ 15,316.4	$ 19,181.1
December 31, 2022				
Product rights, licenses and other [(1)]	15	$ 37,490.5	$ 14,923.6	$ 22,566.9
In-process research and development		40.2	—	40.2
		$ 37,530.7	$ 14,923.6	$ 22,607.1

[(1)] Represents amortizable intangible assets. Other intangible assets consist principally of customer lists and contractual rights.

During the year ended December 31, 2023, the Company reclassified intangible assets of approximately $1.93 billion relating to the remaining announced divestitures that have not been consummated as of December 31, 2023 to *Assets Held for Sale.* Refer to Note 5 *Divestitures* for additional information.

During the year ended December 31, 2023, the Company recorded intangible assets of approximately $334.0 million as part of the Oyster Point acquisition, and IPR&D of approximately $290.0 million as part of the Famy Life Sciences acquisition. Refer to Note 4 *Acquisitions and Other Transactions* for additional information.

Product rights and licenses are primarily comprised of the products marketed at the time of acquisition. These product rights and licenses relate to numerous individual products, the net book value of which, by product category, is as follows:

(In millions)	Developed Markets	Greater China	JANZ	Emerging Markets	December 31, 2023
Brands	$ 7,723.4	$ 5,206.8	$ 961.0	$ 2,855.9	$ 16,747.1
Generics	1,708.2	9.7	216.2	179.8	2,113.9
Total Product Rights and Licenses	$ 9,431.6	$ 5,216.5	$ 1,177.2	$ 3,035.7	$ 18,861.0

(In millions)	Developed Markets	Greater China	JANZ	Emerging Markets	December 31, 2022
Brands	$ 8,762.2	$ 5,632.3	$ 1,061.3	$ 3,122.5	$ 18,578.3
Generics	3,448.9	10.6	264.2	263.9	3,987.6
Total Product Rights and Licenses	$ 12,211.1	$ 5,642.9	$ 1,325.5	$ 3,386.4	$ 22,565.9

[(a)] As a result of the contribution of the biosimilars business to Biocon Biologics in November 2022, *Complex Gx and Biosimilars*, which were previously presented as a separate line item, are now included within *Generics*. Reclassifications were made to prior periods to conform to the current period presentation.

Amortization expense and intangible asset disposal & impairment charges (which are included as a component of amortization expense) are classified primarily within *Cost of Sales* in the consolidated statements of operations, and were as follows for the years ended December 31, 2023, 2022 and 2021:

(In millions)	Year ended December 31, 2023	2022	2021
Intangible asset amortization expense	$ 2,317.1	$ 2,504.6	$ 2,702.2
IPR&D intangible asset impairment charges	—	0.6	19.4
Finite-lived intangible asset disposal & impairment charges	32.0	172.9	83.4
Total intangible asset amortization expense (including disposal & impairment charges)	$ 2,349.1	$ 2,678.1	$ 2,805.0

The assessment for impairment of finite-lived intangibles is based on our ability to recover the carrying value of the long-lived assets or asset grouping by analyzing the expected future undiscounted pre-tax cash flows specific to the asset or asset grouping. If the carrying amount is greater than the undiscounted cash flows, the Company recognizes an impairment loss for the excess of the carrying amount over the estimated fair value based on discounted cash flows.

Significant management judgment is involved in estimating the recoverability of these assets and is dependent upon the accuracy of the assumptions used in making these estimates, as well as how the estimates compare to the eventual future operating performance of the specific asset or asset grouping. The fair value of finite-lived intangible assets was calculated as the present value of the estimated future net cash flows using a market rate of return. The assumptions inherent in the estimated future cash flows include, among other things, the impact of the current competitive environment and future market expectations. Any future long-lived assets impairment charges could have a material impact on the Company's consolidated financial condition and results of operations.

During the years ended December 31, 2023, and 2022, the Company recognized intangible asset charges of approximately $32.0 million and $172.9 million, respectively, recorded within *Cost of Sales* in the consolidated statements of operations, to write down the disposal group to fair value, less cost to sell, related to our commercialization rights in the Upjohn Distributor Markets, which was classified as held for sale. Refer to Note 5 *Divestitures* for additional information. On April 30, 2021, the Company completed an agreement to divest a group of OTC products in the U.S. As a result of this transaction, the Company recognized an intangible asset impairment charge of approximately $83.4 million during the year ended December 31, 2021.

The Company's IPR&D assets are tested at least annually for impairment or upon the occurrence of a triggering event. Impairment is determined to exist when the fair value of IPR&D assets, which is based upon updated forecasts and commercial development plans, is less than the carrying value of the assets being tested. The fair value of IPR&D was calculated as the present value of the estimated future net cash flows using a market rate of return. The assumptions inherent in the estimated future cash flows include, among other things, the impact of changes to the development programs, the projected development and regulatory time frames and the current competitive environment. Discount rates ranging between 10.0% and 24.0% were utilized in the valuations performed during the year ended December 31, 2023. A discount rate of 10.5% was utilized in the valuations performed during the year ended December 31, 2022. Discount rates ranging between 7.0% and 9.0% were utilized in the valuations performed during the year ended December 31, 2021.

The fair value of both IPR&D and finite-lived intangible assets was determined based upon detailed valuations employing the income approach which utilized Level 3 inputs, as defined in Note 9, *Financial Instruments and Risk Management*. Changes to any of the Company's assumptions including changes to or abandonment of development programs, regulatory timelines, discount rates or the competitive environment related to the assets could lead to future material impairment charges.

Intangible asset amortization expense for the years ending December 31, 2024 through 2028 is estimated to be as follows:

(In millions)		
2024	$	2,314
2025		2,235
2026		2,183
2027		2,102
2028		1,859

9. Financial Instruments and Risk Management

The Company is exposed to certain financial risks relating to its ongoing business operations. The primary financial risks that are managed by using derivative instruments are foreign currency risk and interest rate risk.

Foreign Currency Risk Management

In order to manage certain foreign currency risks, the Company enters into foreign exchange forward contracts to mitigate risk associated with changes in spot exchange rates of mainly non-functional currency denominated assets or liabilities. The foreign exchange forward contracts are measured at fair value and reported as current assets or current liabilities in the consolidated balance sheets. Any gains or losses on the foreign exchange forward contracts are recognized in earnings in the period incurred in the consolidated statements of operations.

The Company has also entered into forward contracts to hedge forecasted foreign currency denominated sales from certain international subsidiaries and a portion of forecasted intercompany inventory sales denominated in Euro, Japanese Yen, Chinese Renminbi and Indian Rupee for up to twenty-four months. These contracts are designated as cash flow hedges to manage foreign currency transaction risk and are measured at fair value and reported as current assets or current liabilities in the consolidated balance sheets. Any changes in the fair value of designated cash flow hedges are deferred in AOCE and are reclassified into earnings when the hedged item impacts earnings.

Net Investment Hedges

The Company may hedge the foreign currency risk associated with certain net investment positions in foreign subsidiaries by either borrowing directly in foreign currencies and designating all or a portion of the foreign currency debt as a hedge of the applicable net investment position or entering into foreign currency swaps that are designated as hedges of net investments.

The Company has designated certain Euro and Yen borrowings as a hedge of its investment in certain Euro-functional and Yen-functional currency subsidiaries in order to manage foreign currency translation risk. Borrowings designated as net investment hedges are marked-to-market using the current spot exchange rate as of the end of the period, with gains and losses included in the foreign currency translation component of AOCE until the sale or substantial liquidation of the underlying net investments. In addition, the Company manages the related foreign exchange risk of the Euro and Yen borrowings not designated as net investment hedges through certain Euro and Yen denominated financial assets and forward currency swaps.

The following table summarizes the principal amounts of the Company’s outstanding Euro and Yen borrowings and the notional amounts of the Euro and Yen borrowings designated as net investment hedges:

		Notional Amount Designated as a Net Investment Hedge	
(In millions)	**Principal Amount**	**December 31, 2023**	**December 31, 2022**
Euro			
2.250% Euro Senior Notes due 2024	€ 1,000.0	€ 1,000.0	€ 1,000.0
1.023% Euro Senior Notes due 2024	750.0	750.0	750.0
2.125% Euro Senior Notes due 2025	500.0	500.0	500.0
1.362% Euro Senior Notes due 2027	850.0	850.0	850.0
3.125% Euro Senior Notes due 2028	750.0	750.0	750.0
1.908% Euro Senior Notes due 2032	1,250.0	1,250.0	1,250.0
Foreign currency forward contracts	500.0	500.0	—
Euro Total	€ 5,600.0	€ 5,600.0	€ 5,100.0
Yen			
YEN Term Loan	¥ 40,000.0	¥ 40,000.0	¥ 40,000.0
Yen Total	¥ 40,000.0	¥ 40,000.0	¥ 40,000.0

At December 31, 2023, the principal amount of the Company’s outstanding Yen borrowings and the notional amount of the Yen borrowings designated as net investment hedges was $283.6 million.

During the third quarter of 2023, the Company executed fixed-rate cross-currency interest rate swaps with notional amounts totaling Japanese Yen 14.6 billion with settlement dates through 2026. The transactions hedge a portion of the Company’s net investment in certain Yen-functional currency subsidiaries. All changes in the fair value of this derivative instrument, which is designated as a net investment hedge, are marked-to-market using the current spot exchange rate as of the end of the period. The portion of this change related to the excluded component will be amortized in interest expense over the life of the derivative while the remainder will be recorded in AOCE until the sale or substantial liquidation of the underlying net investments. The semiannual net interest payment received related to the fixed-rate component of the cross-currency interest rate swaps will be reflected in operating cash flows.

During the fourth quarter of 2023, the Company executed foreign currency forward contracts with notional amounts totaling Euro 500 million with settlement dates in 2024. The transactions hedge a portion of the Company’s net investment in certain Euro functional currency subsidiaries. The contracts have been designated as a net investment hedge.

Interest Rate Risk Management

The Company enters into interest rate swaps from time to time in order to manage interest rate risk associated with the Company’s fixed-rate and floating-rate debt. Interest rate swaps that meet specific accounting criteria are accounted for as fair value or cash flow hedges. All derivative instruments used to manage interest rate risk are measured at fair value and reported as current assets or current liabilities in the consolidated balance sheets. For fair value hedges, the changes in the fair value of both the hedging instrument and the underlying debt obligations are included in interest expense. For cash flow hedges, the change in fair value of the hedging instrument is deferred through AOCE and is reclassified into earnings when the hedged item impacts earnings.

Cash Flow Hedging Relationships

The Company’s interest rate swaps designated as cash flow hedges fix the interest rate on a portion of the Company’s variable-rate debt or hedge part of the Company’s interest rate exposure associated with the variability in the future cash flows attributable to changes in interest rates. Any changes in fair value are included in earnings or deferred through AOCE, depending on the nature and effectiveness of the offset. Any ineffectiveness in a cash flow hedging relationship is recognized immediately in earnings in the consolidated statements of operations.

Credit Risk Management

The Company regularly reviews the creditworthiness of its financial counterparties and does not expect to incur a significant loss from the failure of any counterparties to perform under any agreements. The Company is not subject to any obligations to post collateral under derivative instrument contracts. Certain derivative instrument contracts entered into by the Company are governed by master agreements, which contain credit-risk-related contingent features that would allow the counterparties to terminate the contracts early and request immediate payment should the Company trigger an event of default on other specified borrowings. The Company records all derivative instruments on a gross basis in the consolidated balance sheets. Accordingly, there are no offsetting amounts that net assets against liabilities.

The following table summarizes the classification and fair values of derivative instruments in our consolidated balance sheets:

(In millions)	Asset Derivatives: Balance Sheet Location	Asset Derivatives: December 31, 2023 Fair Value	Asset Derivatives: December 31, 2022 Fair Value	Liability Derivatives: Balance Sheet Location	Liability Derivatives: December 31, 2023 Fair Value	Liability Derivatives: December 31, 2022 Fair Value
Derivatives designated as hedges:						
Foreign currency forward contracts	Prepaid expenses & other current assets	$ 17.5	$ 30.4	Other current liabilities	$ 35.8	$ 26.4
Total derivatives designated as hedges		17.5	30.4		35.8	26.4
Derivatives not designated as hedges:						
Foreign currency forward contracts	Prepaid expenses & other current assets	88.7	104.3	Other current liabilities	88.8	160.6
Total derivatives not designated as hedges		88.7	104.3		88.8	160.6
Total derivatives		$ 106.2	$ 134.7		$ 124.6	$ 187.0

The following tables summarize information about the gains/(losses) incurred to hedge or offset operational foreign exchange or interest rate risk:

(In millions)	Location of Gain/(Loss)	Amount of Gains/(Losses) Recognized in Earnings, Year Ended December 31, 2023	2022	2021
Derivative Financial Instruments in Net Investment Hedging Relationships:				
Cross-currency interest rate swaps	Interest expense [2]	$ 1.8	$ —	$ —
Derivative Financial Instruments Not Designated as Hedging Instruments:				
Foreign currency option and forward contracts	Other income, net [2]	$ 56.3	$ (82.1)	$ 39.3
Total		$ 58.1	$ (82.1)	$ 39.3

(In millions)	Location of Gain/(Loss)	Amount of Gains/(Losses) Recognized in AOCE (Net of Tax) on Derivatives, Year Ended December 31, 2023	2022	2021	Amount of Gains/(Losses) Reclassified from AOCE into Earnings, Year Ended December 31, 2023	2022	2021
Derivative Financial Instruments in Cash Flow Hedging Relationships [1]:							
Foreign currency forward contracts	Net sales [3]	$ 44.3	$ 34.2	$ 45.8	$ 45.3	$ 89.2	$ 30.9
Interest rate swaps	Interest expense [3]	(3.8)	(3.5)	(3.4)	(4.8)	(4.5)	(4.3)
Derivative Financial Instruments in Net Investment Hedging Relationships:							
Cross-currency interest rate swaps		(1.7)	—	—	—	—	—
Foreign currency forward contracts		(18.3)	—	—	—	—	—
Non-derivative Financial Instruments in Net Investment Hedging Relationships:							
Foreign currency borrowings		(120.1)	360.1	436.6	—	—	—
Total		$ (99.6)	$ 390.8	$ 479.0	$ 40.5	$ 84.7	$ 26.6

(1) At December 31, 2023, the Company expects that approximately $21.0 million of pre-tax net losses on cash flow hedges will be reclassified from AOCE into earnings during the next twelve months.

(2) Represents the location of the gain/(loss) recognized in earnings on derivatives.

(3) Represents the location of the gain/(loss) reclassified from AOCE into earnings.

Fair Value Measurement

Fair value is based on the price that would be received from the sale of an identical asset or paid to transfer an identical liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy has been established that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable market-based inputs other than quoted prices in active markets for identical assets or liabilities.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as considers counterparty credit risk in its assessment of fair value.

Financial assets and liabilities carried at fair value are classified in the tables below in one of the three categories described above:

	December 31, 2023			December 31, 2022		
(In millions)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Recurring fair value measurements						
Financial Assets						
Cash equivalents:						
Money market funds	$ 651.4	$ —	$ —	$ 688.8	$ —	$ —
Total cash equivalents	651.4	—	—	688.8	—	—
Equity securities:						
Exchange traded funds	49.1	—	—	42.4	—	—
Marketable securities	0.2	—	—	0.2	—	—
Total equity securities	49.3	—	—	42.6	—	—
CCPS in Biocon Biologics	—	—	976.3	—	—	997.4
Available-for-sale fixed income investments:						
Corporate bonds	—	15.9	—	—	13.2	—
U.S. Treasuries	—	11.2	—	—	11.7	—
Agency mortgage-backed securities	—	4.6	—	—	4.7	—
Asset backed securities	—	5.1	—	—	5.1	—
Other	—	0.2	—	—	0.6	—
Total available-for-sale fixed income investments	—	37.0	—	—	35.3	—
Foreign exchange derivative assets	—	106.2	—	—	134.7	—
Total assets at recurring fair value measurement	$ 700.7	$ 143.2	$ 976.3	$ 731.4	$ 170.0	$ 997.4
Financial Liabilities						
Foreign exchange derivative liabilities	$ —	$ 124.6	$ —	$ —	$ 187.0	$ —
Contingent consideration	—	—	215.1	—	—	375.0
Total liabilities at recurring fair value measurement	$ —	$ 124.6	$ 215.1	$ —	$ 187.0	$ 375.0

For financial assets and liabilities that utilize Level 2 inputs, the Company utilizes both direct and indirect observable price quotes, including interest rate yield curves, foreign exchange forward prices and bank price quotes. For the years ended December 31, 2023 and 2022, there were no transfers between Level 1 and 2 of the fair value hierarchy. Below is a summary of valuation techniques for the Company’s financial assets and liabilities:

- *Cash equivalents* — valued at observable net asset value prices.

- *Equity securities, exchange traded funds* — valued at the active quoted market prices from broker or dealer quotations or transparent pricing sources at the reporting date. Unrealized gains and losses attributable to changes in fair value are included in *Other income, net*, in the consolidated statements of operations.
- *Equity securities, marketable securities* — valued using quoted stock prices from public exchanges at the reporting date. Unrealized gains and losses attributable to changes in fair value are included in *Other income, net*, in the consolidated statements of operations.
- *CCPS in Biocon Biologics* — valued using a Monte Carlo simulation model using Level 3 inputs. The fair value of the CCPS is sensitive to changes in the forecasts of operating metrics, changes in volatility and discount rates, and share dilution. The Company elected the fair value option for the CCPS under *ASC 825.* The fair value is reassessed quarterly and any change in the fair value estimate is recorded in *Other income, net* in the consolidated statements of operations for that period.
- *Available-for-sale fixed income investments* — valued at the quoted market prices from broker or dealer quotations or transparent pricing sources at the reporting date. Unrealized gains and losses attributable to changes in fair value, net of income taxes, are included in accumulated other comprehensive loss as a component of shareholders' equity.
- *Foreign exchange derivative assets and liabilities* — valued using quoted forward foreign exchange prices and spot rates at the reporting date. Counterparties to these contracts are highly rated financial institutions.

Contingent Consideration

In December 2011, the Company completed the acquisition of the exclusive worldwide rights to develop, manufacture and commercialize a generic equivalent to GlaxoSmithKline's Advair Diskus® incorporating Pfizer's Respiratory Delivery Platform. The Company accounted for this transaction as a purchase of a business and utilized the acquisition method of accounting. On January 30, 2019, the Company received FDA approval of Wixela Inhub® (fluticasone propionate and salmeterol inhalation powder, USP), the first generic of GlaxoSmithKline's Advair Diskus®. The commercial launch of the Wixela Inhub® occurred in February 2019.

As of December 31, 2023 and 2022, the Company had a contingent consideration liability of $177.6 million and $132.0 million, respectively, related to the Respiratory Delivery Platform, and $15.8 million and $221.2 million, respectively, related to the Biocon Biologics Transaction. The measurement of these contingent consideration liabilities is calculated using unobservable Level 3 inputs based on the Company's own assumptions primarily related to the probability and timing of future events and payments which are discounted using a market rate of return. At December 31, 2023 and 2022, discount rates ranging from 6.4% to 8.0%, and 6.4% to 9.0%, respectively, were utilized in the valuations. Significant changes in unobservable inputs could result in material changes to the contingent consideration liabilities.

A rollforward of the activity in the Company's fair value of contingent consideration from December 31, 2021 to December 31, 2023 is as follows:

(In millions)	Current Portion (1)	Long-Term Portion (2)	Total Contingent Consideration
Balance at December 31, 2021	$ 66.7	$ 133.0	$ 199.7
Biocon Biologics Transaction	—	220.0	220.0
Payments	(64.1)	—	(64.1)
Reclassifications	61.8	(61.8)	—
Accretion	—	8.2	8.2
Fair value loss (3)	—	11.2	11.2
Balance at December 31, 2022	$ 64.4	$ 310.6	$ 375.0
Payments	(43.0)	(220.0)	(263.0)
Reclassifications	54.7	(54.7)	—
Accretion	—	22.7	22.7
Fair value loss (3)	—	80.4	80.4
Balance at December 31, 2023	$ 76.1	$ 139.0	$ 215.1

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(1) Included in other current liabilities in the consolidated balance sheets.

(2) Included in other long-term obligations in the consolidated balance sheets.

(3) Included in litigation settlements and other contingencies, net in the consolidated statements of operations.

Although the Company has not elected the fair value option for financial assets and liabilities other than the CCPS, any future transacted financial asset or liability will be evaluated for the fair value election.

Available-for-Sale Securities

The amortized cost and estimated fair value of available-for-sale securities were as follows:

(In millions)	Balance Sheet Location	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2023					
Available-for-sale fixed income investments	Prepaid expenses and other current assets	$ 37.8	$ —	$ (0.8)	$ 37.0
		$ 37.8	$ —	$ (0.8)	$ 37.0
December 31, 2022					
Available-for-sale fixed income investments	Prepaid expenses and other current assets	$ 38.0	$ —	$ (2.7)	$ 35.3
		$ 38.0	$ —	$ (2.7)	$ 35.3

Maturities of available-for-sale fixed income investments at fair value as of December 31, 2023, were as follows:

(In millions)	
Mature within one year	$ 1.0
Mature in one to five years	19.6
Mature in five years and later	16.4
	$ 37.0

10. Debt

The following provides an overview of the Company’s short-term credit facilities.

Receivables Facility and Note Securitization Facility

The Company has a $400 million Receivables Facility which expires in April 2025 and a $200 million Note Securitization Facility which expires in August 2024. Under the terms of each of the Receivables Facility and Note Securitization Facility, certain of our accounts receivable secure the amounts borrowed and cannot be used to pay our other debts or liabilities. The amount that we may borrow at a given point in time is determined based on the amount of qualifying accounts receivable that are present at such point in time.

Borrowings outstanding under the Receivables Facility bear interest at the applicable base rate plus 0.775% and under the Note Securitization Facility at the relevant base rate plus 1.00% and are included as a component of short-term borrowings, while the accounts receivable securing these obligations remain as a component of accounts receivable, net, in our consolidated balance sheets. In addition, the agreements governing the Receivables Facility and Note Securitization Facility contain various customary affirmative and negative covenants, and customary default and termination provisions with which the Company was compliant as of December 31, 2023. As of December 31, 2023 and 2022, the Company had $564.5 million and $474.9 million, respectively, of accounts receivable balances sold to its subsidiary Mylan Securitization LLC under the Receivables Facility.

Long-Term Debt

A summary of long-term debt is as follows:

($ in millions)	Interest Rate as of December 31, 2023	December 31, 2023	December 31, 2022
Current portion of long-term debt:			
2023 Senior Notes [(a)] *	3.125 %	—	750.6
2023 Senior Notes [(b)] *	4.200 %	—	499.8
2024 Euro Senior Notes ****	1.023 %	831.5	—
2024 Euro Senior Notes **	2.250 %	1,103.5	—
Other		0.4	0.7
Deferred financing fees		(0.7)	(0.6)
Current portion of long-term debt		$ 1,934.7	$ 1,250.5
Non-current portion of long-term debt:			
2024 Euro Senior Notes **	2.250 %	—	1,069.8
2024 Euro Senior Notes ****	1.023 %	—	813.5
2025 Euro Senior Notes *	2.125 %	551.7	534.8
2025 Senior Notes ***	1.650 %	755.7	759.6
2026 Senior Notes **	3.950 %	2,245.1	2,243.2
2027 Euro Senior Notes ****	1.362 %	967.2	945.9
2027 Senior Notes ***	2.300 %	769.8	775.3
2028 Euro Senior Notes **	3.125 %	824.1	798.5
2028 Senior Notes *	4.550 %	749.1	748.9
2030 Senior Notes ***	2.700 %	1,505.0	1,512.8
2032 Euro Senior Notes ****	1.908 %	1,478.4	1,444.4
2040 Senior Notes ***	3.850 %	1,644.0	1,650.6
2043 Senior Notes *	5.400 %	497.5	497.4
2046 Senior Notes **	5.250 %	999.9	999.9
2048 Senior Notes *	5.200 %	747.8	747.8
2050 Senior Notes ***	4.000 %	2,196.3	2,200.8
YEN Term Loan Facility	Variable	283.6	305.1
Other		2.4	2.0
Deferred financing fees		(29.5)	(35.1)
Long-term debt		$ 16,188.1	$ 18,015.2

(a) In the first quarter of 2020, the Company terminated interest rate swaps designated as a fair value hedge resulting in net proceeds of approximately $45 million. The fair value adjustment was amortized to interest expense over the remaining term of the notes, which were repaid at maturity in the first quarter of 2023.

(b) The 2023 Senior Notes were repaid at maturity in the fourth quarter of 2023.

* Instrument was issued by Mylan Inc.

** Instrument was originally issued by Mylan N.V.; now held by Utah Acquisition Sub Inc.

*** Instrument was issued by Viatris Inc.

**** Instrument was issued by Upjohn Finance B.V.

Senior Notes

Assumptions and Guarantees of Senior Unsecured Notes

Viatris Inc. is the issuer of the Upjohn U.S. Dollar Notes, which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.

Upjohn Finance B.V. is the issuer of the Upjohn Euro Notes, which are fully and unconditionally guaranteed on a senior unsecured basis by Viatris Inc., Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.

Following the Combination, Utah Acquisition Sub Inc. is the issuer of the Utah U.S. Dollar Notes and the Utah Euro Notes, which are each fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Viatris Inc. and Mylan II B.V.

Mylan Inc. is the issuer of the Mylan Inc. U.S. Dollar Notes and the Mylan Inc. Euro Notes, which are each fully and unconditionally guaranteed on a senior unsecured basis by Mylan II B.V., Viatris Inc. and Utah Acquisition Sub Inc.

YEN Term Loan Facility and Revolving Facility

In July 2021, Viatris entered into (i) the ¥40 billion YEN Term Loan Facility and (ii) the $4.0 billion Revolving Facility with various syndicates of banks. The YEN Term Loan Facility and the Revolving Facility will mature in July 2026 and contain customary affirmative covenants for facilities of this type, including covenants pertaining to the delivery of financial statements, notices of default and certain material events, maintenance of corporate existence and rights, property, and insurance and compliance with laws, as well as customary negative covenants for facilities of this type, including a financial covenant, which set the Maximum Leverage Ratio as of the end of any quarter at 3.75 to 1.00 for the quarter ended March 31, 2023 and each quarter ending thereafter, except in circumstances as defined in the related credit agreement, and other limitations on the incurrence of subsidiary indebtedness, liens, mergers and certain other fundamental changes, investments and loans, acquisitions, transactions with affiliates, payments of dividends and other restricted payments and changes in our lines of business. Up to $1.65 billion of the Revolving Facility may be used to support borrowings under our Commercial Paper Program.

Effective April 28, 2023, we executed an amendment to the Revolving Facility to convert the benchmark interest rate from LIBOR to an adjusted SOFR, with no change in the applicable interest rate margins.

Fair Value

At December 31, 2023 and 2022, the aggregate fair value of the Company's outstanding notes was approximately $15.25 billion and $15.36 billion, respectively. The fair values of the outstanding notes were valued at quoted market prices from broker or dealer quotations and were classified as Level 2 in the fair value hierarchy.

Mandatory minimum repayments remaining on the notional amount of outstanding long-term debt at December 31, 2023 were as follows for each of the years ending December 31:

(In millions)	**Total**
2024	$ 1,932
2025	1,302
2026	2,534
2027	1,688
2028	1,578
Thereafter	8,580
Total	$ 17,614

11. Comprehensive (Loss) Earnings

Accumulated other comprehensive loss, as reflected in the consolidated balance sheets, is comprised of the following:

(In millions)	December 31, 2023	December 31, 2022
Accumulated other comprehensive loss:		
Net unrealized loss on available-for-sale fixed income securities, net of tax	$ (1.2)	$ (2.3)
Net unrecognized gain and prior service cost related to defined benefit plans, net of tax	271.4	268.5
Net unrecognized loss on derivatives in cash flow hedging relationships, net of tax	(8.0)	(18.5)
Net unrecognized gain on derivatives in net investment hedging relationships, net of tax	237.1	377.0
Foreign currency translation adjustment	(3,246.7)	(3,385.9)
	$ (2,747.4)	$ (2,761.2)

Components of accumulated other comprehensive (loss) earnings, before tax, consist of the following:

	Year Ended December 31, 2023							
	Gains and Losses on Derivatives in Cash Flow Hedging Relationships			Gains and Losses on Net Investment Hedges	Gains and Losses on Available-For-Sale Fixed Income Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
(In millions)	Foreign Currency Forward Contracts	Interest Rate Swaps	Total					
Balance at December 31, 2022, net of tax			$ (18.5)	$ 377.0	$ (2.3)	$ 268.5	$ (3,385.9)	$ (2,761.2)
Other comprehensive earnings (loss) before reclassifications, before tax			54.4	(178.5)	1.5	(37.3)	139.2	(20.7)
Amounts reclassified from accumulated other comprehensive earnings (loss), before tax:								
Gain on foreign exchange forward contracts classified as cash flow hedges, included in net sales	(45.3)		(45.3)					(45.3)
Loss on interest rate swaps classified as cash flow hedges, included in interest expense		4.8	4.8					4.8
Gain on divestiture of defined pension plan, included in SG&A						(3.0)		(3.0)
Amortization of prior service costs included in SG&A						(0.3)		(0.3)
Amortization of actuarial loss included in SG&A						21.9		21.9
Net other comprehensive earnings (loss), before tax			13.9	(178.5)	1.5	(18.7)	139.2	(42.6)
Income tax provision (benefit)			3.4	(38.6)	0.4	(21.6)	—	(56.4)
Balance at December 31, 2023, net of tax			$ (8.0)	$ 237.1	$ (1.2)	$ 271.4	$ (3,246.7)	$ (2,747.4)

(In millions)	Year Ended December 31, 2022 Gains and Losses on Derivatives in Cash Flow Hedging Relationships: Foreign Currency Forward Contracts	Interest Rate Swaps	Total	Gains and Losses on Net Investment Hedges	Gains and Losses on Available-For-Sale Fixed Income Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
Balance at December 31, 2021, net of tax			$ 9.2	$ 16.7	$ —	$ 32.2	$ (1,802.4)	$ (1,744.3)
Other comprehensive earnings (loss) before reclassifications, before tax			47.8	460.1	(2.8)	276.3	(1,583.5)	(802.1)
Amounts reclassified from accumulated other comprehensive earnings (loss), before tax:								
Gain on foreign exchange forward contracts classified as cash flow hedges, included in net sales	(89.2)		(89.2)					(89.2)
Loss on interest rate swaps classified as cash flow hedges, included in interest expense		4.5	4.5					4.5
Amortization of prior service costs included in SG&A						(0.4)		(0.4)
Amortization of actuarial loss included in SG&A						3.2		3.2
Net other comprehensive earnings (loss), before tax			(36.9)	460.1	(2.8)	279.1	(1,583.5)	(884.0)
Income tax (benefit) provision			(9.2)	99.8	(0.5)	42.8	—	132.9
Balance at December 31, 2022, net of tax			$ (18.5)	$ 377.0	$ (2.3)	$ 268.5	$ (3,385.9)	$ (2,761.2)

	Year Ended December 31, 2021							
	Gains and Losses on Derivatives in Cash Flow Hedging Relationships			Gains and Losses on Net Investment Hedges	Gains and Losses on Available-For-Sale Fixed Income Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
(In millions)	Foreign Currency Forward Contracts	Interest Rate Swaps	Total					
Balance at December 31, 2020, net of tax			$ (18.0)	$ (353.6)	$ 1.2	$ (26.1)	$ (461.5)	$ (858.0)
Other comprehensive earnings (loss) before reclassifications, before tax			62.7	456.8	(1.1)	67.0	(1,340.9)	(755.5)
Amounts reclassified from accumulated other comprehensive earnings (loss), before tax:								
Gain on foreign exchange forward contracts classified as cash flow hedges, included in net sales	(30.9)		(30.9)					(30.9)
Loss on interest rate swaps classified as cash flow hedges, included in interest expense		4.3	4.3					4.3
Amortization of prior service costs included in SG&A						(0.5)		(0.5)
Amortization of actuarial loss included in SG&A						7.4		7.4
Net other comprehensive earnings (loss), before tax			36.1	456.8	(1.1)	73.9	(1,340.9)	(775.2)
Income tax provision			8.9	86.5	0.1	15.6	—	111.1
Balance at December 31, 2021, net of tax			$ 9.2	$ 16.7	$ —	$ 32.2	$ (1,802.4)	$ (1,744.3)

12. Income Taxes

The income tax provision (benefit) consisted of the following components:

(In millions)	Year Ended December 31, 2023	2022	2021
U.S. Federal:			
Current	$ 2.6	$ 115.3	$ 12.6
Deferred	293.4	263.7	(182.7)
	296.0	379.0	(170.1)
U.S. State:			
Current	1.9	26.5	7.7
Deferred	2.6	20.3	(10.8)
	4.5	46.8	(3.1)
Non-U.S.:			
Current	530.8	618.7	(91.3)
Deferred	(683.1)	(309.9)	869.2
	(152.3)	308.8	777.9
Income tax provision	$ 148.2	$ 734.6	$ 604.7
Earnings (loss) before income taxes:			
United States	(951.5)	794.8	(1,982.5)
Foreign - Other	1,154.4	2,018.4	1,318.1
Total earnings (loss) before income taxes	$ 202.9	$ 2,813.2	$ (664.4)

For all periods presented, the allocation of earnings before income taxes between U.S. and non-U.S. operations includes intercompany interest allocations between certain domestic and foreign subsidiaries. These amounts are eliminated on a consolidated basis.

Temporary differences and carry-forwards that result in deferred tax assets and liabilities were as follows:

(In millions)	December 31, 2023	December 31, 2022
Deferred tax assets:		
Employee benefits	$ 148.7	$ 129.6
Litigation reserves	32.2	20.5
Accounts receivable allowances	413.7	446.2
Inventory	143.8	159.3
Tax credit and loss carry-forwards	758.2	760.3
Operating lease assets	51.3	56.2
Interest expense	114.8	94.8
Intangible assets	167.7	149.3
Other	326.1	209.3
	2,156.5	2,025.5
Less: Valuation allowance	(421.4)	(387.0)
Total deferred tax assets	1,735.1	1,638.5
Deferred tax liabilities:		
Plant and equipment	54.0	56.6
Operating lease liabilities	51.3	56.2
Intangible assets and goodwill	2,506.2	2,880.3
Other	166.4	151.5
Total deferred tax liabilities	2,777.9	3,144.6
Deferred tax liabilities, net	$ (1,042.8)	$ (1,506.1)

For those foreign subsidiaries whose investments are permanent in duration, income and foreign withholding taxes have not been provided on the unremitted earnings of those subsidiaries. This amount may become taxable upon a repatriation of assets from the subsidiary or a sale or liquidation of the subsidiary. The amount of such unremitted earnings is approximately $1.18 billion at December 31, 2023. Determination of the amount of any unrecognized deferred income tax liability on these unremitted earnings is not practicable as such determination involves material uncertainties about the potential extent and timing of any distributions, the availability and complexity of calculating foreign tax credits, and the potential indirect tax consequences of such distributions, including withholding taxes.

Our effective tax rate from continuing operations differs from the applicable United States statutory federal income tax rate of 21.0%, due to the following:

	Year Ended December 31,		
	2023	2022	2021
Statutory tax rate	21.0 %	21.0 %	21.0 %
Clean energy and research credits	(5.2)%	— %	9.8 %
Foreign rate differential	(58.8)%	(3.6)%	31.4 %
Expiration of attributes	1.5 %	9.8 %	— %
Goodwill impairment	60.8 %	6.5 %	— %
State income taxes and credits	(3.9)%	1.3 %	(0.6)%
Tax settlements and resolution of certain tax positions	14.2 %	1.0 %	0.9 %
Impact of the Combination and divestitures	11.2 %	(6.7)%	(109.7)%
Incremental U.S. tax on foreign earnings	69.4 %	2.0 %	(36.9)%
Valuation allowance	10.9 %	(13.6)%	(8.4)%
Deferred tax impact of tax law changes	(1.0)%	5.4 %	7.0 %
Withholding taxes	7.4 %	1.5 %	(1.3)%
Deferred tax impact of internal restructuring	(74.0)%	— %	— %
Other items	19.5 %	1.5 %	(4.2)%
Effective tax rate	73.0 %	26.1 %	(91.0)%

In all years, our effective tax rate is impacted by the jurisdictional location of earnings and the corresponding tax rates in those jurisdictions. The Company realizes benefits from lower tax rates in Singapore and Puerto Rico due to manufacturing and other incentives.

During the year ended December 31, 2022, a Puerto Rico net operating loss, which was recorded in conjunction with the Combination, expired unutilized resulting in a $274.4 million write-off of deferred tax asset and corresponding valuation allowance. The expiration and valuation allowance impacts are reflected in the above table.

Valuation Allowance

A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized. At December 31, 2023, a valuation allowance has been applied to certain deferred tax assets in the amount of $421.4 million.

When assessing the realizability of deferred tax assets, management considers all available evidence, including historical information, long-term forecasts of future taxable income and possible tax planning strategies. Amounts recorded for valuation allowances can result from a complex series of estimates, assumptions and judgments about future events. Due to the inherent uncertainty involved in making these estimates, assumptions and judgments, actual results could differ materially. Any future increases to the Company's valuation allowances could materially impact the Company's consolidated financial condition and results of operations.

