

Repurchase of own shares for the purpose of a capital reduction Trading on a separate line on SIX Swiss Exchange

Results of the share buyback program from 14 March 2023 to 13 March 2026, legal basis and new share buyback program

In the period from 14 March 2023 to 13 March 2026, Novartis AG, Lichtstr. 35, Basel («Novartis») acquired a total of 227,158,243 registered shares for around CHF 21.421 billion via a separate trading line on the SIX Swiss Exchange. The cancellation of these shares has been or will be proposed at the Annual General Meetings.

In order to execute future share buybacks the Board of Directors has decided to launch a new share buyback program. This stipulates that over the next three years, a maximum of 10% of the own registered shares can be repurchased via a separate trading line on SIX Swiss Exchange (the "share buyback program"). At future general meetings, capital reductions in the amount of the respective repurchase volume will be proposed.

The share buyback program is exempted from the ordinary takeover rules on the basis of section 6.1 of the Circular no. 1 of the Swiss Takeover Board dated 27 June 2013 (status as of 1 January 2016) and refers to a maximum of 211,242,186 registered shares, equivalent to a maximum of 10% of the share capital currently registered in the commercial register. The share capital of Novartis currently registered in the commercial register amounts to CHF 1,035,086,714.83, divided into 2,112,421,867 registered shares, each with a nominal value of CHF 0.49.

The registered shares of Novartis are listed under the International Reporting Standard of SIX Swiss Exchange. The ADRs of Novartis, which are listed on the New York Stock Exchange, are not part of this buyback program.

Trading on a separate trading line on SIX Swiss Exchange

As part of the share buyback program, a separate trading line for Novartis registered shares will be set up or continued in accordance with the International Reporting Standard of SIX Swiss Exchange. Only Novartis can act as a buyer on this separate trading line (security number 3.845.941 / ISIN CH0038459415) and acquire its own registered shares via the bank that has been mandated with the share buyback program. The trading of Novartis registered shares on the ordinary trading line (security number 1.200.526 / ISIN CH0012005267) will not be affected and will continue as usual. A Novartis shareholder intending to sell registered shares therefore has the choice to either sell Novartis registered shares on the ordinary trading line or to sell them to Novartis on the separate trading line for the purpose of a subsequent capital reduction.

Novartis is at no time obliged to buy its registered shares offered on the separate trading line and will act as a buyer depending on market conditions. Novartis reserves the right to terminate the share buyback program early.

Repurchase price

The repurchase prices, or the prices on the separate trading line are based on the prices for Novartis registered shares traded on the ordinary trading line.

Payment of the net price and delivery of the securities

Transactions on the separate trading line constitute regular stock exchange transactions. Hence, the net price (repurchase price less Swiss withholding tax) will be paid, and the registered shares delivered, as customary, on the second trading day after the transaction date.

Duration of the share buyback program

The separate trading line on the SIX Swiss Exchange will be opened on 17 March 2026 and is planned to remain open until 16 March 2029.

Duty to trade on the exchange

In accordance with the rules of SIX Swiss Exchange, off-exchange transactions are not permitted for share repurchases on a separate trading line.

Maximum buyback volume per day

The maximum daily repurchase volume in accordance with applicable regulations will be shown on the Novartis website at: www.novartis.com/investors/shareholder-information/share-buy-back

Disclosure of transactions

Novartis will publish the transactions made as part of the share buyback program on its website: www.novartis.com/investors/shareholder-information/share-buy-back

Own holdings

As of 13 March 2026, Novartis directly and indirectly held 202,103,684 of its own registered shares. This corresponds to 9.57% of the share capital and the voting rights currently registered in the commercial register

Shareholders holding more than 3% of the voting rights

According to reports submitted to Novartis and published by 13 March 2026, the following beneficial owners hold more than 3% of voting rights at Novartis (calculation basis: share capital currently registered in the commercial register):

- | | | |
|---|----------|----------------------------|
| - Black Rock Inc., New York, NY, USA | 5.77% *) | reported on 4 January 2022 |
| - UBS Fund Management (Switzerland) AG, Basel, CH | 5.61% *) | reported on 8 May 2024 |

Source: SIX Exchange Regulation

*) includes registered shares, securities lending and similar transactions, voting rights to be exercised at discretion.

Taxes and duties

The buyback of own registered shares for the purpose of capital reduction by a Swiss company qualifies as partial liquidation. The following is a summary of the main tax consequences for shareholders who sell their registered shares of Novartis on the separate trading line:

1. Swiss withholding tax

In the case of a partial liquidation, the difference between the repurchase price of the registered shares and their nominal value (liquidation surplus) is generally subject to Swiss withholding tax of 35%. The tax will be deducted from the repurchase price by Novartis or by the mandated bank for the payment to the Swiss Federal Tax Administration.

Persons domiciled in Switzerland are entitled to a refund of withholding tax provided that they were beneficial owners at the time of sale of the registered shares and if the other necessary conditions for a refund of withholding tax are met. Persons domiciled outside Switzerland may reclaim withholding tax subject to the provisions of a double taxation agreement applicable between Switzerland and their country of domicile. Typically, such double tax treaty only provides for partial withholding tax refund.

2. Direct taxes

The following statements refer to the levying of direct federal taxes. As a rule, the same practice applies to cantonal and municipal taxes as to direct federal taxes.

a) Persons domiciled in Switzerland

- *Registered shares held as private assets:*

In the case of registered shares held as private assets, the liquidation surplus (difference between the repurchase price of the registered shares and their nominal value) generally represents taxable return on assets.

- *Registered shares held as business assets:*

In the case of registered shares held as business assets, the principle of authoritativeness applies. This means that, depending on the income tax value, sales of registered shares increase or decrease the profit (or loss) that will be decisive for profit tax.

b) Persons domiciled abroad

Persons domiciled outside Switzerland will be taxed in accordance with the laws applicable in their country of domicile.

These statements do not constitute a complete presentation of possible tax consequences and do not constitute tax advice. Shareholders are advised to consult their own tax advisor regarding the tax implications of participating in the Buyback program.

3. Fees and deductions

The repurchase of own registered shares for the purpose of a capital reduction is exempt from transfer tax for the selling shareholder. However, the SIX Swiss Exchange's fees still have to be paid

Mandated bank

Novartis has given UBS AG the mandate to execute the share buyback program. UBS AG will, as a sole member of the stock exchange, offer bid prices for registered shares on behalf of Novartis on the separate trading line.

Delegation agreement

In accordance with Art. 124 (2) (a) and (3) FMIO, Novartis and UBS AG have entered into a delegation agreement, according to which UBS AG makes repurchases independently within the defined parameters. However, Novartis may terminate this delegation agreement at any time without cause respectively modify the parameters in accordance with Art. 124 (3) FMIO.

Applicable law / place of jurisdiction

Swiss law / Zurich is the exclusive place of jurisdiction.

Security numbers, ISINs and ticker symbols

Registered share of Novartis AG (ordinary trading line)
of CHF 0.49 par value

1.200.526 CH0012005267 NOVN

**Registered share of Novartis AG (separate trading line)
of CHF 0.49 par value**

3.845.941 CH0038459415 NOVNEE

Place and date

Basel, 16 March 2026

This notice does not constitute a prospectus as defined in the Swiss Financial Services Act (FinSA).


