



**To the holders of American Depositary Receipts
(ADRs) of Novartis AG**

Notice of Annual General Meeting

JPMorgan Chase Bank, N.A., the ADS depositary (the “Depositary” or “JP Morgan”), has been notified that the Annual General Meeting of Novartis AG will be held in Basel, Switzerland on Friday, March 7, 2025, at 10:00 CET.

If you wish to have the Depositary vote the Novartis shares underlying your ADRs on the agenda items listed below, please direct the Depositary by executing the proxy materials in time.

Agenda

1 Votes on the financial and non-financial reporting for the 2024 financial year

1.1 Approval of the operating and financial review of Novartis AG, the financial statements of Novartis AG and the Group consolidated financial statements for the 2024 financial year

The Board of Directors proposes approval of the operating and financial review of Novartis AG, the financial statements of Novartis AG and the Group consolidated financial statements for the 2024 financial year.

Explanation

The Board of Directors is required by law to submit the operating and financial review, the financial statements and the Group consolidated financial statements for each financial year to the General Meeting for approval. The auditor KPMG AG, Basel, has audited the Group consolidated financial statements of the Novartis Group and the financial statements of Novartis AG and in the auditor's reports recommends approving the financial statements.

1.2 Advisory vote on the non-financial report for the 2024 financial year

The Board of Directors proposes endorsement of the non-financial report for the 2024 financial year (advisory vote).

Explanation

Since the introduction of Art. 964a of the Swiss Code of Obligations, Novartis is obliged to prepare a report on non-financial matters. Details on compliance with this obligation can be found in the publication Novartis in Society Integrated Report 2024, which is available in English at www.novartis.com/investors/reporting-and-transparency-hub. A German version will also be available starting from February 17, 2025. Additionally, the report on non-financial matters must be submitted to the General Meeting for approval as part of a consultative vote. The vote comprises the sections specified on page 63 of the Novartis in Society Integrated Report 2024.

KPMG AG, Basel, has undertaken a limited assurance engagement on the performance indicators on pages 60-62 of the Novartis in Society Integrated Report 2024, and provided an independent assurance report and unqualified limited assurance conclusion on page 72.

2 Discharge from liability of the members of the Board of Directors and the Executive Committee

The Board of Directors proposes to discharge each of its members and each of the members of the Executive Committee for the 2024 financial year.

Explanation

With the discharge of the members of the Board of Directors and the Executive Committee, the Company as well as the approving shareholders declare that they will no longer hold accountable those responsible for events from the past financial year that were brought to the attention of the General Meeting.

3 Appropriation of available earnings of Novartis AG as per balance sheet and declaration of dividend for 2024

Available earnings brought forward	CHF	23 510 983 408
Reduction due to cancellation of treasury shares ¹	CHF	- 7 517 496 525
Net income of the year of Novartis AG	CHF	11 228 096 834
Total disposable profit	CHF	27 221 583 717
Treasury shares held by Novartis AG	CHF	- 7 329 275 135
Total available earnings at the end of the year	CHF	19 892 308 582

The Board of Directors proposes appropriation of the available earnings as follows:

Payment of a gross dividend (before taxes and duties) of CHF 3.50 per dividend-bearing share ² with a nominal value of CHF 0.49 each	CHF - 7 158 600 432
Total available earnings to be carried forward after appropriation	CHF 12 733 708 150

¹ Based on the Annual General Meeting resolution of March 5, 2024

² No dividend will be declared on treasury shares held by Novartis AG or its direct or indirect fully owned subsidiaries (excluding foundations).

If this proposal is approved, the dividend will be paid as from March 13, 2025. The last trading day with entitlement to receive the dividend is March 10, 2025. As from March 11, 2025, the shares will be traded ex-dividend.

Explanation

The distribution of a dividend requires a resolution by the General Meeting. The proposed appropriation of available earnings is in line with the dividend policy of Novartis.