Net Operating Losses

As of December 31, 2023, the Company had the following carryforwards and attributes:

- U.S. federal net operating loss carryforwards of $281.9 million, which were recorded in connection with the Oyster Point acquisition. While the utilization of these carryforwards is subject to Section 382 of the Code, the Company does not anticipate that this limitation will impair our ability to utilize the carryovers.
- U.S. state income tax loss carryforwards of approximately $3.40 billion, which are largely offset by a valuation allowance.
- Non-U.S. net operating loss carryforwards of approximately $879.4 million, of which $718.1 million can be carried forward indefinitely, with the remaining $161.3 million expiring in years 2024 through 2043.

- U.S. and foreign credit carryovers of $208.5 million, expiring in various amounts through 2043.
- Anticipatory foreign tax credits of $150.8 million which will generate from the reversal of future taxable income in certain non-U.S. jurisdictions which are taxed both in their local jurisdictions and in the U.S.

On November 16, 2020, the Company had a change in ownership pursuant to Section 382 of the Code. Under this provision of the Code, the utilization of any NOL or tax credit carryforwards incurred prior to the date of ownership change may be limited. Analyses of the limits for each ownership change indicates the annual limitation would not impair the Company's ability to utilize our U.S. federal credit carryovers. While state loss carryforwards may be limited by Section 382 of the Code, the carryforwards are largely offset by a valuation allowance.

Legislative Updates

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act of 2022 (the "Inflation Reduction Act") into law, which includes a new corporate alternative minimum tax ("CAMT") and an excise tax of 1% on the fair market value of net stock repurchases. Both provisions are effective for years after December 31, 2022. The Company reflected the applicable estimated excise tax in treasury stock as part of the cost basis of the stock repurchased and recorded a corresponding liability in *Other current liabilities* on our consolidated balance sheet as of December 31, 2023. The share repurchase and authorization amounts disclosed in this Form 10-K exclude the excise tax. The Company does not anticipate being subject to the 15% CAMT tax in 2023 based on enacted law and regulatory guidance; however, our CAMT status for 2023 could change in the future, depending on new regulations or regulatory guidance issued by the U.S. Department of the Treasury.

In addition, many countries are actively considering or have proposed or enacted changes to their tax laws based on the Pillar Two Global Anti-Base Erosion Rules ("Pillar Two Rules") proposed by the OECD. The Pillar Two Rules impose a global minimum tax of 15%, and under these rules, we may be required to pay a "top-up" tax to the extent our effective tax rate in any given country is below 15%. We will continue to monitor the implementation of the Pillar Two Rules in the countries in which we operate. The earliest effective date of the Pillar Two Rules in any adopting country is January 1, 2024, with many countries postponing implementation to January 1, 2025 or later, if at all. We are currently evaluating the potential impact on our consolidated financial statements and related disclosures.

Tax Examinations

The Company is subject to income taxes and tax audits in many jurisdictions. A certain degree of estimation is thus required in recording the assets and liabilities related to income taxes. Tax audits and examinations can involve complex issues, interpretations, and judgments and the resolution of matters that may span multiple years, particularly if subject to litigation or negotiation.

Although the Company believes that adequate provisions have been made for these uncertain tax positions, the Company's assessment of uncertain tax positions, including those arising from legal entity restructuring transactions in connection with the Combination, is based on estimates and assumptions that the Company believes are reasonable but the estimates for unrecognized tax benefits and potential tax benefits may not be representative of actual outcomes, and variations from such estimates could materially affect the Company's financial condition, results of operations or cash flows in the period of resolution, settlement or when the statutes of limitations expire.

The Company is subject to ongoing IRS examinations. The years 2015 through 2021 are open years under examination. The years 2012, 2013 and 2014 had one matter open, and a Tax Court petition was filed regarding the matter and a trial was held in December 2018 and is discussed further below.

Several international audits are currently in progress. In some cases, the tax auditors have proposed adjustments or issued assessments to our tax positions, including with respect to intercompany transactions, and we are in ongoing discussions with some of the auditors regarding the validity of their tax positions.

In instances where assessments have been issued, we disagree with these assessments and believe they are without merit and incorrect as a matter of law. As a result, we anticipate that certain of these matters may become the subject of litigation before tax courts where we intend to vigorously defend our position.

In Australia, the tax authorities have issued notices of assessments to the Company for the years ended December 2009 to December 2020, subject to additional interest and penalties, concerning our tax position with respect to certain intercompany transactions. The tax authorities denied our objections to the assessments for the years ended December 2009 to December

2020 and we have commenced litigation in the Australian Federal Court challenging those decisions. A trial took place in October 2023 and a decision is awaited. The Company made a partial payment of $56.0 million in 2021 and $5.2 million in 2022 in order to stay potential interest and penalties resulting from this litigation.

In France, the tax authorities have issued notices of assessments to the Company for the years ended December 2013 to December 2015 concerning our tax position with respect to whether income earned by a Company entity not domiciled in France should be subject to French tax. We have commenced litigation before the French tax courts where the tax authorities will seek unpaid taxes, penalties, and interest.

In India, the tax authorities have issued notices of assessments to the Company seeking unpaid taxes and interest for the financial years covering 2013 to 2018 concerning our tax position with respect to certain corporate tax deductions and certain intercompany transactions. Some of these issues were resolved through the Company entering into an agreement with the tax authorities in March 2023 in respect of the pricing of its international transactions. The Company recorded tax expense of approximately $22.3 million during the year ended December 31, 2023, due to the terms of this agreement. The remaining issues are in the audit phase or are being challenged in the Indian tax courts.

The Company has recorded a net reserve for uncertain tax positions of $287.1 million and $298.1 million, including interest and penalties, in connection with its international audits at December 31, 2023 and 2022, respectively. In connection with our international tax audits, it is possible that we will incur material losses above the amounts reserved.

The Company’s major U.S. state taxing jurisdictions remain open from fiscal year 2013 through 2022, with several state audits currently in progress. The Company’s major international taxing jurisdictions remain open from 2012 through 2022.

Tax Court Proceedings

The Company's U.S. federal income tax returns for 2012 through 2014 had been subject to proceedings in U.S. Tax Court involving a dispute with the IRS regarding whether certain costs related to ANDAs were eligible to be expensed and deducted immediately or required to be amortized over longer periods. A trial was held in U.S. Tax Court in December 2018 and on April 27, 2021, the Court affirmed Mylan’s position and held that patent litigation expenses related to ANDAs are immediately deductible. The IRS’ appeal was denied by the U.S. Court of Appeals for the Third Circuit and this matter is now closed.

Accounting for Uncertainty in Income Taxes

The impact of an uncertain tax position that is more likely than not of being sustained upon audit by the relevant taxing authority must be recognized at the largest amount that is more likely than not to be sustained. No portion of an uncertain tax position will be recognized if the position has less than a 50% likelihood of being sustained.

As of December 31, 2023 and 2022, the Company’s consolidated balance sheets reflect net liabilities for unrecognized tax benefits of $272.8 million and $296.7 million, respectively, of which $191.4 million as of December 31, 2023 would affect the Company’s effective tax rate if recognized, with the remainder being offset by potential correlative adjustments. Related accrued interest and penalties included in the consolidated balance sheets were $115.7 million and $106.4 million as of December 31, 2023 and 2022, respectively. For the years ended December 31, 2023, 2022 and 2021, the Company recognized $15.4 million, $21.1 million, and $18.5 million of tax expense, respectively, related to interest and penalties on uncertain tax positions. Interest and penalties related to income taxes are included in the tax provision.

A reconciliation of the unrecognized tax benefits is as follows:

	Year Ended December 31,		
(In millions)	2023	2022	2021
Unrecognized tax benefit — beginning of year	$ 296.7	$ 322.9	$ 391.1
Additions for current year tax positions	—	8.2	—
Additions for prior year tax positions	3.0	1.0	—
Reductions for prior year tax positions	(4.6)	(5.8)	(9.1)
Settlements	(2.1)	(0.4)	(47.3)
Reductions due to expirations of statute of limitations	(13.0)	(1.9)	(7.0)
Reduction due to acquisition	—	(27.3)	(4.8)
Impact of foreign currency translation	(7.2)	—	—
Unrecognized tax benefit — end of year	$ 272.8	$ 296.7	$ 322.9

The Company believes that it is reasonably possible that the amount of unrecognized tax benefits will decrease in the next twelve months by approximately $40.0 million, involving international and state audits and settlements and expiring statutes of limitations. The Company does not anticipate significant increases to the reserve within the next twelve months.

13. Share-Based Incentive Plan

Prior to the Distribution, Viatris adopted and Pfizer, in the capacity as Viatris' sole stockholder at such time, approved the 2020 Incentive Plan (the *Viatris Inc. 2020 Stock Incentive Plan*) which became effective as of the Distribution. In connection with the Combination, as of November 16, 2020, the Company assumed the 2003 LTIP (*Mylan N.V. Amended and Restated 2003 Long-Term Incentive Plan)*, which had previously been approved by Mylan shareholders. The 2020 Incentive Plan and 2003 LTIP include (i) 72,500,000 shares of Viatris' common stock authorized for grant pursuant to the 2020 Incentive Plan, which may include dividend payments payable in common stock on unvested shares granted under awards, (ii) 6,757,640 shares of common stock to be issued pursuant to the exercise of outstanding stock options granted to participants under the 2003 LTIP and assumed by Viatris in connection with the Combination and (iii) 13,535,627 shares of common stock subject to outstanding equity-based awards, other than stock options, assumed by Viatris in connection with the Combination, or that otherwise remain available for issuance under the 2003 LTIP.

Under the 2020 Incentive Plan and 2003 LTIP, shares are reserved for issuance to key employees, consultants, independent contractors and non-employee directors of the Company through a variety of incentive awards, including: stock options, SARs, restricted stock and units, PSUs, other stock-based awards and short-term cash awards. Stock option awards are granted with an exercise price equal to the fair market value of the shares underlying the stock options at the date of the grant, generally become exercisable over periods ranging from three to four years, and generally expire in ten years.

The following table summarizes stock awards (stock options and SARs) activity under the 2020 Incentive Plan and 2003 LTIP:

	Number of Shares Under Stock Awards	Weighted Average Exercise Price per Share
Outstanding at December 31, 2020	6,711,731	$ 35.36
Forfeited	(1,135,241)	26.39
Outstanding at December 31, 2021	5,576,490	$ 37.19
Forfeited	(1,126,848)	31.91
Outstanding at December 31, 2022	4,449,642	$ 38.53
Granted	283,361	7.68
Exercised	(26,457)	5.65
Forfeited	(547,213)	32.63
Outstanding at December 31, 2023	4,159,333	$ 37.41
Vested and expected to vest at December 31, 2023	4,141,672	$ 37.53
Exercisable at December 31, 2023	4,014,981	$ 38.42

As of December 31, 2023, stock awards outstanding, stock awards vested and expected to vest and stock awards exercisable had average remaining contractual terms of 3.7 years, 3.7 years and 3.5 years, respectively. Also, at December 31, 2023, stock awards outstanding, stock awards vested and expected to vest and stock awards exercisable had aggregate intrinsic values of $0.6 million, $0.6 million, and $0.3 million, respectively.

A rollforward of the changes in the Company's nonvested Restricted Stock Awards (restricted stock and restricted stock unit awards, including PSUs) from December 31, 2022 to December 31, 2023 is presented below:

	Number of Restricted Stock Awards	Weighted Average Grant-Date Fair Value Per Share
Nonvested at December 31, 2022	27,271,926	$ 11.81
Granted	20,402,621	11.16
Released	(13,758,000)	12.30
Forfeited	(2,819,764)	11.54
Nonvested at December 31, 2023	31,096,783	$ 11.20

Of the 20,402,621 Restricted Stock Awards granted during the year ended December 31, 2023, 14,104,207 vest ratably in three years or less and are not subject to market or performance conditions. Of the remaining Restricted Stock Awards granted, 299,207 are not subject to market conditions and will cliff vest within a three-year period, and 5,999,207 are subject to market or performance conditions and will cliff vest in three years or less.

As of December 31, 2023, the Company had $181.0 million of total unrecognized compensation expense, net of estimated forfeitures, related to all of its stock-based awards, which we expect to recognize over the remaining weighted average vesting period of 1.5 years. The total intrinsic value of Restricted Stock Awards released and stock options exercised during the years ended December 31, 2023 and 2022 was $169.2 million and $51.8 million, respectively.

14. Employee Benefit Plans

Defined Benefit Plans

The Company sponsors various defined benefit pension plans in several countries. Benefits provided generally depend on length of service, pay grade and remuneration levels. Employees in the U.S., Puerto Rico and certain international locations are also provided retirement benefits through defined contribution plans.

The Company also sponsors other postretirement benefit plans including plans that provide for postretirement supplemental medical coverage. Benefits from these plans are provided to employees and their spouses and dependents who meet various minimum age and service requirements. In addition, the Company sponsors other plans that provide for life insurance benefits and postretirement medical coverage for certain officers and management employees.

Accounting for Defined Benefit Pension and Other Postretirement Plans

The Company recognizes on its balance sheet an asset or liability equal to the over- or under-funded benefit obligation of each defined benefit pension and other postretirement plan. Actuarial gains or losses and prior service costs or credits that arise during the period are not recognized as components of net periodic benefit cost, but are recognized, net of tax, as a component of other comprehensive (loss) earnings.

Included in accumulated other comprehensive loss as of December 31, 2023 and 2022 are:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
(In millions)	2023	2022	2023	2022
Unrecognized actuarial net gain	$ (268.1)	$ (293.6)	$ (43.4)	$ (22.0)
Unrecognized prior service cost (credit)	19.7	4.0	(3.0)	(3.7)
Total	$ (248.4)	$ (289.6)	$ (46.4)	$ (25.7)

The unrecognized net actuarial gains exceeded 10% of the higher of the market value of plan assets or the projected benefit obligation at the beginning of the year for certain of the plans, therefore, amortization of such excess has been included in net periodic benefit costs for pension and other postretirement benefits in each of the last three years. The amortization period is the average remaining service period that active employees are expected to receive benefits, unless a plan is mostly inactive in which case the amortization period is the average remaining life expectancy of the plan participants. Unrecognized prior service cost (credit) is amortized over the future service periods of those employees who are active at the dates of the plan amendments and who are expected to receive benefits. If all or almost all of a plan's participants are inactive, unrecognized prior service cost is amortized over the remaining life expectancy of those participants.

The change in accumulated other comprehensive loss in 2023 relating to pension benefits and other postretirement benefits consists of:

(In millions)	Pension Benefits	Other Postretirement Benefits
Unrecognized actuarial loss (gain)	$ 8.3	$ (22.8)
Amortization of actuarial gain	20.5	1.4
Unrecognized prior service cost	16.3	—
Amortization of prior service (credit) cost	(1.0)	0.7
Impact of foreign currency translation	(2.9)	—
Net change	$ 41.2	$ (20.7)

Components of net periodic benefit cost, change in projected benefit obligation, change in plan assets, funded status, fair value of plan assets, assumptions used to determine net periodic benefit cost, funding policy and estimated future benefit payments are summarized below for the Company’s pension plans and other postretirement plans.

Net Periodic Benefit Cost

Components of net periodic benefit cost for the years ended December 31, 2023, 2022 and 2021 were as follows:

	Pension Benefits			Other Postretirement Benefits		
	December 31,			December 31,		
(In millions)	2023	2022	2021	2023	2022	2021
Service cost	$ 26.6	$ 32.6	$ 38.6	$ 2.1	$ 3.4	$ 3.4
Interest cost	63.6	36.8	31.6	6.9	3.7	2.6
Expected return on plan assets	(62.6)	(64.6)	(66.1)	—	—	—
Plan curtailment, settlement and termination	(3.8)	2.3	(16.5)	—	(3.9)	—
Amortization of prior service cost (credit)	2.1	0.9	0.9	(0.7)	(0.6)	—
Recognized net actuarial (gains) losses	(18.3)	(0.2)	1.3	(1.4)	0.3	0.2
Net periodic benefit cost	$ 7.6	$ 7.8	$ (10.2)	$ 6.9	$ 2.9	$ 6.2

During the year ended December 31, 2021, the Company recognized a settlement gain as a result of cash payments from lump sum elections related to the U.S. and Puerto Rico pension plans.

Change in Projected Benefit Obligation, Change in Plan Assets and Funded Status

The table below presents components of the change in projected benefit obligation, change in plan assets and funded status at December 31, 2023 and 2022.

	Pension Benefits		Other Postretirement Benefits	
(In millions)	2023	2022	2023	2022
Change in Projected Benefit Obligation				
Projected benefit obligation, beginning of year	$ 1,379.0	$ 1,946.6	$ 137.5	$ 188.4
Service cost	26.6	32.6	2.1	3.4
Interest cost	63.6	36.8	6.9	3.7
Participant contributions	0.5	3.3	4.1	4.5
(Divestitures) acquisitions	(8.8)	2.8	—	—
Plan settlements and terminations	8.6	(82.0)	—	(4.5)
Actuarial losses (gains)	40.8	(439.4)	(22.8)	(43.3)
Benefits paid	(74.0)	(54.1)	(15.2)	(14.7)
Impact of foreign currency translation	7.3	(67.6)	—	—
Projected benefit obligation, end of year	$ 1,443.6	$ 1,379.0	$ 112.6	$ 137.5
Change in Plan Assets				
Fair value of plan assets, beginning of year	$ 1,067.1	$ 1,366.4	$ —	$ —
Actual return on plan assets	95.2	(138.1)	—	—
Company contributions	41.7	25.6	11.1	10.2
Participant contributions	0.5	3.3	4.1	4.5
Divestitures	(12.1)	—	—	—
Plan settlements	(7.1)	(85.9)	—	—
Benefits paid	(74.0)	(54.1)	(15.2)	(14.7)
Impact of foreign currency translation	(1.9)	(50.1)	—	—
Fair value of plan assets, end of year	1,109.4	1,067.1	—	—
Funded status of plans	$ (334.2)	$ (311.9)	$ (112.6)	$ (137.5)

Net accrued benefit costs for pension plans and other postretirement benefits are reported in the following components of the Company's consolidated balance sheets at December 31, 2023 and 2022:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
(In millions)	2023	2022	2023	2022
Noncurrent assets	$ 89.3	$ 118.3	$ —	$ —
Current liabilities	(20.0)	(14.6)	(13.8)	(15.4)
Noncurrent liabilities	(403.5)	(415.6)	(98.8)	(122.1)
Net accrued benefit costs	$ (334.2)	$ (311.9)	$ (112.6)	$ (137.5)

The projected benefit obligation is the actuarial present value of benefits attributable to employee service rendered to date, including the effects of estimated future pay increases. The accumulated benefit obligation is the actuarial present value of benefits attributable to employee service rendered to date, but does not include the effects of estimated future pay increases. The accumulated benefit obligation for the Company's pension plans was $1.36 billion and $1.31 billion at December 31, 2023 and 2022, respectively.

The projected benefit obligation, accumulated benefit obligation and fair value of plan assets for pension plans with an accumulated benefit obligation in excess of the fair value of plan assets at December 31, 2023 and 2022 were as follows:

	December 31,	
(In millions)	2023	2022
Plans with accumulated benefit obligation in excess of plan assets:		
Projected benefit obligation	$ 1,058.1	$ 1,026.5
Accumulated benefit obligation	1,023.5	999.3
Fair value of plan assets	642.4	604.9

Fair Value of Plan Assets

The Company measures the fair value of plan assets based on the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are based on a three-tier hierarchy described in Note 9 *Financial Instruments and Risk Management*. The table below presents total plan assets by investment category as of December 31, 2023 and 2022 and the classification of each investment category within the fair value hierarchy with respect to the inputs used to measure fair value:

	December 31, 2023			
(In millions)	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 17.4	$ —	$ —	$ 17.4
Equity securities	401.6	30.3	—	431.9
Fixed income securities	175.9	281.6	—	457.5
Assets held by insurance companies and other	181.4	17.2	4.0	202.6
Total	$ 776.3	$ 329.1	$ 4.0	$ 1,109.4

	December 31, 2022			
(In millions)	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 34.2	$ 0.9	$ —	$ 35.1
Equity securities	42.9	353.4	—	396.3
Fixed income securities	181.6	271.5	—	453.1
Assets held by insurance companies and other	76.9	97.9	7.8	182.6
Total	$ 335.6	$ 723.7	$ 7.8	$ 1,067.1

Risk tolerance on invested pension plan assets is established through careful consideration of plan liabilities, plan funded status and corporate financial condition. Investment risk is measured and monitored on an ongoing basis through annual liability measures, periodic asset/liability studies and investment portfolio reviews. The Company's investment strategy is to maintain, where possible, a diversified investment portfolio across several asset classes that, when combined with the Company's contributions to the plans, will ensure that required benefit obligations are met.

Assumptions

The following weighted average assumptions were used to determine the benefit obligations for the Company's defined benefit pension and other postretirement plans as of December 31, 2023 and 2022:

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Discount rate	4.5 %	4.8 %	5.0 %	5.4 %
Expected return on plan assets	6.1 %	5.0 %	— %	— %
Rate of compensation increase	3.7 %	3.7 %	— %	— %

The following weighted average assumptions were used to determine the net periodic benefit cost for the Company’s defined benefit pension and other postretirement benefit plans for the three years in the period ended December 31, 2023:

	Pension Benefits			Other Postretirement Benefits		
	2023	2022	2021	2023	2022	2021
Discount rate	4.8 %	2.3 %	1.9 %	5.4 %	2.5 %	1.9 %
Expected return on plan assets	6.1 %	5.0 %	5.1 %	— %	— %	— %
Rate of compensation increase	3.7 %	3.1 %	2.9 %	— %	— %	— %

The assumptions for each plan are reviewed on an annual basis. The discount rate reflects the current rate at which the pension and other benefit liabilities could be effectively settled at the measurement date. In setting the discount rates, we utilize comparable corporate bond indices as an indication of interest rate movements and levels. Corporate bond indices were selected based on individual plan census data and duration. The expected return on plan assets was determined using historical market returns and long-term historical relationships between equities and fixed income securities. The Company compares the expected return on plan assets assumption to actual historic returns to ensure reasonableness. Current market factors such as inflation and interest rates are also evaluated.

The weighted-average healthcare cost trend rate used for 2023 was 6.9% declining to a projected 4.0% in the year 2046. For 2024, the assumed weighted-average healthcare cost trend rate used will be 8.6% declining to a projected 4.0% in the year 2048. In selecting rates for current and long-term healthcare cost assumptions, the Company takes into consideration a number of factors including the Company’s actual healthcare cost increases, the design of the Company’s benefit programs, the demographics of the Company’s active and retiree populations and external expectations of future medical cost inflation rates.

Estimated Future Benefit Payments

The Company’s funding policy for its funded pension plans is based upon local statutory requirements. The Company’s funding policy is subject to certain statutory regulations with respect to annual minimum and maximum company contributions. Plan benefits for the non-qualified plans are paid as they come due.

Estimated benefit payments over the next ten years for the Company’s pension plans and retiree health plan are as follows:

(In millions)	Pension Benefits	Other Postretirement Benefits
2024	$ 100.6	$ 13.8
2025	99.1	13.8
2026	97.5	13.7
2027	105.2	13.1
2028	100.8	12.4
Thereafter	521.4	50.5
Total	$ 1,024.6	$ 117.3

Defined Contribution Plans

The Company sponsors defined contribution plans covering its employees in the U.S. and Puerto Rico, as well as certain employees in a number of countries outside the U.S. The Company’s domestic defined contribution plans consist primarily of a Profit Sharing 401(k) Plan and other 401(k) retirement plans. Profit sharing contributions are made at the discretion of the Company. The Company’s non-domestic plans vary in form depending on local legal requirements. The Company’s contributions are based upon employee contributions, service hours, or pre-determined amounts depending upon the plan. Obligations for contributions to defined contribution plans are recognized as expense in the consolidated statements of operations when they are earned.

The Company maintains a 401(k) Restoration Plan, which permits employees who earn compensation in excess of the limits imposed by Section 401(a)(17) of the Code to (i) defer a portion of base salary and bonus compensation, (ii) be credited with a Company matching contribution in respect of deferrals under the 401(k) Restoration Plan, and (iii) be credited with Company non-elective contributions (to the extent so made by the Company), in each case, to the extent that participants otherwise would be able to defer or be credited with such amounts, as applicable, under the Profit Sharing 401(k) Plan if not for the limits on contributions and deferrals imposed by the Code.

The Company maintains an Income Deferral Plan, which permits certain management or highly compensated employees who are designated by the plan administrator to participate in the Income Deferral Plan to elect to defer up to 50% of base salary and up to 100% of bonus compensation, in each case, in addition to any amounts that may be deferred by such participants under the Profit Sharing 401(k) Plan and the 401(k) Restoration Plan. In addition, under the Income Deferral Plan, eligible participants may be granted employee deferral awards, which awards will be subject to the terms and conditions (including vesting) as determined by the plan administrator at the time such awards are granted.

Total employer contributions to defined contribution plans were approximately $129.3 million, $111.5 million and $107.4 million for the years ended December 31, 2023, 2022 and 2021, respectively.

15. Segment Information

Viatris has four reportable segments: Developed Markets, Greater China, JANZ, and Emerging Markets. The Company reports segment information on the basis of markets and geography, which reflects its focus on bringing its broad and diversified portfolio of branded and generic products, including complex products, to people in markets everywhere. Our Developed Markets segment comprises our operations primarily in North America and Europe. Our Greater China segment includes our operations in China, Taiwan and Hong Kong. Our JANZ segment reflects our operations in Japan, Australia and New Zealand. Our Emerging Markets segment encompasses our presence in more than 125 countries with developing markets and emerging economies including in Asia, Africa, Eastern Europe, Latin America and the Middle East as well as the Company's ARV franchise.

The Company's chief operating decision maker is the Chief Executive Officer, who evaluates the performance of its segments based on total revenues and segment profitability.

Certain costs are not included in the measurement of segment profitability, such as costs, if any, associated with the following:

- Intangible asset amortization expense and impairments of goodwill and long-lived assets;
- R&D and Acquired IPR&D expense;
- Net charges or net gains for litigation settlements and other contingencies;
- Certain costs related to transactions and events such as (i) purchase accounting adjustments, where we incur expenses associated with the amortization of fair value adjustments to inventory and property, plant and equipment; (ii) acquisition-related costs, where we incur costs for executing the transaction, integrating the acquired operations and restructuring the combined company; and (iii) other significant items, which are substantive and/or unusual, and in some cases recurring, items (such as restructuring) that are evaluated on an individual basis by management and that either as a result of their nature or size, would not be expected to occur as part of our normal business on a regular basis. Such special items can include, but are not limited to, non-acquisition-related restructuring costs, as well as costs incurred for asset impairments and disposals of assets or businesses, including costs related to the Announced Divestitures and the Biocon Biologics Transaction, and, as applicable, any associated transition activities.
- Corporate and other unallocated costs associated with platform functions (such as digital, facilities, legal, finance, human resources, insurance, public affairs and procurement), patient advocacy activities and certain compensation and other corporate costs (such as interest income and expense, and gains and losses on investments, as well as overhead expenses associated with our manufacturing, which include manufacturing variances associated with production) and operations that are not directly assessed to an operating segment as business unit (segment) management does not manage these costs.

The Company does not report depreciation expense, total assets and capital expenditures by segment, as such information is not used by the chief operating decision maker.

The accounting policies of the segments are the same as those described in Note 2 *Summary of Significant Accounting Policies*.

Presented in the table below is segment information for the periods identified and a reconciliation of segment information to total consolidated information.

	Net Sales			Segment Profitability		
	Years Ended December 31,			Years Ended December 31,		
(In millions)	2023	2022	2021	2023	2022	2021
Reportable Segments:						
Developed Markets	$ 9,251.9	$ 9,768.9	$ 10,428.7	$ 4,086.5	$ 4,878.1	$ 5,143.1
Greater China	2,160.4	2,201.2	2,212.8	1,426.8	1,512.5	1,397.1
JANZ	1,424.5	1,632.4	2,027.4	522.9	665.5	762.4
Emerging Markets	2,551.6	2,615.6	3,144.7	1,091.9	1,207.1	1,402.4
Total reportable segments	$ 15,388.4	$ 16,218.1	$ 17,813.6	$ 7,128.1	$ 8,263.2	$ 8,705.0
Reconciling items:						
Intangible asset amortization expense				(2,317.1)	(2,504.6)	(2,702.2)
Intangible asset disposal & impairment charges				(32.0)	(173.5)	(102.8)
Impairment of goodwill				(580.1)	(117.0)	—
Globally managed research and development costs				(805.2)	(662.2)	(681.0)
Acquired IPR&D				(105.5)	(36.4)	(70.1)
Litigation settlements & other contingencies				(111.6)	(4.4)	(329.2)
Transaction related and other special items				(774.4)	(1,026.9)	(2,832.2)
Corporate and other unallocated				(1,636.0)	(2,123.3)	(2,021.5)
Earnings (loss) from operations				$ 766.2	$ 1,614.9	$ (34.0)

The following table represents the percentage of consolidated net sales to Viatris' major customers during the years ended December 31, 2023, 2022, and 2021:

	Percentage of Consolidated Net Sales		
	2023	2022	2021
McKesson Corporation	10 %	11 %	9 %
AmerisourceBergen Corporation	10 %	10 %	9 %
Cardinal Health, Inc.	5 %	5 %	5 %

Sales by Country Information

Net sales by country are presented on the basis of geographic location of our subsidiaries:

	Year Ended December 31,		
(In millions)	2023	2022	2021
United States	$ 3,551.8	$ 3,946.6	$ 4,176.4
China	1,889.0	1,951.3	1,981.5

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No other country's net sales represents more than 10% of consolidated net sales.

16. Commitments

The Company has entered into employment and other agreements with certain executives and other employees that provide for compensation, retirement and certain other benefits. These agreements provide for severance payments under certain circumstances. Additionally, the Company has split-dollar life insurance agreements with certain retired executives.

In conjunction with the Combination, Viatris entered into a TSA with Pfizer pursuant to which each party provided certain limited transition services to the other party. In addition to the monthly service fees under the TSA, Viatris has agreed to reimburse Pfizer for fifty percent of the costs, up to the first $380 million incurred, to establish and wind down the TSA services. Viatris will be required to fully reimburse Pfizer for total costs in excess of $380 million. During the years ended December 31, 2023, 2022 and 2021, the Company incurred $5.5 million, $54.5 million, and $30.4 million, respectively, related to this provision of the TSA, and approximately $143.5 million during the period beginning on the closing date of the Combination and ended December 31, 2023. As of December 31, 2022, the Company had exited substantially all transition services with Pfizer.

In addition, the Company entered into retention agreements with certain key employees, whereby they agreed to continue to provide service to the Company for a period of time after the Combination. The Company is recording the expense for these agreements over the applicable service periods.

At the time of closing of the Biocon Biologics Transaction, Viatris and Biocon Biologics also entered an agreement pursuant to which Viatris was providing commercialization and certain other transition services on behalf of Biocon Biologics, including billings, collections and the remittance of rebates, to ensure business continuity for patients, customers and colleagues. Biocon Biologics had substantially exited all transition services with Viatris as of December 31, 2023.

In connection with the Announced Divestitures, Viatris has agreed, at the closing of the respective transactions, to enter into transition services and manufacturing and supply agreements pursuant to which the Company will provide services to the respective purchasers, substantially the same as we currently provide to the related businesses, generally for a period of up to 12 months, subject to potential extensions in certain circumstances. In addition, in connection with the OTC Transaction and the divestiture of our women's healthcare business, we have agreed, at the closing of the respective transactions, to enter into distribution agreements for certain markets for a limited period of time. In connection with our API business divestiture, we have agreed to enter into a manufacturing and supply agreement pursuant to which we will purchase a significant amount of API from the purchaser in that transaction.

In the normal course of business, Viatris periodically enters into employment, legal settlement and other agreements which incorporate indemnification provisions. While the maximum amount to which Viatris may be exposed under such agreements cannot be reasonably estimated, the Company maintains insurance coverage, which management believes will effectively mitigate the Company's obligations under these indemnification provisions. No amounts have been recorded in the consolidated financial statements with respect to the Company's obligations under such agreements.

17. Restructuring

2020 Restructuring Program

During 2020, Viatris announced a significant global restructuring program in order to achieve synergies and ensure that the organization was optimally structured and efficiently resourced to deliver sustainable value to patients, shareholders, customers, and other stakeholders. As part of the restructuring, the Company optimized its commercial capabilities and enabling functions, and closed, downsized or divested certain manufacturing facilities globally that were deemed to be no longer viable either due to surplus capacity, challenging market dynamics or a shift in its product portfolio toward more complex products. The actions under the 2020 restructuring program were substantially completed during 2023.

Since the initiation of the 2020 restructuring program, the Company has incurred total pre-tax charges of approximately $1.4 billion through December 31, 2023. Such charges included approximately $450 million of non-cash charges mainly related to accelerated depreciation and asset impairment charges, including inventory write-offs, and cash costs of approximately $950 million, primarily related to severance and employee benefits expense, as well as other costs, including those related to contract terminations and other plant disposal costs.

The following table summarizes the restructuring charges and the reserve activity for the restructuring program:

(In millions)	Employee Related Costs	Other Exit Costs	Total
Balance at December 31, 2020	$ 262.6	$ 4.8	$ 267.4
Charges [3]	396.1	496.1	892.2
Reimbursable restructuring charges	26.4	—	26.4
Cash payment	(385.5)	(151.7)	(537.2)
Utilization	—	(345.0)	(345.0)
Foreign currency translation	(7.0)	(0.1)	(7.1)
Balance at December 31, 2021	$ 292.6	$ 4.1	$ 296.7
Charges [2]	38.2	48.3	86.5
Cash payment	(170.1)	(15.3)	(185.4)
Utilization	—	(34.9)	(34.9)
Foreign currency translation	(5.1)	(0.3)	(5.4)
Balance at December 31, 2022	$ 155.6	$ 1.9	$ 157.5
Charges [1]	17.6	107.6	125.2
Cash payment	(77.8)	(10.3)	(88.1)
Utilization [4]	(4.0)	(99.2)	(103.2)
Foreign currency translation	0.8	—	0.8
Balance at December 31, 2023	$ 92.2	$ —	$ 92.2

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(1) For the year ended December 31, 2023, total restructuring charges in Developed Markets, Greater China, JANZ, Emerging Markets, and Corporate/Other were approximately $80.3 million, $0.4 million, $29.5 million, $13.9 million, and $1.1 million, respectively.

(2) For the year ended December 31, 2022, total restructuring charges in Developed Markets, Greater China, JANZ, Emerging Markets, and Corporate/Other were approximately $74.6 million, $2.5 million, $0.9 million, $8.2 million, and $0.3 million, respectively.

(3) For the year ended December 31, 2021, total restructuring charges in Developed Markets, Greater China, JANZ, Emerging Markets, and Corporate/Other were approximately $623.8 million, $5.8 million, $138.1 million, and $94.1 million and $30.4 million, respectively.

(4) For the year ended December 31, 2023, other exit costs included expense of $71.6 million relating to plant divestitures.

At December 31, 2023 and 2022, accrued liabilities for restructuring and other cost reduction programs were primarily included in other current liabilities and other long-term obligations in the consolidated balance sheets.

18. Licensing and Other Partner Agreements

We periodically enter into licensing and other partner agreements with other pharmaceutical companies for the development, manufacture, marketing and/or sale of pharmaceutical products. Our significant licensing and other partner agreements are primarily focused on the development, manufacturing, supply and commercialization of multiple complex products. Under these agreements, we have future potential milestone payments and co-development expenses payable to third parties as part of our licensing, development and co-development programs. Payments under these agreements generally become due and are payable upon the satisfaction or achievement of certain developmental, regulatory or commercial milestones or as development expenses are incurred on defined projects. Milestone payment obligations are uncertain, including the prediction of timing and the occurrence of events triggering a future obligation and are not reflected as liabilities in the consolidated balance sheets, except for obligations reflected as acquisition related contingent consideration. Refer to Note 9 *Financial Instruments and Risk Management* for further discussion of contingent consideration.

Our potential maximum development milestones not accrued for at December 31, 2023 totaled approximately $415 million. We estimate that the amounts that may be paid during the next twelve months to be approximately $89 million. These agreements may also include potential sales-based milestones and call for us to pay a percentage of amounts earned from the sale of the product as a royalty or a profit share. The amounts disclosed do not include sales-based milestones or royalty or profit share obligations on future sales of product as the timing and amount of future sales levels and costs to produce products subject to these obligations is not reasonably estimable. These sales-based milestones or royalty or profit share obligations may be significant depending upon the level of commercial sales for each product.

Mapi

In 2018, the Company entered into an exclusive license and commercialization agreement with Mapi for the development and commercialization on a world-wide basis of GA Depot. Under the terms of the license and commercialization agreement, as of December 31, 2023, Mapi is eligible to receive regulatory approval and commercial launch milestone payments of up to $90.0 million. Additionally, upon commercial launch of GA Depot, Mapi is eligible to receive royalties and sales-based milestones.

