

Frequently asked questions

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Where can I learn more about Novartis financial results?

Our [Financial data](#) section provides links to:

- [Annual results](#) and [Quarterly results](#), including a five-years results archive
- [Novartis SEC filings](#)
- The Novartis [Reporting and transparency hub](#)
- Latest [Top 20 product sales](#)
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- And monthly information about the [Expected currency impact](#) on our results

Upcoming releases and more events are listed in our [Event calendar](#).

How do you calculate your earning per share?

Basic earnings per share (EPS) is calculated by dividing net income attributable to shareholders of Novartis AG by the weighted average number of shares outstanding in a reporting period. This calculation excludes the average number of issued shares purchased by the Company and held as treasury shares.

For diluted EPS, the weighted average number of shares outstanding is adjusted to assume the vesting of dilutive equity-settled compensation plans.

In 2025, 2024 and 2023, no equity-settled compensation plans were excluded from the calculation of diluted EPS, as all were dilutive.

	2025	2024	2023
Net income attributable to shareholders of Novartis AG			
(USD millions)			
- Continuing operations	13 984	11 941	8 568
- Discontinued operations			6 282
Net income attributable to shareholders of Novartis AG	13 984	11 941	14 850
(USD millions)			
Number of shares (in millions)			
Weighted average number of shares outstanding used in basic earnings per share	1 939	2 018	2 077
Adjustment for assumed exercise of equity-settled compensation plans	16	17	15
Weighted average number of shares in diluted earnings per share	1 955	2 035	2 092
Basic earnings per share (USD)			
- Continuing operations	7.21	5.92	4.13

	2025	2024	2023
- Discontinued operations			3.02
Total basic earnings per share (USD)	7.21	5.92	7.15
Diluted earnings per share (USD)			
- Continuing operations	7.15	5.87	4.10
- Discontinued operations			3.00
Total diluted earnings per share (USD)	7.15	5.87	7.10

What is the exposure to exchange rate risk for Novartis?

We transact our business in many currencies other than the US dollar, our reporting currency.

The following table provides an overview of net sales and operating expenses from continuing operations based on IFRS Accounting Standards values, for the most important currencies to the Company:

Currency		2025	2024
		%	%
US dollar (USD)	Net sales	45	44
	Operating expenses ¹	42	39
Euro (EUR)	Net sales	23	23
	Operating expenses ¹	22	23
Swiss franc (CHF)	Net sales	1	1
	Operating expenses ¹	17	18
Chinese yuan (CNY)	Net sales	8	8
	Operating expenses ¹	5	5
Japanese yen (JPY)	Net sales	4	4
	Operating expenses ¹	2	2
Canadian dollar (CAD)	Net sales	2	2
	Operating expenses ¹	1	1
British pound (GBP)	Net sales	2	2
	Operating expenses ¹	2	2
Russian ruble (RUB)	Net sales	1	1
	Operating expenses ¹	1	0
Brazilian real (BRL)	Net sales	2	2
	Operating expenses ¹	1	1
Other currencies	Net sales	12	13

Currency	2025 2024	
	%	%
Operating expenses ¹	7	9

1. Operating expenses include cost of goods sold; selling, general and administration; research and development; other income and other expense.

We prepare our consolidated financial statements in US dollars. As a result, fluctuations in the exchange rates between the US dollar and other currencies can have a significant effect on both the Company's results of operations as well as the reported value of our assets, liabilities and cash flows. This in turn may significantly affect reported earnings (both positively and negatively) and the comparability of period-to-period results of operations.

For purposes of our consolidated balance sheets, we translate assets and liabilities denominated in other currencies into US dollars at the prevailing market exchange rates as of the relevant balance sheet date. For purposes of the Company's consolidated income and cash flow statements, revenue, expense and cash flow items in local currencies are translated into US dollars at average exchange rates prevailing during the relevant period. As a result, even if the amounts or values of these items remain unchanged in the respective local currency, changes in exchange rates have an impact on the amounts or values of these items in our consolidated financial statements.