4 Reduction of share capital

The Annual General Meetings held on March 4, 2022, and March 7, 2023, authorized the Board of Directors, at its discretion, to repurchase shares as deemed appropriate from time to time up to a maximum of CHF 20 billion worth of shares until the 2025 and 2026 Annual General Meetings respectively.

In 2024, 77 508 630 shares were repurchased via the second trading line on the SIX Swiss Exchange (thereof 8 548 613 under the authorization of March 4, 2022, and 68 960 017 under the authorization of March 7, 2023). These shares are to be cancelled, and the share capital reduced accordingly. The legally required creditors' call has taken place, so that the capital reduction could be executed and registered in the commercial register immediately after the Annual General Meeting.

The Board of Directors proposes to reduce the share capital by CHF 37 979 228.70 (from CHF 1 073 065 943.53 to CHF 1 035 086 714.83) through cancellation of 77 508 630 own shares repurchased in 2024, whereas the reduction amount shall be set off against the entire voluntary earnings reserves, the entire other legal capital reserves, and the rest against the earnings carried forward.

Immediately after executing the capital reduction, the Board of Directors would amend Art. 4 of the Articles of Incorporation to read as follows:

The share capital of the Company is CHF 1 035 086 714.83, fully paid-in and divided into 2 112 421 867 registered shares. Each share has a nominal value of CHF 0.49.

5 Further share repurchases

As explained under agenda item 4, the 2022 and the 2023 Annual General Meetings authorized the Board of Directors to repurchase shares as deemed appropriate from time to time up to a maximum of CHF 20 billion. Up until December 31, 2024, shares with a total value of CHF 16.5 billion have been repurchased under these authorizations, which means that CHF 3.5 billion remain.

To allow for the full execution of the already announced share buyback of up to USD 15 billion and potential additional share buybacks, the Board of Directors proposes that shareholders, in addition to the remaining authorization of CHF 3.5 billion, authorize the Board of Directors to repurchase shares as deemed appropriate from time to time up to CHF 10 billion from the 2025 Annual General Meeting to the 2028 Annual General Meeting.

Explanation

Any shares repurchased under this authorization are to be cancelled and the corresponding share capital reductions will then be submitted to the shareholders for approval. The repurchased shares will therefore not fall within the scope of the 10% limit pursuant to Art. 659 of the Swiss Code of Obligations, which restricts the acquisition of own shares by the company.

6 Advisory vote on electronic participation at general meetings without venue (Article 12a paragraph 2 of the Articles of Incorporation)

The Board of Directors proposes to confirm in an advisory vote the statutory authorization in Article 12a paragraph 2 of the Articles of Incorporation to hold virtual general meetings.

Explanation

The 2023 Annual General Meeting established the statutory basis for holding general meetings electronically without a venue (virtual general meetings) through the introduction of Article 12a. This authorization of the Board of Directors is limited until June 30, 2028. Due to certain reservations among shareholders regarding this format, which is still unfamiliar in Switzerland, prior to the 2023 Annual General Meeting the Board of Directors committed to submit this authorization to shareholders again at the 2025 Annual General Meeting.

Although the Board of Directors currently has no plans to hold a virtual general meeting, it considers it prudent to confirm the statutory authorization to ensure all options under the new law remain available.

If the advisory vote does not receive approval, the Board of Directors will refrain from holding virtual general meetings until June 30, 2028, the expiration of the authorization in Article 12a paragraph 2 of the Articles of Incorporation.

7 Votes on compensation for the members of the Board of Directors and the Executive Committee

Further information and explanations on the compensation can be found in the brochure Compensation Votes at the 2025 Annual General Meeting published on www.novartis.com/agm and in the 2024 Compensation Report, available at www.novartis.com/investors/reporting-and-transparency-hub.

7.1 Binding vote on the maximum aggregate amount of compensation for the Board of Directors from the 2025 Annual General Meeting to the 2026 Annual General Meeting

The Board of Directors proposes approval of a maximum aggregate amount of compensation for the Board of Directors of CHF 8 200 000, covering the period from the 2025 Annual General Meeting to the 2026 Annual General Meeting.