In December 2023, the Company entered into a letter agreement, as amended, with Mapi for the development and commercialization of certain additional products, which is subject to finalization pending the execution of a definitive agreement, which is expected in the first half of 2024. The Company made an initial upfront payment of $75.0 million which was accounted for as *Acquired IPR&D* expense in the consolidated statements of operations during the year ended December 31, 2023.

The Company holds investments in preferred shares of Mapi that are accounted for at cost, less impairment, if any, adjusted for observable price changes, in accordance with ASC 321, *Investments – Equity Securities*. During the year ended December 31, 2023, the Company made an additional investment of $30.0 million in preferred shares of Mapi. The preferred shares are convertible on a one-to-one basis into Mapi ordinary shares at Viatris' option. The Company recognized a gain of $45.6 million during the year ended December 31, 2023 as a result of remeasuring our pre-existing equity interest in Mapi, which was recorded as a component of *Other Income, Net* in the consolidated statements of operations. The Company has determined that Mapi represents a variable interest entity ("VIE"), but has concluded that Viatris is not the primary beneficiary of Mapi as we do not have the power to direct the activities of the VIE that most significantly impact the VIE's economic performance. Accordingly, we have not consolidated Mapi's results of operations and financial position into our consolidated financial statements.

As of December 31, 2023 and 2022, our consolidated balance sheets included, within *Other Assets*, $132.1 million and $56.4 million, respectively, related to our equity investments in Mapi, which included cumulative unrealized gains of $62.1 million and $16.5 million, respectively, and within *Prepaid Expenses and Other Current Assets*, $52.5 million and $42.5 million, respectively, related to advances, including for initial orders of commercial launch supply of GA Depot under our supply agreement with Mapi. Our maximum exposure to loss as a result of our involvement with Mapi is limited to the carrying value of the investments and advances.

Revance

The Company and Revance have entered into an agreement pursuant to which the Company and Revance are collaborating exclusively, on a world-wide basis (excluding Japan), to develop, manufacture and commercialize a biosimilar to the branded biologic product (onabotulinumtoxinA) marketed as BOTOX®. Under the agreement, the Company is primarily responsible for (a) clinical development activities outside of North America (excluding Japan) (b) regulatory activities, and (c) commercialization for any approved product. Revance is primarily responsible for (a) non-clinical development activities, (b) clinical development activities in North America, and (c) manufacturing and supply of clinical drug substance and drug product; Revance is solely responsible for an initial portion of non-clinical development costs. The remaining portion of any non-clinical development costs and clinical development costs for obtaining approval in the U.S. and Europe is being shared equally between the parties, and the Company is responsible for all other clinical development costs and commercialization expenses.

Theravance Biopharma

The Company has a development and commercialization collaboration with Theravance Biopharma, for revefenacin. On November 9, 2018, the Company announced that the FDA approved the NDA for YUPELRI® (revefenacin) inhalation solution for the maintenance treatment of patients with COPD. YUPELRI®, a LAMA, is the first and only once-daily, nebulized bronchodilator approved for the treatment of COPD in the U.S. Viatris is responsible for commercial manufacturing and commercialization. Theravance Biopharma is co-promoting the product in the hospital channel under a profit-sharing arrangement.

The Company has also acquired exclusive development and commercialization rights to nebulized revefenacin in China and adjacent territories, which include Hong Kong SAR, the Macau SAR and Taiwan, for an upfront payment of $18.5 million and additional potential development and sales milestones together with tiered royalties on net sales of nebulized revefenacin, if approved. Viatris is responsible for all aspects of development and commercialization in the partnered regions, including pre- and post-launch activities and product registration and all associated costs.

Under the terms of the agreements, Theravance Biopharma is eligible to receive potential development and sales milestone payments totaling approximately $293 million in the aggregate. As of December 31, 2023, the Company has paid a total of $50.0 million in milestone payments to Theravance Biopharma.

Other Development Agreements

We are actively pursuing, and are currently involved in, joint projects related to the development, distribution and marketing of both generic and branded products. Many of these arrangements provide for payments by us upon the attainment of specified milestones. While these arrangements help to reduce the financial risk for unsuccessful projects, fulfillment of specified milestones or the occurrence of other obligations may result in fluctuations in cash flows and Acquired IPR&D expense.

19. Litigation

The Company is involved in various disputes, governmental and/or regulatory inquiries, investigations and proceedings, tax proceedings and litigation matters, both in the U.S. and abroad, that arise from time to time, some of which could result in losses, including damages, fines and/or civil penalties, and/or criminal charges against the Company. These matters are often complex and have outcomes that are difficult to predict.

In addition, in connection with the Combination, the Company has generally assumed liability for, and control of, pending and threatened legal matters relating to the Upjohn Business – including certain matters initiated against Pfizer described below – and has agreed to indemnify Pfizer for liabilities arising out of such assumed legal matters. Pfizer, however, has agreed to retain various matters – including certain specified competition law matters – to the extent they arise from conduct during the pre-Distribution period and has agreed to indemnify the Company for liabilities arising out of such matters.

While the Company believes that it has meritorious defenses with respect to the claims asserted against it and the assumed legal matters referenced above, and intends to vigorously defend its position, the process of resolving these matters is inherently uncertain and may develop over a long period of time, and so it is not possible to predict the ultimate resolution of any such matter. It is possible that an unfavorable resolution of any of the ongoing matters could have a material effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

Some of these governmental inquiries, investigations, proceedings and litigation matters with which the Company is involved are described below, and unless otherwise disclosed, the Company is unable to predict the outcome of the matter or to provide an estimate of the range of reasonably possible material losses. The Company records accruals for loss contingencies to the extent we conclude it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Company is also involved in other pending proceedings for which, in the opinion of the Company based upon facts and circumstances known at the time, either the likelihood of loss is remote or any reasonably possible loss associated with the resolution of such proceedings is not expected to be material to the Company's business, financial position, results of operations, cash flows, ability to pay dividends and/or stock price. If and when any reasonably possible losses associated with the resolution of such other pending proceedings, in the opinion of the Company, become material, the Company will disclose such matters.

Legal costs are recorded as incurred and are classified in SG&A in the Company's consolidated statements of operations.

EpiPen® Auto-Injector Litigation

On February 14, 2020, the Company, together with other non-Viatris affiliated companies, were named as defendants in a putative direct purchaser class action filed in the U.S. District Court for the District of Kansas relating to the pricing and/or marketing of the EpiPen® Auto-Injector. On September 21, 2021, after Plaintiffs' then operative complaint was dismissed with an option to file a limited amended complaint, Plaintiffs filed an amended complaint asserting federal antitrust claims which are based on allegations concerning a patent settlement between Pfizer and Teva and other alleged actions regarding the launch of Teva's generic epinephrine auto-injector. Plaintiffs' seek monetary damages, declaratory relief, attorneys' fees and costs. A trial is currently scheduled to begin in March 2026.

Beginning in March 2020, the Company, together with other non-Viatris affiliated companies, were named as defendants in putative direct purchaser class actions filed in the U.S. District Court for the District of Minnesota relating to contracts with certain pharmacy benefit managers concerning EpiPen® Auto-Injector. The plaintiffs claim that the alleged conduct resulted in the exclusion or restriction of competing products and the elimination of pricing constraints in violation of RICO and federal antitrust law. These actions have been consolidated. Plaintiffs' seek monetary damages, attorneys' fees and costs. A class certification motion is pending.

On April 24, 2017, Sanofi Aventis U.S., LLC ("Sanofi") filed a lawsuit against the Company in the U.S. District Court for the District of New Jersey. This lawsuit was transferred into a MDL in the U.S. District Court for the District of Kansas and alleged exclusive dealing and anti-competitive marketing practices in violation of the antitrust laws in connection with the sale and marketing of the EpiPen® Auto-Injector. Sanofi sought monetary damages, declaratory relief, attorneys' fees and costs. The Court granted the Company's motion for summary judgment and dismissed Sanofi's claims. Sanofi's appeal was denied. Sanofi's petition seeking review by the U.S. Supreme Court was also denied and concludes this matter.

The Company has a total accrual of approximately $5.5 million related to these matters at December 31, 2023, which is included in other current liabilities in the consolidated balance sheets. Although it is reasonably possible that the Company may incur additional losses from these matters, any amount cannot be reasonably estimated at this time. In addition, the Company expects to incur additional legal and other professional service expenses associated with such matters in future periods and will recognize these expenses as services are received. The Company believes that the ultimate amount paid for these services and claims could have a material effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price in future periods.

Drug Pricing Matters

Department of Justice

On December 3, 2015, the Company received a subpoena from the Antitrust Division of the DOJ seeking information relating to the marketing, pricing, and sale of certain of our generic products and any communications with competitors about such products. On September 8, 2016, the Company, as well as certain employees and a member of senior management, received subpoenas from the DOJ seeking similar information. Related search warrants also were executed.

On May 10, 2018, the Company received a civil investigative demand from the Civil Division of the DOJ seeking information relating to the pricing and sale of its generic drug products.

We have fully cooperated with these investigations, which we believe are related to a broader industry-wide investigation of the generic pharmaceutical industry. We have not had contact from DOJ concerning the above-described subpoenas or civil investigative demand in several years.

Civil Litigation

Beginning in 2016, the Company, along with other manufacturers, has been named as a defendant in lawsuits filed in the United States and Canada generally alleging anticompetitive conduct with respect to generic drugs. The lawsuits have been filed by plaintiffs, including putative classes of direct purchasers, indirect purchasers, and indirect resellers, as well as individual direct and indirect purchasers and certain cities and counties. The lawsuits allege harm under federal laws and the United States lawsuits also allege harm under state laws, including antitrust laws, state consumer protection laws and unjust enrichment claims. Some of the United States lawsuits also name as defendants the Company's President, including allegations against him with respect to a single drug product, and one of the Company's sales employees, including allegations against him with respect to certain generic drugs. The vast majority of the lawsuits have been consolidated in an MDL proceeding in the Eastern District of Pennsylvania ("EDPA"). Plaintiffs generally seek monetary damages, restitution, declaratory and injunctive relief, attorneys' fees and costs. The EDPA Court has ordered certain plaintiffs' complaints regarding two single-drug product cases to proceed as bellwethers. The Company is named in those plaintiffs' complaints that regard one of the two individual drug products and class certification motions are pending in that matter.

Attorneys General Litigation

On December 21, 2015, the Company received a subpoena and interrogatories from the Connecticut Office of the Attorney General seeking information relating to the marketing, pricing and sale of certain of the Company's generic products and communications with competitors about such products. On December 14, 2016, attorneys general of certain states filed a complaint in the United States District Court for the District of Connecticut against several generic pharmaceutical drug manufacturers, including the Company, alleging anticompetitive conduct with respect to, among other things, a single drug product. The complaint has subsequently been amended, including on June 18, 2018, to add attorneys general alleging violations of federal and state antitrust laws, as well as violations of various states' consumer protection laws. This lawsuit has been transferred to the aforementioned MDL proceeding in the EDPA. The operative complaint includes attorneys general of forty-four states, the District of Columbia and the Commonwealth of Puerto Rico. The Company is alleged to have engaged in anticompetitive conduct with respect to four generic drug products. The amended complaint also includes claims asserted by attorneys general of thirty-four states and the Commonwealth of Puerto Rico against certain individuals, including the Company's President, with respect to a single drug product. The amended complaint seeks declaratory and injunctive relief, disgorgement, attorneys' fees and costs, and certain states seek monetary damages, civil penalties, restitution, and other equitable monetary relief. The states' claim for disgorgement and restitution under federal law in this case has been dismissed.

On May 10, 2019, certain attorneys general filed a new complaint in the United States District Court for the District of Connecticut against various drug manufacturers and individuals, including the Company and one of its sales employees, alleging anticompetitive conduct with respect to additional generic drugs. On November 1, 2019, the complaint was amended, adding additional states as plaintiffs. The operative complaint is brought by attorneys general of forty-five states, certain territories and the District of Columbia. The amended complaint also includes claims asserted by attorneys general of forty states and certain territories against several individuals, including a Company sales employee. The amended complaint seeks declaratory and injunctive relief, disgorgement, attorneys' fees and costs, and certain states seek monetary damages, civil penalties, restitution, and other equitable monetary relief. This lawsuit has been transferred to the aforementioned MDL proceeding in the EDPA.

On June 10, 2020, certain attorneys general filed a new complaint in the United States District Court for the District of Connecticut against drug manufacturers, including the Company, and individual defendants (none from the Company), alleging anticompetitive conduct with respect to additional generic drugs. On September 9, 2021, the complaint was amended, adding an additional state as a plaintiff. The operative complaint is brought by attorneys general of forty-four states, certain territories and the District of Columbia. The amended complaint seeks declaratory and injunctive relief, disgorgement, attorneys' fees and costs, and certain states seek monetary damages, civil penalties, restitution, and other equitable monetary relief. The states' claim for disgorgement and restitution under federal law in this case has been dismissed. This lawsuit has been transferred to the aforementioned MDL proceeding in the EDPA and has been ordered to proceed as a bellwether.

On January 31, 2024, the United States Judicial Panel on Multidistrict Litigation ("JPML") granted the Attorneys Generals' motion to remand the aforementioned complaints to the U.S. District Court for the District of Connecticut. The order is currently stayed while Defendants challenge remand.

Securities Related Litigation

Purported class action complaints were filed in October 2016 against Mylan N.V. and Mylan Inc. (collectively, for the purposes of this paragraph, "Mylan"), certain of Mylan's former directors and officers, and certain of the Company's current directors and officers (collectively, for purposes of this paragraph, the "defendants") in the United States District Court for the Southern District of New York ("SDNY") on behalf of certain purchasers of securities of Mylan on the NASDAQ ("SDNY Class Action Litigation"). The complaints alleged that defendants made false or misleading statements and omissions of purportedly material fact, in violation of federal securities laws, in connection with disclosures relating to the classification of their EpiPen® Auto-Injector as a non-innovator drug for purposes of the Medicaid Drug Rebate Program. On March 20, 2017, a consolidated amended complaint was filed alleging substantially similar claims, but adding allegations that defendants made false or misleading statements and omissions of purportedly material fact in connection with allegedly anticompetitive conduct with respect to EpiPen® Auto-Injector and certain generic drugs.

The operative complaint is the third amended consolidated complaint, which was filed on June 17, 2019, and contains the allegations as described above against Mylan, certain of Mylan's former directors and officers, and certain of the Company's current directors, officers, and employees (collectively, for purposes of this paragraph, the "defendants"). A class has been certified covering all persons or entities that purchased Mylan common stock between February 21, 2012 and May 24, 2019 excluding defendants, certain of the Company's current directors and officers, former directors and officers of Mylan, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which defendants have or had a controlling interest. Plaintiffs seek damages and costs and expenses, including attorneys' fees and expert costs. On March 30, 2023, the Court dismissed all of Plaintiffs' claims by granting Defendants' motion for summary judgment and denying Plaintiffs' cross-motion for partial summary judgment. Plaintiffs' appeal to the U.S. Court of Appeals for the Second Circuit is pending.

On April 30, 2017, a similar lawsuit was filed in the Tel Aviv District Court (Economic Division) in Israel ("Israel Litigation"), which had been stayed pending a decision in the SDNY Class Action Litigation. The Israel Litigation was dismissed by the Court due to lack of activity and may be refiled.

On February 14, 2020, the Abu Dhabi Investment Authority filed a complaint against Mylan in the SDNY asserting allegations pertaining to EpiPen® Auto-Injector and certain generic drugs under the federal securities laws ("ADIA Litigation") that overlap with those asserted in the SDNY Class Action Litigation. The complaint filed in the ADIA Litigation seeks monetary damages as well as the plaintiff's fees and costs.

On June 26, 2020, a putative class action complaint was filed by the Public Employees Retirement System of Mississippi, which was subsequently amended on November 13, 2020, against Mylan N.V., certain of Mylan N.V.'s former directors and officers, and an officer and director of the Company (collectively for the purposes of this paragraph, the "defendants") in the U.S. District Court for the Western District of Pennsylvania ("WDPA") on behalf of certain purchasers of securities of Mylan N.V. ("WDPA Mylan N.V. Class Action Litigation"). The amended complaint alleges that defendants made false or misleading statements and omissions of purportedly material fact, in violation of federal securities laws, in connection with disclosures relating to the Nashik and Morgantown manufacturing plants and inspections at the plants by the FDA. Plaintiff seeks certification of a class of purchasers of Mylan N.V. securities between February 16, 2016 and May 7, 2019. On May 18, 2023, the Court dismissed 45 of the 46 challenged statements. The complaint seeks monetary damages, as well as the plaintiff's fees and costs.

On February 15, 2021, a complaint was filed in the SDNY by Skandia Mutual Life Ins. Co., Lansforsakringar AB, KBC Asset Management N.V., and GIC Private Limited, against the Company, certain of Mylan N.V.'s former directors and officers, a current director and officer of the Company, and certain current employees of the Company ("Skandia Litigation"). The Complaint filed in the Skandia Litigation asserts claims which are based on allegations that are similar to those in the SDNY Class Action Litigation and WDPA Mylan N.V. Class Action Litigation. Plaintiffs seek compensatory damages, costs and expenses and attorneys' fees.

On October 28, 2021, the Company and certain of its then officers and directors were named as defendants in a putative class action lawsuit filed in the Court of Common Pleas of Allegheny County, Pennsylvania on behalf of former Mylan shareholders who received Company common stock in connection with the Combination. A non-Viatris affiliated company and persons were also named as defendants. The complaint alleges violations of Sections 11, 12(a)(2), and 15 of the Securities Act of 1933 for purportedly failing to disclose or misrepresenting material information in the registration statement and related prospectus issued in connection with the Combination. On January 3, 2023, an amended complaint was filed naming the same defendants and alleging the same violations as the original complaint. Plaintiffs seek monetary damages, reasonable costs and expenses, and certain other equitable and injunctive relief. A settlement has been reached to fully resolve this matter, subject to court approval.

Beginning in May 2023, putative class action complaints were filed against the Company and certain of the Company's current and former officers, directors, and employees in the WDPA on behalf of certain purchasers of securities of the Company. These actions have been consolidated and, on October 23, 2023, a consolidated amended putative class action complaint was filed in the WDPA against the Company, a current officer and director, and a former officer and director ("WDPA Viatris Class Action Litigation"). The operative complaint alleges that defendants made false or misleading statements and omissions of material fact, in violation of federal securities laws, in connection with disclosures relating to the Company's projected financial performance and biosimilars business. Plaintiffs seek certification of a class of purchasers of Company securities between March 1, 2021 and February 25, 2022. Plaintiffs seek monetary damages, reasonable costs and expenses, and certain other relief.

Beginning in August 2023, stockholder derivative actions purportedly on behalf of Viatris were filed in the WDPA against certain of the Company's current and former officers, directors, and employees alleging that defendants failed to ensure that the Company was making truthful and accurate statements in connection with the disclosures alleged in the WDPA Viatris Class Action Litigation. Viatris is named as a nominal defendant in these derivative actions. Certain of the complaints also assert claims for corporate waste and unjust enrichment. Plaintiffs seek various forms of relief, including damages, disgorgement, restitution, costs and fees.

Opioids

The Company, along with other manufacturers, distributors, pharmacies, pharmacy benefit managers, and individual healthcare providers is a defendant in more than 1,000 cases in the United States and Canada filed by various plaintiffs, including counties, cities and other local governmental entities, asserting civil claims related to sales, marketing and/or distribution practices with respect to prescription opioid products. In addition, lawsuits have been filed as putative class actions including on behalf of children with Neonatal Abstinence Syndrome due to alleged exposure to opioids.

The lawsuits generally seek equitable relief and monetary damages (including punitive and/or exemplary damages) based on a variety of legal theories, including various statutory and/or common law claims, such as negligence, public nuisance and unjust enrichment. The vast majority of these lawsuits have been consolidated in an MDL in the U.S. District Court for the Northern District Court of Ohio.

On January 13, 2023, the Company received a civil subpoena from the Attorney General of the State of New York seeking information relating to opioids manufactured, marketed, or sold by the Company and related subject matter. A similar subpoena was received in January 2024 from the Attorney General of the State of Alaska. The Company is fully cooperating with these subpoena requests.

The Company has accrued $77.5 million in connection with the possible resolution of certain of these matters at December 31, 2023, which is included in other current liabilities in the consolidated balance sheets. Although it is reasonably possible that the Company may incur additional losses from these matters, any amount cannot be reasonably estimated at this time. In addition, the Company expects to incur additional legal and other professional service expenses associated with such matters in future periods and will recognize these expenses as services are received. The Company believes that the ultimate amount paid for these services and claims could have a material effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price in future periods.

Meda Sweden Commercial Dispute

On August 30, 2021, Ocular AS and other related entities (“Claimants”) initiated an arbitration in Sweden against Meda OTC AB and Meda AB (collectively, “Meda”) alleging breach of a 2013 sale and purchase agreement between Claimants and Meda concerning commercialization of a dental hygiene product. Claimants sought approximately $155 million in purported damages, plus interest and costs. In May 2023, the arbitration panel ruled in Claimants’ favor and Meda resolved the matter for approximately $21.8 million, which was expensed and paid in 2023.

Citalopram

In 2013, the European Commission issued a decision finding that Lundbeck and several generic companies, including Generics [U.K.] Limited (“GUK”), had violated EU competition rules relating to various settlement agreements entered into in 2002 for citalopram. After various appeals, the European Commission’s decision was upheld in March 2021. On March 28, 2023, bodies of the national health authorities in England & Wales served a claim in the U.K. Competition Appeals Tribunal against parties to the citalopram investigation, including GUK, seeking monetary damages, plus interest, purportedly arising from the settlement agreements. GUK, beginning in approximately 2018, has received notices from other health service authorities and insurers asserting an intention to file similar claims. Pursuant to an indemnification agreement, Merck KGaA and GUK have agreed to equally share any damages claimed against Merck KGaA and/or GUK alleged to have been caused by the conduct which is the subject of the European Commission decision.

The Company has accrued approximately €11.5 million as of December 31, 2023 related to this matter. It is reasonably possible that we will incur additional losses above the amount accrued but we cannot estimate a range of such reasonably possible losses at this time. There are no assurances, however, that settlements reached and/or adverse judgments received, if any, will not exceed amounts accrued.

Product Liability

Like other pharmaceutical companies, the Company is involved in a number of product liability lawsuits related to alleged personal injuries arising out of certain products manufactured/or distributed by the Company, including but not limited to those discussed below. Plaintiffs in these cases generally seek damages and other relief on various grounds for alleged personal injury and economic loss.

The Company has accrued approximately $64.9 million as of December 31, 2023 for its product liability matters. It is reasonably possible that we will incur additional losses and fees above the amount accrued but we cannot estimate a range of such reasonably possible losses or legal fees related to these claims at this time. There are no assurances, however, that settlements reached and/or adverse judgments received, if any, will not exceed amounts accrued.

Nitrosamines

The Company, along with numerous other manufacturers, retailers, and others, are parties to litigation relating to alleged trace amounts of nitrosamine impurities in certain products, including valsartan and ranitidine. The vast majority of these lawsuits naming the Company in the United States are pending in two MDLs, namely an MDL pending in the United States District Court for the District of New Jersey concerning valsartan and an MDL pending in the United States District Court for the Southern District of Florida concerning ranitidine. The lawsuits against the Company in the MDLs include putative and certified classes seeking the refund of the purchase price and other economic and punitive damages allegedly sustained by consumers and end payors as well as individuals seeking compensatory and punitive damages for personal injuries allegedly caused by ingestion of the medications. Similar lawsuits pertaining to valsartan have been filed in other countries. Third party payor, consumer and medical monitoring classes were certified in the valsartan MDL and a Rule 23(f) petition to appeal the certification decision was denied. The Company has also received claims and inquiries related to these products, as well as requests to indemnify purchasers of the Company’s API and/or finished dose forms of these products. The original master complaints concerning ranitidine were dismissed on December 31, 2020. The end-payor plaintiff immediately appealed to the U.S. Court of Appeals for the Eleventh Circuit, which affirmed the dismissal. The personal injury and consumer putative class plaintiffs filed amended master complaints. The Company was not named as a defendant in the amended master complaints, though it was still named in certain short form complaints filed by personal injury plaintiffs. The trial court has dismissed all remaining claims against the generic defendants. Certain of the personal injury plaintiffs appealed this dismissal, which remains pending.

Lipitor

A number of individual and multi-plaintiff lawsuits have been filed against Pfizer in various federal and state courts alleging that the plaintiffs developed type 2 diabetes purportedly as a result of the ingestion of Lipitor. Plaintiffs seek compensatory and punitive damages. In February 2014, the federal actions were transferred for consolidated pre-trial proceedings to an MDL in the U.S. District Court for the District of South Carolina. Since 2016, certain cases in the MDL were remanded to certain state courts. In 2017, the District Court granted Pfizer's motion for summary judgment, dismissing all of the cases pending in the MDL. In June 2018, this dismissal was affirmed by the U.S. Court of Appeals for the Fourth Circuit. The state court proceedings remain pending in Missouri and New York. Prior state court proceedings in California have now been terminated after the California Court previously granted motions (i) to exclude the opinions of plaintiffs' only general causation expert in connection with his opinions involving the three lowest doses of Lipitor (10, 20 and 40 mg); (ii) for summary judgment in connection with the 10, 20, and 40 mg plaintiffs; and (iii) seeking the dismissal of the remaining cases involving the highest dose of Lipitor (80 mg).

Intellectual Property

The Company is involved in a number of patent litigation lawsuits involving the validity and/or infringement of patents held by branded pharmaceutical manufacturers including but not limited to the matters described below. The Company uses its business judgment to decide to market and sell certain products, in each case based on its belief that the applicable patents are invalid and/or that its products do not infringe, notwithstanding the fact that allegations of patent infringement(s) or other potential third party rights have not been finally resolved by the courts. The risk involved in doing so can be substantial because the remedies available to the owner of a patent for infringement may include, a reasonable royalty on sales or damages measured by the profits lost by the patent owner. If there is a finding of willful infringement, damages may be increased up to three times. Moreover, because of the discount pricing typically involved with bioequivalent products, patented branded products generally realize a substantially higher profit margin than generic and biosimilar products. The Company also faces challenges to its patents, including suits in various jurisdictions pursuant to which generic drug manufacturers, payers, governments, or other parties are seeking damages for allegedly causing delay of generic entry. An adverse decision in any of these matters could have an adverse effect that is material to our business, financial condition, results of operations, cash flows, ability to pay dividends and/or stock price.

The Company has approximately $5.1 million accrued related to its intellectual property matters at December 31, 2023. It is reasonably possible that we may incur additional losses and fees but we cannot estimate a range of such reasonably possible losses or legal fees related to these claims at this time.

Lyrica - United Kingdom

Beginning in 2014, Pfizer was involved in patent litigation in the English courts concerning the validity of its Lyrica pain use patent. In 2015, the High Court of Justice in London ordered that the NHS England issue guidance for prescribers and pharmacists directing the prescription and dispensing of Lyrica by brand when pregabalin was prescribed for the treatment of neuropathic pain and entered a preliminary injunction against certain Sandoz group companies preventing the sale of Sandoz's full label pregabalin product. Pfizer undertook to compensate certain generic companies and NHS entities for losses caused by these orders, which remained in effect until patent expiration in July 2017. In November 2018, the U.K. Supreme Court ruled that all the relevant claims directed to neuropathic pain were invalid.

Dr. Reddy's Laboratories filed a claim for monetary damages, interest, and costs in May 2020, followed by the Scottish Ministers and fourteen Scottish Health Boards (together, NHS Scotland) in July 2020. In September 2020, Teva, Sandoz, Ranbaxy, Actavis, and the Secretary of State for Health and Social Care, together with 32 other NHS entities (together, NHS England, Wales, and Northern Ireland) filed their claims. All of the claims have been resolved.

Yupelri

Beginning in January 2023, certain generic companies notified us that they had filed ANDAs with the FDA seeking approval to market generic versions of Yupelri® with associated Paragraph IV certifications. The companies assert the invalidity and/or non-infringement of polymorph patents expiring in 2030 and 2031, and a method of use patent expiring in 2039. The companies have not filed Paragraph IV certifications to our compound patents, which currently expire in December 2025, with one compound patent subject to a patent term extension to October 2028. In February 2023, we brought patent infringement actions against the generic filers in federal district courts, including the U.S. District Court for the District of New Jersey, the U.S. District Court for the District of Delaware, and the U.S. District Court for the Middle District of North Carolina, asserting infringement of the patents by the generic companies. The actions filed in Delaware and North Carolina have been dismissed and the actions will proceed in New Jersey. The Company has entered into settlement agreements with Teva, Accord, Orbicular, and Lupin granting licenses to commercialize their generic versions of Yupelri® in April 2039 or earlier depending on certain circumstances. Three ANDA filers remain in the litigation.

Tyrvaya

In June 2023, a generic company notified Oyster Point that it had filed an ANDA with the FDA seeking approval to market a generic version of Tyrvaya® with associated Paragraph IV certifications. The generic company asserts the invalidity and/or non-infringement of six Orange Book listed patents that all have expiration dates in October 2035. In July 2023, Oyster Point brought a patent infringement action against the generic filer in the U.S. District Court of the District of New Jersey asserting infringement by the generic company.

Amitiza

In September 2023, Sawai Pharmaceutical Co. ("Sawai") filed challenges with the Japanese Patent Office ("JPO") asserting invalidity of patent term extensions for the JPP '4332353 patent (the '353 patent) relevant to Amitiza®, which the Company commercializes in Japan as a licensee of the relevant patents, including the '353 patent. Towa Pharmaceutical Co. Ltd. also filed a challenge to the '353 patent term extension in January 2024. Separately, in December 2023, Sawai filed an invalidity action with the JPO against the '353 patent itself. With the granted extensions, the '353 patent has expiration dates for the Company's 24µg and 12µg strengths of April 2025 and April 2027, respectively. For the 12µg strength, other licensed patents with patent term extension dates – including one with an expiration of December 2028 – have not been challenged.

Other Litigation

The Company is involved in various other legal proceedings including commercial, contractual, employment, or other similar matters that are considered normal to its business. The Company has approximately $6.6 million accrued related to these various other legal proceedings at December 31, 2023.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

None.

ITEM 9A. Controls and Procedures

An evaluation was performed under the supervision and with the participation of the Company's management, including the Principal Executive Officer and the Principal Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of December 31, 2023. Based upon that evaluation, the Principal Executive Officer and the Principal Financial Officer concluded that the Company's disclosure controls and procedures were effective.

Management has not identified any changes in the Company's internal control over financial reporting ("ICFR") that occurred during the fourth quarter of 2023 that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Management's Report on ICFR is on page 80, which is incorporated herein by reference. The effectiveness of the Company's ICFR as of December 31, 2023 has been audited by Deloitte & Touche LLP (PCAOB ID No. 34), an independent registered public accounting firm, as stated in their report on page 84, which is incorporated herein by reference.

ITEM 9B. Other Information

Trading Arrangements

On November 28, 2023, JoEllen Lyons Dillon, a director of the Company, adopted a written plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act. The plan provides for the sale of up to 20,000 shares of the Company's common stock until all such shares are sold or March 4, 2025, whichever comes first.

ITEM 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

Certain information required by this Item will be provided in an amendment to this Annual Report on Form 10-K in accordance with General Instruction G(3) to Form 10-K.

Code of Ethics

The Viatris board of directors has adopted a Code of Ethics for the Company's Chief Executive Officer, Chief Financial Officer and Controller. The Viatris board of directors also has adopted a Code of Business Conduct and Ethics applicable to all directors, officers, and employees. The Code of Ethics for our Chief Executive Officer, Chief Financial Officer and Controller and the Code of Business Conduct and Ethics are posted on Viatris' website at http://www.viatris.com/en/About-Us/Corporate-Governance, and Viatris intends to post any amendments to and waivers from each of the Code of Ethics for the Company's Chief Executive Officer, Chief Financial Officer and Controller and the Code of Business Conduct and Ethics that are required to be disclosed on that website.

ITEM 11. Executive Compensation

The information required by this Item will be provided in an amendment to this Annual Report on Form 10-K in accordance with General Instruction G(3) to Form 10-K.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The additional information required by this Item will be provided in an amendment to this Form 10-K in accordance with General Instruction G(3) to Form 10-K.

Equity Compensation Plan Information

The following table shows information about the securities authorized for issuance under Viatris' equity compensation plans as of December 31, 2023:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	35,256,116	$ 14.29	29,265,309
Equity compensation plans not approved by security holders	—	—	—
Total	35,256,116	$ 14.29	29,265,309

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item will be provided in an amendment to this Annual Report on Form 10-K in accordance with General Instruction G(3) to Form 10-K.

ITEM 14. Principal Accounting Fees and Services

The information required by this Item will be provided in an amendment to this Annual Report on Form 10-K in accordance with General Instruction G(3) to Form 10-K.

PART IV

ITEM 15. Exhibits, Consolidated Financial Statement Schedules

1. *Consolidated Financial Statements*

The Consolidated Financial Statements listed in the Index to Consolidated Financial Statements are filed as part of this Form.

2. *Consolidated Financial Statement Schedules*

VIATRIS INC. AND SUBSIDIARIES
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
(In millions)

Description	Beginning Balance	Additions Charged to Costs and Expenses	Additions Charged to Other Accounts [1]	Deductions [2]	Ending Balance
Allowance for doubtful accounts:					
Year ended December 31, 2023	$ 114.7	26.6	—	(22.5)	$ 118.8
Year ended December 31, 2022	$ 154.5	21.5	—	(61.3)	$ 114.7
Year ended December 31, 2021	$ 159.9	16.0	—	(21.4)	$ 154.5
Valuation allowance for deferred tax assets:					
Year ended December 31, 2023	$ 387.0	41.0	16.1	(22.7)	$ 421.4
Year ended December 31, 2022	$ 780.4	42.7	—	(436.1)	$ 387.0
Year ended December 31, 2021	$ 443.6	82.2	260.8	(6.2)	$ 780.4

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(1) These amounts include balances from acquisitions.

(2) These amounts include balances reclassified to *Assets Held for Sale* and *Liabilities Held for Sale*.