Because our expenditure in Swiss francs is significantly higher than our revenue in Swiss francs, volatility in the value of the Swiss franc can have a significant impact on the reported value of our earnings, assets and liabilities, and the timing and extent of such volatility can be difficult to predict.

Top 10 social impact and sustainability-related questions from shareholders and our responses

Last updated: May 2026

Thank you for your continued engagement in Q1. During this quarter, we received inquiries on our community health programs, nature assessments, progress toward our climate goals, and human capital, including the impact of AI on our workforce. Additionally, executive compensation and risk management were areas of focus.

Access to medicines

What is the business rationale behind the Novartis community health programs?

- Our community health programs support our long-term business strategy and complement our core R&D and access efforts by **addressing systemic barriers** – such as gaps in prevention, diagnosis, referral and follow-up care. These barriers disproportionately affect low-income, rural and other underserved populations that are often **not reached through conventional commercial approaches**.
- By working with local partners, the programs support improved health outcomes while contributing to **more resilient and effective healthcare systems**. In disease areas where Novartis has long-term portfolio commitments, this approach helps create a **more predictable operating environment**, with clearer patient pathways, better clinical-practice alignment and more equitable access to innovation, supporting both sustainable access and long-term value creation.
- The programs also enable **deeper community engagement and trust**, particularly in populations that have historically faced barriers to care. Building sustained relationships with community organizations and patient groups supports earlier diagnosis, treatment initiation and adherence, improving real-world adoption while **reinforcing Novartis credibility** with payers, policymakers and potential partners.

How did Novartis select the cities for the initial launch of Inclusive Health Accelerators (IHAs), and how will their impact be assessed over time?

- Cities were selected based on **data-driven analysis of the patient journey**, identifying locations with significant

unmet need across awareness, screening, diagnosis and referral pathways, combined with **feasibility considerations**, including the presence of community and healthcare partners.

- We are launching the IHAs through multi-year partnerships¹ with locally trusted stakeholders, bringing together complementary capabilities in community engagement, outreach, clinical navigation and health-system strengthening. Partners include faith-based organizations, community groups, health centers, academic institutions and digital platforms.
- Progress will be monitored internally using **operational and outcome-oriented indicators**, such as the number of patients and providers reached; individuals screened, diagnosed and referred; and navigation and follow-up outcomes. Over time, measurement approaches will evolve as programs mature to incorporate indicators linked to improved health outcomes.

Climate and nature

How did Novartis identify the 11 priority sites for the development of biodiversity management plans, and how were 3 pilot assessments conducted?

- The 11 priority sites were identified through a risk-based screening process that considered their **proximity to biodiversity sensitive areas and the use of water**, which is a key proxy to identify sites that may have the most material impact on biodiversity.
- From this group, three sites were selected as pilot locations to test and refine the development and implementation of biodiversity management plans (BMPs):
 - The BMPs combined desktop analysis (drawing on publicly available spatial and ecological data) with site-level engagement, supported by external experts where appropriate. Assessments covered topics such as habitats and species presence, water use, waste and air-related impacts. Based on these findings, BMPs, including mitigation measures, are being developed for each pilot site.
- Insights from the pilot assessments are being used to strengthen our overall approach, inform site-specific actions, and support the continued development of the Novartis nature pillar.

Which key sustainability alliances and industry initiatives does Novartis participate in, and what role do these collaborations play in advancing its sustainability objectives?