7.2 Binding vote on the maximum aggregate amount of compensation for the Executive Committee for the 2026 financial year

The Board of Directors proposes approval of a maximum aggregate amount of compensation for the Executive Committee of CHF 95 000 000 to be paid, promised or granted during, or in respect of, the 2026 financial year.

7.3 Advisory vote on the 2024 Compensation Report

The Board of Directors proposes endorsement of the 2024 Compensation Report (advisory vote).

8 Election of a new member and Chair of the Board of Directors, re-elections of ten members of the Board of Directors and election of one new member of the Board of Directors

Joerg Reinhardt, Charles L. Sawyers, and William T. Winters are not standing for re-election. The Board of Directors and the Executive Committee of Novartis thank Joerg Reinhardt, Charles L. Sawyers, and William T. Winters for their many years of valuable service as Chair and members of the Board of Directors. We especially wish to recognize Joerg Reinhardt for his outstanding commitment and visionary leadership as Board Chair, who has driven the successful transformation of Novartis into a focused pharmaceutical company over the past twelve years.

The Board of Directors proposes the election of Giovanni Caforio as member of the Board of Directors and Board Chair, the re-election of the current members of the Board of Directors with the exception of Joerg Reinhardt, Charles L. Sawyers, and William T. Winters, and the election of Elizabeth McNally as new member of the Board of Directors, each until the end of the next Annual General Meeting.

Explanation

Since the term of office of the Board Chair and the members of the Board of Directors ends with the conclusion of the Annual General Meeting on March 7, 2025, they each have to be re-elected by the General Meeting.

Information on the professional backgrounds of the current members of the Board of Directors as well as information on committee memberships can be found from page 106 in the Annual Report, available at www.novartis.com/investors/reporting-and-transparency-hub and on our website at www.novartis.com/about/board-directors.

8.1 Election of Giovanni Caforio as member and Board Chair

Giovanni Caforio has had an international career in the healthcare industry spanning more than 35 years. He graduated in medicine and surgery in Italy in 1988, and has held senior leadership positions at Abbott Laboratories and Bristol Myers Squibb (BMS) in several European countries and the US. He was CEO of BMS from 2015 to 2023 and Chair of the company's board of directors from 2017 to 2024. Under his leadership, BMS nearly tripled its revenue, undertook several strategic acquisitions and partnerships, and launched 12 new medicines. Giovanni Caforio currently serves on the board of Stryker Corp. He is fluent in Italian, French, Spanish, Portuguese and English.

More information on the professional background of Giovanni Caforio is available at www.novartis.com/agm.

8.2 Re-election of Nancy C. Andrews

8.3 Re-election of Ton Buechner

8.4 Re-election of Patrice Bula

8.5 Re-election of Elizabeth Doherty

8.6 Re-election of Bridgette Heller

8.7 Re-election of Daniel Hochstrasser

8.8 Re-election of Frans van Houten

8.9 Re-election of Simon Moroney

8.10 Re-election of Ana de Pro Gonzalo

8.11 Re-election of John D. Young

8.12 Election of Elizabeth McNally

Elizabeth McNally is a human geneticist and cardiologist with extensive experience as a physician, scientist, professor and senior administrator at leading academic institutions in the US. She qualified as a medical doctor at the Albert Einstein College of Medicine in New York City. Elizabeth McNally is a practicing cardiologist with expertise in cardiovascular genetics, with postgraduate training at the Brigham and Women's Hospital in Boston. With interests in the genetics of cardiovascular and neuromuscular disorders, she has had research and leadership roles at the University of Chicago and Northwestern University. She is the founder, CEO and a board member of Ikaika Therapeutics.

More information on the professional background of Elizabeth McNally is available at www.novartis.com/agm.

9 Re-elections and election to the Compensation Committee

The Board of Directors proposes the re-election of Patrice Bula, Bridgette Heller and Simon Moroney and the election of John D. Young as members of the Compensation Committee, each until the end of the next Annual General Meeting. The Board of Directors intends to redesignate Simon Moroney as chair of the Compensation Committee, subject to his re-election as a member of the Compensation Committee.