3. *Exhibits*

2.1(a)	Business Combination Agreement, dated as of July 29, 2019, by and among Pfizer Inc., Upjohn Inc., Utah Acquisition Sub Inc., Mylan N.V., Mylan I B.V. and Mylan II B.V., included as Annex A to the Information Statement included as Exhibit 99.1 to the Report on Form 8-K filed by Upjohn Inc. with the SEC on August 6, 2020, and incorporated herein by reference.^
2.1(b)	Amendment No. 1, dated as of May 29, 2020, to the Business Combination Agreement, dated as of July 29, 2019, by and among Pfizer Inc., Upjohn Inc., Utah Acquisition Sub Inc., Mylan N.V., Mylan I B.V. and Mylan II B.V., included as Annex B to the Information Statement included as Exhibit 99.1 to the Report on Form 8-K filed by Upjohn Inc. with the SEC on August 6, 2020, and incorporated herein by reference.^
2.2(a)	Separation and Distribution Agreement, dated as of July 29, 2019, by and between Pfizer Inc. and Upjohn Inc., filed as Exhibit 2.2 to the Report on Form 8-K filed by Mylan N.V. with the SEC on July 29, 2019, and incorporated herein by reference.^
2.2(b)	Amendment No. 1, dated as of February 18, 2020, to the Separation and Distribution Agreement, dated as of July 29, 2019, by and between Pfizer Inc. and Upjohn Inc., filed by Mylan N.V. as Exhibit 2.1 to Form 10-Q for the quarter ended March 31, 2020, and incorporated herein by reference.
2.2(c)	Amendment No. 2, dated as of May 29, 2020, to the Separation and Distribution Agreement, dated as of July 29, 2019, by and between Pfizer Inc. and Upjohn Inc., filed as Exhibit 2.2 to the Report on Form 8-K filed by Mylan N.V. with the SEC on June 1, 2020, and incorporated herein by reference. ^
2.2(d)	Amendment No. 3, dated as of September 18, 2020, to the Separation and Distribution Agreement, dated as of July 29, 2019, by and between Pfizer Inc. and Upjohn Inc., filed as Exhibit 2.6 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference. ^

2.2(e)	Amendment No. 4, dated as of November 15, 2020, to the Separation and Distribution Agreement, dated as of July 29, 2019, by and between Pfizer Inc. and Upjohn Inc., filed as Exhibit 2.7 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference. ^
2.3(a)	Transaction Agreement, dated as of February 27, 2022, by and among Biocon Biologics Limited and Viatris Inc., filed as Exhibit 2.1 to the Report on Form 8-K filed by Viatris Inc. with the SEC on February 28, 2022, and incorporated herein by reference.^
2.3(b)	Amendment No. 1 to Transaction Agreement, dated as of November 28, 2022, by and between Biocon Biologics Limited and Viatris Inc., filed as Exhibit 2.1 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 29, 2022, and incorporated herein by reference.^
2.3(c)	Omnibus Amendment No. 1, effective as of May 17, 2023, by and among Viatris Inc., Biocon Biologics UK Limited, Biosimilar Collaborations Ireland Limited, Biosimilars Newco Limited, and Biocon Biologics Limited, filed by Viatris Inc. as Exhibit 2.1 to Form 10-Q for the quarter ended June 30, 2023, and incorporated herein by reference.
2.3(d)	Omnibus Amendment No. 2, effective as of December 19, 2023, by and among Viatris Inc., Biocon Biologics UK Limited, Biosimilars Newco Limited, and Biocon Biologics Limited.^
2.4(a)	Put Option Agreement, dated October 1, 2023, between Cooper Consumer Health SAS and Viatris Inc., filed by Viatris Inc. as Exhibit 2.1 to Form 10-Q for the quarter ended September 30, 2023, and incorporated herein by reference.^
2.4(b)	Transaction Agreement, dated as of January 29, 2024, by and among Cooper Consumer Health SAS, Cooper Consumer Health IT S.r.l., Viatris Inc., Viatris Italia S.r.l. and Ipex AB, filed by Viatris Inc. as Exhibit 2.1 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on January 30, 2024, and incorporate herein by reference. ^
3.1(a)	Amended and Restated Certificate of Incorporation of Upjohn Inc., effective as of November 13, 2020, filed as Exhibit 3.1 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
3.1(b)	Certificate of Amendment of Amended and Restated Certificate of Incorporation of Upjohn Inc., effective as of November 16, 2020, filed as Exhibit 3.3 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
3.1(c)	Certificate of Amendment of Amended and Restated Certificate of Incorporation of Viatris Inc., effective as of December 15, 2023.
3.1(d)	Certificate of Amendment of Amended and Restated Certificate of Incorporation of Viatris Inc., effective as of December 15, 2023.
3.2	Amended and Restated Bylaws of Viatris Inc., effective as of December 15, 2023, filed as Exhibit 3.1 to the Report on Form 8-K filed by Viatris Inc. with the SEC on December 15, 2023, and incorporated herein by reference.
4.1(a)	Indenture, dated December 21, 2012, between and among Mylan Inc., as issuer, the guarantors named therein, and The Bank of New York Mellon, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K filed by Mylan Inc. with the SEC on December 24, 2012, and incorporated herein by reference.
4.1(b)	First Supplemental Indenture, dated February 27, 2015, between and among Mylan Inc., as issuer, Mylan N.V., as guarantor, and The Bank of New York Mellon, as trustee, to the Indenture, dated December 21, 2012, filed as Exhibit 4.4 to the Report on Form 8-K filed by Mylan N.V. with the SEC on February 27, 2015, and incorporated herein by reference.
4.1(c)	Second Supplemental Indenture, dated March 12, 2015, between and among Mylan Inc., as issuer, Mylan N.V., as parent, and The Bank of New York Mellon, as trustee, to the Indenture, dated December 21, 2012, filed by Mylan N.V. as Exhibit 4.3(b) to Form 10-Q for the quarter ended March 31, 2015, and incorporated herein by reference.
4.1(d)	Third Supplemental Indenture dated November 16, 2020, by and among Mylan Inc., Viatris Inc., Utah Acquisition Sub Inc., Mylan II B.V. and the Bank of New York Mellon, as trustee, to the Indenture dated December 21, 2012, by and between Mylan Inc. and the Bank of New York Mellon, as trustee, filed as Exhibit 4.6 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
4.2(a)	Indenture, dated November 29, 2013, between Mylan Inc. and The Bank of New York Mellon, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K filed by Mylan Inc. with the SEC on November 29, 2013, and incorporated herein by reference.

4.2(b)	First Supplemental Indenture, dated November 29, 2013, between Mylan Inc. and The Bank of New York Mellon, as trustee, filed as Exhibit 4.2 to the Report on Form 8-K filed by Mylan Inc. with the SEC on November 29, 2013, and incorporated herein by reference.
4.2(c)	Second Supplemental Indenture, dated February 27, 2015, among Mylan Inc., as issuer, Mylan N.V., as guarantor, and The Bank of New York Mellon, as trustee, to the Indenture, dated November 29, 2013, filed as Exhibit 4.6 to the Report on Form 8-K filed by Mylan N.V. with the SEC on February 27, 2015, and incorporated herein by reference.
4.2(d)	Third Supplemental Indenture, dated March 12, 2015, between and among Mylan Inc., as issuer, Mylan N.V., as parent, and The Bank of New York Mellon, as trustee, to the Indenture, dated November 29, 2013, filed by Mylan N.V. as Exhibit 4.5(b) to Form 10-Q for the quarter ended March 31, 2015, and incorporated herein by reference.
4.2(e)	Fourth Supplemental Indenture dated November 16, 2020, by and among Mylan Inc., Viatris Inc., Utah Acquisition Sub Inc., Mylan II B.V. and the Bank of New York Mellon, as trustee, to the Indenture dated November 29, 2013, by and between Mylan Inc. and the Bank of New York Mellon, as trustee, filed as Exhibit 4.7 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
4.3(a)	Indenture, dated as of June 9, 2016, among Mylan N.V., as issuer, Mylan Inc., as guarantor, and The Bank of New York Mellon, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K filed by Mylan N.V. with the SEC on June 15, 2016, and incorporated herein by reference.
4.3(b)	First Supplemental Indenture dated November 16, 2020, by and among Viatris Inc., Utah Acquisition Sub Inc., Mylan II B.V., Mylan Inc. and the Bank of New York Mellon, as trustee, to the Indenture dated June 9, 2016, by and among Mylan N.V., Mylan Inc. and the Bank of New York Mellon, as trustee, filed as Exhibit 4.4 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
4.4(a)	Indenture, dated November 22, 2016, among Mylan N.V., as issuer, Mylan, Inc., as guarantor and Citibank, N.A., London Branch, as trustee, paying agent, transfer agent, registrar and calculation agent, filed by Mylan N.V. as Exhibit 4.9 to Form 10-K for the fiscal year ended December 31, 2016, and incorporated herein by reference.
4.4(b)	First Supplemental Indenture dated November 16, 2020, by and among Viatris Inc., Utah Acquisition Sub Inc., Mylan II B.V., Mylan Inc. and Citibank, N.A., London Branch, as trustee, paying agent, transfer agent, and registrar, to the Indenture dated November 22, 2016, by and among Mylan N.V., Mylan Inc. and Citibank, N.A., London Branch, as trustee, paying agent, transfer agent, registrar and calculation agent, filed as Exhibit 4.5 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
4.5(a)	Indenture, dated as of April 9, 2018, among Mylan Inc., as issuer, Mylan N.V., as guarantor, and the Bank of New York Mellon, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K filed by Mylan N.V. with the SEC on April 9, 2018, and incorporated herein by reference.
4.5(b)	First Supplemental Indenture dated November 16, 2020, by and among Mylan Inc., Viatris Inc., Utah Acquisition Sub Inc., Mylan II B.V. and the Bank of New York Mellon, as trustee, to the Indenture dated April 9, 2018, by and among Mylan Inc., Mylan N.V. and the Bank of New York Mellon, as trustee, filed as Exhibit 4.8 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
4.6(a)	Indenture, dated as of May 23, 2018, among Mylan Inc., as issuer, Mylan N.V., as guarantor, and Citibank, N.A., London Branch, as trustee, paying agent, transfer agent and registrar, filed as Exhibit 4.1 to the Report on Form 8-K filed by Mylan N.V. with the SEC on May 23, 2018, and incorporated herein by reference.
4.6(b)	First Supplemental Indenture dated November 16, 2020, by and among Mylan Inc., Viatris Inc., Utah Acquisition Sub Inc., Mylan II B.V. and Citibank, N.A., London Branch, as trustee, paying agent, transfer agent, and registrar, to the Indenture dated May 23, 2018, by and among Mylan Inc., Mylan N.V. and Citibank, N.A., London Branch, as trustee, paying agent, transfer agent, and registrar, filed as Exhibit 4.9 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
4.7(a)	Indenture, dated as of June 22, 2020, between Upjohn Inc., as issuer, and The Bank of New York Mellon, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K filed by Upjohn Inc. with the SEC on June 26, 2020, and incorporated herein by reference.

4.7(b)	First Supplemental Indenture dated November 16, 2020, by and among Viatris Inc., Utah Acquisition Sub Inc., Mylan II B.V., Mylan Inc. and the Bank of New York Mellon, as trustee, to the Indenture dated June 22, 2020, by and among Viatris Inc. and the Bank of New York Mellon, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
4.8(a)	Indenture, dated as of June 23, 2020, among Upjohn Finance B.V., as issuer, Upjohn Inc., as guarantor, and Citibank, N.A., London Branch, as trustee, transfer agent, paying agent and registrar, filed as Exhibit 4.9 to the Report on Form 8-K filed by Upjohn Inc. with the SEC on June 26, 2020, and incorporated herein by reference.
4.8(b)	First Supplemental Indenture dated November 16, 2020, by and among Upjohn Finance B.V., Viatris Inc., Utah Acquisition Sub Inc., Mylan II B.V., Mylan Inc. and Citibank, N.A., London Branch, as trustee, paying agent, transfer agent, and registrar, to the Indenture dated June 23, 2020, by and among Upjohn Finance B.V., Viatris Inc. and Citibank, N.A., London Branch, as trustee, paying agent, transfer agent, and registrar, filed as Exhibit 4.2 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
4.9	Description of Viatris Inc. Securities Registered Under Section 12 of the Exchange Act.
10.1(a)	Viatris Inc. 2020 Stock Incentive Plan, included as Exhibit 10.1 to Amendment No. 1 to Form 10 filed by Upjohn Inc. with the SEC on February 6, 2020, and incorporated herein by reference.*
10.1(b)	Form of Make-Whole Restricted Stock Unit Award Agreement under the Viatris 2020 Stock Incentive Plan, filed by Viatris Inc. as Exhibit 10.1(b) to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.1(c)	Form of Retention Restricted Stock Unit Award Agreement under the Viatris 2020 Stock Incentive Plan, filed by Viatris Inc. as Exhibit 10.1(c) to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.1(d)	Form of Restricted Stock Unit Award Agreement under the Viatris 2020 Stock Incentive Plan for Michael Goettler and Sanjeev Narula, filed by Viatris Inc. as Exhibit 10.1(d) to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.1(e)	Value Creation Incentive Award Performance-Based Restricted Stock Unit Award Agreement for Robert J. Coury under the Viatris Inc. 2020 Stock Incentive Plan, effective as of November 23, 2020, filed by Viatris Inc. as Exhibit 10.1(e) to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.1(f)	Form of Restricted Stock Unit Award Agreement under the Viatris Inc. 2020 Stock Incentive Plan for awards granted on or after March 2, 2021, filed by Viatris Inc. as Exhibit 10.1 to Form 10-Q for the quarter ended March 31, 2021, and incorporated herein by reference.*
10.1(g)	Form of Performance-Based Restricted Stock Unit Award Agreement under the Viatris Inc. 2020 Stock Incentive Plan for awards granted on or after March 2, 2021, filed by Viatris Inc. as Exhibit 10.2 to Form 10-Q for the quarter ended March 31, 2021, and incorporated herein by reference.*
10.1(h)	Form of Director Restricted Stock Unit Award Agreement under the Viatris Inc. 2020 Stock Incentive Plan for non-employee directors for awards granted on or after March 2, 2021, filed by Viatris Inc. as Exhibit 10.3 to Form 10-Q for the quarter ended March 31, 2021, and incorporated herein by reference.*
10.1(i)	Form of Performance-Based Restricted Stock Unit Award Agreement under the Viatris Inc. 2020 Stock Incentive Plan for awards granted on or after March 3, 2023, filed by Viatris Inc. as Exhibit 10.3 to Form 10-Q for the quarter ended March 31, 2023, and incorporated herein by reference.*
10.1(j)	Oyster Point Pharma, Inc. 2016 Equity Incentive Plan, filed as Exhibit 99.1 to Form S-8 filed by Viatris Inc. with the SEC on March 3, 2023, and incorporated herein by reference.*
10.1(k)	Oyster Point Pharma, Inc. 2019 Equity Incentive Plan, filed as Exhibit 99.2 to Form S-8 filed by Viatris Inc. with the SEC on March 3, 2023, and incorporated herein by reference.*
10.1(l)	Oyster Point Pharma, Inc. 2021 Inducement Plan, filed as Exhibit 99.3 to Form S-8 filed by Viatris Inc. with the SEC on March 3, 2023, and incorporated herein by reference.*

10.2	Letter Agreement entered into on February 6, 2020 by and between Pfizer Inc. and Sanjeev Narula, filed by Viatris Inc. as Exhibit 10.2 to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.3	Letter Agreement entered into on June 25, 2019 by and between Pfizer Inc. and Sanjeev Narula, filed by Viatris Inc. as Exhibit 10.3 to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.4	Letter Agreement entered into on June 26, 2019 by and between Pfizer Inc. and Michael Goettler, filed by Viatris Inc. as Exhibit 10.4 to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.5	Letter Agreement entered into on July 29, 2019 by and between Pfizer Inc. and Michael Goettler, filed by Viatris Inc. as Exhibit 10.5 to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.6	Severance Agreement entered into on December 3, 2020 by and between Viatris Inc. and Michael Goettler, filed by Viatris Inc. as Exhibit 10.6 to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.7	Separation Agreement with Michael Goettler, dated February 24, 2023, filed as Exhibit 10.2 to the Report on Form 8-K filed by Viatris Inc. with the SEC on February 27, 2023, and incorporated herein by reference.*
10.8	Retention Agreement entered into on December 3, 2020, by and between Viatris Inc. and Rajiv Malik, filed by Viatris Inc. as Exhibit 10.7 to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.9	Retention Agreement entered into on December 3, 2020, by and between Viatris Inc. and Anthony Mauro, filed by Viatris Inc. as Exhibit 10.1 to Amendment No. 1 to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.10	Executive Employment Agreement, entered into on November 20, 2020, by and between Viatris Inc. and Robert J. Coury, filed by Viatris Inc. as Exhibit 10.9 to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.11	Transition and Advisory Agreement and Release, dated May 19, 2023, by and between Viatris Inc. and Robert J. Coury, filed by Viatris Inc. as Exhibit 10.2 to Form 10-Q for the quarter ended June 30, 2023, and incorporated herein by reference.*
10.12	Offer Letter with Scott A. Smith, dated February 24, 2023, filed as Exhibit 10.1 to the Report on Form 8-K filed by Viatris Inc. with the SEC on February 27, 2023, and incorporated herein by reference.*
10.13	Offer Letter with Theodora (Doretta) Mistras, dated December 15, 2023.*
10.14	Retirement and Operating Consulting Agreement and Release with Rajiv Malik, dated October 20, 2023.*
10.15	Separation Agreement and Release with Anthony Mauro, dated October 20, 2023.*
10.16	Separation Agreement and Release with Sanjeev Narula, dated December 15, 2023.*
10.17(a)	Mylan N.V. Amended and Restated 2003 Long-Term Incentive Plan, filed as Appendix B to Mylan N.V.'s Definitive Proxy Statement on Schedule 14A filed by Mylan N.V. with the SEC on May 25, 2016, and incorporated herein by reference.*
10.17(b)	Amendment to Mylan N.V. Amended and Restated 2003 Long-Term Incentive Plan, filed as Appendix B to Mylan N.V.'s Definitive Proxy Statement on Schedule 14A filed by Mylan N.V. on May 25, 2016, and incorporated herein by reference.*
10.17(c)	Amendment to the Mylan N.V. Amended and Restated 2003 Long-Term Incentive Plan, adopted as of February 23, 2017, filed by Mylan N.V. as Exhibit 10.1 to Form 10-Q for the quarter ended March 31, 2017, and incorporated herein by reference.*
10.17(d)	Amended and Restated Form of Stock Option Agreement under the Mylan N.V. 2003 Long-Term Incentive Plan for Robert J. Coury and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.2 to Form 10-Q for the quarter ended September 30, 2013, and incorporated herein by reference.*
10.17(e)	Amended and Restated Form of Stock Option Agreement under the Mylan N.V. 2003 Long-Term Incentive Plan for awards granted following fiscal year 2012, filed by Mylan Inc. as Exhibit 10.4(i) to Form 10-K for the fiscal year ended December 31, 2013, and incorporated herein by reference.*

10.17(f)	Form of Stock Option Agreement under the Mylan N.V. 2003 Long-Term Incentive Plan for Robert J. Coury and Rajiv Malik for awards granted after February 27, 2015, filed by Mylan N.V. as Exhibit 10.1(i) to Form 10-K for the fiscal year ended December 31, 2015, and incorporated herein by reference.*
10.17(g)	Form of Stock Option Agreement under the Mylan N.V. 2003 Long-Term Incentive Plan for awards granted after February 27, 2015, filed by Mylan N.V. as Exhibit 10.1(l) to Form 10-K for the fiscal year ended December 31, 2015, and incorporated herein by reference.*
10.17(h)	Form of Stock Option Agreement under the Mylan N.V. 2003 Long-Term Incentive Plan for Rajiv Malik for awards granted on or after February 19, 2019, filed by Mylan N.V. as Exhibit 10.7 to Form 10-Q for the quarter ended March 31, 2019, and incorporated herein by reference.*
10.17(i)	Form of Stock Option Agreement under the Mylan N.V. 2003 Long-Term Incentive Plan for independent directors for awards granted on or after March 2, 2020, filed by Mylan N.V. as Exhibit 10.2 to Form 10-Q for the quarter ended March 31, 2020, and incorporated herein by reference.*
10.18	Mylan N.V. Severance Plan and Global Guidelines, filed by Mylan N.V. as Exhibit 10.1 to Form 10-Q for the quarter ended September 30, 2019, and incorporated herein by reference.*
10.19	Retirement Benefit Agreement, dated August 31, 2009, by and between Mylan Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.4 to Form 10-Q for the quarter ended September 30, 2009, and incorporated herein by reference.*
10.20(a)	Transition and Succession Agreement, dated January 31, 2007, between Mylan Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.5 to Form 10-Q for the quarter ended March 31, 2008, and incorporated herein by reference.*
10.20(b)	Amendment No. 1 to Transition and Succession Agreement, dated December 22, 2008, between Mylan Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.28(b) to Form 10-K for the fiscal year ended December 31, 2008, and incorporated herein by reference.*
10.21(a)	Transition and Succession Agreement, dated February 25, 2008, by and between Mylan Inc. and Anthony Mauro, filed by Mylan Inc. as Exhibit 10.5(a) to Form 10-Q for the quarter ended March 31, 2012, and incorporated herein by reference.*
10.21(b)	Amendment No. 1 to Transition and Succession Agreement, dated December 15, 2008, by and between Mylan Inc. and Anthony Mauro, filed by Mylan Inc. as Exhibit 10.5(b) to Form 10-Q for the quarter ended March 31, 2012, and incorporated herein by reference.*
10.21(c)	Amendment No. 2 to Transition and Succession Agreement, dated October 15, 2009, by and between Mylan Inc. and Anthony Mauro, filed by Mylan Inc. as Exhibit 10.5(c) to Form 10-Q for the quarter ended March 31, 2012, and incorporated herein by reference.*
10.22(a)	Mylan 401(k) Restoration Plan, dated January 1, 2010, filed by Mylan Inc. as Exhibit 10.1 to the Report on Form 8-K filed by Mylan Inc. with the SEC on December 14, 2009, and incorporated herein by reference.*
10.22(b)	Amendment to Mylan 401(k) Restoration Plan, dated November 4, 2014, filed by Mylan Inc. as Exhibit 10.41(b) to Form 10-K for the fiscal year ended December 31, 2014, and incorporated herein by reference.*
10.23(a)	Mylan Executive Income Deferral Plan, filed by Mylan Inc. as Exhibit 10.2 to the Report on Form 8-K filed by Mylan Inc. with the SEC on December 14, 2009, and incorporated herein by reference.*
10.23(b)	Amendment to Mylan Executive Income Deferral Plan, dated November 4, 2014, filed by Mylan Inc. as Exhibit 10.42(b) to Form 10-K for the fiscal year ended December 31, 2014, and incorporated herein by reference.*
10.24	The Executive Nonqualified Excess Plan Adoption Agreement, effective as of December 28, 2007, between Mylan International Holdings, Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.27(b) to Form 10-K for the fiscal year ended December 31, 2013, and incorporated herein by reference.*
10.25	The Executive Nonqualified Excess Plan, effective as of December 28, 2007, between Mylan International Holdings, Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.57 to Form 10-K for the fiscal year ended December 31, 2013, and incorporated herein by reference.*
10.26	Third Amended and Restated Executive Employment Agreement, entered into on February 25, 2019, and effective as of April 1, 2019, by and between Mylan Inc. and Rajiv Malik, filed by Mylan N.V. as Exhibit 10.20(c) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.*

10.27	Executive Employment Agreement, dated as of February 25, 2019, and effective as of April 1, 2019, by and between Mylan Inc. and Anthony Mauro, filed by Mylan N.V. as Exhibit 10.21(b) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.*
10.28	2007 Supplemental Health Insurance Plan for Certain Key Employees of Mylan Laboratories Inc., adopted as of January 29, 2007, filed by Mylan N.V. as Exhibit 10.29 to the Form 10-K for the fiscal year ended December 31, 2019 and incorporated herein by reference.*
10.29	Form of Indemnification Agreement between Viatris Inc. and each of its directors and its executive officers, filed by Viatris Inc. as Exhibit 10.25 to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference.*
10.30	Amended and Restated Form of Indemnification Agreement between Mylan Inc. and each Director, filed by Mylan Inc. as Exhibit 10.38 to Form 10-K for the fiscal year ended December 31, 2013, and incorporated herein by reference.*
10.31	Form of Indemnification Agreement between Mylan N.V. and directors, filed as Exhibit 10.1 to the Report on Form 8-K filed by Mylan N.V. with the SEC on February 27, 2015, and incorporated herein by reference.*
10.32(a)	Amended and Restated Revolving Credit Agreement, dated as of July 1, 2021, among Viatris, the guarantors from time to time party thereto, the lenders and issuing banks from time to time party thereto and Bank of America, N.A., as administrative agent, filed as Exhibit 10.1 to the Report on Form 8-K filed by Viatris Inc. with the SEC on July 1, 2021, and incorporated herein by reference. ^
10.32(b)	LIBOR Transition Amendment, dated as of April 28, 2023, to the Amended and Restated Revolving Credit Agreement, dated as of July 1, 2021, among Viatris Inc., the guarantors from time to time party thereto, the lenders and issuing banks from time to time party thereto and Bank of America, N.A., as administrative agent, filed by Viatris Inc. as Exhibit 10.4 to Form 10-Q for the quarter ended March 31, 2023, and incorporated herein by reference.^
10.33	Term Loan Credit Agreement, dated as of July 1, 2021, among Viatris, the guarantors from time to time party thereto, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent, filed as Exhibit 10.2 to the Report on Form 8-K filed by Viatris Inc. with the SEC on July 1, 2021, and incorporated herein by reference. ^
10.34	Form of Commercial Paper Dealer Agreement among Viatris Inc., Utah Acquisition Sub Inc., Mylan II B.V., Mylan Inc. and the dealer thereto, filed as Exhibit 10.1 to the Report on Form 8-K/A filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.
10.35	Settlement Agreement with the U.S. Department of Justice and two relators finalizing the Medicaid drug rebate settlement, dated August 16, 2017, filed as Exhibit 10.1 to the Report on Form 8-K filed by Mylan N.V. with the SEC on August 21, 2017, and incorporated herein by reference.
10.36	Corporate Integrity Agreement between the Office of Inspector General of the Department of Health and Human Services and Mylan Inc. and Mylan Specialty L.P., dated August 16, 2017, filed as Exhibit 10.2 to the Report on Form 8-K filed by Mylan N.V. with the SEC on August 21, 2017, and incorporated herein by reference.
10.37(a)	Asset Purchase Agreement, dated as of September 7, 2020, between Aspen Global Incorporated and Mylan Ireland Limited, filed by Mylan N.V. as Exhibit 10.2 to the Form 10-Q for the quarter ended September 30, 2020, and incorporated herein by reference.^
10.37(b)	Amendment No. 1, dated as of November 5, 2020, to the Asset Purchase Agreement dated as of September 7, 2020, between Aspen Global Incorporated and Mylan Ireland Limited, filed by Viatris Inc. as Exhibit 10.34(b) to Form 10-K for the fiscal year ended December 31, 2020, and incorporated herein by reference. ^
10.38	Transition Services Agreement, dated as of November 16, 2020, by and between Pfizer Inc. (as Service Provider) and Upjohn Inc. (as Service Recipient), filed as Exhibit 10.1 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference. ^
10.39	Transition Services Agreement, dated as of November 16, 2020, by and between Upjohn Inc. (as Service Provider) and Pfizer Inc. (as Service Recipient), filed as Exhibit 10.2 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference. ^

10.40	Tax Matters Agreement, dated as of November 16, 2020, by and between Pfizer Inc. and Upjohn Inc., filed as Exhibit 10.3 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference. ^
10.41	Employee Matters Agreement, dated as of November 16, 2020, by and between Pfizer Inc. and Viatris Inc., filed as Exhibit 10.4 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.^
10.42	Manufacturing and Supply Agreement, dated as of November 16, 2020, by and between Pfizer Inc. (as Manufacturer) and Viatris Inc. (as Customer), filed as Exhibit 10.5 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference.^
10.43	Manufacturing and Supply Agreement, dated as of November 16, 2020, by and between Viatris Inc. (as Manufacturer) and Pfizer Inc. (as Customer), filed as Exhibit 10.6 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference. ^
10.44	Intellectual Property Matters Agreement, dated as of November 16, 2020, by and between Pfizer Inc. and Viatris Inc., filed as Exhibit 10.7 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference. ^
10.45	Trademark License Agreement, dated as of November 16, 2020, by and between Pfizer Inc. and Viatris Inc., filed as Exhibit 10.8 to the Report on Form 8-K filed by Viatris Inc. with the SEC on November 19, 2020, and incorporated herein by reference. ^
21	Subsidiaries of the registrant.
22	List of subsidiary guarantors and issuers of guaranteed securities.
23	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	Viatris Inc. Incentive-Based Compensation Recovery Policy, effective December 1, 2023.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document (included in Exhibit 101).

*	Denotes management contract or compensatory plan or arrangement.
^	Annexes, schedules and/or exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Viatris agrees to furnish supplementally a copy of any omitted attachment to the SEC on a confidential basis upon request.

SIGNATURES

Pursuant to the requirements of section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Form to be signed on its behalf by the undersigned, thereunto duly authorized on February 28, 2024.

Viatris Inc.

by /s/ SCOTT A. SMITH

Scott A. Smith
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Form has been signed below by the following persons on behalf of the registrant and in the capacities indicated as of February 28, 2024.

Signature	Title
/s/ SCOTT A. SMITH Scott A. Smith	Chief Executive Officer and Director *(Principal Executive Officer)*
/s/ SANJEEV NARULA Sanjeev Narula	Chief Financial Officer *(Principal Financial Officer)*
/s/ PAUL B. CAMPBELL Paul B. Campbell	Chief Accounting Officer and Corporate Controller *(Principal Accounting Officer)*
/s/ MELINA HIGGINS Melina Higgins	Chair of the Board of Directors
/s/ W. DON CORNWELL W. Don Cornwell	Director
/s/ JOELLEN LYONS DILLON JoEllen Lyons Dillon	Director
/s/ ELISHA FINNEY Elisha Finney	Director
/s/ LEO GROOTHUIS Leo Groothuis	Director
/s/ JAMES M. KILTS James M. Kilts	Director
/s/ HARRY A. KORMAN Harry A. Korman	Director
/s/ RAJIV MALIK Rajiv Malik	President and Director
/s/ RICHARD A. MARK Richard A. Mark	Director
/s/ MARK W. PARRISH Mark W. Parrish	Vice Chair and Director

Exhibit 2.3(d)

OMNIBUS AMENDMENT NO. 2

This OMNIBUS AMENDMENT NO. 2, effective as of December 19, 2023 (this "Amendment"), is by and among Viatris Inc., a Delaware corporation ("Viatris"), Biocon Biologics UK Limited, a U.K. private limited company ("Biocon UK"), Biosimilars Newco Limited, a U.K. private limited company ("Biosimilars Newco" and, collectively with Biocon UK, the "Confessing Parties"), and Biocon Biologics Limited, a public limited company incorporated under the Indian Companies Act, 2013 ("Biocon"). Each of the parties hereto is referred to individually as a "Party" and collectively as the "Parties."

IMPORTANT NOTICE: THIS AGREEMENT CONTAINS A CONFESSION OF JUDGMENT PROVISION WHICH CONSTITUTES A WAIVER OF IMPORTANT RIGHTS THE CONFESSING PARTIES MAY HAVE AND ALLOWS SELLER PARENT TO OBTAIN AND ENFORCE AN ORDER AGAINST THE CONFESSING PARTIES WITHOUT ANY NOTICE OR OPPORTUNITY TO BE HEARD.

RECITALS

WHEREAS, Viatris and Biocon are parties to that certain Transaction Agreement, dated as of February 27, 2022, as amended by that certain Amendment No. 1 to Transaction Agreement, dated as of November 28, 2022, and as amended by that certain Omnibus Amendment No. 1, dated as of May 17, 2023, by and between Viatris and Biocon (the "Transaction Agreement");

WHEREAS, Viatris and Biocon UK are parties to that certain letter agreement, dated as of February 27, 2022, relating to payments of Closing Working Capital, as amended by that certain Amendment No. 1 to Letter Agreement, dated as of November 29, 2022, and as amended by that certain Omnibus Amendment No. 1, dated as of May 17, 2023, by and between Viatris and Biocon UK (the "Working Capital Letter" and, collectively with the Transaction Agreement, the "Specified Documents"); and

WHEREAS, the Parties desire to amend each of the Specified Documents in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements contained in this Amendment and the Specified Documents, and subject to the conditions set forth herein and therein, the Parties hereby agree as follows:

1. Capitalized Terms. Unless otherwise indicated herein, capitalized terms which are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Transaction Agreement.

2. Amendments to the Working Capital Letter. Notwithstanding anything to the contrary in the Working Capital Letter or the other Transaction Documents:

(a) on or prior to 22 December, 2023, Seller Parent shall cause $220,000,000 (two hundred twenty million dollars) to be paid to Biosimilar Collaborations Ireland Limited, an Irish private limited company ("Biosimilar Collaborations"), by wire transfer of immediately available funds to the account(s) designated in writing by Biosimilar Collaborations on or prior to 20 December, 2023 (such payment, the "Early Specified WC/Cash Payment");

(b) following the Early Specified WC/Cash Payment, for all purposes of the Working Capital Letter (but, for the avoidance of doubt, not for purposes of any other Transaction Documents) the definition of Working Capital Target shall be deemed amended such that the Working Capital Target is $30,000,000 (thirty million dollars), rather than $250,000,000 (two hundred fifty million dollars);

(c) for the avoidance of doubt, as a result of such amendment to the definition of Working Capital Target, (i) the Specified WC/Cash following the Early Specified WC/Cash Payment shall be $30,000,000 (thirty million dollars), rather than $250,000,000 (two hundred fifty million dollars) and (ii) the maximum amount that Seller Parent shall be potentially obligated to assign, transfer and convey to the Acquired Companies (or, with the prior written consent of Seller Parent, another wholly owned Affiliate of Buyer) pursuant to the Working Capital Letter following the Early Specified WC/Cash Payment shall be $30,000,000 (thirty million dollars); and

(d) Seller Parent acknowledges and agrees that the payment required to be made by paragraph 2(a) above is not subject to any conditions or other contingencies and Seller Parent has no set off rights, clawback rights or similar rights with respect to such payment, and that Seller Parent may not contend that such payment is not payable to Biosimilar Collaborations in the amount and on the due date set forth above.

3. Miscellaneous.

(a) Acknowledgment under Biocon Shareholders' Agreement. For the avoidance of doubt, the failure to consummate the Serum Transaction does not constitute a basis for the adjustment of the Maximum Mandatory Conversion Rate or the Optional Conversion Rate, as defined in the Shareholders' Agreement of Biocon.

(b) Confession of Judgment. Without limiting or modifying the Confessing Parties' and their respective Affiliates' (including Biocon's) obligations under the Transaction Agreement (for the avoidance of doubt, including Biocon's obligations under Section 1.05 of the Transaction Agreement), Biocon UK and Biosimilars Newco hereby severally acknowledge in respect of themselves only that they are obligated, severally (and not jointly and severally), in the case of Biocon UK to cause the payment of the Irish Future Cash Payment and in the case of Biosimilars Newco to cause the payment of the ROW Future Cash Payment, in each case, in the amounts and by the dates set forth in the Transaction Agreement. Notwithstanding anything to the contrary in the Transaction Agreement or the other Transaction Documents (other than Section 8.09 of the Transaction Agreement or Section 5 of the Working Capital Letter), in the event that Biocon UK or Biosimilars Newco (as applicable) fails, for any reason (other than a proper exercise of the right of offset under Section 8.09 of the Transaction Agreement or Section 5 of the Working Capital Letter), to pay or cause to be paid $175,000,000 (one hundred seventy-five million dollars) to the Irish Seller (unless mutually agreed in writing between Seller Parent and Biocon UK) on or prior to April 10, 2024 or

$160,000,000 (one hundred sixty million dollars) to the ROW Seller (unless mutually agreed in writing between Seller Parent and Biosimilars Newco) on or prior to December 3, 2024, in satisfaction of the respective obligations of Biocon UK and Biosimilars Newco (as applicable) to cause the relevant payment of the Irish Future Cash Payment pursuant to Section 1.05(a) of the Transaction Agreement and the ROW Future Cash Payment pursuant to Section 1.05(b) of the Transaction Agreement, respectively, then Biocon UK or Biosimilars Newco (as applicable), on behalf of themselves only, hereby authorize (i) any attorney admitted to practice before any court in the State of Delaware or before any court in which Seller Parent or any of its Affiliates may enforce any Order obtained pursuant to Section 9.12 or Section 9.13 of the Transaction Agreement or this paragraph 3(b) (the "Enforcement Court") and (ii) the clerk or similar official of any court in the State of Delaware or any Enforcement Court, in each case, to (A) appear on behalf of the Biocon UK or Biosimilars Newco (as applicable) in any court in the State of Delaware or any Enforcement Court or before any clerk or similar official of any court in the State of Delaware or any Enforcement Court, (B) confess judgment, and authorize entry of such judgment, against Biocon UK or Biosimilars Newco (as applicable), in the full amount that the relevant Confessing Party so failed to pay or cause to be paid, plus all fees and costs relating to obtaining or enforcing such judgment, including attorneys' fees and costs and (C) enforce any judgment obtained pursuant to Section 9.12 or Section 9.13 of the Transaction Agreement or this paragraph 3(b) against Biocon UK or Biosimilars Newco (as applicable) in any court in the State of Delaware or any Enforcement Court. The authority and power to appear for and enter or enforce judgment against the applicable Confessing Party shall not be exhausted by one or more exercises thereof, or by any imperfect exercise thereof, and shall not be extinguished by any judgment entered but not fully enforced pursuant thereto; such authority and power may be exercised on one or more occasions from time to time, in the same or different jurisdictions, as often as Seller Parent or any of its Affiliates shall deem necessary, convenient, or proper.

i. For the avoidance of doubt, and without limiting the foregoing, each of Biocon and the Confessing Parties acknowledge and agree that the Future Cash Payments are not subject to any conditions or other contingencies and Biocon and the Confessing Parties have, except as set forth in Section 8.09 of the Transaction Agreement and Section 5 of the Working Capital Letter, no set off rights, clawback rights or similar rights with respect to the Future Cash Payments, and that each of Biocon and the Confessing Parties may not contend that the Future Cash Payments are not payable to Seller Parent in the respective amounts and on the respective due dates set forth in this paragraph 3(b) and may not oppose the granting or enforcement of any Order in accordance with the terms of this paragraph 3(b), except, in each case, pursuant to a proper exercise of the right of offset under Section 8.09 of the Transaction Agreement or Section 5 of the Working Capital Letter. For the avoidance of doubt, a proper exercise of the right of offset under Section 8.09 of the Transaction Agreement or Section 5 of the Working Capital Letter shall require exercise of such right, including written notice to Viatris, prior to the due date of the applicable payment.

ii. The confessions of judgment described this Amendment may be without process, and the Confessing Parties are fully aware that, by authorizing confession of judgment, the Confessing Parties are severally waiving the right to any notice or opportunity to be heard prior to the entry of these confessed judgments in favor of Seller Parent.

(c) Affidavit of Confession of Judgment. Concurrently with the execution of this Amendment, each of Biocon UK and Biosimilars Newco has executed and delivered to Seller Parent an Affidavit of Confession of Judgment, dated as of the date hereof, pursuant to and in satisfaction of Delaware Code Section 2306(c), in the form attached hereto as Schedule 1, and each of them severally hereby authorizes Seller Parent to deliver such Affidavit of Confession of Judgment to any court in the State of Delaware or any Enforcement Court in enforcing Seller Parent's rights pursuant to paragraph 3(b) of this Amendment.

(d) Effect of Amendment. Each Party acknowledges and agrees that this Amendment constitutes an instrument in writing on behalf of each of the Parties in accordance with Section 9.05 of the Transaction Agreement and Section 7 of the Working Capital Letter. For the avoidance of doubt, references to the date of the Transaction Agreement, and references to the "date hereof", "the date of this Agreement" or words of similar meaning in the Transaction Agreement shall continue to refer to February 27, 2022.

