

## MEDIA & INVESTOR RELEASE

# Novartis shareholders approve all resolutions proposed by the Board of Directors at the Annual General Meeting

- *Shareholders approve 27<sup>th</sup> consecutive dividend increase to CHF 3.30 (+3.1%) per share for 2023; representing a 3.7% yield<sup>1</sup> and approximately 58% payout of free cash flow*
- *Shareholders confirm Joerg Reinhardt as Chair of the Board of Directors as well as all other current members*
- *Shareholders approve all other proposals of the Board of Directors, including the reduction of share capital, the 2023 report on non-financial matters (for the first time submitted to shareholders under new Swiss law) and the 2023 Compensation Report, in advisory votes, as well as the future Board and Executive Committee compensation in separate binding votes*

**Basel, March 5, 2024** – Novartis shareholders today agreed to the Board of Directors' recommendations for all proposed resolutions at the company's Annual General Meeting (AGM). A total of 1693 shareholders were present at the meeting held in Basel, representing approximately 53.65% of the issued shares of Novartis.

Shareholders approved the 27<sup>th</sup> consecutive dividend increase since the creation of Novartis in 1996, with an increase of 3.1% to CHF 3.30 per share. Payment for the 2023 dividend will be made as from March 11, 2024. The dividend for 2023 is an approximately 58% payout of free cash flow and results in a dividend yield of 3.7%<sup>1</sup>.

### **Annual re-election of Members of the Board**

Shareholders re-elected Joerg Reinhardt as Chair of the Board of Directors, and all current members of the Board, for one year.

Shareholders also re-elected all current members of the Compensation Committee, for one year. The Board of Directors intends to redesignate Simon Moroney as Chair of the Compensation Committee.

### **Reduction of share Capital**

Shareholders also approved the Novartis Board of Directors' proposal to cancel 87 547 255 shares (repurchased under the authorization of March 4, 2022) and to reduce the share capital accordingly, by CHF 42.9 million, from CHF 1 115 964 098.48 to CHF 1 073 065 943.53.

**Vote on the report on non-financial matters**

With the introduction of new provisions regarding transparency on non-financial matters in the Swiss Code of Obligations, Novartis was, for the first time for the 2023 financial year, obliged to prepare a report on non-financial matters and to submit it to the shareholders. The shareholders endorsed the report on non-financial matters for the 2023 financial year in an advisory vote.

**Votes on Compensation for the members of the Board of Directors and the Executive Committee**

In two separate binding votes, shareholders approved the total maximum aggregate amount of compensation for the Board of Directors, covering the period from the 2024 AGM to the 2025 AGM, and the total maximum aggregate amount of compensation for the Executive Committee for the 2025 financial year. Shareholders also endorsed the 2023 Compensation Report in an advisory vote.

**Election of KPMG AG as Auditor**

In line with the Board of Directors' proposal, the shareholders elected KPMG AG as auditor for the financial year starting on January 1, 2024.

For a detailed listing of all resolutions at the 2024 Annual General Meeting, please visit: <https://www.novartis.com/agm>

**Disclaimer**

This press release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements can generally be identified by words such as “endorsed,” “advisory,” “future,” “proposed,” “intends,” “can,” “will,” “could,” or similar terms, or by express or implied discussions regarding the potential future impact of the matters described in this press release, including the future commercial performance of Novartis, further share repurchases, the annual re-election and election of members of the Board of Directors and committees of the Board, votes on compensation for the members of the Board of Directors and the Executive Committee, an advisory vote on the 2023 Compensation Report, and the re-election of the statutory auditor.. You should not place undue reliance on these statements. Such forward-looking statements are based on our current beliefs and expectations regarding future events, and are subject to significant known and unknown risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements. There can be no guarantee as to the ultimate outcome of the matters described in this press release or their potential impact on Novartis. In particular, our expectations regarding these matters could be affected by, among other things, uncertainties regarding future demand for our products; general political, economic and business conditions, including the effects of and efforts to mitigate pandemic diseases; safety, quality, data integrity or manufacturing issues; potential or actual data security and data privacy breaches, or disruptions of our information technology systems; the potential impact of matters discussed in this press release on Novartis management, its financial results and competitiveness, and other risks and factors referred to in Novartis AG's current Form 20-F on file with the US Securities and Exchange Commission. Novartis is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

**About Novartis**

Novartis is an innovative medicines company. Every day, we work to reimagine medicine to improve and extend people's lives so that patients, healthcare professionals and societies are empowered in the face of serious disease. Our medicines reach more than 250 million people worldwide.

Reimagine medicine with us: Visit us at <https://www.novartis.com> and connect with us on [LinkedIn](#), [Facebook](#), [X/Twitter](#) and [Instagram](#).

## References

1. Based on the SIX closing share price on March 4, 2024

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