Explanation

Since the term of office of the members of the Compensation Committee ends with the conclusion of the

Annual General Meeting on March 7, 2025, they have to be re-elected by the General Meeting. In accordance with Article 27 paragraph 4 of the Articles of Incorporation, the Board of Directors appoints the chair of the Compensation Committee.

9.1 Re-election of Patrice Bula

9.2 Re-election of Bridgette Heller

9.3 Re-election of Simon Moroney

9.4 Election of John D. Young

10 Re-election of the auditor

The Board of Directors proposes the re-election of KPMG AG as auditor for the financial year starting on January 1, 2025.

Explanation

According to the Articles of Incorporation, the auditors are to be elected annually by the General Meeting. KPMG AG was first proposed for election at the 2022 Annual General Meeting. KPMG AG meets the independence criteria, and the Board of Directors suggests re-electing KPMG AG.

11 Re-election of the Independent Proxy

The Board of Directors proposes the re-election of lic. iur. Peter Andreas Zahn, attorney at law, Basel, as Independent Proxy until the end of the next Annual General Meeting.

Explanation

The law requires that the Independent Proxy is elected annually by the General Meeting. Mr. Zahn meets the independence criteria, and the Board of Directors suggests re-electing him.

ADR Voting

Article 5 of the Novartis Articles of Incorporation states that no person (legal or natural) shall be registered with the right to vote more than 2% of the registered share capital (held in the form of shares, ADRs or a combination of both). For purposes herein, "ADR" means an American Depositary Share, each representing one ordinary equity share of Novartis AG and evidenced by an American Depositary Receipt.

As of January 31, 2025, Novartis had a total of 2,189,930,497 shares registered in the commercial register of Basel-Stadt, Switzerland. Each ADR corresponds to one Novartis share. If your total holding (including without limitation holding through nominees) exceeds 43,798,609 Novartis shares, ADRs or a combination of both (i.e. 2% of the registered share capital), any Novartis shares and ADRs exceeding 2% of Novartis' registered share capital will have no voting rights, unless you obtain prior individual exemption from the Board of Directors of Novartis.

Registered Holders

If you are a registered holder of ADRs and properly sign, date and submit voting instructions for your Novartis ADRs, JPMorgan will provide your name, address and ADR holdings to Novartis.

Beneficial Holders

Article 5 of the Novartis Articles of Incorporation limits the registration of nominees with the right to vote to 0.5% of the registered share capital. Shareholders holding more than 0.5% (up to 2%) of the registered share capital through a nominee may only vote if the nominee discloses the name, address and the number of shares held by such shareholders.

If you submit voting instructions to your broker, bank or other nominee whose total holding exceeds 10,949,652 Novartis shares, ADRs or a combination of both (i.e. 0.5% of the registered share capital), you will be authorizing them to disclose your name, address and the number of ADRs you hold to JPMorgan and Novartis.

Voting Instructions for ADR Holders

JPMorgan reminds all eligible ADR holders that the deadline to submit voting instructions is included on the Voting Instruction Card received. Such ADR holders have the choice of either providing specific voting instructions for each agenda item or doing nothing. Those who do nothing will be deemed to have instructed JPMorgan to give a discretionary proxy to an uninstructed independent designee.

For further information, please see the Questions and Answers section of this document.

Disclosure

By voting through the Internet, by telephone, or by signing and returning the Voting Instruction Card, you are:

- Certifying that you were an ADR holder on January 27, 2025;
- Certifying that you, as a single person (legal or natural), do not directly or indirectly own more than 2% of Novartis AG's registered share capital (Novartis shares, ADRs or a combination of both);
- Instructing JPMorgan to vote the Novartis registered shares underlying your ADRs in the manner indicated; and
- Authorizing the disclosure to JPMorgan and Novartis of your name, address and number of ADRs held as a registered ADR holder, or as a beneficial ADR holder whose broker, bank or other nominee's total holdings exceed 0.5% of the Novartis registered share capital.