(e) Limited Amendment. Except as expressly set forth herein, this Amendment shall not be deemed to amend, waive, affect or otherwise alter any term or provision of the Specified Documents or the other Transaction Documents, and all terms and provisions of the Specified Documents and the other Transaction Documents shall continue in full force and effect.

(f) Miscellaneous. The provisions set forth in Sections 9.01 and 9.04 through 9.15 of the Transaction Agreement shall apply to this Amendment, *mutatis mutandis*, and are hereby incorporated by reference as if fully set forth herein.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment, all as of the date first written above.

VIATRIS INC.

By: /s/ Anil Amin

Name: Anil Amin
Title: Chief Business Development Officer

[*Signature Page to Omnibus Amendment No. 2*]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment, all as of the date first written above.

BIOCON BIOLOGICS UK LIMITED

By: /s/ Kedar Upadhye

Name: Kedar Upadhye
Title: Authorized Signatory

[*Signature Page to Omnibus Amendment No. 2*]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment, all as of the date first written above.

BIOSIMILARS NEWCO LIMITED

By: /s/ Kedar Upadhye

Name: Kedar Upadhye
Title: Authorized Signatory

[*Signature Page to Omnibus Amendment No. 2*]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment, all as of the date first written above.

BIOCON BIOLOGICS LIMITED

By: /s/ Kedar Upadhye

Name: Kedar Upadhye
Title: Authorized Signatory

[*Signature Page to Omnibus Amendment No. 2*]

Exhibit 3.1(c)

CERTIFICATE OF AMENDMENT OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF VIATRIS INC.

Viatris Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "DGCL"), does hereby certify as follows:

FIRST: That Article X of the Amended and Restated Certificate of Incorporation of the Corporation, as amended, is hereby amended in its entirety to read as follows (the "Amendment"):

"ARTICLE X

FORUM AND VENUE

Unless the Corporation (through approval of the Board of Directors) consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any director or officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, creditors or other constituents; (iii) any action or proceeding asserting a claim against the Corporation or any director or officer or other employee of the Corporation arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the DGCL or this Certificate of Incorporation or the Bylaws (as either may be amended from time to time); (iv) any action or proceeding asserting a claim against the Corporation or any director or officer or other employee of the Corporation governed by the internal affairs doctrine or (v) any action or proceeding as to which the DGCL (as it may be amended from time to time) confers jurisdiction on the Court of Chancery of the State of Delaware: provided that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state court sitting in the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware). Any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and to have consented to the personal jurisdiction of the state and federal courts located within the State of Delaware. Unless the Corporation (through approval of the Board of Directors) consents in writing to the selection of an alternative forum, the federal district courts of the United States of America, to the fullest extent permitted by law, shall be the sole and exclusive forum for the resolution of any action asserting a cause of action arising under the U.S. Securities Act of 1933, as amended. If any provision or provisions of this Article X shall be held to be invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions of this Article X shall not in any way be affected or impaired thereby."

SECOND: The Amendment was duly adopted in accordance with the applicable provisions of Section 242 of the DGCL.

THIRD: The Amendment shall become effective upon filing.

IN WITNESS WHEREOF, the Corporation has caused this certificate to be signed on December 15, 2023.

VIATRIS INC.

By: /s/ Burt Park

Name: Burt Park

Title: Chief Governance Counsel and Corporate Secretary

Exhibit 3.1(d)

CERTIFICATE OF AMENDMENT OF
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION OF
VIATRIS INC.

Viatris Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "DGCL"), does hereby certify as follows:

FIRST: That Article IX, Section 9.01 of the Amended and Restated Certificate of Incorporation of the Corporation, as amended, is hereby amended in its entirety to read as follows (the "Amendment"):

"Section 9.01. <u>Director and Officer Liability</u>. To the fullest extent permitted by the DGCL, as the same exists or may hereafter be amended, a director or officer of the Corporation shall not be personally liable either to the Corporation or to any of its stockholders for monetary damages for breach of fiduciary duty as a director or officer (as applicable). Any amendment or modification or repeal of the foregoing sentence shall not adversely affect any right or protection of a director or officer of the Corporation hereunder in respect of any act or omission occurring prior to the time of such amendment, modification or repeal. If the DGCL hereafter is amended to further eliminate or limit the liability of a director or officer, then a director or officer of the Corporation, in addition to the circumstances in which a director or officer is not personally liable as set forth in the preceding sentence, shall not be liable to the fullest extent permitted by the amended DGCL. Any repeal or modification of this Article IX shall not adversely affect any right or protection of a director or officer of the Corporation existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification."

SECOND: The Amendment was duly adopted in accordance with the applicable provisions of Section 242 of the DGCL.

THIRD: The Amendment shall become effective upon filing.

IN WITNESS WHEREOF, the Corporation has caused this certificate to be signed on December 15, 2023.

VIATRIS INC.

By: /s/ Burt Park

Name: Burt Park
Title: Chief Governance Counsel and Corporate Secretary

Exhibit 4.9

DESCRIPTION OF VIATRIS INC. SECURITIES REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT

As of December 31, 2023, our shares of common stock, par value $0.01, are the only securities of Viatris Inc. (“Viatris”, “we”, “our” or “us”) registered under Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The following description of our common stock, referred to as Viatris common stock, does not purport to be complete and is subject to and qualified in its entirety by reference to our amended and restated certificate of incorporation (the “Viatris Charter”) and bylaws (the “Viatris Bylaws”) and the Delaware General Corporation Law (“DGCL”). Copies of the Viatris Charter and the Viatris Bylaws have been included as exhibits to the Annual Report on Form 10-K to which this description has been filed.

Description of Viatris Common Stock

General

The Viatris Charter authorizes 3,000,000,000 shares of common stock, par value $0.01 per share, and 300,000,000 shares of preferred stock, par value $0.01 per share for a total authorized share capital of $3,300,000,000.

As of February 22, 2024, we have issued and outstanding 1,187,569,149 shares of Viatris common stock, par value $0.01. All issued shares of Viatris common stock are fully paid and non-assessable.

As of February 22, 2024, there were no shares of Viatris preferred stock outstanding. The Viatris board of directors (“Viatris Board”) may establish the rights and preferences of the preferred stock from time to time as set forth in the Viatris Charter. The Viatris Charter does not authorize any other classes of capital stock.

Common Stock

Holders of Viatris common stock are entitled to one vote per share on all matters to be voted upon by Viatris stockholders. Unless a different vote is required by law or specifically required by the Viatris Charter or the Viatris Bylaws, if a quorum exists at any meeting of stockholders, stockholders shall have approved any matter (other than the election of directors, which is described below) if a majority of votes cast on such matter by stockholders present in person or represented by proxy at the meeting and entitled to vote on such matter are in favor of such matter. Subject to the rights of the holders of any series of Viatris preferred stock to elect directors under specified circumstances, if a quorum exists at any meeting of stockholders, stockholders have approved the election of a director if a majority of the votes cast at any meeting for the election of such director are in favor of such election. Notwithstanding the foregoing, in the event of a “contested election” of directors, directors will be elected by the vote of a plurality of the votes cast at any meeting for the election of directors at which a quorum is present. A “contested election” means any election of directors in which the number of candidates for election as directors exceeds the number of directors to be elected, with the determination thereof being made by the secretary of Viatris.

Subject to the rights of any holders of Viatris preferred stock, the holders of Viatris common stock are entitled to receive ratably dividends, if any, as may be declared from time to time by the Viatris Board out of funds legally available for the payment of dividends. If Viatris liquidates, dissolves or winds up, after all liabilities and, if applicable, the holders of each series of preferred stock have been paid in full, the holders of Viatris common stock will be entitled to share ratably in all remaining assets. Viatris common stock does not have preemptive or conversion rights or other subscription rights. No redemption or sinking fund provisions are applicable to Viatris common stock. The rights, preferences and privileges of the holders of Viatris common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that Viatris may designate and issue in the future.

Preferred Stock

The Viatris Board may issue shares of preferred stock in one or more series and, subject to the applicable law of the State of Delaware, the Viatris Board may set the powers, rights, preferences, qualifications, limitations and restrictions of such preferred stock.

The Viatris Board has the power to issue Viatris preferred stock with voting, conversion and exchange rights that could negatively affect the voting power or other rights of Viatris common stockholders, and the Viatris Board could take such action without stockholder approval. The issuance of Viatris preferred stock could delay or prevent a change in control of Viatris.

Anti-Takeover Effects of Various Provisions of Delaware Law, the Viatris Charter and the Viatris Bylaws

Provisions of the DGCL, the Viatris Charter and the Viatris Bylaws could make it more difficult to acquire Viatris by means of a tender offer, a proxy contest or otherwise, or to remove incumbent officers and directors. These provisions, summarized below, would be expected to discourage certain types of coercive takeover practices and takeover bids the Viatris Board may consider inadequate and to encourage persons seeking to acquire control of Viatris to first negotiate with Viatris.

Preferred Stock. The Viatris Board has the power to issue Viatris preferred stock with voting, conversion and exchange rights that could negatively affect the voting power or other rights of Viatris common stockholders, and the Viatris Board could take that action without stockholder approval. The issuance of Viatris preferred stock could delay or prevent a change in control of Viatris.

Board Vacancies to Be Filled by Remaining Directors and Not Stockholders. The Viatris Charter provides that any vacancies, including any newly created directorships, on the Viatris Board will be filled by the affirmative vote of the majority of the remaining directors then in office, even if such directors constitute less than a quorum, or by a sole remaining director.

Removal of Directors by Stockholders. The Viatris Charter and the Viatris Bylaws provide that directors may be removed by stockholders, with or without cause, by the affirmative vote of the holders of a majority of the voting power of the outstanding capital stock entitled to vote.

Special Meeting. The Viatris Bylaws provide that special meetings of the stockholders may be called by the chair of the Viatris Board, the Viatris Board pursuant to a resolution adopted by a majority of the total number of directors Viatris would have if all vacancies or unfilled directorships were filled or, subject to certain procedural requirements, the chair of the Viatris Board or the secretary of Viatris at the written request of stockholders of record owning at least 25% of the voting power entitled to vote on the matter or matters entitled to vote at the meeting.

The Viatris Bylaws do not permit a special meeting to be held at the request of stockholders if (a) the business to be brought before the special meeting is not a proper subject for stockholder action under applicable law, the Viatris Charter or the Viatris Bylaws, (b) the Viatris Board has called for or calls for an annual meeting to be held within 90 days after the special meeting request is delivered to Viatris and the Viatris Board determines that the business of the special meeting is identical or substantially similar to an item of business of the annual meeting, (c) the business conducted at the most recent annual meeting or any special meeting held within one year included such similar business or (d) the request is delivered between 61 and 365 days after the earliest date of signature on a different request for a special meeting on the same business.

Stockholder Action. The Viatris Bylaws and the Viatris Charter do not permit stockholder action by written consent unless such written consent is granted by holders of 100% of the voting power of the outstanding shares of capital stock entitled to vote.

Advance Notice of Director Nominations and Stockholder Proposals. The Viatris Bylaws contain advance notice procedures for stockholders to make nominations of candidates for election as directors or to bring other business before the annual meeting of stockholders. As specified in the Viatris Bylaws, director nominations and the proposal of business to be considered by stockholders may be made only pursuant to a notice of meeting, at the direction of the board of directors or by a stockholder who is entitled to vote at the meeting and who has complied with the advance notice procedures that are provided in the Viatris Bylaws.

To be timely, a nomination of a director by a stockholder or notice for business to be brought before an annual meeting by a stockholder must be delivered to Viatris' secretary at Viatris' principal executive offices not less than 90 days nor more than 120 days before the first anniversary of the preceding year's annual meeting; provided, however, that if the date of an annual meeting is advanced by more than 30 days or delayed by more than 60 days from such anniversary date, for notice by the stockholder to be timely, it must be delivered not earlier than the 120th day before such annual meeting and not later than the close of business on the later of (a) the 90th day before such annual meeting or (b) if the first public announcement of the date of the annual meeting is less than 100 days prior to the date of such annual meeting, the 10th day following the day on which public announcement of the date of such meeting is first made by Viatris.

If a special meeting of stockholders is called for the purpose of electing one or more directors, any stockholder entitled to vote may nominate a person or persons as specified in the Viatris Bylaws, but only if the stockholder notice is delivered to Viatris' secretary at Viatris' principal executive offices not earlier than the 120th day before such special meeting and not later than the close of business on the later of (a) the 90th day before such special meeting or (b) the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Viatris Board to be elected at such meeting.

Amendments to the Viatris Charter and Viatris Bylaws. Under the DGCL, the Viatris Charter may not be amended by stockholder action alone. Amendments to the Viatris Charter require a board resolution approved by the majority of the outstanding capital stock entitled to vote. The Viatris Bylaws may be amended by stockholders upon the affirmative vote of the holders of a majority of the voting power of the outstanding capital stock entitled to vote. Subject to the right of stockholders as described in the immediately preceding sentence, the Viatris Bylaws may also be adopted, amended or repealed by the Viatris Board.

Delaware Anti-Takeover Statute. Viatris is subject to the provisions of Section 203 of the DGCL. In general, Section 203 prohibits a public Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless:

- the board of directors approved the acquisition of stock pursuant to which the person became an interested stockholder or the transaction that resulted in the person becoming an interested stockholder before the time that the person became an interested stockholder;
- upon consummation of the transaction that resulted in the person becoming an interested stockholder such person owned at least 85% of the outstanding voting stock of the corporation, excluding, for purposes of determining the voting stock outstanding, voting stock owned by directors who are also officers and certain employee stock plans; or
- the transaction is approved by the board of directors and by the affirmative vote of two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

In general, Section 203 defines a "business combination" to include mergers, asset sales and other transactions resulting in financial benefit to a stockholder and an "interested stockholder" as a person who, together with affiliates and associates, owns, or within three years did own, 15% or more of the corporation's outstanding voting stock. These provisions may have the effect of delaying, deferring or preventing changes in control of Viatris.

No Cumulative Voting. The Viatris Charter prohibits cumulative voting in the election of directors.

Exclusive Forum. The Viatris Charter provides that unless Viatris otherwise consents in writing, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of Viatris, any action or proceeding asserting a claim of breach of a fiduciary duty owed by any director or officer or other employees of Viatris to Viatris or its stockholders, creditors or other constituents, any action asserting a claim against Viatris or any of its directors, officers or other employees arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the DGCL or the Viatris Charter or the Viatris Bylaws, any action or proceeding asserting a claim against Viatris or any of its directors, officers or other employees governed by the internal affairs doctrine or any action or proceeding as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware. The Viatris Charter also provides that unless Viatris consents in writing to the selection of an alternative forum, the federal district courts of the United States of America, to the fullest extent permitted by law, shall be the sole and exclusive forum for the resolution of any action asserting a cause of action arising under the Securities Act of 1933, as amended. The enforceability of similar choice of forum provisions in other companies' charters and bylaws has been challenged in legal proceedings, and it is possible that, in connection with claims arising under federal securities laws or otherwise, a court could find the exclusive forum provisions contained in the Viatris Charter to be inapplicable or unenforceable.

Limitations on Liability and Indemnification of Officers and Directors

The Viatris Charter includes a provision, authorized under the DGCL, that eliminates the personal liability of directors and officers for monetary damages for breach of fiduciary duty as a director or officer, as applicable, to the fullest extent permitted by the DGCL.

The Viatris Charter and the Viatris Bylaws also include provisions that require Viatris to indemnify, to the fullest extent allowable under the laws of the State of Delaware, directors or officers against monetary damages for actions taken as a director or officer of Viatris, or for serving at Viatris' request in any capacity at another corporation or enterprise, as the case may be. The Viatris Charter and the Viatris Bylaws also provide that Viatris must indemnify and advance reasonable expenses to Viatris directors and officers, subject to Viatris' receipt of an undertaking from the indemnified party to repay all amounts advanced if it is determined ultimately that the indemnified party is not entitled to be indemnified. We also have entered into indemnification agreements with each of our directors and certain of our officers that provide them with substantially similar indemnification rights to those provided under the Viatris Charter and Viatris Bylaws. The Viatris Charter and Viatris Bylaws also expressly authorizes Viatris to carry directors' and officers' insurance to protect Viatris and its directors and officers for some liabilities. Viatris currently maintains such an insurance policy. The description of indemnity herein is merely a summary of the provisions in the Viatris Charter, Viatris Bylaws and other indemnification agreements, and such description shall not limit or alter the provisions in the Viatris Charter, Viatris Bylaws or other indemnification agreements.

The limitation of liability and indemnification provisions in the Viatris Charter and the Viatris Bylaws may discourage stockholders from bringing a lawsuit against directors or officers for breach of their fiduciary duties. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit Viatris and Viatris' stockholders. However, these provisions do not limit or eliminate Viatris' rights, or those of any stockholder, to seek non-monetary relief such as an injunction or rescission if a director or officer breaches their fiduciary duties. Moreover, the provisions do not alter the liability of directors or officers under the federal securities laws. In addition, your investment may be adversely affected to the extent that, in a class action or direct suit, Viatris pays the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

Exhibit 10.13

December 15, 2023

Theodora (Doretta) Mistras 105 West 29th
Street, Suite 32D New York, NY10001

Dear Doretta:

On behalf of Viatris Inc. (the "Company"), I am pleased to confirm the terms of employment offered by the Company in connection with your future role as Chief Financial Officer of the Company.

1. **Position.** You shall join the Company on January 1, 2024 (the "Effective Date") as Chief Financial Officer-elect. Effective as of March 1, 2024 (or earlier, if mutually agreed), you will become Chief Financial Officer of the Company, and you shall devote your full business time and attention to such position. You shall report to the Chief Executive Officer (the "CEO") and you shall perform such duties as requested by the CEO.

2. **Work Location.** Company offices in New York with frequent travel to company offices in Pittsburgh, Pennsylvania. You will also be required to travel, both domestically and internationally, as dictated by business needs.

3. **Base Salary.** Your annual base salary shall be $825,000 ("Base Salary"), payable on the Company's standard

payroll dates and subject to deductions and withholdings as required by applicable law.

4. **Annual Incentive Bonus.** Your target bonus opportunity shall be 100% of Base Salary. The terms and conditions

of the annual incentive plan applicable to the Company's officers, including the applicable performance goals, will be subject to the determination of the Board (or its applicable designee) each year.

5. **Long-Term Incentive Awards.** During your employment with the Company, you shall be eligible to receive annual grants of long-term incentive awards as determined by the Board (or its applicable designee). It is intended that the initial grant date value of such awards shall equal 400% of Base Salary. The terms and conditions of the long-term incentive plan applicable to the Company's officers, including the applicable performance goals, the mix of long-term incentive vehicles and the timing of applicable grants, will be subject to the determination of the Board (or its applicable designee) each year.

6. **Sign-On Awards.** No later than thirty (30) days following the Effective Date, you will receive a one-time special bonus in an aggregate amount equal to $500,000. In the event your employment terminates for any reason prior to the first anniversary of the Effective Date, you shall be obligated to repay the net after-tax amount of the Sign-On Bonus within thirty (30) days following the effective date of your termination. In addition, as soon as practicable following the Effective Date and subject to approval of the Compensation Committee of the Board of Directors, you shall be granted an award of restricted stock units with a value equal to $500,000, which award shall vest ratably on each of the first and second anniversaries of the Effective Date, subject to your continued employment on each such vesting date.

7. **Severance.** In the event you are terminated by the Company without Cause (as such term is defined in the applicable Viatris severance plan) following the commencement of your employment, you will be entitled to receive a severance payment equal to (i) the Severance Multiple multiplied by (ii) the sum of your Base Salary and target annual bonus in effect at the time of such termination. For purposes of this offer letter, the Severance Multiple means (x) zero point five (.5) in the event of a termination on or prior to the one year anniversary of your employment (January 1, 2025) and one (1) thereafter. For the avoidance of doubt, you acknowledge and agree that upon any termination of your employment with the Company, you will be deemed to have immediately resigned any officer positions with the Company and its affiliates or subsidiaries. The severance hereunder, if applicable, will be paid to you in the form of installments over a period of months corresponding to the severance period, on the Company's normal payroll dates, beginning no later than 60 days after your termination date, subject to your execution and non-revocation of the customary Company release of claims agreement signed by similarly situated senior executive officers.

8. **Benefits.** During your employment with the Company, you shall be eligible to participate in all of the various employee benefit plans and programs which are made available to similarly situated officers of the Company, in accordance with the eligibility provisions and other terms and conditions of such plans and programs.

9. **Miscellaneous.** The Company may deduct and withhold from any amount payable under this offer letter such Federal, state, local, foreign or other taxes as are required to be withheld. The validity, interpretation, construction and performance of this offer letter will be governed by the laws of the Commonwealth of Pennsylvania (without giving effect to its conflicts of law).

This offer is also contingent upon execution by you of any applicable agreements relating to your employment with the Company (or an affiliate of the Company) (including any applicable confidentiality and/or restrictive covenant agreement), in each case, in a form consistent with such agreement to be entered into with similarly situated Company officers, which may be provided to you at a later date.

To confirm your acceptance of this offer, please sign and return the original to me.

Your passion and commitment give us every reason to believe that together we will set new standards in healthcare and

provide access to high quality medicine for the world's 7 billion people.

Sincerely,

/s/ Andrew Enrietti

Andrew Enrietti

Chief Human Relations Officer

Accepted: Theodora (Doretta) Mistras

Signature: /s/ Doretta Mistras

Date: December 15, 2023

Exhibit 10.14

RETIREMENT AND OPERATING CONSULTING AGREEMENT AND RELEASE

This Retirement and Consulting Agreement and Release ("Agreement") is made by and between Rajiv Malik ("Executive") and Viatris Inc. (together with its affiliates, the "Company") (collectively referred to as the "Parties" or individually referred to as a "Party").

RECITALS

WHEREAS, Executive shall retire from employment with the Company effective as of April 1, 2024 (the "Separation Date");

WHEREAS, in recognition of Executive's tenure with the Company, leadership of Company operations and critical knowledge of the Company and its industry, it is intended that Executive will remain a member of the Board of Directors of the Company (the "Board") and an operating consultant to the Company for a transitional period following the Separation Date; and

WHEREAS, the Company and Executive wish to set forth the terms of such retirement from employment with the Company and continuing transitional role with the Company.

NOW, THEREFORE, in consideration of the mutual promises made herein and intending to be legally bound hereby, the Company and Executive hereby agree as follows:

COVENANTS

1. Retirement from Employment and Certain Company Positions; Continuing Operating Consultant Role. Effective as of the Separation Date, Executive hereby resigns from all positions as an executive, officer or employee of the Company, and Executive shall cease to be the President of the Company. Executive acknowledges and agrees that his retirement from the Company is not due to any disagreement with the Company, including in his capacity as a member of the Board, on any matter relating to the operations, policies or practices of the Company. In recognition of Executive's tenure with the Company, leadership of Company operations and critical knowledge of the Company and its industry, Executive will remain a member of the Board, subject to nomination and election to the Board and the provisions of the Company's governing documents, and an operating consultant to the Company through a date no later than December 31, 2025 (the "Operating Consultant Period"). In Executive's role as an operating consultant, Executive shall remain available to provide advice and guidance on Company operations, including, but not limited to, on matters pertaining to Executive's portfolio of responsibilities prior to the Separation Date. In the event Executive ceases to be a member of the Board, the Operating Consultant Period shall be terminated as of the date Executive no longer serves on the Board.

2. Compensation and Benefits. Provided that Executive executes this Agreement, complies with its terms and does not commit a material breach of this Agreement, as described in Section 15 (*e.g.,* Confidentiality, Non-Competition, Non-Solicitation) below:

a. Treatment of Equity-Based Awards. All time-based restricted stock units ("RSUs") and performance-based RSUs ("PRSUs") will continue to vest during the Operating Consultant Period as if Executive remained an active full-time employee. In the event that, prior to the Separation Date, the employment of Executive is terminated by the Company without Cause (as defined in the Third Amended and Restated Executive Employment Agreement, entered into on February 25, 2019, and effective as of April 1, 2019, by and between Executive and Mylan Inc. (the "Employment Agreement")) or Executive's service as a member of the

Board is involuntarily terminated without cause, then all outstanding RSUs and PRSUs Executive holds as of the date of such termination will become accelerated and immediately vested (for clarity, with performance under PRSUs for which performance periods remain open determined based on target level performance regardless of actual performance at such time). In addition, in the event that, following the Separation Date, Executive (i) is not nominated or re-elected to the Board (or the Company announces publicly that Executive will not be nominated or re-elected to the Board at the end of his then current term) or is involuntarily terminated as an operating consultant, (ii) voluntarily resigns from the Board on or after the end of the term of office commencing immediately following the 2023 Annual General Meeting or (iii) dies or becomes Disabled (as defined in the Company's 2020 Stock Incentive Plan (the "Plan")), then, in each of clauses (i) – (iii), all outstanding RSUs and PRSUs Executive holds as of the date Executive no longer serves on the Board or as an operating consultant will become accelerated and immediately vested (for clarity, with performance under PRSUs for which performance periods remain open determined based on target level performance regardless of actual performance at such time). If Executive ceases to serve on the Board or as an operating consultant following the Separation Date for any other reason, the RSUs and PRSUs that Executive holds that are unvested as of such time will be forfeited, or if more favorable treatment is provided under the Plan under such circumstances (e.g., in the event of a Change in Control as defined in the Plan), then such treatment shall apply.

b. Pro Rata Annual Incentive Payment for 2024. Executive shall be paid a pro rata annual bonus for 2024, which shall be determined by reference to the bonus Executive would have earned based on actual performance for 2024 and pro rated to reflect the number of days elapsed in the 2024 fiscal year through the Separation Date. The pro rata bonus shall be paid as soon as practicable following the certification of applicable performance metrics for 2024, but in no event later than March 15, 2025. In the event that, prior to the Separation Date, the employment of Executive is terminated by the Company without Cause, Executive shall receive the same pro rata annual bonus described herein as if his employment were permitted to continue until the Separation Date.

c. Benefits. Executive shall be eligible for continued welfare benefits pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, for a period of up to twenty four (24) months following the Separation Date, which period shall commence as of the first day of the month following the Separation Date. Following the period during which Executive participates in the Company's health and welfare benefits pursuant to this Section 2(c), Executive and/or Executive's eligible dependents shall be eligible to participate in the Supplemental Health Insurance Plan for Certain Executives pursuant to the terms thereof.

d. Retirement Benefit Agreement. Executive shall be paid the accrued and vested benefit (currently equal to $5,342,449) under his Retirement Benefit Agreement with the Company, as amended, in a lump sum on the first regularly scheduled Company payroll date occurring after the six-month anniversary of the Separation Date.

e. 401(k) Restoration Plan. Executive shall be paid the accrued and vested benefit under the Company's 401(k) Restoration Plan in a lump sum on the first regularly scheduled Company payroll date occurring after the six-month anniversary of the Separation Date.

f. Vacation Pay. The Company shall pay Executive for all unused and accrued vacation time as of the Separation Date, less applicable deductions and withholdings required by applicable law. This payment shall be made in a lump sum and shall be paid on the Company's next regularly scheduled payroll date after the Separation Date.

g. Other Benefits. Executive's participation in all other benefits and incidents of employment, including, but not limited to, the accrual of bonuses, vacation and paid time off, and any additional 401(k) plan contributions, shall cease as of the Separation Date. Vested amounts payable to Executive under the Company's 401(k) and other retirement plans or agreements shall be paid in accordance with the terms of such plans and agreements and applicable law. All payments hereunder shall be subject to applicable deductions and withholdings as required by applicable law.

h. Non-Employee Director Board Compensation. In addition to the foregoing, for the avoidance of doubt, during the period in which Executive serves as a non-employee member of the Board, Executive shall be eligible to receive compensation for his service in such capacity consistent with other non-employee members of the Board.

3. Payment of Salary and Receipt of All Benefits. Executive acknowledges and represents that, other than the consideration to be paid pursuant to this Agreement, Executive's final regular pay on the Company's next regularly scheduled payroll date after the Separation Date and payment for all unused and accrued vacation time as of the Separation Date (which shall be included in Executive's final regular pay on the Company's next regularly scheduled payroll date after the Separation Date, subject to applicable deductions and withholding), the Company has paid or provided all salary, wages, bonuses, accrued vacation/paid time off, premiums, leaves, reimbursable expenses, stock, vesting, shares pursuant to vested restricted stock units, and any and all other benefits and compensation due to Executive by the Company and its affiliates. To receive reimbursement for any final Company-related travel expenses, Executive must submit a final report of all such outstanding expenses within thirty (30) calendar days after the Separation Date, accompanied by receipts and otherwise subject to the Company's expense reimbursement policy.

4. General Release of Claims. In consideration of the payments to be made under this Agreement, which Executive acknowledges Executive would not otherwise be entitled to receive, Executive agrees that the foregoing consideration represents settlement in full of all outstanding obligations owed to Executive by the Company and its current and former officers, directors, employees, agents, investors, attorneys, shareholders, administrators, affiliates, direct and indirect parents and subsidiaries, benefit plans, plan administrators, insurers, trustees, divisions and subsidiaries, predecessor and successor corporations and assigns, and all persons acting with or on behalf of them (collectively, the "Releasees"). Executive, on Executive's own behalf and on behalf of Executive's heirs, family members, executors, agents and assigns, hereby and forever releases and discharges the Releasees from any and all claims, complaints, charges, duties, obligations, demands or causes of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Executive may possess against any of the Releasees arising from any omissions, acts, failures to act, facts or damages that have occurred up until and including the date Executive executes this Agreement, including, without limitation:

a. any and all claims relating to or arising from Executive's employment relationship with the Company and/or any of the Releasees and the termination of that relationship;

b. any and all claims relating to, or arising from, Executive's right to purchase, or actual purchase of shares of stock of the Company and/or any of the Releasees, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;

c. any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

d. any and all claims under any policy, agreement, understanding or promise, written or oral, formal or informal, between any Releasee and Executive existing as of the date hereof (whether or not known or arising before, on or after the date Executive executes this Agreement);

e. any and all claims for violation of any federal, state or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Labor Standards Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967 ("ADEA"); the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; the Sarbanes-Oxley Act of 2002; the laws and Constitution of the Commonwealth of Pennsylvania, each as amended, or any other federal, state or local law, regulation ordinance or common law;

f. any and all claims for violation of the federal or any state constitution;

g. any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

h. any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of this Agreement;

i. any and all claims for attorneys' fees and costs; and

j. any other claims whatsoever.

Executive agrees that the Release set forth in this section shall be and remain in effect in all respects as a complete general release as to the matters released. This Release does not extend to any obligations incurred under this Agreement or any indemnification agreement between Executive and the Company, any claims accruing after the execution of this Agreement, or any rights Executive may have under any D&O insurance policy maintained by the Company and/or any of the Releasees. This Release does not release claims to enforce the terms of this Agreement (including but not limited to the payments and benefits set forth in Section 2 of this Agreement), and does not release claims that cannot be released as a matter of law, including, but not limited to, Executive's right to file a charge with or participate in a charge by, the Equal Employment Opportunity Commission, or any other local, state or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company (with the understanding that any such filing or participation does not give Executive the right to recover any monetary damages against the Company and/or any of the Releasees); and Executive's release of claims herein bars Executive from recovering such monetary relief from the Company and/or any of the Releasees. Executive represents that Executive has made no assignment or transfer of any right, claim, complaint, charge, duty, obligation, demand, cause of action or other matter waived or released by this Section 4.

Executive agrees that the consideration set forth in this Agreement is subject to Executive's execution, not later than 21 days following the Separation Date, of this Release, and the non-revocation of the Release during the period specified therein. If Executive fails to execute and deliver the Release within 21 days following the Separation Date, or if Executive revokes the Release as provided therein, Executive shall forfeit his right to receive the compensation and benefits provided under this Agreement. In the event Executive signs this Agreement prior to the Separation Date, he will be required to execute an affirmation of the Release upon his Separation Date in the form attached as Exhibit A.

5. Acknowledgment that Waiver of Claims is Knowing and Voluntary. Executive acknowledges that Executive is waiving and releasing any rights Executive may have under the ADEA and that the waiver and release is knowing and voluntary. Executive agrees that this waiver and release does not apply to any rights or claims that may arise under the ADEA after the date Executive executes this Agreement. Executive acknowledges that the consideration given for this waiver and release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that Executive has been advised by this writing that: (a) Executive should consult with an attorney prior to executing this Agreement; (b) nothing in this Agreement prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties or costs for doing so, unless specifically authorized by federal law; (c) Executive has seven (7) days following the execution of this Release to revoke this Release and may do so by writing to the Company's General Counsel; (d) this Release shall not be effective until after the revocation period has expired without revocation; and (e) nothing in this Release prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties or costs for doing so, unless specifically authorized by federal law. In the event Executive signs this Release and returns it to the Company in less than the 21-day period identified above, Executive hereby acknowledges that Executive has freely and voluntarily chosen to waive the time period allotted for considering this Release.

6. Unknown Claims. Executive acknowledges that Executive has been advised to consult with legal counsel and that Executive is familiar with the principle that a general release does not extend to claims that the releaser does not know or suspect to exist in Executive's favor at the time of executing the release, which, if known by Executive, must have materially affected Executive's settlement with the Releasee. Executive, being aware of said principle, agrees to expressly waive any rights Executive may have to that effect, as well as under any other statute or common law principles of similar effect.

7. No Pending or Future Lawsuits. Executive represents that Executive has no lawsuits, claims, or actions pending (directly or indirectly) in Executive's name, or on behalf of any other person or entity, against the Company or any of the other Releasees. Executive also represents that Executive does not intend to bring any claims (directly or indirectly) on Executive's own behalf or on behalf of any other person or entity against the Company or any of the other Releasees.

8. Consulting Services. The Company and Executive agree that, during the Operating Consultant Period, Executive will be available at reasonable times and upon reasonable notice to perform the consulting services described herein (the "Consulting Services") on behalf of the Company and/or any of its subsidiaries and affiliates, which is intended to be on flexible terms and conditions mutually agreeable to the parties hereto.

a. Executive shall provide such consulting and other services as may be mutually agreed between Executive and the Board, including services that relate to historic and background matters applicable to the Company and/or any subsidiary or affiliate's business affairs, business decisions, or operations known to Executive by virtue of his employment with the Company or otherwise, which may be provided remotely; provided, however, if the Company reasonably requests Executive to provide such services in-person from time to time (including with travel as dictated by business needs), then Executive shall be required to provide such services in-person. Executive shall be provided access to Company personnel, files and systems for the purpose of completing projects assigned during the Operating Consultant Period.

b. Executive shall use his reasonable best efforts in his performance of services hereunder, including such care, resources, effort, knowledge and expertise as a reasonably prudent person experienced in and knowledgeable of such matters and duties of the kind and character contemplated herein would exercise under the circumstances.

c. The Parties acknowledge and agree that the consideration provided in this Agreement constitutes adequate and complete compensation for Executive's consulting and other services as set forth herein.

d. The Company shall reimburse Executive for reasonable expenses directly related to the provision of services, which expenses or costs are approved by the Company or the Board. Executive shall provide to the Company, on a monthly basis, documentation (in reasonable detail) of all expenses for which reimbursement is requested, and such approved expenses shall be paid to Executive as promptly as reasonably practicable after receipt of such documentation.

e. Nothing in this Agreement shall be construed to create an employment relationship between Executive and the Company after the Separation Date. During the Operating Consultant Period, (a) Executive shall be an independent contractor and shall have no authority to enter into contracts on behalf of the Company, bind the Company to any third parties, or act as an agent on behalf of the Company in any regard; (b) without limitation to Section 1, Executive shall not be entitled to receive any compensation or medical or other benefits as a Company employee; (c) Executive shall remain subject to the continuing obligations set forth in this Agreement; and (d) the level of Executive's services shall be consistent with the incurrence of a "separation from service" (as defined in Section 409A of the Internal Revenue Code) as of the Separation Date (meaning no more than 20% of the average weekly level of services Executive performed over the previous 36 months). For the avoidance of doubt, nothing in this Section 8(e) shall be construed as limiting or modifying Executive's rights pursuant to Section 1 of this Agreement.

f. Each party may, upon no less than 30 days' written notice to the other, terminate the Operating Consultant Period, but each Party shall remain subject to all of its obligations under this Agreement (other than Executive's obligation to provide the Consulting Services).

9. Confidentiality. Executive reaffirms and agrees to observe and abide by the "Agreement Relating to Patents, Copyrights, Inventions, Confidentiality and Proprietary Information" entered into between Executive and the Company and any and all amendments and supplements thereto (the "Confidentiality Agreement"). For the avoidance of doubt, Confidential Information thereunder includes, without limitation, information or materials regarding the Company's plans, strategies, governance or operations, deliberations, including any discussions or deliberations relating thereto.

10. Existing Restrictive Covenants. Executive acknowledges and agrees that he will remain subject to the restrictive covenants in his Transition and Succession Agreement with Mylan Inc. pursuant to their existing terms for the specified duration from the Separation Date; provided, however, that (i) in the event Executive requests a consent or waiver from such

covenants, such consent or waiver shall be considered in good faith and shall not be unreasonably withheld, conditioned or delayed and (ii) Executive shall be entitled to serve on the Board of Directors of other entities or to provide advisory or consulting services to other entities provided, in each case, that the Executive does not serve as an executive of any competitive entity during any period of restriction.

