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Novartis announces change in Sandoz leadership

- *Richard Francis, CEO Sandoz, to step down on March 31, 2019*
- *Francesco Balestrieri, Head Region Europe, Sandoz, appointed ad-interim CEO Sandoz*

Basel, March 14, 2019 - Novartis announced today that Richard Francis will be stepping down as CEO of Sandoz, a Novartis division, and as a member of the Executive Committee of Novartis on March 31, 2019. Francesco Balestrieri, currently Region Head Europe, Sandoz, has been appointed ad-interim CEO Sandoz. He will report to Vas Narasimhan, CEO, Novartis.

Vas Narasimhan said; "I would like to thank Richard for his strong leadership of Sandoz over the past five years. During his tenure, Sandoz has consolidated its position as a global leader in Biosimilars and he and his team have successfully navigated the business through changing market dynamics and challenging headwinds in the US. Now, as we initiate a multi-year transformation program for the business and move to make it more autonomous, Richard has decided that for personal reasons he cannot commit to stay with Sandoz until the transformation is completed. I understand his decision and wish him the very best for the future."

Regarding his decision to step down, Richard said; "The past five years have been immensely satisfying and rewarding. I am very proud of what we have achieved as a team. Together, we have expanded access to medicines across the world and reached many millions of patients. In particular, we have successfully launched five biosimilar products. As we announced earlier this year, Sandoz is embarking on a significant transformation. While I am excited by this, I realize that this is a multi-year journey which I cannot commit to and therefore have decided that now is the right time to step down."

Francesco Balestrieri has spent the last eight years running commercial operations in Generics, most recently as Region Head Sandoz Europe which represents half of the Sandoz' global sales and organization. Francesco, who has been with Novartis for 25 years, brings a deep understanding of the global Generics business and our full value chain. Prior to Sandoz, Francesco held various leadership positions at Ciba Vision including as Head of Ciba Vision US. He holds a Master of Business Administration from the University of Venice.

Vas Narasimhan added; "I would like to thank Francesco for stepping up to take on this role. His leadership approach and business experience will be of great importance as we continue the Sandoz transformation."

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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 "to step down," "appointed," "will," "initiate," "multi-year," "move to," "embarking," "continue," or similar expressions, or by express or implied

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