- Novartis participates in several alliances to address challenges that cannot be solved by individual companies alone and to help shape consistent, scalable approaches across the value chain. Examples are:
 - **SMI² Health Systems Task Force**: collaborating with peers to advance collective action on topics such as climate transition, supplier engagement and the scale-up of takeback programs (medical devices and packaging).
 - **WBCSD³**: engaging in cross-industry efforts on climate, nature (including the development of industry-specific nature roadmaps) and sustainability reporting, and contributing to the development of practical tools.
 - **PEG⁴**: providing a platform to collaborate on environmental topics specific to the pharmaceutical sector, including emissions reduction, water stewardship and waste management.
 - **PSCI⁵**: working with peers to promote responsible business practices in the supply chain, including human rights, environmental standards, supporting suppliers through harmonized expectations and capacity-building.

Given the progress achieved to date on emissions reduction, how does Novartis assess the remaining gap to its 2030 targets, and what measures will drive further reductions?

- By 2025, Novartis reduced **Scope 1 and 2 emissions by 45% and Scope 3 emissions by 17%** vs. 2022 baseline. This leaves a remaining reduction of 45% for Scope 1 and 2 and 25% for Scope 3 to reach our 2030 targets. Based on our current climate transition plan, we believe we are well on track.
- For Scope 1 and 2, the remaining emissions primarily relate to onsite heat generation and, to a lesser extent, vehicle emissions. Ongoing actions focus on energy and process-efficiency measures (e.g. HVAC⁶ optimization, cold water for injection technology) and the implementation of green-heat solutions to replace fossil fuels at selected sites. These initiatives are supported by a phased approach to fleet electrification for our field force where operationally feasible, in line with our 2030 EV100 ambition.

- For Scope 3, approximately 80% of emissions stem from purchased goods and services. For product-related emissions, we apply life-cycle assessments to identify hotspots and work with suppliers on targeted actions, including: (1) renewable-energy adoption, (2) solvent recycling and reuse, (3) packaging optimization, and (4) supply chain transformation. For service-related emissions, we continue to promote sustainable business practices across our supplier base.
- To support progress, environmental sustainability criteria are embedded in supplier contracts. In 2025, **97% of supplier emissions were covered** by contracts including these criteria. Our supplier engagement approach continues to be externally recognized, including by the **CDP Supplier Engagement Assessment**, where we have consistently achieved an A score in the past three years.
- In addition, we remain deeply engaged with relevant industry associations to support the transition and help build supplier capability.

Human capital

What key human capital metrics does Novartis monitor?

- Novartis monitors metrics related to workforce composition, hiring and attrition, employee engagement, wellbeing, health and safety, learning and development, and fair and competitive compensation practices. We also track indicators linked to measures that support inclusion and equal opportunity. For example:
 - Employee engagement, wellbeing, inclusion, and sense of belonging have trended positively in recent years, and as of Q1 2026, remained above external benchmarks⁷.
 - Voluntary turnover has remained in the single digits in recent years (7% in 2025, 6% in 2024).
 - Global aggregated female representation in management increased to 49% in 2025 vs. 48% in 2024.
- These metrics inform regular management and Board-level discussions and help guide decisions on talent strategy, succession planning and workforce investments over time.

How does Novartis assess and manage the impact of artificial intelligence on its workforce?

- Novartis views AI primarily as a tool to augment work – supporting decision-making, productivity and the reduction of repetitive tasks – rather than replace roles. Potential workforce impacts will be assessed through ongoing monitoring of role evolution, skill requirements, and ways of working across functions.
- To support employees to adapt to new ways of working with AI, Novartis invests in upskilling and reskilling initiatives. Examples include:
 - **Enterprise-wide AI fluency:** Novartis is rolling out a “Ready for AI” program which includes an “AI Foundations” course, an “AI Immersion Month” covering specific AI tools and skills, a learning agent and also a champions community.
 - **Role-specific upskilling:** Dedicated programs such as the **Development AI Academy** enable teams in areas like clinical development to learn how to apply AI directly to their work – ranging from protocol design and data analysis to document generation.
- Employee experience and responsible adoption are supported through **governance frameworks, ethical AI principles, and change-management practices**, ensuring that AI deployment remains aligned with our values.
 - In 2025, Novartis introduced a recurring “Data and Technology Curriculum” covering data quality, bias awareness, regulatory expectations, and practical guidance on the responsible use of AI tools.