11. Trade Secrets and Confidential Information/Company Property/Inquiries. Executive's signature below constitutes Executive's representation that as of the Separation Date, Executive shall (a) remove from any and all devices, records, files, folders, cameras, media, internet sites, electronic or digital devices, and any and all other sources, all documents, tapes, photographs, recordings, images, reproductions, electronic files and other items provided to Executive by the Company and/or any of the Releasees, developed or obtained by Executive in connection with Executive's employment with the Company, or otherwise belonging to the Company and/or any of the Releasees, and (b) return all documents, tapes, photographs, recordings, images, reproductions, electronic files and other items provided to Executive by the Company, developed or obtained by Executive in connection with Executive's employment with the Company, or otherwise belonging to the Company, including but not limited to any personal computer(s), BlackBerry, iPhone, iPad, tapes, photographs, recordings, images, reproductions, electronic files and other items. Executive further represents that Executive shall not misuse or disclose any of the Company's and/or any of the Releasees' confidential, proprietary or trade secret information to any third party other than good faith disclosure to a law enforcement or authorized regulatory agency of the United States Government or any state or local government. In addition, Executive shall abide by the Company's external communication policy, such that in the event Executive receives any media, financial community or other third-party inquiries regarding the Company, except as provided in this Section 11 and Section 12 of this Agreement, Executive shall not respond (nor shall Executive initiate any such contact) and shall promptly notify the Company's Global Public Affairs Department at 724.514.1968 or gpa@viatris.com, or any successor department. Pursuant to the Defend Trade Secrets Act of 2016, Executive is hereby notified that an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

12. Limits on Cooperation; Compliance. Executive agrees that Executive shall not knowingly encourage, counsel or assist any attorneys or their clients in the presentation or prosecution of any disputes, differences, grievances, claims, charges or complaints by any third party, against any of the Releasees, other than good faith assistance to a law enforcement or authorized regulatory agency of the United States Government or any state or local government. Executive may, however, respond to a lawful subpoena or other court order to do so or as related directly to the ADEA waiver in this Agreement or as otherwise required by law. Executive agrees both to promptly notify the Company upon receipt of any such subpoena or court order, and to furnish, within three (3) business days of its receipt, a copy of such subpoena or other court order. If approached by anyone, other than a law enforcement or authorized regulatory agency of the United States Government or any state or local government, for counsel or assistance in the presentation or prosecution of any disputes, differences, grievances, claims, charges or complaints against any of the Releasees, Executive shall state no more than that Executive cannot provide counsel or assistance. If approached for counsel or assistance as aforementioned, whether by private parties or law enforcement or regulatory agencies, Executive shall promptly notify the Company of such an occurrence, and provide information to the

Company regarding any such communication. While Executive may respond in good faith to lawful inquiries by law enforcement or regulatory agencies, Executive shall notify any such agencies of Executive's obligations with respect to confidentiality under this Agreement, the Confidentiality Agreement, and any other applicable agreements, and Executive shall continue to honor such obligations in the course of responding to law enforcement or regulatory agency inquiries, as lawfully permitted. Executive understands that nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Securities and Exchange Commission (the "SEC") pursuant to Section 21F of the Securities Exchange Act of 1934, as amended, limits Executive's ability to communicate with the SEC pursuant to such provision or limits Executive's right to receive an award for information provided to the SEC pursuant to such provision. Furthermore, Executive hereby represents that Executive is not aware of any violation of any law, Company policy or the Company's Code of Conduct in any event which could cause harm (financial or otherwise) to the Company or any of its subsidiaries, parents or affiliates or their respective properties, shareholders, employees or prospects, other than matters which Executive has previously reported to the Office of Global Compliance, the Viatris Legal Department or any successor department.

Executive shall use Executive's best efforts to consult with the Company and respond to the Company's reasonable requests for information or follow-up assistance pertaining to work Executive performed, directed or oversaw on behalf of the Company and/or any subsidiary or affiliate, or other matters in which Executive was involved or of which Executive was otherwise aware, including, but not limited to, in connection with his service as President and/or as a member of the Board of Directors of the Company or Mylan N.V. prior to the Separation Date. Executive's obligations hereunder shall include without limitation Executive's response to requests of legal counsel for the Company and/or any subsidiary or affiliate regarding any legal matters or proceedings of any kind currently pending or which may arise after the Separation Date. The Company will reimburse Executive for any expenses incurred by Executive in connection with such requests or assistance if approved by the Company's Legal Department and supported by required documentation. No payment made to Executive hereunder is intended to be or shall be interpreted as a payment for testimony in any legal matter. Executive understands that Executive is to provide Executive's good faith assistance, and agrees to provide truthful responses to any requests for information or testimony. For the avoidance of doubt, including as set forth above, Executive shall remain entitled to indemnification from the Company pursuant to the Employment Agreement and any other indemnification agreement between Executive and the Company or insurance policy maintained by the Company, in each case, pursuant to the terms thereof.

13. Mutual Non-Disparagement. Executive agrees to refrain from any disparaging statements, including but not limited to statements that amount to libel or slander, about the Company, its direct and indirect parents, subsidiaries or affiliated companies, and/or any of its or their current or former employees, officers or directors, and/or any of the other Releasees including, without limitation, the business, products, governance, intellectual property, financial standing, future prospects or other employment, compensation, benefit or personnel practices of the Company and/or any of the Releasees. Executive further agrees to refrain from any disparaging statements, including but not limited to libel or slander, about any of the Releasees that pertain to any personal or confidential matters that may cause embarrassment to any of the Releasees or may result in any adverse effect on the professional or personal reputation of any of the Releasees. The foregoing restrictions shall not apply to any testimony that Executive is compelled by law to give (whether written or verbal). The Company agrees to instruct its executive officers to refrain from any disparaging statements, including but not limited to libel or slander, about Executive that pertain to any personal or confidential matters that may cause embarrassment to Executive or may result in any adverse effect on the professional or personal reputation of Executive. The foregoing restrictions shall not apply to any testimony that any executive officer of the Company is compelled to give by law (whether written or verbal).

14. Indemnification. Section 9 of the Employment Agreement shall survive the separation from employment in accordance with the terms thereof. In addition, with respect to periods of service prior to the Separation Date, Executive shall continue to receive indemnification in accordance with the Company's Bylaws in effect as of the date of this Agreement. Such indemnification shall be contractual in nature and shall remain in effect notwithstanding any future change to the Company's Bylaws. With respect to periods of service prior to the Separation Date, Executive shall also continue to receive indemnification in accordance with his Indemnification Agreement with the Company entered into on November 16, 2020. With respect to period of service on or after the Separation Date, in the event that Executive is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding (including those brought by or in the right of the Company) whether civil, criminal, administrative or investigative ("proceeding"), by reason of the fact that he is or was an consultant to the Company or any subsidiary of the Company, whether the basis of such proceeding is alleged action in an official capacity as a consultant or in any other capacity while serving as an advisor or independent contractor, Executive shall be indemnified and held harmless by the Company to the fullest extent authorized by law against all expenses, liabilities and losses (including the advancement of attorneys fees, and the payment of judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by Executive in connection therewith except to the extent that such expenses, liabilities and losses are determined by a court of competent jurisdiction to have been caused by the bad faith, fraud or willful misconduct (including but not limited to a willful breach of this Agreement) of Executive. Such right shall be a contract right and shall include the right to be paid by the Company expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses incurred by Executive in his capacity as a consultant in advance of the final disposition of such proceeding will be made only upon delivery to the Company of an undertaking, by or on behalf of Executive, to repay all amounts to Company so advanced if it should be determined ultimately that the Executive is not entitled to be indemnified under this section or otherwise. Promptly after receipt by Executive of notice of the commencement of any action, suit or proceeding for which the Executive may be entitled to be indemnified, Executive shall notify the Company in writing of the commencement thereof (but the failure to notify the Company shall not relieve it from any liability which it may have under this Section unless and to the extent that it has been prejudiced in a material respect by such failure or from the forfeiture of substantial rights and defenses). If any such action, suit or proceeding is brought against Executive and he notifies the Company of the commencement thereof, the Company will be entitled to participate therein, and, to the extent it may elect by written notice delivered to Executive promptly after receiving the aforesaid notice from Executive, to assume the defense thereof with counsel reasonably satisfactory to Executive, which may be the same counsel as counsel to the Company. Notwithstanding the foregoing, Executive shall have the right to employ his own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Executive unless (i) the employment of such counsel shall have been authorized in writing by the Company, (ii) the Company shall not have employed counsel reasonably satisfactory to the Executive to take charge of the defense of such action within a reasonable time after notice of commencement of the action or (iii) the Executive shall have reasonably concluded, after consultation with counsel to the Executive, that a conflict of interest exists which makes representation by counsel chosen by the Company not advisable (in which case the Company shall not have the right to direct the defense of such action on behalf of the Executive), in any of which events such fees and expenses of one additional counsel shall be borne by the Company. Anything in this Section 14 to the contrary notwithstanding, the Company shall not be liable for any settlement of any claim or action effected without its written consent.

15. Material Breach of Agreement. In addition to the rights provided in Section 22 below, if Executive commits a material breach of this Agreement, which shall include, without limitation, any breach of Sections 9, 10, 11, 12 and 13 of this Agreement and any breach of the

Confidentiality Agreement, the Company shall be entitled to immediately recover and/or cease providing the payments and consideration provided to Executive under this Agreement (including, for the avoidance of doubt, canceling any equity awards Executive holds) and to obtain damages, except as provided by law.

16. No Admission of Liability/Compromise. No action taken by the Company and/or any of the Releasees, either previously or in connection with this Agreement, shall be deemed or construed to be (a) an admission of the truth or falsity of any actual or potential claims or (b) an acknowledgment or admission by the Company and/or any of the Releasees of any fault or liability.

17. Costs. The Parties shall each bear their own costs, attorneys' fees and other fees incurred in connection with the preparation of this Agreement.

18. Choice of Law and Forum. This Agreement shall be construed and enforced according to, and the rights and obligations of the parties shall be governed in all respects by, the laws of the Commonwealth of Pennsylvania without reference to the principles of conflicts of law thereof. Any controversy, dispute or claim arising out of or relating to this Agreement, or the breach hereof, including a claim for injunctive relief, or any claim which in any way arises out of or relates to Executive's employment with the Company or separation from said employment (whether such dispute arises under any federal, state or local statute or regulation, or at common law), including but not limited to statutory claims for discrimination, shall be resolved by arbitration in accordance with the then-current rules of the American Arbitration Association respecting employment disputes pertaining at the time the dispute arises; *provided*, *however*, that either party may seek an injunction in aid of arbitration with respect to enforcement of Sections 9, 10, 11, 12 and/or 13 of this Agreement from any court of competent jurisdiction. The Parties agree that the hearing of any such dispute shall be held in Pennsylvania. The decision of the arbitrator(s) shall be final and binding on all parties and any award rendered shall be enforceable upon confirmation by a court of competent jurisdiction. Any arbitration proceedings, decision or award rendered hereunder, and the validity, effect and interpretation of this arbitration provision shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 *et seq*. Executive and the Company expressly consent to the jurisdiction of any such arbitrator over them.

19. Tax Consequences. The Company makes no representations or warranties with respect to the tax consequences of the payments and any other consideration provided to Executive or made on Executive's behalf under the terms of this Agreement. Executive agrees and understands that Executive is responsible for payment, if any, of local, state and/or federal taxes on the payments and any other consideration provided hereunder by the Company and any penalties or assessments thereon.

The intent of the parties is that payments and benefits under this Agreement comply with Section 409A of the Internal Revenue Code (the "Code") to the extent subject thereto, and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted and administered to be in compliance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, Executive shall not be considered to have terminated employment with the Company for purposes of this Agreement and no payments shall be due to Executive under Section 2 of this Agreement until Executive would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A of the Code. For purposes of this Agreement, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Section 409A of the Code, and any payments described in Section 2 that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following Executive's termination of employment shall instead be paid in a lump sum on the first regularly scheduled Company payroll date occurring after the six-month anniversary of the Separation Date (or death, if earlier). To the extent required to avoid an accelerated or additional tax under Section 409A of the Code, amounts reimbursable to Executive under this Agreement shall be paid to Executive on or before the last day of the year following the year in which the expense was incurred and the amount of expenses eligible for reimbursement (and in-kind benefits provided to Executive) during any one year may not affect amounts reimbursable or provided in any subsequent year; *provided*, *however*, that with respect to any reimbursements for any taxes which Executive would become entitled to under the terms of the Agreement, the payment of such reimbursements shall be made by the Company no later than the end of the calendar year following the calendar year in which Executive remits the related taxes.

20. Authority. The Company represents and warrants that the undersigned has the authority to act on behalf of the Company and to bind the Company and all who may claim through it to the terms and conditions of this Agreement. Executive represents and warrants that Executive has the capacity to act on Executive's own behalf and on behalf of all who might claim through Executive to bind them to the terms and conditions of this Agreement. Each Party warrants and represents that there are no liens or claims of lien or assignments in law or equity or otherwise of or against any of the claims or causes of action released herein.

21. No Representations. Executive represents that Executive has had an opportunity to consult with an attorney and has carefully read and understands the scope and effect of the provisions of this Agreement. Executive has not relied upon any representations or statements made by the Company that are not specifically set forth in this Agreement.

22. Severability. In the event that any provision or any portion of any provision hereof or any surviving agreement made a part hereof becomes or is declared by a court of competent jurisdiction or arbitrator to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision or portion of provision.

23. Attorneys' Fees. Except with regard to a legal action challenging or seeking a determination in good faith of the validity of the waiver herein under the ADEA or otherwise prohibited by law, in the event that either Party brings an action to enforce or effect its rights under this Agreement, the prevailing Party shall be entitled to recover its costs and expenses, including the costs of mediation, arbitration, litigation, court fees and reasonable attorneys' fees incurred in connection with such an action. Such costs and expenses shall be paid to the prevailing party as soon as practicable after the legal action is resolved and in no event later than March 15 of the year following resolution of the legal action.

24. Entire Agreement. This Agreement and the Confidentiality Agreement (as amended by this Agreement) represent the entire agreement and understanding between the Company and Executive concerning the subject matter of this Agreement and Executive's employment with and separation from the Company and the events leading thereto and associated therewith, and supersede and replace any and all prior negotiations, representations, agreements and understandings concerning the subject matter of such agreements, Executive's relationship with the Company and Executive's obligations following employment with the Company.

25. No Oral Modification. This Agreement may only be amended in a writing signed by Executive and the Company.

26. Governing Law. The laws of the Commonwealth of Pennsylvania govern this Agreement, without regard for choice-of-law provisions. Executive consents to personal and exclusive jurisdiction and venue in the Commonwealth of Pennsylvania.

27. Effective Date. This Agreement shall become immediately effective upon Executive's execution and delivery of this Agreement to the Company; *provided* that if Executive fails to comply with this Agreement (including the execution and non-revocation of the Release pursuant to Sections 4 and 5), Executive shall not receive the amounts or benefits set forth in Section 2, and this Agreement shall never go into effect. Executive acknowledges and agrees that Executive shall execute this Agreement on, and in any event no earlier than one week prior to, the Separation Date.

28. Counterparts. This Agreement may be executed in counterparts and by facsimile, and each counterpart and facsimile shall have the same force and effect as an original and shall constitute an effective, binding agreement on the part of each of the undersigned.

29. Voluntary Execution of Agreement. Executive understands and agrees that Executive executed this Agreement voluntarily, without any duress or undue influence on the part or behalf of the Company and/or any of the Releasees or any third party, with the full intent of releasing all of Executive's claims against the Company and any of the other Releasees. Executive acknowledges that: (a) Executive has read this Agreement; (b) Executive has been represented in the preparation, negotiation and execution of this Agreement by legal counsel of Executive's own choice or has elected not to retain legal counsel; (c) Executive understands the terms and consequences of this Agreement and of the releases it contains; (d) Executive is fully aware of the legal and binding effect of this Agreement and (e) Executive has been given the toll-free telephone number of the Pennsylvania Bar Association to help Executive identify a qualified lawyer (800-692-7375).

IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below.

Dated: October 20, 2023	By	/s/ Rajiv Malik
		Rajiv Malik

VIATRIS INC.:

Dated: October 20, 2023	By	/s/ Andrew Enrietti	
		Name:	Andrew Enrietti
		Title:	Chief Human Relations Officer

Exhibit A

Second Release

This release (this “Second Release”) is delivered by Rajiv Malik (“Executive”) as of the date set forth below in connection with the Retirement and Operating Consultant Agreement and Release between Executive and Viatris Inc. (together with its affiliates, the “Company”), dated as of October 20, 2023 (the “Retirement and Consulting Agreement”), and in connection with Executive’s separation from employment with the Company. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Retirement and Consulting Agreement.

1. In consideration of the payments to be made under the Retirement and Consulting Agreement, which Executive acknowledges Executive would not otherwise be entitled to receive, Executive agrees that the consideration provided under the Retirement and Consulting Agreement represents settlement in full of all outstanding obligations owed to Executive by the Company and its current and former officers, directors, employees, agents, investors, attorneys, shareholders, administrators, affiliates, direct and indirect parents and subsidiaries, benefit plans, plan administrators, insurers, trustees, divisions, and subsidiaries, predecessor and successor corporations and assigns, and all persons acting with or on behalf of them (collectively, the “Releasees”). Executive, on Executive’s own behalf and on behalf of Executive’s heirs, family members, executors, agents, and assigns, hereby and forever releases and discharges the Releasees from any and all claims, complaints, charges, duties, obligations, demands, or causes of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Executive may possess against any of the Releasees arising from any omissions, acts, failures to act, facts, or damages that have occurred up until and including the date Executive executes this Second Release, including, without limitation:

a. any and all claims relating to or arising from Executive’s employment relationship with the Company and/or any of the Releasees and the termination of that relationship;

b. any and all claims relating to, or arising from, Executive’s right to purchase, or actual purchase of shares of stock of the Company and/or any of the Releasees, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;

c. any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

d. any and all claims under any policy, agreement, understanding or promise, written or oral, formal or informal, between any Releasee and Executive existing as of the date hereof (whether or not known or arising before, on or after the date Executive executes this Second Release);

e. any and all claims for violation of any federal, state, or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of

1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Labor Standards Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967; the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; the Sarbanes-Oxley Act of 2002; the laws and Constitution of the Commonwealth of Pennsylvania, each as amended, or any other federal, state or local law, regulation ordinance or common law;

f. any and all claims for violation of the federal or any state constitution;

g. any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

h. any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of the Retirement and Consulting Agreement;

i. any and all claims for attorneys' fees and costs; and

j. any other claims whatsoever.

Executive agrees that this Second Release shall be and remain in effect in all respects as a complete general release as to the matters released. This Second Release does not extend to any obligations incurred under the Retirement and Consulting Agreement (including but not limited to Section 2 under such Agreement), or any claims accruing after the execution of the Retirement and Consulting Agreement. This Second Release does not extend to any obligations incurred under any indemnification agreement between Executive and the Company, or any rights Executive may have under any D&O insurance policy maintained by the Company and/or any of the Releasees. This Second Release does not release claims that cannot be released as a matter of law, including, but not limited to, Executive's right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company (with the understanding that any such filing or participation does not give Executive the right to recover any monetary damages against the Company and/or any of the Releasees; and Executive's release of claims herein bars Executive from recovering such monetary relief from the Company and/or any of the Releasees). Executive represents that Executive has made no assignment or transfer of any right, claim, complaint, charge, duty, obligation, demand, cause of action, or other matter waived or released by this Second Release.

2. Executive acknowledges that Executive is waiving and releasing any rights Executive may have under the Age Discrimination in Employment Act of 1967 ("ADEA") and that this Second Release is knowing and voluntary. Executive agrees that this Second Release does not apply to any rights or claims that may arise under the ADEA after the date Executive executes this Second Release. Executive acknowledges that the consideration given for this Second Release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that Executive has been advised by this writing that: (a) Executive should consult with an attorney prior to executing this Second Release; (b) Executive has twenty-one (21) days within which to consider this Second Release; (c) Executive has seven (7) days following the execution of this Second Release to revoke this Second Release and may do so by writing to the Company's General Counsel; (d) this Second Release shall not be effective until after the revocation period has expired without revocation; and (e) nothing in this Second Release prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition

precedent, penalties, or costs for doing so, unless specifically authorized by federal law. In the event Executive signs this Second Release and returns it to the Company in less than the 21-day period identified above, Executive hereby acknowledges that Executive has freely and voluntarily chosen to waive the time period allotted for considering this Second Release.

3. Executive acknowledges that Executive has been advised to consult with legal counsel and that Executive is familiar with the principle that a general release does not extend to claims that the releaser does not know or suspect to exist in Executive's favor at the time of executing the release, which, if known by Executive, must have materially affected Executive's settlement with the Releasee. Executive, being aware of said principle, agrees to expressly waive any rights Executive may have to that effect, as well as under any other statute or common law principles of similar effect.

4. Executive hereby acknowledges and agrees that the covenant with respect to pending or future lawsuits set forth in Section 7 of the Retirement and Consulting Agreement applies to all claims released pursuant to this Second Release.

I HAVE READ, UNDERSTAND, AND VOLUNTARILY AGREE TO THE TERMS OF THIS RELEASE.

SIGNATURE: ___________________________ DATE: ___________
Rajiv Malik

Exhibit 10.15

SEPARATION AGREEMENT AND RELEASE

This Separation Agreement and Release ("Agreement") is made by and between Anthony Mauro ("Executive") and Viatris Inc. (together with its affiliates, the "Company") (collectively referred to as the "Parties" or individually referred to as a "Party").

RECITALS

WHEREAS, Executive shall separate from employment with the Company effective as of April 1, 2024 (the "Separation Date"); and

WHEREAS, the Company and Executive wish to set forth the terms of such separation from employment with the Company.

NOW, THEREFORE, in consideration of the mutual promises made herein and intending to be legally bound hereby, the Company and Executive hereby agree as follows:

COVENANTS

1. Separation from Employment and Certain Company Positions. Effective as of the Separation Date, Executive hereby resigns from all positions as an executive, officer or employee of the Company, and Executive shall cease to be the President, Developed Markets of the Company. In the event that the Company terminates Executive's employment prior to the Separation Date for any reason other than for Cause (as defined under the Company's 2020 Stock Incentive Plan (the "Plan")), then the Executive shall be entitled to all of the payments and benefits set forth in this Agreement (including Sections 2 and 3) as if the "Separation Date" had, in fact, been April 1, 2024. Executive acknowledges and agrees that his separation from the Company is not due to any disagreement with the Company on any matter relating to the operations, policies or practices of the Company.

2. Compensation and Benefits. Provided that Executive executes this Agreement, complies with its terms and does not commit a material breach of this Agreement, as described in Section 13 (*e.g.,* Confidentiality, Non-Competition, Non-Solicitation) below:

a. Separation Payment. Executive shall be paid an amount in cash equal to $3,698,000, subject to applicable deductions and withholdings required by applicable law (the "Total Cash Separation Payment"). The Total Cash Separation Payment and other payments pursuant to this Agreement are expressly conditioned on Executive's compliance with the terms and conditions of this Agreement. The Total Cash Separation Payment shall be payable in a lump sum on the first regularly scheduled Company payroll date occurring after the six-month anniversary of the Separation Date.

b. Treatment of Equity-Based Awards. All time-based restricted stock units ("RSUs") and performance-based RSUs ("PRSUs"), in each case, remain subject to the terms of the applicable long-term incentive plan or plans, as amended, and all applicable award agreements and amendments thereto. For the avoidance of doubt, all unvested RSUs and PRSUs, in each case, shall be forfeited immediately upon the Separation Date, unless otherwise specified in the applicable award agreement (i.e., pro rata vesting of Executive's 2023 PRSUs upon the Separation Date, or other Change in Control provisions in the Plan that might become applicable).

c. Pro Rata Annual Incentive Payment for 2024. Executive shall be paid a pro rata annual bonus for 2024, which shall be determined by reference to the bonus Executive would have earned based on actual performance for 2024 and pro rated to reflect the number of days elapsed in the 2024 fiscal year through the Separation Date. The pro rata bonus shall be paid as soon as practicable following the certification of applicable performance metrics for 2024, but in no event later than March 15, 2025.

d. Benefits. Executive shall be eligible for continued welfare benefits pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, for a period of up to twenty four (24) months following the Separation Date, which period shall commence as of the first day of the month following the Separation Date.

e. 401(k) Restoration Plan. Executive shall be paid the accrued and vested benefit under the Company's 401(k) Restoration Plan in a lump sum on the first regularly scheduled Company payroll date occurring after the six-month anniversary of the Separation Date.

f. Vacation Pay. The Company shall pay Executive for all unused and accrued vacation time as of the Separation Date, less applicable deductions and withholdings required by applicable law. This payment shall be made in a lump sum and shall be paid on the Company's next regularly scheduled payroll date after the Separation Date.

g. Other Benefits. Executive's participation in all other benefits and incidents of employment, including, but not limited to, the accrual of bonuses, vacation and paid time off, and any additional 401(k) plan contributions, shall cease as of the Separation Date. Vested amounts payable to Executive under the Company's 401(k) and other retirement plans or agreements shall be paid in accordance with the terms of such plans and agreements and applicable law. All payments hereunder shall be subject to applicable deductions and withholdings as required by applicable law.

3. Payment of Salary and Receipt of All Benefits. Executive acknowledges and represents that, other than the consideration to be paid pursuant to this Agreement, Executive's final regular pay on the Company's next regularly scheduled payroll date after the Separation Date and payment for all unused and accrued vacation time as of the Separation Date (which shall be included in Executive's final regular pay on the Company's next regularly scheduled payroll date after the Separation Date, subject to applicable deductions and withholding), the Company has paid or provided all salary, wages, bonuses, accrued vacation/paid time off, premiums, leaves, reimbursable expenses, stock, vesting, shares pursuant to vested restricted stock units, and any and all other benefits and compensation due to Executive by the Company and its affiliates. To receive reimbursement for any final Company-related travel expenses, Executive must submit a final report of all such outstanding expenses within thirty (30) calendar days after the Separation Date, accompanied by receipts and otherwise subject to the Company's expense reimbursement policy.

4. General Release of Claims. In consideration of the payments to be made under this Agreement, which Executive acknowledges Executive would not otherwise be entitled to receive, Executive agrees that the foregoing consideration represents settlement in full of all outstanding obligations owed to Executive by the Company and its current and former officers, directors, employees, agents, investors, attorneys, shareholders, administrators, affiliates, direct and indirect parents and subsidiaries, benefit plans, plan administrators, insurers, trustees, divisions and subsidiaries, predecessor and successor corporations and assigns, and all persons acting with or on behalf of them (collectively, the "Releasees"). Executive, on Executive's own behalf and on behalf of Executive's heirs, family members, executors, agents and assigns, hereby and forever releases and discharges the Releasees from any and all claims, complaints, charges, duties, obligations, demands or causes of action relating to any matters of any kind, whether

presently known or unknown, suspected or unsuspected, that Executive may possess against any of the Releasees arising from any omissions, acts, failures to act, facts or damages that have occurred up until and including the date Executive executes this Agreement, including, without limitation:

a. any and all claims relating to or arising from Executive's employment relationship with the Company and/or any of the Releasees and the termination of that relationship;

b. any and all claims relating to, or arising from, Executive's right to purchase, or actual purchase of shares of stock of the Company and/or any of the Releasees, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;

c. any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

d. any and all claims under any policy, agreement, understanding or promise, written or oral, formal or informal, between any Releasee and Executive existing as of the date hereof (whether or not known or arising before, on or after the date Executive executes this Agreement);

e. any and all claims for violation of any federal, state or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Labor Standards Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967 ("ADEA"); the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; the Sarbanes-Oxley Act of 2002; the laws and Constitution of the Commonwealth of Pennsylvania, each as amended, or any other federal, state or local law, regulation ordinance or common law;

f. any and all claims for violation of the federal or any state constitution;

g. any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

h. any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of this Agreement;

i. any and all claims for attorneys' fees and costs; and

j. any other claims whatsoever.

Executive agrees that the Release set forth in this section shall be and remain in effect in all respects as a complete general release as to the matters released. This Release does not extend to any obligations incurred under this Agreement or any indemnification agreement between Executive and the Company or other indemnification rights of Executive, any claims accruing after the execution of this Agreement, or any rights Executive may have under any D&O insurance policy maintained by the Company and/or any of the Releasees. This Release does not release claims to enforce the terms of this Agreement (including but not limited to the payments and benefits set forth in Section 2 of this Agreement), and does not release claims that cannot be released as a matter of law, including, but not limited to, Executive's right to file a charge with or participate in a charge by, the Equal Employment Opportunity Commission, or any other local, state or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company (with the understanding that any such filing or participation does not give Executive the right to recover any monetary damages against the Company and/or any of the Releasees); and Executive's release of claims herein bars Executive from recovering such monetary relief from the Company and/or any of the Releasees. Executive represents that Executive has made no assignment or transfer of any right, claim, complaint, charge, duty, obligation, demand, cause of action or other matter waived or released by this Section 4.

Executive agrees that the consideration set forth in this Agreement is subject to Executive's execution, not later than 21 days following the Separation Date, of this Release, and the non-revocation of the Release during the period specified therein. If Executive fails to execute and deliver the Release within 21 days following the Separation Date, or if Executive revokes the Release as provided therein, Executive shall forfeit his right to receive the compensation and benefits provided under this Agreement. In the event Executive signs this Agreement prior to the Separation Date, he will be required to execute an affirmation of the Release upon his Separation Date in the form attached as Exhibit A.

5. Acknowledgment that Waiver of Claims is Knowing and Voluntary. Executive acknowledges that Executive is waiving and releasing any rights Executive may have under the ADEA and that the waiver and release is knowing and voluntary. Executive agrees that this waiver and release does not apply to any rights or claims that may arise under the ADEA after the date Executive executes this Agreement. Executive acknowledges that the consideration given for this waiver and release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that Executive has been advised by this writing that: (a) Executive should consult with an attorney prior to executing this Agreement; (b) nothing in this Agreement prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties or costs for doing so, unless specifically authorized by federal law; (c) Executive has seven (7) days following the execution of this Release to revoke this Release and may do so by writing to the Company's General Counsel; (d) this Release shall not be effective until after the revocation period has expired without revocation; and (e) nothing in this Release prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties or costs for doing so, unless specifically authorized by federal law. In the event Executive signs this Release and returns it to the Company in less than the 21-day period identified above, Executive hereby acknowledges that Executive has freely and voluntarily chosen to waive the time period allotted for considering this Release.

6. Unknown Claims. Executive acknowledges that Executive has been advised to consult with legal counsel and that Executive is familiar with the principle that a general release does not extend to claims that the releaser does not know or suspect to exist in Executive's favor at the time of executing the release, which, if known by Executive, must have materially affected Executive's settlement with the Releasee. Executive, being aware of said principle, agrees to expressly waive any rights Executive may have to that effect, as well as under any other statute or common law principles of similar effect.

7. No Pending or Future Lawsuits. Executive represents that Executive has no lawsuits, claims, or actions pending (directly or indirectly) in Executive's name, or on behalf of any other person or entity, against the Company or any of the other Releasees. Executive also represents

that Executive does not intend to bring any claims (directly or indirectly) on Executive's own behalf or on behalf of any other person or entity against the Company or any of the other Releasees.

8. Confidentiality. Executive reaffirms and agrees to observe and abide by the "Agreement Relating to Patents, Copyrights, Inventions, Confidentiality and Proprietary Information" entered into between Executive and the Company and any and all amendments and supplements thereto (the "Confidentiality Agreement"). For the avoidance of doubt, Confidential Information thereunder includes, without limitation, information or materials regarding the Company's plans, strategies, governance or operations, deliberations, including any discussions or deliberations relating thereto.

9. Existing Restrictive Covenants. Executive acknowledges and agrees that he will remain subject to the restrictive covenants in his Transition and Succession Agreement with Mylan Inc. pursuant to their existing terms for the specified duration from the Separation Date; provided, however, that (i) in the event Executive requests a consent or waiver from such covenants, the Company will consider such request in good faith and such consent or waiver shall not be unreasonably withheld, conditioned or delayed and (ii) Executive shall be entitled to serve on the Board of Directors of other entities or to provide advisory or consulting services to other entities provided, in each case, that the Executive does not serve as an executive of any competitive entity during any period of restriction.

10. Trade Secrets and Confidential Information/Company Property/Inquiries. Executive's signature below constitutes Executive's representation that as of the Separation Date, Executive shall (a) remove from any and all devices, records, files, folders, cameras, media, internet sites, electronic or digital devices, and any and all other sources, all documents, tapes, photographs, recordings, images, reproductions, electronic files and other items provided to Executive by the Company and/or any of the Releasees, developed or obtained by Executive in connection with Executive's employment with the Company, or otherwise belonging to the Company and/or any of the Releasees, and (b) return all documents, tapes, photographs, recordings, images, reproductions, electronic files and other items provided to Executive by the Company, developed or obtained by Executive in connection with Executive's employment with the Company, or otherwise belonging to the Company, including but not limited to any personal computer(s), BlackBerry, iPhone, iPad, tapes, photographs, recordings, images, reproductions, electronic files and other items. Executive further represents that Executive shall not misuse or disclose any of the Company's and/or any of the Releasees' confidential, proprietary or trade secret information to any third party other than good faith disclosure to a law enforcement or authorized regulatory agency of the United States Government or any state or local government. In addition, Executive shall abide by the Company's external communication policy, such that in the event Executive receives any media, financial community or other third-party inquiries regarding the Company, except as provided in this Section 11 and Section 12 of this Agreement, Executive shall not respond (nor shall Executive initiate any such contact) and shall promptly notify the Company's Global Public Affairs Department at 724.514.1968 or gpa@viatris.com, or any successor department. Pursuant to the Defend Trade Secrets Act of 2016, Executive is hereby notified that an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

11. Limits on Cooperation; Compliance. Executive agrees that Executive shall not knowingly encourage, counsel or assist any attorneys or their clients in the presentation or prosecution of any disputes, differences, grievances, claims, charges or complaints by any third party, against any of the Releasees, other than good faith assistance to a law enforcement or authorized regulatory agency of the United States Government or any state or local government. Executive may, however, respond to a lawful subpoena or other court order to do so or as related directly to the ADEA waiver in this Agreement or as otherwise required by law. Executive agrees both to promptly notify the Company upon receipt of any such subpoena or court order, and to furnish, within three (3) business days of its receipt, a copy of such subpoena or other court order. If approached by anyone, other than a law enforcement or authorized regulatory agency of the United States Government or any state or local government, for counsel or assistance in the presentation or prosecution of any disputes, differences, grievances, claims, charges or complaints against any of the Releasees, Executive shall state no more than that Executive cannot provide counsel or assistance. If approached for counsel or assistance as aforementioned, whether by private parties or law enforcement or regulatory agencies, Executive shall promptly notify the Company of such an occurrence, and provide information to the Company regarding any such communication. While Executive may respond in good faith to lawful inquiries by law enforcement or regulatory agencies, Executive shall notify any such agencies of Executive's obligations with respect to confidentiality under this Agreement, the Confidentiality Agreement, and any other applicable agreements, and Executive shall continue to honor such obligations in the course of responding to law enforcement or regulatory agency inquiries, as lawfully permitted. Executive understands that nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Securities and Exchange Commission (the "SEC") pursuant to Section 21F of the Securities Exchange Act of 1934, as amended, limits Executive's ability to communicate with the SEC pursuant to such provision or limits Executive's right to receive an award for information provided to the SEC pursuant to such provision. Furthermore, Executive hereby represents that Executive is not aware of any violation of any law, Company policy or the Company's Code of Conduct in any event which could cause harm (financial or otherwise) to the Company or any of its subsidiaries, parents or affiliates or their respective properties, shareholders, employees or prospects, other than matters which Executive has previously reported to the Office of Global Compliance, the Viatris Legal Department or any successor department.

Executive shall use Executive's reasonable best efforts to consult with the Company and respond at reasonable times or intervals to the Company's reasonable requests for information or follow-up assistance pertaining to work Executive performed, directed or oversaw on behalf of the Company and/or any subsidiary or affiliate, or other matters in which Executive was involved or of which Executive was otherwise aware. Executive's obligations hereunder shall include without limitation Executive's response to requests of legal counsel for the Company and/or any subsidiary or affiliate regarding any legal matters or proceedings of any kind currently pending or which may arise after the Separation Date. The Company will reimburse Executive for any expenses incurred by Executive in connection with such requests or assistance if approved by the Company's Legal Department and supported by required documentation. No payment made to Executive hereunder is intended to be or shall be interpreted as a payment for testimony in any legal matter. Executive understands that Executive is to provide Executive's good faith assistance, and agrees to provide truthful responses to any requests for information or testimony. For the avoidance of doubt, Executive shall remain entitled to indemnification from the Company pursuant to any indemnification agreement between Executive and the Company or charter or by-law provision, in each case, pursuant to the terms thereof.