PLEASE NOTE THAT YOUR VOTING INSTRUCTIONS WILL NOT BE PROCESSED IF YOU DO NOT SIGN (IF APPLICABLE) OR COMPLETE ALL REQUIRED INFORMATION, INCLUDING YOUR NAME, ADDRESS AND ADR HOLDINGS.

Frequently Asked Questions

Q: Which ADR holders are entitled to direct JPMorgan to vote?

A: Holders of Novartis ADRs on the ADR record date for voting rights (referred to as “Record Date”) of January 27, 2025, will receive the proxy material and are entitled to direct JPMorgan, as the ADS depository, to vote.

Q: Can I attend the Annual General Meeting in person?

A: ADR holders may not attend General Meetings of Novartis AG in person. ADR holders may give voting instructions to JPMorgan by mailing a Voting Instruction Card, through the Internet or on the telephone.

Q: What happens if I do nothing and do not provide any voting instructions?

A: If you do not provide voting instructions, you will be deemed to have instructed JPMorgan, as the ADS depository, to give a discretionary proxy to an uninstructed independent. Such designee will vote any unvoted shares underlying the ADRs.

Q: Why does Novartis need my personal information for me to give voting instructions?

A: Novartis needs the name, address and number of ADRs held from registered ADR holders and from beneficial ADR holders when your broker, bank or other nominee's total holdings exceed 0.5% of Novartis' registered share capital to ensure compliance with the requirements of Article 5 of Novartis' Articles of Incorporation.

Q: Will my vote be counted at the Annual General Meeting?

A: If you have mailed your properly completed and signed Voting Instruction Card so that it is received before the voting deadline as noted on your Voting Instruction Card, or if you have properly submitted your vote by telephone or the Internet by the deadline for those voting methods as noted on your Voting Instruction Card, and, if required, you have authorized your financial institution (bank or broker) to disclose your name, address and the number of ADRs you hold as a registered ADR holder and/or as a beneficial ADR holder when your broker, bank or other nominee holdings exceed 0.5% of Novartis' registered share capital (see “Beneficial Holders” on the previous page), JPMorgan will exercise the voting rights of the registered Novartis shares underlying your ADRs in the manner you have instructed, subject to the 2% limit of the registered share capital of Article 5 of the Novartis Articles of Incorporation (see “ADR Voting” on the previous page).

Q: Am I restricted in trading my ADRs if I register my ADRs?

A: Neither the registration of ADRs with JPMorgan (in case of registered ADRs) nor the disclosure of your name, address and ADR holding to Novartis affects the transferability of your ADRs. No trading restriction on ADRs is imposed by JPMorgan or Novartis. ADR holders may, therefore, purchase or sell their ADRs at any time, including prior to a general meeting, regardless of the Record Date. The Record Date serves only to determine the right to direct JPMorgan to vote at Novartis' Annual General Meeting.

Q: Can I vote on additional and/or new motions presented by shareholders at the Annual General Meeting?

A: Agenda Item 12 of your Voting Instruction Card allows you to vote on alternative motions under the agenda items published in the Notice of Annual General Meeting and/or motions relating to additional agenda items according to Article 704b of the Swiss Code of Obligations proposed at the Annual General Meeting as follows:

Mark the FOR Box to vote according to the motions of the Board of Directors. Mark the AGAINST Box to vote against any alternative/new motion. Mark the ABSTAIN Box to abstain from voting.

If no instruction on Agenda Item 12 is received from an ADR holder, such holder will be deemed to have instructed JPMorgan, through its Nominee or Nominees, to give a discretionary proxy to an uninstructed independent designee.

Q: How can I get additional information about the ADR voting process and the Annual General Meeting?

A: If you are a registered ADR holder and have any questions about the ADR voting process or Novartis' Annual General Meeting, please call JPMorgan at +1 877 816 5333. Beneficial holders should contact their Bank/Broker for further details regarding the Annual General Meeting.