Governance and risk management

Has the Board considered incorporating Social Impact & Sustainability-related metrics into long-term (3-year) management incentives?

- The use of Social Impact & Sustainability (SI&S) measures within the Long-Term Performance Plan (LTPP) has been carefully considered in prior reviews. The Compensation Committee and the Board of Directors remain confident that the current LTPP performance metrics are optimal, and that incorporating SI&S measures within the balanced scorecard of our CEO and senior executives, specifically within the Annual Incentive Plan, provides the most appropriate and effective framework for assessing performance.

- As a reminder, within the Annual Incentive, the **strategic objective ‘Strengthen Foundations’ incorporates SI&S metrics** on topics such as Access & Innovation and Global Health. This allows for robust target-setting and reinforces clear year-on-year accountability for these objectives. Given that SI&S metrics and methodologies continue to evolve, annual targets currently provide the most meaningful basis for assessment.
- The Compensation Committee and the Board will continue to review performance metrics included within the LTPP, and any material changes will be shared transparently (e.g. via our [Annual Report](#) or [brochure on compensation votes](#)).

Why did the Board decide to dissolve the Risk Committee, and how will risk oversight be handled going forward?

- The Board has decided to elevate risk oversight to the full Board by integrating all topics previously overseen by the Risk Committee into regular strategic discussions of the full Board or relevant committees, rather than maintaining a separate Risk Committee. This approach reinforces integrated oversight and ensures risk considerations are embedded in all strategic decisions.
- This decision also reflects the maturity of the Enterprise Risk Management (ERM) framework, which provides a company-wide process for identifying, assessing and managing risks and enables standard risk reporting to the full Board, as well as the strategic nature of the top risks identified. The Board, through the Audit & Compliance Committee (ACC), will continue to provide oversight by annually reviewing the effectiveness of the ERM program.
- This approach is aligned with governance practices commonly adopted by major Swiss multinationals outside the financial sector (where a separate risk committee is mandatory).

How is Novartis impacted by the conflict in the Middle East? Any supply chain concerns?

- At the local level, our primary priority remains the safety and security of our employees and maintaining our supply to patients in the region. We remain in regular contact with the affected teams and continue to support their needs as the situation evolves.
- In terms of broader impact outside the region, Novartis operates globally and has substantial experience in continuing delivery of treatments in times of unrest and conflict. We currently do not foresee any impact on supply of medicines to other markets.

References:

1. IHAs are launching with four core partners: The Balm in Gilead, African American Male Wellness Association, BlackDoctor.com, The Weitzman Institute.
2. Sustainable Markets Initiative.
3. World Business Council for Sustainable Development.
4. Pharmaceutical Environment Group.
5. Pharmaceutical Supply Chain Initiative.
6. Heating, ventilation and air conditioning.
7. External benchmark from Glint; includes pharmaceutical peers and other large cap multinational companies including companies in the technology industry.
8. As a general matter, employee demographics vary year to year due to myriad factors, including the available applicant pool, the market, available roles, and the relevant job qualifications of individual applicants year-to-year. Because decisions are made on an individual basis, based on merit and job-related factors unrelated to legally protected or personal characteristics unrelated to the job, demographics will necessarily vary.

What is the new cost basis from the Atrium Therapeutics spin-off from Avidity Biosciences?

Information about allocation of tax basis for U.S. holders may be found in the [Form 8937 \(PDF 0.1 MB\)](#). With regard to non-U.S. holders, please note that the allocation of tax basis depends on the applicable local tax provisions and each

shareholder’s individual circumstances. Accordingly, all shareholders and ADR holders are asked to consult their own tax advisor regarding the tax basis allocation calculations.