12. Mutual Non-Disparagement. Executive agrees to refrain from any disparaging statements, including but not limited to statements that amount to libel or slander, about the Company, its direct and indirect parents, subsidiaries or affiliated companies, and/or any of its or

their current or former employees, officers or directors, and/or any of the other Releasees including, without limitation, the business, products, governance, intellectual property, financial standing, future prospects or other employment, compensation, benefit or personnel practices of the Company and/or any of the Releasees. Executive further agrees to refrain from any disparaging statements, including but not limited to libel or slander, about any of the Releasees that pertain to any personal or confidential matters that may cause embarrassment to any of the Releasees or may result in any adverse effect on the professional or personal reputation of any of the Releasees. The foregoing restrictions shall not apply to any testimony that Executive is compelled by law to give (whether written or verbal). The Company agrees to instruct its executive officers to refrain from any disparaging statements, including but not limited to libel or slander, about Executive that pertain to any personal or confidential matters that may cause embarrassment to Executive or may result in any adverse effect on the professional or personal reputation of Executive. The foregoing restrictions shall not apply to any testimony that any executive officer of the Company is compelled to give by law (whether written or verbal).

13. Material Breach of Agreement. In addition to the rights provided in Section 22 below, if Executive commits a material breach of this Agreement, which shall include, without limitation, any breach of Sections 8, 9, 10, 11 and 12 of this Agreement and any breach of the Confidentiality Agreement, the Company shall be entitled to immediately recover and/or cease providing the payments and consideration provided to Executive under this Agreement (including, for the avoidance of doubt, canceling any equity awards Executive holds) and to obtain damages, except as provided by law.

14. No Admission of Liability/Compromise. No action taken by the Company and/or any of the Releasees, either previously or in connection with this Agreement, shall be deemed or construed to be (a) an admission of the truth or falsity of any actual or potential claims or (b) an acknowledgment or admission by the Company and/or any of the Releasees of any fault or liability.

15. Costs. The Parties shall each bear their own costs, attorneys' fees and other fees incurred in connection with the preparation of this Agreement.

16. Choice of Law and Forum. This Agreement shall be construed and enforced according to, and the rights and obligations of the parties shall be governed in all respects by, the laws of the Commonwealth of Pennsylvania without reference to the principles of conflicts of law thereof. Any controversy, dispute or claim arising out of or relating to this Agreement, or the breach hereof, including a claim for injunctive relief, or any claim which in any way arises out of or relates to Executive's employment with the Company or separation from said employment (whether such dispute arises under any federal, state or local statute or regulation, or at common law), including but not limited to statutory claims for discrimination, shall be resolved by arbitration in accordance with the then-current rules of the American Arbitration Association respecting employment disputes pertaining at the time the dispute arises; *provided*, *however*, that either party may seek an injunction in aid of arbitration with respect to enforcement of Sections 8, 9, 10, 11 and/or 12 of this Agreement from any court of competent jurisdiction. The Parties agree that the hearing of any such dispute shall be held in Pennsylvania. The decision of the arbitrator(s) shall be final and binding on all parties and any award rendered shall be enforceable upon confirmation by a court of competent jurisdiction. Any arbitration proceedings, decision or award rendered hereunder, and the validity, effect and interpretation of this arbitration provision shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 *et seq*. Executive and the Company expressly consent to the jurisdiction of any such arbitrator over them.

17. Tax Consequences. The Company makes no representations or warranties with respect to the tax consequences of the payments and any other consideration provided to Executive or made on Executive's behalf under the terms of this Agreement. Executive agrees and understands that

Executive is responsible for payment, if any, of local, state and/or federal taxes on the payments and any other consideration provided hereunder by the Company and any penalties or assessments thereon.

The intent of the parties is that payments and benefits under this Agreement comply with Section 409A of the Internal Revenue Code (the “Code”) to the extent subject thereto, and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted and administered to be in compliance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, Executive shall not be considered to have terminated employment with the Company for purposes of this Agreement and no payments shall be due to Executive under Section 2 of this Agreement until Executive would be considered to have incurred a “separation from service” from the Company within the meaning of Section 409A of the Code. For purposes of this Agreement, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Section 409A of the Code, and any payments described in Section 2 that are due within the “short term deferral period” as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following Executive’s termination of employment shall instead be paid in a lump sum on the first regularly scheduled Company payroll date occurring after the six-month anniversary of the Separation Date (or death, if earlier). To the extent required to avoid an accelerated or additional tax under Section 409A of the Code, amounts reimbursable to Executive under this Agreement shall be paid to Executive on or before the last day of the year following the year in which the expense was incurred and the amount of expenses eligible for reimbursement (and in-kind benefits provided to Executive) during any one year may not affect amounts reimbursable or provided in any subsequent year; *provided*, *however*, that with respect to any reimbursements for any taxes which Executive would become entitled to under the terms of the Agreement, the payment of such reimbursements shall be made by the Company no later than the end of the calendar year following the calendar year in which Executive remits the related taxes.

18. Authority. The Company represents and warrants that the undersigned has the authority to act on behalf of the Company and to bind the Company and all who may claim through it to the terms and conditions of this Agreement. Executive represents and warrants that Executive has the capacity to act on Executive’s own behalf and on behalf of all who might claim through Executive to bind them to the terms and conditions of this Agreement. Each Party warrants and represents that there are no liens or claims of lien or assignments in law or equity or otherwise of or against any of the claims or causes of action released herein.

19. No Representations. Executive represents that Executive has had an opportunity to consult with an attorney and has carefully read and understands the scope and effect of the provisions of this Agreement. Executive has not relied upon any representations or statements made by the Company that are not specifically set forth in this Agreement.

20. Severability. In the event that any provision or any portion of any provision hereof or any surviving agreement made a part hereof becomes or is declared by a court of competent jurisdiction or arbitrator to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision or portion of provision.

21. Attorneys’ Fees. Except with regard to a legal action challenging or seeking a determination in good faith of the validity of the waiver herein under the ADEA or otherwise prohibited by law, in the event that either Party brings an action to enforce or effect its rights

under this Agreement, the prevailing Party shall be entitled to recover its costs and expenses, including the costs of mediation, arbitration, litigation, court fees and reasonable attorneys' fees incurred in connection with such an action. Such costs and expenses shall be paid to the prevailing party as soon as practicable after the legal action is resolved and in no event later than March 15 of the year following resolution of the legal action.

22. Entire Agreement. This Agreement and the Confidentiality Agreement (as amended by this Agreement) represent the entire agreement and understanding between the Company and Executive concerning the subject matter of this Agreement and Executive's employment with and separation from the Company and the events leading thereto and associated therewith, and supersede and replace any and all prior negotiations, representations, agreements and understandings concerning the subject matter of such agreements, Executive's relationship with the Company and Executive's obligations following employment with the Company.

23. No Oral Modification. This Agreement may only be amended in a writing signed by Executive and the Company.

24. Governing Law. The laws of the Commonwealth of Pennsylvania govern this Agreement, without regard for choice-of-law provisions. Executive consents to personal and exclusive jurisdiction and venue in the Commonwealth of Pennsylvania.

25. Effective Date. This Agreement shall become immediately effective upon Executive's execution and delivery of this Agreement to the Company; *provided* that if Executive fails to comply with this Agreement (including the execution and non-revocation of the Release pursuant to Sections 4 and 5), Executive shall not receive the amounts or benefits set forth in Section 2, and this Agreement shall never go into effect.

26. Counterparts. This Agreement may be executed in counterparts and by facsimile, and each counterpart and facsimile shall have the same force and effect as an original and shall constitute an effective, binding agreement on the part of each of the undersigned.

27. Voluntary Execution of Agreement. Executive understands and agrees that Executive executed this Agreement voluntarily, without any duress or undue influence on the part or behalf of the Company and/or any of the Releasees or any third party, with the full intent of releasing all of Executive's claims against the Company and any of the other Releasees. Executive acknowledges that: (a) Executive has read this Agreement; (b) Executive has been represented in the preparation, negotiation and execution of this Agreement by legal counsel of Executive's own choice or has elected not to retain legal counsel; (c) Executive understands the terms and consequences of this Agreement and of the releases it contains; (d) Executive is fully aware of the legal and binding effect of this Agreement and (e) Executive has been given the toll-free telephone number of the Pennsylvania Bar Association to help Executive identify a qualified lawyer (800-692-7375).

IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below.

Dated: October 20, 2023 By /s/ Anthony Mauro

Name: Anthony Mauro

VIATRIS INC.:

Dated: October 20, 2023 By /s/ Andrew Enrietti

Name: Andrew Enrietti

Title: Chief Human Relations Officer

Exhibit A

Second Release

This release (this "Second Release") is delivered by Anthony Mauro ("Executive") as of the date set forth below in connection with the Separation Agreement and Release between Executive and Viatris Inc. (together with its affiliates, the "Company"), dated as of October 20, 2023 (the "Separation Agreement and Release"), and in connection with Executive's separation from employment with the Company. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Separation Agreement and Release.

1. In consideration of the payments to be made under the Separation Agreement and Release, which Executive acknowledges Executive would not otherwise be entitled to receive, Executive agrees that the consideration provided under the Separation Agreement and Release represents settlement in full of all outstanding obligations owed to Executive by the Company and its current and former officers, directors, employees, agents, investors, attorneys, shareholders, administrators, affiliates, direct and indirect parents and subsidiaries, benefit plans, plan administrators, insurers, trustees, divisions, and subsidiaries, predecessor and successor corporations and assigns, and all persons acting with or on behalf of them (collectively, the "Releasees"). Executive, on Executive's own behalf and on behalf of Executive's heirs, family members, executors, agents, and assigns, hereby and forever releases and discharges the Releasees from any and all claims, complaints, charges, duties, obligations, demands, or causes of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Executive may possess against any of the Releasees arising from any omissions, acts, failures to act, facts, or damages that have occurred up until and including the date Executive executes this Second Release, including, without limitation:

a. any and all claims relating to or arising from Executive's employment relationship with the Company and/or any of the Releasees and the termination of that relationship;

b. any and all claims relating to, or arising from, Executive's right to purchase, or actual purchase of shares of stock of the Company and/or any of the Releasees, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;

c. any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

d. any and all claims under any policy, agreement, understanding or promise, written or oral, formal or informal, between any Releasee and Executive existing as of the date hereof (whether or not known or arising before, on or after the date Executive executes this Second Release);

e. any and all claims for violation of any federal, state, or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Labor Standards Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967; the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and

Medical Leave Act; the Sarbanes-Oxley Act of 2002; the laws and Constitution of the Commonwealth of Pennsylvania, each as amended, or any other federal, state or local law, regulation ordinance or common law;

f. any and all claims for violation of the federal or any state constitution;

g. any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

h. any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of the Separation Agreement and Release;

i. any and all claims for attorneys' fees and costs; and

j. any other claims whatsoever.

Executive agrees that this Second Release shall be and remain in effect in all respects as a complete general release as to the matters released. This Second Release does not extend to any obligations incurred under the Separation Agreement and Release, any claims accruing after the execution of the Separation Agreement and Release, any rights Executive may have under any indemnification agreements or policies of the Company, or any D&O insurance policy maintained by the Company and/or any of the Releasees. This Second Release does not release claims under the Separation Agreement and Release (including the payments and benefits set forth in Section 2 thereof), and claims that cannot be released as a matter of law, including, but not limited to, Executive's right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company (with the understanding that any such filing or participation does not give Executive the right to recover any monetary damages against the Company and/or any of the Releasees; and Executive's release of claims herein bars Executive from recovering such monetary relief from the Company and/or any of the Releasees). Executive represents that Executive has made no assignment or transfer of any right, claim, complaint, charge, duty, obligation, demand, cause of action, or other matter waived or released by this Second Release.

2. Executive acknowledges that Executive is waiving and releasing any rights Executive may have under the Age Discrimination in Employment Act of 1967 ("ADEA") and that this Second Release is knowing and voluntary. Executive agrees that this Second Release does not apply to any rights or claims that may arise under the ADEA after the date Executive executes this Second Release. Executive acknowledges that the consideration given for this Second Release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that Executive has been advised by this writing that: (a) Executive should consult with an attorney prior to executing this Second Release; (b) Executive has twenty-one (21) days within which to consider this Second Release; (c) Executive has seven (7) days following the execution of this Second Release to revoke this Second Release and may do so by writing to the Company's General Counsel; (d) this Second Release shall not be effective until after the revocation period has expired without revocation; and (e) nothing in this Second Release prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties, or costs for doing so, unless specifically authorized by federal law. In the event Executive signs this Second Release and returns it to the Company in less than the 21-day period identified above, Executive hereby acknowledges that Executive has freely and voluntarily chosen to waive the time period allotted for considering this Second Release.

3. Executive acknowledges that Executive has been advised to consult with legal counsel and that Executive is familiar with the principle that a general release does not extend to claims that the releaser does not know or suspect to exist in Executive's favor at the time of executing the release, which, if known by Executive, must have materially affected Executive's settlement with the Releasee. Executive, being aware of said principle, agrees to expressly waive any rights Executive may have to that effect, as well as under any other statute or common law principles of similar effect.

4. Executive hereby acknowledges and agrees that the covenant with respect to pending or future lawsuits set forth in Section 7 of the Separation Agreement and Release applies to all claims released pursuant to this Second Release.

I HAVE READ, UNDERSTAND, AND VOLUNTARILY AGREE TO THE TERMS OF THIS RELEASE.

SIGNATURE: ____________________________ DATE: ___________
Anthony Mauro

Exhibit 10.16

SEPARATION AGREEMENT AND RELEASE

This Separation Agreement and Release ("Agreement") is made by and between Sanjeev Narula ("Executive") and Viatris Inc. (together with its affiliates, the "Company") (collectively referred to as the "Parties" or individually referred to as a "Party").

RECITALS

WHEREAS, Executive shall separate from employment with the Company effective as of March 5, 2024 (the "Separation Date"); and

WHEREAS, the Company and Executive wish to set forth the terms of such separation from employment with the Company.

NOW, THEREFORE, in consideration of the mutual promises made herein and intending to be legally bound hereby, the Company and Executive hereby agree as follows:

COVENANTS

1. <u>Consideration and Other Terms of Separation.</u> Effective as of the Separation Date, Executive resigns from all positions as an executive, officer, employee or director of the Company and all of its parents, subsidiaries and affiliates, and Executive shall cease to be the Chief Financial Officer of the Company or any of its parents, subsidiaries and affiliates as of March 1, 2024. Provided that Executive executes this Agreement and complies with its terms, and does not commit a material breach of this Agreement, as described in Section 12 below:

a. <u>Severance Payment.</u> Executive shall be paid an amount in cash equal $3,700,000, subject to applicable deductions and withholdings required by applicable law (the "Total Cash Severance"). The Total Cash Severance shall be payable in the form of installments over a period of twenty-four months on Viatris' normal payroll dates; *provided*, *however*, that installments payable for the first six (6) months following the Separation Date shall be withheld and paid in a lump sum on the first regularly scheduled Company payroll date occurring after the six-month anniversary of the Separation Date.

b. <u>Treatment of Equity-Based Awards.</u> All time-based restricted stock units ("RSUs") and performance-based RSUs ("PRSUs"), in each case, remain subject to the terms of the applicable long-term incentive plan or plans, as amended, and all applicable award agreements and amendments thereto. For the avoidance of doubt, except as expressly provided herein, all unvested RSUs and PRSUs held by the Executive as of the Separation Date shall be forfeited immediately upon the Separation Date, other than a pro rata portion of the PRSUs granted in 2023 in accordance with the applicable award agreement. Executive will also be eligible to receive a pro rata portion of the PRSUs granted in 2022, determined based on actual achievement of applicable performance goals and pro rated based on a fraction, the numerator of which is the number of days elapsed in the performance period prior to the Separation Date and the denominator of which is the total number of days in the full performance period, at the time such awards are settled in the ordinary course pursuant to the applicable award agreements; <u>provided, however</u>, in the event Executive breaches this Agreement or any other agreement with the Company or its affiliates, such awards shall be immediately forfeited in their entirety.

c. <u>Pro Rata Annual Incentive Payment for 2024.</u> Executive shall be paid a pro rata annual bonus for 2024, which shall be determined by reference to the bonus Executive would have earned based on actual performance for 2024 and pro rated to reflect the number of days elapsed in the 2024 fiscal year through the Separation Date. The pro rata bonus shall be paid as soon as practicable following the certification of applicable performance metrics for 2024, but in no event later than March 15, 2025.

d. Benefits. For a period of three years from the Separation Date, the Company shall continue to provide health and welfare benefits to Executive and/or Executive's eligible dependents at least equal to those that were provided to them (taking into account any required employee contributions, co-payments and similar costs imposed on the Executive and the Executive's dependents) by or on behalf of the Company in accordance with the benefit plans, programs, practices and policies in effect immediately prior to the Separation Date; *provided* that to the extent the Executive and/or Executive's eligible dependents cannot be maintained on the Company's health and welfare plans during such period the Company shall obtain comparable policies for the Executive and shall continue to pay that portion of the applicable costs that it pays on behalf of its actively employed executives who receive the same type of coverage; *provided*, *further*, that, if the Executive becomes eligible for health benefits through a subsequent employer or otherwise, the continued benefits provided herein shall immediately cease. For the avoidance of doubt, Executive acknowledges and agrees that the period of continued benefits provided in this Section 1(d) shall be concurrent with Executive's eligible benefit continuation period pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, which shall commence as of the first day of the month following the Separation Date.

e. 401(k) Restoration Plan. Executive shall be paid the accrued and vested benefit under the Company's 401(k) Restoration Plan in a lump sum on the first regularly scheduled Company payroll date occurring after the six-month anniversary of the Separation Date.

f. Vacation Pay. The Company shall pay Executive for all unused and accrued vacation time as of the Separation Date, less applicable deductions and withholdings required by applicable law. This payment shall be made in a lump sum and shall be paid on the Company's next regularly scheduled payroll date after the Separation Date.

g. Other Benefits. Executive's participation in all other benefits and incidents of employment, including, but not limited to, the accrual of bonuses, vacation and paid time off, and any additional 401(k) plan contributions, shall cease as of the Separation Date. Vested amounts payable to Executive under the Company's 401(k) and other retirement plans or agreements shall be paid in accordance with the terms of such plans and agreements and applicable law. All payments hereunder shall be subject to applicable deductions and withholdings as required by applicable law.

2. Payment of Salary and Receipt of All Benefits. Executive acknowledges and represents that, other than the consideration to be paid pursuant to this Agreement, Executive's final regular pay on the Company's next regularly scheduled payroll date after the Separation Date and payment for all unused and accrued vacation time as of the Separation Date (which shall be included in Executive's final regular pay on the Company's next regularly scheduled payroll date after the Separation Date, subject to applicable deductions and withholding), the Company has paid or provided all salary, wages, bonuses, accrued vacation/paid time off, premiums, leaves, reimbursable expenses, stock, vesting, shares pursuant to vested restricted stock units, and any and all other benefits and compensation due to Executive by the Company and its affiliates. To receive reimbursement for any final Company-related travel expenses, Executive must submit a final report of all such outstanding expenses within thirty (30) calendar days after the Separation Date, accompanied by receipts and otherwise subject to the Company's expense reimbursement policy.

3. General Release of Claims. In consideration of the payments to be made under this Agreement, which Executive acknowledges Executive would not otherwise be entitled to receive, Executive agrees that the foregoing consideration represents settlement in full of all outstanding obligations owed to Executive by the Company and its current and former officers, directors, employees, agents, investors, attorneys, shareholders, administrators, affiliates, direct and indirect parents and subsidiaries, benefit plans, plan administrators, insurers, trustees, divisions and subsidiaries, predecessor and successor corporations and assigns, and all persons acting with or on behalf of them (collectively, the "Releasees"). Executive, on Executive's own behalf and on behalf of Executive's heirs, family members, executors, agents and assigns, hereby and forever releases and discharges the Releasees from any and all claims, complaints, charges, duties, obligations, demands or causes of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Executive may possess against any of the Releasees arising from any omissions, acts, failures to act, facts or damages that have occurred up until and including the date Executive executes this Agreement, including, without limitation:

a. any and all claims relating to or arising from Executive's employment relationship with the Company and/or any of the Releasees and the termination of that relationship;

b. any and all claims relating to, or arising from, Executive's right to purchase, or actual purchase of shares of stock of the Company and/or any of the Releasees, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;

c. any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

d. any and all claims under any policy, agreement, understanding or promise, written or oral, formal or informal, between any Releasee and Executive existing as of the date hereof (whether or not known or arising before, on or after the date Executive executes this Agreement);

e. any and all claims for violation of any federal, state or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Labor Standards Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967 ("ADEA"); the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; the Sarbanes-Oxley Act of 2002; the laws and Constitution of the Commonwealth of Pennsylvania, each as amended, or any other federal, state or local law, regulation ordinance or common law;

f. any and all claims for violation of the federal or any state constitution;

g. any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

h. any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of this Agreement;

i. any and all claims for attorneys' fees and costs; and

j. any other claims whatsoever.

Executive agrees that the Release set forth in this section shall be and remain in effect in all respects as a complete general release as to the matters released. This Release does not extend to any obligations incurred under this Agreement or any indemnification agreement between Executive and the Company, any claims accruing after the execution of this Agreement, or any rights Executive may have under any D&O insurance policy maintained by the Company and/or any of the Releasees. This Release does not release claims that cannot be released as a matter of law, including, but not limited to, Executive's right to file a charge with or participate in a charge by, the Equal Employment Opportunity Commission, or any other local, state or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company (with the understanding that any such filing or participation does not give Executive the right to recover any monetary damages against the Company and/or any of the Releasees; and Executive's release of claims herein bars Executive from recovering such monetary relief from the Company and/or any of the Releasees. Executive represents that Executive has made no assignment or transfer of any right, claim, complaint, charge, duty, obligation, demand, cause of action or other matter waived or released by this Section 3.

Executive agrees that the consideration set forth in this Agreement is subject to Executive's execution, not later than 21 days following the Separation Date, of this Release, and the non-revocation of the Release during the period specified therein. If Executive fails to execute and deliver the Release within 21 days following the Separation Date, or if Executive revokes the Release as provided therein, Executive shall forfeit his right to receive the compensation and benefits provided under this Agreement. In the event Executive signs this Agreement prior to the Separation Date, he will be required to execute an affirmation of the Release upon his Separation Date in the form attached as Exhibit A.

4. Acknowledgment that Waiver of Claims is Knowing and Voluntary. Executive acknowledges that Executive is waiving and releasing any rights Executive may have under the ADEA and that the waiver and release is knowing and voluntary. Executive agrees that this waiver and release does not apply to any rights or claims that may arise under the ADEA after the date Executive executes this Agreement. Executive acknowledges that the consideration given for this waiver and release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that Executive has been advised by this writing that: (a) Executive should consult with an attorney prior to executing this Agreement; (b) nothing in this Agreement prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties or costs for doing so, unless specifically authorized by federal law; (c) Executive has seven (7) days following the execution of this Release to revoke this Release and may do so by writing to the Company's General Counsel; (d) this Release shall not be effective until after the revocation period has expired without revocation; and (e) nothing in this Release prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties or costs for doing so, unless specifically authorized by federal law. In the event Executive signs this Release and returns it to the Company in less than the 21-day period identified above, Executive hereby acknowledges that Executive has freely and voluntarily chosen to waive the time period allotted for considering this Release.

5. Unknown Claims. Executive acknowledges that Executive has been advised to consult with legal counsel and that Executive is familiar with the principle that a general release does not extend to claims that the releaser does not know or suspect to exist in Executive's favor at the time of executing the release, which, if known by Executive, must have materially affected Executive's settlement with the Releasee. Executive, being aware of said principle, agrees to expressly waive any rights Executive may have to that effect, as well as under any other statute or common law principles of similar effect.

6. No Pending or Future Lawsuits. Executive represents that Executive has no lawsuits, claims, or actions pending (directly or indirectly) in Executive's name, or on behalf of any other person or entity, against the Company or any of the other Releasees. Executive also represents that Executive does not intend to bring any claims (directly or indirectly) on Executive's own behalf or on behalf of any other person or entity against the Company or any of the other Releasees.

7. Confidentiality. Executive expressly acknowledges and agrees that, by reason of Executive's position and employment with the Company, Executive has and will continue to have a heightened level of access to the directors and senior executive officers ("Covered Persons") of Viatris and its affiliate companies and parents and subsidiaries (collectively, the "Viatris Companies"), and that Executive consequently has had a heightened level of access to and/or knowledge of highly confidential, proprietary, and non-public discussions, information, assessments and evaluations, strategies, and/or materials (hereafter "Covered Information"), the disclosure of which will or may injure the Viatris Companies and/or their shareholders. Executive further acknowledges and agrees that the business interests of the Viatris Companies require a highly confidential relationship between the Company and Executive and the fullest protection and confidential treatment by Executive of the Viatris Companies' non-public: financial data and information; customer strategies, plans, and information; supplier strategies, plans, and information; market strategies, plans, and information; marketing and/or promotional techniques, strategies, plans, policies, and methods; pricing strategies, plans, and information; purchasing strategies, plans, and information; supply chain strategies, plans, and information; sales strategies, plans, techniques, policies, and information; employee lists; other policies and procedures; business records; advertising strategies, plans, techniques, and information; computer records, programs, and systems; trade secrets; know how; research and development plans, strategies, techniques, and information; legal strategies; intellectual property and/or assessments of strategies relating to intellectual property, regardless of the owner of such intellectual property; regulatory plans, strategies, and information; product plans and strategies, including launch plans and assessments; business development plans, activities, and strategies; plans and programs; sources of supply; earnings and other performance results, assessments, and projections; risk assessments; board and management deliberations, assessments, and strategies; communications among or with Covered Persons regarding any and all matters referenced in this paragraph; and all other proprietary or confidential information and trade secrets, Covered Information, and other knowledge of the business of the Viatris Companies (all of which are hereinafter jointly termed "Confidential Information") which have been or may be in whole or in part conceived, learned, received, or obtained by Executive in the course of Executive's employment with the Company. Accordingly, Executive agrees to keep secret and treat as confidential all Confidential Information whether or not copyrightable or patentable, and agrees not to disclose or use or aid others in learning of or using any Confidential Information except in the ordinary course of the Viatris Companies' business and in furtherance of the Viatris Companies' interests. For example, and not by way of limitation, during the term of this Agreement and at all times thereafter, except insofar as is necessary consistent with Executive's responsibilities and the Viatris Companies' best interests:

a. Executive will not, directly or indirectly, use or disclose any Confidential Information to anyone outside the Mylan Companies;

b. Executive will not make copies of or otherwise disclose the contents of documents containing or constituting Confidential Information;

c. As to documents which are delivered to Executive or which are made available to or obtained by him as a part of the working relationships and duties of Executive within the business of the Mylan Companies, Executive will treat such documents confidentially and will treat such documents as proprietary and confidential, not to be reproduced, disclosed or used without appropriate authority of the Company;

d. Executive will not advise others that the information and/or know how included in Confidential Information is known to or used by the Mylan Companies; and

e. Executive will not in any manner disclose or use Confidential Information for Executive's own or any third party's account and will not aid, assist or abet others in the use of Confidential Information for their account or benefit, or for the account or benefit of any person or entity other than the Company.

The obligations set forth in this paragraph are in addition to any other agreements Executive may have with the Company and any and all rights the Company may have under state or federal statutes or common law.

8. Non-Competition and Non-Solicitation. Executive agrees that for a period ending one (1) year after the Separation Date:

a. Executive shall not, directly or indirectly, whether for himself or for any other person, company, corporation or other entity be or become associated in any way (including but not limited to the association set forth in (i)-(vii) of this subsection) with any business or organization which is directly or indirectly engaged in the research, development, manufacture, production, marketing, promotion or sale of any product the same as or similar to those of the Company, or which competes or intends to compete in any line of business with the Company. Notwithstanding the foregoing, Executive may during the period in which this paragraph is in effect own stock or other interests in corporations or other entities that engage in businesses the same or substantially similar to those engaged in by the Company; provided that Executive does not, directly or indirectly (including without limitation as the result of ownership or control of another corporation or other entity), individually or as part of a group (as that term is defined in Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder) (i) control or have the ability to control the corporation or other entity; (ii) provide to the corporation or entity, whether as an executive, consultant or otherwise, advice or consultation; (iii) provide to the corporation or entity any confidential or proprietary information regarding the Company or its businesses or regarding the conduct of businesses similar to those of the Company; (iv) hold or have the right by contract or arrangement or understanding with other parties to hold a position on the board of directors or other governing body of the corporation or entity or have the right by contract or arrangement or understanding with other parties to elect one or more persons to any such position; (v) hold a position as an officer of the corporation or entity; (vi) have the purpose to change or influence the control of the corporation or entity (other than solely by the voting of his shares or ownership interest); or (vii) have a business or other relationship, by contract or otherwise, with the corporation or entity other than as a passive investor in it; provided, however, that Executive may vote his shares or ownership interest in such manner as he chooses provided that such action does not otherwise violate the prohibitions set forth in this sentence. In the event Executive requests a consent or waiver from the covenant set forth in Section 8(a), the Company will consider such request in good faith and such consent or waiver shall not be unreasonably withheld, conditioned or delayed.

b. Executive will not, either directly or indirectly, either for himself or for any other person, partnership, firm, company, corporation or other entity, contact, solicit, divert or take away any of the customers or suppliers of the Company.

c. Executive will not solicit, entice or otherwise induce any employee of the Company to leave the employ of the Company for any reason whatsoever; nor will Executive directly or indirectly aid, assist or abet any other person or entity in soliciting or hiring any employee of the Company, nor will Executive otherwise interfere with any contractual or other business relationships between the Company and its employees.

9. Trade Secrets and Confidential Information/Company Property/Inquiries. Executive's signature below constitutes Executive's representation that as of the Separation Date, Executive shall (a) remove from any and all devices, records, files, folders, cameras, media, internet sites, electronic or digital devices, and any and all other sources, all documents, tapes, photographs, recordings, images, reproductions, electronic files and other items provided to Executive by the Company and/or any of the Releasees, developed or obtained by Executive in connection with Executive's employment with the Company, or otherwise belonging to the Company and/or any of the Releasees, and (b) return all documents, tapes, photographs, recordings, images, reproductions, electronic files and other items provided to Executive by the Company, developed or obtained by Executive in connection with Executive's employment with the Company, or otherwise belonging to the Company, including but not limited to any personal computer(s), BlackBerry, iPhone, iPad, tapes, photographs, recordings, images, reproductions, electronic files and other items. Executive further represents that Executive shall not misuse or disclose any of the Company's and/or any of the Releasees' confidential, proprietary or trade secret information to any third party other than good faith disclosure to a law enforcement or authorized regulatory agency of the United States Government or any state or local government. In addition, Executive shall abide by the Company's external communication policy, such that in the event Executive receives any media, financial community or other third-party inquiries regarding the Company, except as provided in this Section 9 and Section 10 of this Agreement, Executive shall not respond (nor shall Executive initiate any such contact) and shall promptly notify the Company's Global Public Affairs Department at 724.514.1968 or gpa@viatris.com, or any successor department. Pursuant to the Defend Trade Secrets Act of 2016, Executive is hereby notified that an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

10. Limits on Cooperation; Compliance. Executive agrees that Executive shall not knowingly encourage, counsel or assist any attorneys or their clients in the presentation or prosecution of any disputes, differences, grievances, claims, charges or complaints by any third party, against any of the Releasees, other than good faith assistance to a law enforcement or authorized regulatory agency of the United States Government or any state or local government. Executive may, however, respond to a lawful subpoena or other court order to do so or as related directly to the ADEA waiver in this Agreement or as otherwise required by law. Executive agrees both to promptly notify the Company upon receipt of any such subpoena or court order, and to furnish, within three (3) business days of its receipt, a copy of such subpoena or other court order. If approached by anyone, other than a law enforcement or authorized regulatory agency of the United States Government or any state or local government, for counsel or assistance in the presentation or prosecution of any disputes, differences, grievances, claims,

charges or complaints against any of the Releasees, Executive shall state no more than that Executive cannot provide counsel or assistance. If approached for counsel or assistance as aforementioned, whether by private parties or law enforcement or regulatory agencies, Executive shall promptly notify the Company of such an occurrence, and provide information to the Company regarding any such communication. While Executive may respond in good faith to lawful inquiries by law enforcement or regulatory agencies, Executive shall notify any such agencies of Executive's obligations with respect to confidentiality under this Agreement, the Confidentiality Agreement, and any other applicable agreements, and Executive shall continue to honor such obligations in the course of responding to law enforcement or regulatory agency inquiries, as lawfully permitted. Executive understands that nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Securities and Exchange Commission (the "SEC") pursuant to Section 21F of the Securities Exchange Act of 1934, as amended, limits Executive's ability to communicate with the SEC pursuant to such provision or limits Executive's right to receive an award for information provided to the SEC pursuant to such provision. Furthermore, Executive hereby represents that Executive is not aware of any violation of any law, Company policy or the Company's Code of Conduct in any event which could cause harm (financial or otherwise) to the Company or any of its subsidiaries, parents or affiliates or their respective properties, shareholders, employees or prospects, other than matters which Executive has previously reported to the Office of Global Compliance, the Viatris Legal Department or any successor department.

Executive shall use Executive's best efforts to consult with the Company and respond to the Company's reasonable requests for information or follow-up assistance pertaining to work Executive performed on behalf of the Company and/or any subsidiary or affiliate, or other matters in which Executive was involved or of which Executive was otherwise aware, prior to the Separation Date. Executive's obligations hereunder shall include, without limitation, Executive's response to requests of legal counsel for the Company and/or any subsidiary or affiliate regarding any legal matters or proceedings of any kind currently pending or which may arise after the Separation Date. The Company shall reimburse Executive for any expenses incurred by Executive in connection with such requests or assistance if approved by the Company's Legal Department and supported by required documentation. No payment made to Executive hereunder is intended to be or shall be interpreted as a payment for testimony in any legal matter. Executive understands that Executive is to provide Executive's good faith assistance, and agrees to provide truthful responses to any requests for information or testimony.

11. Non-Disparagement. Executive agrees to refrain from any disparaging statements, including but not limited to statements that amount to libel or slander, about the Company, its direct and indirect parents, subsidiaries or affiliated companies, and/or any of its or their current or former employees, officers or directors, and/or any of the other Releasees including, without limitation, the business, products, governance, intellectual property, financial standing, future prospects or other employment, compensation, benefit or personnel practices of the Company and/or any of the Releasees. Executive further agrees to refrain from any disparaging statements, including but not limited to libel or slander, about any of the Releasees that pertain to any personal or confidential matters that may cause embarrassment to any of the Releasees or may result in any adverse effect on the professional or personal reputation of any of the Releasees. The foregoing restrictions shall not apply to any testimony that Executive is compelled by law to give (whether written or verbal). The Company agrees to instruct its executive officers to refrain from any disparaging statements, including but not limited to libel or slander, about Executive that pertain to any personal or confidential matters that may cause embarrassment to Executive or may result in any adverse effect on the professional or personal reputation of Executive. The foregoing restrictions shall not apply to any testimony that any executive officer of the Company is compelled to give by law (whether written or verbal).

12. Breach.

a. Material Breach of Agreement. In addition to the rights provided in Section 20 below, if Executive commits a material breach of this Agreement, which shall include, without limitation, any breach of Sections 7, 8, 9 and 10 of this Agreement and any breach of the Confidentiality Agreement, the Company shall be entitled to immediately recover and/or cease providing the payments and consideration provided to Executive under this Agreement (including, for the avoidance of doubt, canceling any equity awards Executive holds) and to obtain damages, except as provided by law.

b. Executive also acknowledges and agrees that Executive's compliance with Sections 7, 8, 9 and 10 of this Agreement and the Confidentiality Agreement (as amended by this Agreement) is of the essence. The Parties agree that if the Company and/or any of the Releasees proves that Executive breached, intends to breach or will breach any of these provisions (Sections 7, 8, 9, 10 or 11 of this Agreement or the Confidentiality Agreement), without limiting any other remedies available to the Company and/or any of the Releasees, the Company and/or any of the Releasees shall be entitled to an injunction restraining Executive from any future or further breaches and an award of its costs spent enforcing the applicable provision(s), including all reasonable attorneys' fees associated with the enforcement action as provided in Section 20, without regard to whether the Company and/or any of the Releasees can establish actual damages from Executive's breach. Any such individual breach or disclosure shall not excuse Executive from Executive's obligations hereunder, nor permit Executive to make additional disclosures. Executive expressly agrees and warrants that Executive shall not, in violation of the terms of Sections 7, 8, 9, 10 or 11 of this Agreement and the Confidentiality Agreement disclose, orally or in writing, directly or indirectly, any of the Company's confidential, proprietary or trade secret information to any third party other than good faith disclosure to a law enforcement or authorized regulatory agency of the United States Government or any state or local government. Executive warrants that Executive has not encouraged or assisted any attorneys or their clients in the presentation or prosecution of any disputes against the Company and/or any of the Releasees.

13. No Admission of Liability/Compromise. No action taken by the Company and/or any of the Releasees, either previously or in connection with this Agreement, shall be deemed or construed to be (a) an admission of the truth or falsity of any actual or potential claims or (b) an acknowledgment or admission by the Company and/or any of the Releasees of any fault or liability.