What is the new cost basis of my Novartis and Sandoz shares following the spin-off of Sandoz from Novartis?

Information about allocation of tax basis for U.S. holders may be found in the [Form 8937: Basis of Securities \(PDF 0.1 MB\)](#). With regard to non-U.S. holders, please note that the allocation of tax basis for Novartis and Sandoz shares following the spin-off depend on the applicable local tax provisions and each shareholder’s individual circumstances. Accordingly, all shareholders and ADR holders are asked to consult their own tax advisor regarding the tax basis allocation calculations.

Where are Novartis shares traded?

Novartis shares are listed and traded on the SIX Swiss Exchange (Valor No. 001200526, ISIN CH0012005267, symbol: NOVN) as well as on the NYSE in the form of American Depositary Receipts (ADR) (Valor No. 567514, ISIN US66987V1098, symbol: NVS).

What are the ticker symbols for Novartis?

Shares	SIX (Reuters / Bloomberg)	NOVN.S / NOVN SW
ADRs	NYSE (Reuters / Bloomberg)	NVS / NVS US

What is an ADR/ADS?

ADR stands for American Depositary Receipt. ADS stands for American Depositary Share. An ADR is a receipt for a number of shares of a foreign-based corporation held by a US depositary bank, entitling the ADR holder to all dividends and capital gains.

What is the number of outstanding shares in Novartis?

Key Novartis share data

	2025	2024	2023
Issued shares	2 112 421 867	2 189 930 497	2 277 477 752
Treasury shares ¹	204 270 188	214 841 249	233 443 766
Outstanding shares at December 31	1 908 151 679	1 975 089 248	2 044 033 986
Weighted average number of shares outstanding	2 938 949 981	2 018 281 520	2 076 794 140

1. Approximately 86 million treasury shares (2023: 94 million 2022: 99 million) are held in Novartis entities that restrict their availability for use.

What is the number of outstanding ADRs in Novartis?

Key data on ADRs issued in the US

	2025	2024	2023
Year-end ADR price (USD)	137.87	97.31	100.97
Number of ADRs outstanding ¹	168 281 989	174 267 912	189 633 312

1. The depositary, JPMorgan Chase Bank, N.A., holds one Novartis AG share for every ADR issued.

When is your dividend going to be paid?

The dividend payment date has been set for March 12, 2026.

What is the dividend history for Novartis shares?

The Novartis AG Board of Directors proposed a dividend of CHF 3.70 per share to be approved at the Annual General Meeting on March 06, 2026.

[Learn more about dividend information](#)

What is the new cost basis of my Novartis and Alcon shares following the spin-off of Alcon from Novartis?

Information about allocation of tax basis for U.S. holders may be found in the [Form 8937: Basis of Securities \(PDF 0.1 MB\)](#). With regard to non-U.S. holders, please note that the allocation of tax basis for Novartis and Alcon shares following the spin-off depend on the applicable local tax provisions and each shareholder's individual circumstances. Accordingly, all shareholders and ADR holders are asked to consult their own tax advisor regarding the tax basis allocation calculations.

What are the income tax implications to Canadian shareholders due to the Alcon spin-off?

The following documents include the Finance Canada and Canada Revenue Agency comfort letter, Canada income tax guidelines and tax election letters related to the Alcon Spin-off for Canadian resident shareholders:

[Canada Income Tax Alcon Spin-off FAQ - English \(PDF 0.1 MB\)](#)

[Canada Income Tax Alcon Spin-off FAQ- French \(PDF 0.1 MB\)](#)

[Department of Finance Canada Comfort Letter \(PDF 0.1 MB\)](#)

[Download the Canada and Quebec Tax Election Example Letters \(ZIP 0.1 MB\)](#)

What is the amount and timing of the next dividend payment?

The Novartis Board of Directors will propose a dividend of CHF 3.70 per share to the shareholders for approval at the Annual General Meeting to be held on March 06, 2026.

If this proposal is approved, the dividend to ordinary shareholders will be paid as from March 12, 2026. The last trading day for ordinary shareholders with entitlement to receive the dividend is March 09, 2026. As from March 10, 2026, the ordinary shares will be traded ex-dividend.

Novartis's dividend to ADR holders will be paid in two stages. The first payment will be equal to 65% of the payout, payable on March 16, 2026. Those holders reclaiming withholding tax will receive a second payment once the reclaim process is completed.

Is the dividend on the Novartis ordinary share and the Novartis ADR the same?

Yes, however, since ADR holders will receive their dividend in US dollars, the amount received will be impacted by currency exchange rates. An estimate of the amount of the US dollar dividend for the ADR will be calculated on the day of the dividend announcement based on that day's exchange rates. The actual exchange rate applicable to the first payment equal to 65% of the payout will be determined on March 11, 2026.

Novartis's dividend to ADR holders will be paid in two stages. The first payment will be equal to 65% of the payout, payable on March 16, 2026. Those holders reclaiming withholding tax will receive a second payment once the reclaim process is completed.

Will the FX rate announced for the ADRs change between the preliminary announcement and the ADR payment date?

Yes, the preliminary announcement only provides an estimated rate based on a current FX rate. The actual exchange rate will be determined on March 11, 2026.

When will the remainder of the funds be converted and paid to the ADR holders?

The remainder of the funds due to ADR holders will be converted into US dollars by J.P. Morgan only after a tax reclaim has been completed and once any such reclaimed funds have been received by J.P. Morgan from the Swiss Tax Authorities. Once the funds are received and converted into US dollars at the then prevailing exchange rate, a payment will be made shortly thereafter to any ADR holders entitled thereto. From previous years, we can expect tax reclaim funds to be distributed to ADR holders six to seven weeks after the Swiss payment date.

Will the entire dividend amount be converted into US dollars on the ADR payment date of March 16, 2026?

The 65% of the dividend paid on the ADR payment date of March 16, 2026, will be converted at the exchange rate determined on March 11, 2026. Any reclaimed withholding tax will be converted into US dollars by J.P. Morgan only after a tax reclaim has been completed and once any such reclaimed funds have been received by J.P. Morgan from the Swiss Tax Authorities. Once the funds are received, they are converted into US dollars at the then prevailing exchange rate.

Why is there a difference between the ADR and Ordinary share dividend payment dates?

The payment date for ADR holders is later than for ordinary shareholders because J.P. Morgan must complete several processes before distributing the dividend to ADR holders. For 2026, ADR holders will receive the first payment on March 16, 2026.

Why can't J.P. Morgan receive all of the funds on the ADR payment date?

The Swiss Tax Authorities require that a tax reclaim be completed prior to each payment for any amounts due above and beyond the non-treaty amount. Investors must certify and elect their entitlement and provide necessary disclosure documentation as required by the treaty between the US and Switzerland based upon their tax status.

Why does it take so long to get the reclaim funds back from the Swiss Tax Authorities?

Holders of ADRs entitled to receive the dividend at a treaty rate are not able to elect until after the ADR record date which is just one (1) day prior to the Swiss payment date. Eligible holders of ADRs are given 10 days to complete and submit their election. Once any reclaims are submitted to the Swiss Tax Authorities it takes approximately 15 days for such authorities to process the reclaim.

Will another announcement be made once the tax reclaim funds are received?

No, the funds will be converted and paid to the holders.

How does the tax reclaim process work?

There is a process for banks and brokers within Depositary Trust Company to elect their clients' correct tax status electronically and to provide documentation on behalf of their clients. J.P. Morgan elects on behalf of registered holders based upon their tax status. Please contact J.P. Morgan / Globe Tax, Inc., New York at +1 212 747 9100 (International), +1 800 929 5484 (US) or email SwitzerlandESP@globetax.com for further questions.

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