14. Costs. The Parties shall each bear their own costs, attorneys' fees and other fees incurred in connection with the preparation of this Agreement.

15. Choice of Law and Forum. This Agreement shall be construed and enforced according to, and the rights and obligations of the parties shall be governed in all respects by, the laws of the Commonwealth of Pennsylvania without reference to the principles of conflicts of law thereof. Any controversy, dispute or claim arising out of or relating to this Agreement, or the breach hereof, including a claim for injunctive relief, or any claim which in any way arises out of or relates to Executive's employment with the Company or separation from said employment (whether such dispute arises under any federal, state or local statute or regulation, or at common law), including but not limited to statutory claims for discrimination, shall be resolved by arbitration in accordance with the then-current rules of the American Arbitration Association respecting employment disputes pertaining at the time the dispute arises; *provided*, *however*, that either party may seek an injunction in aid of arbitration with respect to enforcement of 7, 8, 9, 10 or 11 of this Agreement from any court of competent jurisdiction. The Parties agree that the hearing of any such dispute shall be held in Pennsylvania. The decision of the arbitrator(s) shall be final and binding on all parties and any award rendered shall be enforceable upon confirmation by a court of competent jurisdiction. Any arbitration proceedings, decision or award rendered hereunder, and the validity, effect and interpretation of this arbitration provision shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 *et seq*.

Executive and the Company expressly consent to the jurisdiction of any such arbitrator over them.

16. Tax Consequences. The Company makes no representations or warranties with respect to the tax consequences of the payments and any other consideration provided to Executive or made on Executive's behalf under the terms of this Agreement. Executive agrees and understands that Executive is responsible for payment, if any, of local, state and/or federal taxes on the payments and any other consideration provided hereunder by the Company and any penalties or assessments thereon. Executive further agrees to indemnify and hold the Company harmless from any claims, demands, deficiencies, penalties, interest, assessments, executions, judgments or recoveries by any government agency against the Company for any amounts claimed due on account of (a) Executive's failure to pay or delayed payment of federal or state taxes or (b) damages sustained by the Company by reason of any such claims, including attorneys' fees and costs.

The intent of the parties is that payments and benefits under this Agreement comply with Section 409A of the Internal Revenue Code (the "Code") to the extent subject thereto, and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted and administered to be in compliance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, Executive shall not be considered to have terminated employment with the Company for purposes of this Agreement and no payments shall be due to Executive under Section 1 of this Agreement until Executive would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A of the Code. For purposes of this Agreement, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Section 409A of the Code, and any payments described in Section 1 that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following Executive's termination of employment shall instead be paid in a lump sum on the first regularly scheduled Company payroll date occurring after the six-month anniversary of the Separation Date (or death, if earlier). To the extent required to avoid an accelerated or additional tax under Section 409A of the Code, amounts reimbursable to Executive under this Agreement shall be paid to Executive on or before the last day of the year following the year in which the expense was incurred and the amount of expenses eligible for reimbursement (and in-kind benefits provided to Executive) during any one year may not affect amounts reimbursable or provided in any subsequent year; *provided*, *however*, that with respect to any reimbursements for any taxes which Executive would become entitled to under the terms of the Agreement, the payment of such reimbursements shall be made by the Company no later than the end of the calendar year following the calendar year in which Executive remits the related taxes.

17. Authority. The Company represents and warrants that the undersigned has the authority to act on behalf of the Company and to bind the Company and all who may claim through it to the terms and conditions of this Agreement. Executive represents and warrants that Executive has the capacity to act on Executive's own behalf and on behalf of all who might claim through Executive to bind them to the terms and conditions of this Agreement. Each Party warrants and represents that there are no liens or claims of lien or assignments in law or equity or otherwise of or against any of the claims or causes of action released herein.

18. No Representations. Executive represents that Executive has had an opportunity to consult with an attorney and has carefully read and understands the scope and effect of the

provisions of this Agreement. Executive has not relied upon any representations or statements made by the Company that are not specifically set forth in this Agreement.

19. Severability. In the event that any provision or any portion of any provision hereof or any surviving agreement made a part hereof becomes or is declared by a court of competent jurisdiction or arbitrator to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision or portion of provision.

20. Attorneys' Fees. Except with regard to a legal action challenging or seeking a determination in good faith of the validity of the waiver herein under the ADEA or otherwise prohibited by law, in the event that either Party brings an action to enforce or effect its rights under this Agreement, the prevailing Party shall be entitled to recover its costs and expenses, including the costs of mediation, arbitration, litigation, court fees and reasonable attorneys' fees incurred in connection with such an action. Such costs and expenses shall be paid to the prevailing party as soon as practicable after the legal action is resolved and in no event later than March 15 of the year following resolution of the legal action.

21. Entire Agreement. This Agreement and the Confidentiality Agreement (as amended by this Agreement) represent the entire agreement and understanding between the Company and Executive concerning the subject matter of this Agreement and Executive's employment with and separation from the Company and the events leading thereto and associated therewith, and supersede and replace any and all prior negotiations, representations, agreements and understandings concerning the subject matter of such agreements, Executive's relationship with the Company and Executive's obligations following employment with the Company.

22. No Oral Modification. This Agreement may only be amended in a writing signed by Executive and the Company.

23. Governing Law. The laws of the Commonwealth of Pennsylvania govern this Agreement, without regard for choice-of-law provisions. Executive consents to personal and exclusive jurisdiction and venue in the Commonwealth of Pennsylvania.

24. Effective Date. This Agreement shall become immediately effective upon Executive's execution and delivery of this Agreement to the Company; *provided* that if Executive fails to comply with this Agreement (including the execution and non-revocation of the Release pursuant to Sections 3 and 4), Executive shall not receive the amounts or benefits set forth in Section 1, and this Agreement shall never go into effect. Executive acknowledges and agrees that Executive shall execute this Agreement on, and in any event no earlier than one week prior to, the Separation Date.

25. Counterparts. This Agreement may be executed in counterparts and by facsimile, and each counterpart and facsimile shall have the same force and effect as an original and shall constitute an effective, binding agreement on the part of each of the undersigned.

26. Voluntary Execution of Agreement. Executive understands and agrees that Executive executed this Agreement voluntarily, without any duress or undue influence on the part or behalf of the Company and/or any of the Releasees or any third party, with the full intent of releasing all of Executive's claims against the Company and any of the other Releasees. Executive acknowledges that: (a) Executive has read this Agreement; (b) Executive has been represented in the preparation, negotiation and execution of this Agreement by legal counsel of Executive's own choice or has elected not to retain legal counsel; (c) Executive understands the terms and consequences of this Agreement and of the releases it contains; (d) Executive is fully aware of the legal and binding effect of this Agreement and (e) Executive has been given the toll-

free telephone number of the Pennsylvania Bar Association to help Executive identify a qualified lawyer (800-692-7375).

IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below.

Dated: December 15, 2023 By /s/ Sanjeev Narula

Name: Sanjeev Narula

VIATRIS INC.:

Dated: December 15, 2023 By /s/ Andrew Enrietti

Name: Andrew Enrietti

Title: Chief Human Relations Officer

Exhibit A

Second Release

This release (this "Second Release") is delivered by Sanjeev Narula ("Executive") as of the date set forth below in connection with the Separation Agreement and Release between Executive and Viatris Inc. (together with its affiliates, the "Company"), dated as of [●] (the "Separation Agreement and Release"), and in connection with Executive's separation from employment with the Company. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Separation Agreement and Release.

1. In consideration of the payments to be made under the Separation Agreement and Release, which Executive acknowledges Executive would not otherwise be entitled to receive, Executive agrees that the consideration provided under the Separation Agreement and Release represents settlement in full of all outstanding obligations owed to Executive by the Company and its current and former officers, directors, employees, agents, investors, attorneys, shareholders, administrators, affiliates, direct and indirect parents and subsidiaries, benefit plans, plan administrators, insurers, trustees, divisions, and subsidiaries, predecessor and successor corporations and assigns, and all persons acting with or on behalf of them (collectively, the "Releasees"). Executive, on Executive's own behalf and on behalf of Executive's heirs, family members, executors, agents, and assigns, hereby and forever releases and discharges the Releasees from any and all claims, complaints, charges, duties, obligations, demands, or causes of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Executive may possess against any of the Releasees arising from any omissions, acts, failures to act, facts, or damages that have occurred up until and including the date Executive executes this Second Release, including, without limitation:

a. any and all claims relating to or arising from Executive's employment relationship with the Company and/or any of the Releasees and the termination of that relationship;

b. any and all claims relating to, or arising from, Executive's right to purchase, or actual purchase of shares of stock of the Company and/or any of the Releasees, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;

c. any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

d. any and all claims under any policy, agreement, understanding or promise, written or oral, formal or informal, between any Releasee and Executive existing as of the date hereof (whether or not known or arising before, on or after the date Executive executes this Second Release);

e. any and all claims for violation of any federal, state, or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay

Act; the Fair Labor Standards Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967; the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; the Sarbanes-Oxley Act of 2002; the laws and Constitution of the Commonwealth of Pennsylvania, each as amended, or any other federal, state or local law, regulation ordinance or common law;

f. any and all claims for violation of the federal or any state constitution;

g. any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

h. any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of the Separation Agreement and Release;

i. any and all claims for attorneys' fees and costs; and

j. any other claims whatsoever.

Executive agrees that this Second Release shall be and remain in effect in all respects as a complete general release as to the matters released. This Second Release does not extend to any obligations incurred under the Separation Agreement and Release, any claims accruing after the execution of the Separation Agreement and Release, any rights Executive may have under any indemnification agreements or policies of the Company, or any D&O insurance policy maintained by the Company and/or any of the Releasees. This Second Release does not release claims under the Separation Agreement and Release (including the payments and benefits set forth in Section 1 thereof), and claims that cannot be released as a matter of law, including, but not limited to, Executive's right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company (with the understanding that any such filing or participation does not give Executive the right to recover any monetary damages against the Company and/or any of the Releasees; and Executive's release of claims herein bars Executive from recovering such monetary relief from the Company and/or any of the Releasees). Executive represents that Executive has made no assignment or transfer of any right, claim, complaint, charge, duty, obligation, demand, cause of action, or other matter waived or released by this Second Release.

2. Executive acknowledges that Executive is waiving and releasing any rights Executive may have under the Age Discrimination in Employment Act of 1967 ("ADEA") and that this Second Release is knowing and voluntary. Executive agrees that this Second Release does not apply to any rights or claims that may arise under the ADEA after the date Executive executes this Second Release. Executive acknowledges that the consideration given for this Second Release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that Executive has been advised by this writing that: (a) Executive should consult with an attorney prior to executing this Second Release; (b) Executive has twenty-one (21) days within which to consider this Second Release; (c) Executive has seven (7) days following the execution of this Second Release to revoke this Second Release and may do so by writing to the Company's General Counsel; (d) this Second Release shall not be effective until after the revocation period has expired without revocation; and (e) nothing in this Second Release prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties, or costs for doing so, unless specifically authorized by federal law. In the event Executive signs this Second Release and returns it to the Company in less than the 21-day

period identified above, Executive hereby acknowledges that Executive has freely and voluntarily chosen to waive the time period allotted for considering this Second Release.

3. Executive acknowledges that Executive has been advised to consult with legal counsel and that Executive is familiar with the principle that a general release does not extend to claims that the releaser does not know or suspect to exist in Executive's favor at the time of executing the release, which, if known by Executive, must have materially affected Executive's settlement with the Releasee. Executive, being aware of said principle, agrees to expressly waive any rights Executive may have to that effect, as well as under any other statute or common law principles of similar effect.

4. Executive hereby acknowledges and agrees that the covenant with respect to pending or future lawsuits set forth in Section 6 of the Separation Agreement and Release applies to all claims released pursuant to this Second Release.

I HAVE READ, UNDERSTAND, AND VOLUNTARILY AGREE TO THE TERMS OF THIS RELEASE.

SIGNATURE: ____________________________ DATE: _____________
Sanjeev Narula

Exhibit 21

Subsidiaries as of December 31, 2023

Name	**State or Country of Organization**
Agila Australasia Pty Ltd	Australia
Alphapharm Pty. Ltd.	Australia
Mylan Australia Holding Pty Ltd	Australia
Mylan Australia Pty Limited	Australia
Upjohn Australia Pty Ltd	Australia
Viatris Pty. Ltd.	Australia
Arcana Arzneimittel GmbH	Austria
Mylan Österreich GmbH	Austria
Viatris GX BV	Belgium
Viatris BV	Belgium
Pfizer Innovative Supply Point International BVBA	Belgium
Upjohn SRL	Belgium
Viatris Healthcare NV	Belgium
Mylan Bermuda Ltd.	Bermuda
Viatris BH, društvo sa ograničenom odgovornošću za trgovinu i usluge	Bosnia and Herzegovina
Mylan Brasil Distribuidora de Medicamentos Ltda	Brazil
Mylan Laboratórios Ltda	Brazil
Upjohn Brasil Importadora e Distribuidora de Medicamentos Ltda	Brazil
Mylan EOOD	Bulgaria
BGP Pharma ULC	Canada
Mylan Pharmaceuticals ULC	Canada
Upjohn Canada ULC	Canada
Ge Zhi (Hainan) Health Investment Co., Ltd.	China
Ge Zhi (Hainan) Medical Technology Co	China
Ge Zhi Health Management Co., Ltd.	China
Hai Nan Ge Zhi Telemedicine Center Co., Ltd	China
Mylan Pharmaceutical Science and Technology (Shanghai) Co., Ltd.	China

Pfizer Pharmaceuticals Ltd.	China
Pfizer Upjohn Management Co., Ltd	China
Viatris (Hainan) Investment Co., Ltd.	China
Viatris Pharmaceutical Co., Ltd.	China
Viatris Hrvatska d.o.o.	Croatia
Onco Laboratories Limited	Cyprus
Viatris CZ s.r.o.	Czech Republic
Acton Pharmaceuticals, Inc.	Delaware
Alaven Pharmaceutical LLC	Delaware
ALVP Holdings, LLC	Delaware
Delcor Asset Corporation	Delaware
Denco Asset, LLC	Delaware
Deogun Manufacturing, LLC	Delaware
Dey Limited Partner LLC	Delaware
Dey, Inc.	Delaware
EMD, Inc.	Delaware
Ezio Pharma, Inc.	Delaware
Franklin Pharmaceutical LLC	Delaware
Greenstone LLC	Delaware
Lotic.ai, Inc.	Delaware
Madaus Inc.	Delaware
Marquis Industrial Company, LLC	Delaware
Meda Pharmaceuticals Inc.	Delaware
Mylan API Inc.	Delaware
Mylan Consumer Healthcare, Inc.	Delaware
Mylan D.T. (U.S.) Holdings, Inc.	Delaware
Mylan D.T. DPT Partner Sub, LLC	Delaware
Mylan D.T., Inc.	Delaware
Mylan Holdings Inc.	Delaware
Mylan Holdings I LLC	Delaware
Mylan Holdings II LLC	Delaware
Mylan Institutional LLC	Delaware
Mylan Investment Holdings 4 LLC	Delaware

Mylan Investment Holdings 5 LLC	Delaware
Mylan Investment Holdings 6 LLC	Delaware
Mylan Securitization LLC	Delaware
Mylan Special Investments LLC	Delaware
Mylan Special Investments II, LLC	Delaware
Mylan Special Investments III, LLC	Delaware
Mylan Special Investments IV, LLC	Delaware
Mylan Special Investments V, LLC	Delaware
Mylan Special Investments VI, LLC	Delaware
Mylan Specialty L.P.	Delaware
Nimes Inc.	Delaware
Oyster Point Pharma, Inc.	Delaware
Powder Street, LLC	Delaware
Prestium Pharma, Inc.	Delaware
Somerset Pharmaceuticals, Inc.	Delaware
Upjohn US 2 LLC	Delaware
Upjohn US Employment Inc.	Delaware
Upjohn US Holdings Inc.	Delaware
Upjohn Worldwide Holdings Inc.	Delaware
Utah Acquisition Holdco Inc.	Delaware
Utah Acquisition Sub Inc.	Delaware
Viatris Enterprises LLC	Delaware
Viatris Holdings LLC	Delaware
Viatris Overseas Inc.	Delaware
Viatris Pharmaceuticals LLC	Delaware
Viatris Specialty LLC	Delaware
Viatris US Holdings 4 LLC	Delaware
Viatris US Holdings 5 LLC	Delaware
Viatris US Supply Hub LLC	Delaware
Wallace Pharmaceuticals Inc.	Delaware
Mylan ApS	Denmark
Viatris ApS	Denmark
Pfizer Africa & Middle East for Pharmaceuticals, Veterinarian Products & Chemicals S.A.E.	Egypt

Viatris Egypt S.A.E.	Egypt
Viatris Health Care	Egypt
Agila Specialties Investments Limited	England & Wales
Generics (U.K.) Limited	England & Wales
Mylan Holdings Acquisition Limited	England & Wales
Mylan Holdings Acquisition 2 Limited	England & Wales
Mylan Holdings Ltd.	England & Wales
Mylan Pharma UK Limited	England & Wales
Mylan Products Limited	England & Wales
Upjohn UK 2 Ltd.	England & Wales
Upjohn UK Limited	England & Wales
Viatris UK Healthcare Limited	England & Wales
Viatris OÜ	Estonia
Viatris Oy	Finland
Laboratoires Madaus S.A.S.	France
Meda Holding S.A.S.	France
Meda Manufacturing S.A.S.	France
Meda Pharma S.A.S.	France
Mylan Generics France Holding S.A.S.	France
Mylan Laboratories S.A.S.	France
Rottapharm S.A.S.	France
Viatris Healthcare	France
Viatris Medical	France
Viatris Sante	France
Viatris Up	France
Erste Madaus Beteiligungs GmbH	Germany
Madaus GmbH	Germany
MEDA Germany Holding GmbH	Germany
MEDA Manufacturing GmbH	Germany
MEDA Pharma GmbH & Co. KG	Germany
MWB Pharma GmbH	Germany
Mylan dura GmbH	Germany
Mylan Germany GmbH	Germany

Pharmazeutische Union GmbH	Germany
PharmLog Pharma Logistik GmbH	Germany
ROTTAPHARM	MADAUS GmbH	Germany
VIATRIS GmbH	Germany
Viatris Healthcare GmbH	Germany
Viatris Pharma GmbH	Germany
Zweite Madaus Beteiligungs GmbH	Germany
Mylan (Gibraltar) 4 Limited	Gibraltar
Mylan (Gibraltar) 5 Limited	Gibraltar
Mylan (Gibraltar) 6 Limited	Gibraltar
Mylan (Gibraltar) 7 Limited	Gibraltar
Mylan (Gibraltar) 8 Limited	Gibraltar
Mylan (Gibraltar) 9 Limited	Gibraltar
Viatris Hellas Pharmaceutical Limited Liability Company	Greece
Mylan Pharmaceutical Hong Kong Limited	Hong Kong
Viatris Healthcare Hong Kong Limited	Hong Kong
Viatris Healthcare Kft.	Hungary
Mylan Hungary Kft.	Hungary
Viatris Services Kft.	Hungary
Mylan Institutional Inc.	Illinois
Famy Life Sciences Private Limited	India
Mylan Laboratories Limited	India
Mylan Pharmaceuticals Private Limited	India
Senador Laboratories Private Limited	India
Tianish Laboratories Private Limited	India
McDermott Laboratories Limited	Ireland
Meda Health Sales Ireland Limited	Ireland
Mylan Investments Limited	Ireland
Mylan IRE Healthcare Limited	Ireland
Mylan Ireland Investment Designated Activity Company	Ireland
Mylan Ireland Limited	Ireland
Mylan Pharma Acquisition Limited	Ireland
Mylan Pharma Group Limited	Ireland

Mylan Pharma Holdings Limited	Ireland
Mylan Pharmaceuticals Limited	Ireland
Mylan Teoranta	Ireland
Rottapharm Limited	Ireland
Upjohn Manufacturing Ireland Unlimited	Ireland
Viatris Healthcare Limited	Ireland
Viatris Limited	Ireland
DERMOGROUP S.r.l.	Italy
Meda Pharma S.p.A.	Italy
Viatris Italia S.r.l.	Italy
Mylan S.p.A.	Italy
Rottapharm S.p.A.	Italy
Viatris Pharma S.r.l.	Italy
Viatris Healthcare G.K.	Japan
Mylan Seiyaku Ltd.	Japan
Viatris Pharmaceuticals Japan Inc.	Japan
SIA "Meda Pharma"	Latvia
Viatris SIA	Latvia
Viatris UAB	Lithuania
BGP Products S.à r.l.	Luxembourg
Integral S.A.	Luxembourg
Meda Pharma S.à r.l.	Luxembourg
Mylan Luxembourg 1 S.à r.l.	Luxembourg
Mylan Luxembourg 2 S.à r.l.	Luxembourg
Mylan Luxembourg 3 S.à r.l.	Luxembourg
Mylan Luxembourg 6 S.à r.l.	Luxembourg
Mylan Luxembourg 7 S.à r.l.	Luxembourg
Mylan Luxembourg S.à r.l.	Luxembourg
SIM S.A.	Luxembourg
VI Lux Newco S.à r.l.	Luxembourg
Mylan Healthcare Sdn. Bhd.	Malaysia
Pfizer Parke Davis Sdn. Bhd.	Malaysia
Viatris Sdn. Bhd.	Malaysia

MP Laboratories (Mauritius) Ltd.	Mauritius
Meda Phama, S. de R.L. de C.V.	Mexico
Meda Pharma Servicios, S. de R.L. de C.V.	Mexico
Viatris Healthcare Mexico S. de R.L. de C.V.	Mexico
Viatris Pharmaceuticals S.A.S.	Morocco
Meda Pharma B.V.	Netherlands
Mylan B.V.	Netherlands
Mylan Group B.V.	Netherlands
Mylan Healthcare B.V.	Netherlands
Mylan II B.V.	Netherlands
Viatris Manufacturing B.V.	Netherlands
Viatris Ireland Holding B.V.	Netherlands
Viatris Mexico Holding B.V.	Netherlands
Viatris Philippines Holding B.V.	Netherlands
Viatris Enterprise Holding B.V.	Netherlands
Viatris Pharmaceuticals Holding B.V.	Netherlands
Viatris Turkey Holding B.V.	Netherlands
Upjohn Belgium B.V.	Netherlands
Upjohn EESV	Netherlands
Upjohn Europe Holdings B.V.	Netherlands
Upjohn Export B.V.	Netherlands
Upjohn Finance B.V.	Netherlands
Upjohn Global Holdings B.V.	Netherlands
Upjohn Group Holdings B.V.	Netherlands
Upjohn Intermediate Holdings B.V.	Netherlands
Upjohn International Holdings B.V.	Netherlands
Upjohn Vietnam Dutch B.V.	Netherlands
Viatris Netherlands B.V.	Netherlands
FamyGen Life Sciences, Inc.	Nevada
Agila Specialties Inc.	New Jersey
BGP Products	New Zealand
Upjohn New Zealand ULC	New Zealand
Viatris Limited	New Zealand

Viatris Pharmaceuticals Pty Ltd	Nigeria
Mylan Health Management LLC	North Carolina
Viatris AS	Norway
ZpearPoint AS	Norway
MLRE LLC	Pennsylvania
Mylan Holdings Sub Inc.	Pennsylvania
Mylan Inc.	Pennsylvania
Synerx Pharma, LLC	Pennsylvania
Viatris Pharmaceuticals, Inc.	Philippines
Viatris, Inc.	Philippines
Mylan EPD Sp. z o.o.	Poland
Mylan Healthcare Sp. z o.o.	Poland
BGP Products, Unipessoal, LDA	Portugal
Laboratorios Anova - Produtos Farmaceuticos, LDA	Portugal
Laboratorios Delta, S.A.	Portugal
Viatris Healthcare, Lda.	Portugal
Mylan, Lda	Portugal
BGP Products S.r.l.	Romania
Mylan Pharma LLC	Russian Federation
Viatris LLC	Russian Federation
Viatris Arabia Limited “LLC”	Saudi Arabia
Viatris Healthcare Drustvo SA Ogranicenom Odgovornoscu Beograd	Serbia
Mylan Pharmaceuticals Pte. Ltd.	Singapore
Viatris Asia Pacific Pte Ltd.	Singapore
Viatris Private Limited	Singapore
Viatris Singapore Pte Ltd.	Singapore
Meda Pharma spol. s.r.o.	Slovakia
Mylan s.r.o.	Slovakia
Viatris Slovakia s.r.o.	Slovakia
Viatris, farmacevtsko podjetje, d.o.o.	Slovenia
Meda Pharma South Africa (Pty) Limited	South Africa
Mylan Pharmaceuticals (Pty) Ltd.	South Africa

SCP Pharmaceuticals (Proprietary) Limited	South Africa
Upjohn South Africa Proprietary Limited	South Africa
Viatris Healthcare (Pty) Ltd	South Africa
Viatris South Africa (Proprietary) Limited	South Africa
Viatris Korea	South Korea
Fundacion Viatris para la Salud	Spain
Meda Pharma, S.L.	Spain
Viatris Pharmaceuticals, S.L.	Spain
Abbex AB	Sweden
BGP Products AB	Sweden
Ipex AB	Sweden
Ipex Medical AB	Sweden
Meda AB	Sweden
Meda OTC AB	Sweden
Mylan AB	Sweden
Mylan Sweden Holdings AB	Sweden
Recip AB	Sweden
Scandinavian Pharmaceuticals-Generics AB	Sweden
Viatris AB	Sweden
BGP Products Operations GmbH	Switzerland
BGP Products Switzerland GmbH	Switzerland
MEDA Pharma GmbH	Switzerland
MEDA Pharmaceuticals Switzerland GmbH	Switzerland
Mylan Holdings GmbH	Switzerland
Mylan Pharma GmbH	Switzerland
Viatris Pharma GmbH	Switzerland
Mylan (Taiwan) Limited	Taiwan
Viatris Pharmaceutical Company Limited	Taiwan
DPT Laboratories, Ltd.	Texas
Mylan Bertek Pharmaceuticals Inc.	Texas
Meda Pharma (Thailand) Co., Ltd.	Thailand
Viatris Healthcare (Thailand) Limited	Thailand
Viatris (Thailand) Limited	Thailand

Meda Pharma Ilaç Sanayi ve Ticaret Limited Sirketi	Turkey
Viatris Ilaclari Limited Sirketi	Turkey
Meda Pharmaceuticals MEA FZ-LLC	United Arab Emirates
Mylan FZ-LLC	United Arab Emirates
Viatris Middle East FZ-LLC	United Arab Emirates
American Triumvirate Insurance Company	Vermont
Mylan International Holdings, Inc.	Vermont
Viatris Vietnam Limited Company	Vietnam
MP AIR, Inc.	West Virginia
Mylan Pharmaceuticals Inc.	West Virginia
Mylan Technologies, Inc.	West Virginia
Mylan ASI LLC	Wyoming

Exhibit 22

List of Subsidiary Guarantors and Issuers of Guaranteed Securities

As of December 31, 2023, Viatris Inc., a Delaware corporation (“Viatris”), Mylan Inc., a Pennsylvania corporation (“Mylan Inc.”), and Mylan II B.V., a company incorporated under the laws of the Netherlands (“Mylan II”), were the guarantors of the 3.950% Senior Notes due 2026 and 5.250% Senior Notes due 2046 issued by Utah Acquisition Sub Inc., a Delaware corporation (“Utah”).

As of December 31, 2023, Viatris, Utah and Mylan II were the guarantors of the 4.550% Senior Notes due 2028, 5.400% Senior Notes due 2043 and 5.200% Senior Notes due 2048 issued by Mylan Inc.

As of December 31, 2023, Utah, Mylan Inc. and Mylan II were the guarantors of the 1.650% Senior Notes due 2025, 2.300% Senior Notes due 2027, 2.700% Senior Notes due 2030, 3.850% Senior Notes due 2040 and 4.000% Senior Notes due 2050 issued by Viatris.

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-250845 and 333-270274 on Form S-8, Registration Statement No. 333-264760 on Form S-3ASR and Registration Statement No. 333-264762 on Form S-3 of our reports dated February 28, 2024, relating to the consolidated financial statements of Viatris Inc. (the "Company") and the effectiveness of the Company's internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2023.

/s/ Deloitte & Touche LLP

Pittsburgh, Pennsylvania
February 28, 2024

EXHIBIT 31.1

Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Scott A. Smith, certify that:

1. I have reviewed this Form 10-K of Viatris Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Scott A. Smith
Scott A. Smith
Chief Executive Officer
(Principal Executive Officer)

Date: February 28, 2024

EXHIBIT 31.2

Certification of Principal Financial Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Sanjeev Narula, certify that:

1. I have reviewed this Form 10-K of Viatris Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ SANJEEV NARULA
Sanjeev Narula
Chief Financial Officer
(Principal Financial Officer)

Date: February 28, 2024

EXHIBIT 32

CERTIFICATIONS OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Form 10-K of Viatris Inc. (the “Company”) for the year ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned, in the capacities and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2024

/s/ SCOTT A. SMITH
Scott A. Smith
Chief Executive Officer
(Principal Executive Officer)

/s/ SANJEEV NARULA
Sanjeev Narula
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished in accordance with Securities and Exchange Commission Release No. 34-47551 and shall not be considered filed as part of the Form 10-K.

Exhibit 97

Viatris Inc.
Incentive-Based Compensation Recovery Policy
Effective December 1, 2023

Scope:

This Incentive-Based Compensation Recovery Policy (the "Policy") of Viatris Inc. (the "Company") applies to each Specified Officer as set forth herein.

Purpose:

To establish a policy providing for the recovery of erroneously awarded incentive-based compensation as required by Section 10D of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Rule 10D-1 under the Exchange Act and the applicable NASDAQ listing rules (the "NASDAQ Standards") (collectively, the "Recovery Rules"). This Policy is intended to apply independently of all other clawback, recoupment or forfeiture policies, agreements or other arrangements of the Company (including the Company's Clawback Policy) (collectively, "Other Clawback Policies").

Administration:

This Policy shall be administered by the Compensation Committee of the Board of Directors (the "Board") of the Company (the "Compensation Committee"). The Compensation Committee shall have the full power and authority to interpret, and make determinations under, this Policy consistent with the Recovery Rules. All determinations and decisions made by the Compensation Committee pursuant to this Policy shall be final, conclusive and binding on all persons, including each member of the Company Group, its respective affiliates, stockholders and employees. Any action or inaction by the Compensation Committee with respect to a Specified Officer under this Policy shall in no way limit the Compensation Committee's actions or decisions not to act with respect to any other Specified Officer under this Policy or Other Clawback Policies, nor shall any such action or inaction serve as a waiver of any other rights the Company may have against any Specified Officer. In the absence of the Compensation Committee, a majority of the independent directors serving on the Board shall administer this Policy as set forth in this paragraph.

Policy:

In the event that the Company is required to prepare a Covered Financial Restatement, the Company shall, on a reasonably prompt basis, recover any Erroneously Awarded Compensation received by a Specified Officer during the three completed fiscal years immediately preceding the applicable Triggering Date and any transition period (that results from a change in the Company's fiscal year) within or immediately following those three completed fiscal years; provided, however, that a transition period between the last day of the Company's previous fiscal year end and the first day of its new fiscal year that comprises a period of nine to 12 months shall be considered a completed fiscal year for purposes of this Policy. The Company's obligation to recover Erroneously Awarded Compensation from a Specified Officer is not dependent on if, or when, the applicable restated financial statements are filed. Unless otherwise specified by the Compensation Committee, a Specified Officer shall be required to forfeit or repay the Erroneously Awarded Compensation within 90 days following the date he or she is informed that he or she holds or has received Erroneously Awarded Compensation from the Company Group. For the avoidance of doubt, any action by the Company to recover Erroneously Awarded Compensation under this Policy from a Specified Officer shall not, whether alone or in combination with any other action, event or condition, be deemed (1) "good reason" or term of similar import or to serve as a basis for a claim of constructive termination under any benefit or compensation arrangement applicable to such Specified Officer or (2) to constitute a breach of a contract or other arrangement to which such Specified Officer is party.

Subject to the Recovery Rules, the Compensation Committee shall have discretion to determine the method by which Erroneously Awarded Compensation shall be recovered from the applicable Specified Officers; provided that (i) to the extent the applicable Erroneously Awarded Compensation consists of amounts that have been received by, but not yet paid to, such Specified Officer, such unpaid amounts shall be forfeited and (ii) to the extent any remaining Erroneously Awarded Compensation consists of amounts paid to such Specified Officer in cash or shares of Company common stock that are still held by such Specified Officer, such Specified Officer shall be entitled to repay such amount either in cash or such shares of Company common stock, as applicable. For the avoidance of doubt, any Erroneously Awarded Compensation received by a Specified Officer that has subsequently been forfeited prior to payment thereof (including as a result of termination of employment or breach of contract) shall be deemed to have been repaid in accordance with this Policy. To the extent that the application of this Policy would provide for recovery of Erroneously Awarded Compensation that the Company recovers pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 or Other Clawback Policies, the amount the relevant Specified Officer has already reimbursed the Company will be credited to the required recovery under this Policy.

The Company must recover Erroneously Awarded Compensation pursuant to this Policy, except to the extent the conditions of (1), (2) or (3) of this sentence are satisfied, including the Company's compliance with any additional requirements set forth in the applicable Recovery Rules related thereto, and the Compensation Committee has made a determination that recovery would be impracticable: (1) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered; (2) recovery would violate home country law where the applicable law was adopted prior to November 28, 2022; or (3) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

This Policy shall only apply to Incentive-Based Compensation received on or after October 2, 2023.

This Policy shall not limit the rights of the Company to take any other actions or pursue other remedies that the Company may deem appropriate under the circumstances and under applicable law.

Definitions:

"Company Group" means the Company, collectively with each of its direct and indirect subsidiaries.

"Covered Financial Restatement" means an accounting restatement due to the material noncompliance by the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period. The following shall not constitute a Covered Financial Restatement: (1) out-of-period adjustments; (2) retrospective application of a change in accounting principle; (3) retrospective revision to reportable segment information due to a change in the structure of the internal organization of the Company Group; (4) retrospective reclassification due to a discontinued operation; (5) retrospective application of a change in reporting entity, such as from a reorganization of entities under common control; and (6) retrospective revision for stock splits, reverse stock splits, stock dividends or other change in capital structure.

"Erroneously Awarded Compensation" means the amount of Incentive-Based Compensation received by a person who was an Executive Officer at any time during the applicable performance period for such Incentive-Based Compensation and which was received by such person on or after the date of becoming an Executive Officer (such person, a "Specified Officer") from any member of the Company Group that exceeds the amount of Incentive-Based Compensation that otherwise would have been received had it been determined based on the restated Financial Reporting Measure following the completion of a Covered Financial Restatement, and must be computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an accounting restatement: (1) the amount shall be based on a reasonable estimate of the effect of the accounting restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was received and (2) the Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to NASDAQ. For the avoidance of doubt, Erroneously Awarded Compensation may include Incentive-Based Compensation received by a person after such person ceases to be an Executive Officer, including a former employee of the Company Group.

"Executive Officer" means an "executive officer" of the Company, as defined in Rule 10D-1.

"Financial Reporting Measures" mean measures that are determined and presented in accordance with the accounting principles used in preparing the Company Group's financial statements, and any measures that are derived wholly or in part from such measures, including stock price and other measures based on stock price such as total shareholder return. A Financial Reporting Measure need not be presented within the financial statements or included in a filing with the Securities and Exchange Commission.

"Incentive-Based Compensation" means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure. For the avoidance of doubt, compensation that is earned solely based on service or the passage of time shall not be considered Incentive-Based Compensation for purposes of this Policy.

Incentive-Based Compensation shall be considered to be "received" by a Specified Officer in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is achieved or attained, even if the payment, grant or certification of achievement of the Incentive-Based Compensation occurs after the end of that fiscal period.

"Triggering Date" means the earlier to occur of (1) the date the Board, a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required concludes, or reasonably should have concluded, that the Company is required to prepare a Covered Financial Restatement or (2) the date a court, regulator or other legally authorized body directs the Company to prepare a Covered Financial Restatement; provided that the recovery of Erroneously Awarded Compensation pursuant to this Policy as a result of this clause (2) shall only be required if such action by such court, regulator or other legally authorized body, as applicable, is final and non-appealable.

Other Matters:

The Board may amend this Policy from time to time in its sole and absolute discretion. This Policy and determinations and decisions made by the Compensation Committee pursuant to this Policy shall be binding and enforceable against all Specified Officers and their beneficiaries, heirs, executors, administrators or other legal representatives. This Policy shall cease to apply in the event the Company ceases to have a class of securities listed on a national securities exchange or national securities association.

This Policy shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to conflicts of law thereof or of any other jurisdiction. Any dispute, controversy or claim arising out of or relating to this Policy shall be administered by and in accordance with the then-existing JAMS Comprehensive Arbitration Rules and Procedures. Any dispute regarding the scope of the arbitration (including the matters subject to arbitration and any legal issues arising in the arbitration) shall be resolved by the arbitrators. The parties shall each bear their own expenses in connection with any dispute under or relating to this Policy.