### Part I Reporting Issuer

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Issuer's name</td>
</tr>
<tr>
<td>2</td>
<td>Issuer's employer identification number (EIN)</td>
</tr>
<tr>
<td>3</td>
<td>Name of contact for additional information</td>
</tr>
<tr>
<td>4</td>
<td>Telephone No. of contact</td>
</tr>
<tr>
<td>5</td>
<td>Email address of contact</td>
</tr>
<tr>
<td>6</td>
<td>Number and street (or P.O. box if mail is not delivered to street address) of contact</td>
</tr>
<tr>
<td>7</td>
<td>City, town, or post office, state, and ZIP code of contact</td>
</tr>
<tr>
<td>8</td>
<td>Date of action</td>
</tr>
<tr>
<td>9</td>
<td>Classification and description</td>
</tr>
<tr>
<td>10</td>
<td>CUSIP number</td>
</tr>
<tr>
<td>11</td>
<td>Serial number(s)</td>
</tr>
<tr>
<td>12</td>
<td>Ticker symbol</td>
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<tr>
<td>13</td>
<td>Account number(s)</td>
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</tbody>
</table>

### Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action:  See attachment

15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis:  See attachment

16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates:  See attachment
Part II  Organizational Action (continued)

17  List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►  See attachment

18  Can any resulting loss be recognized? ►  See attachment

19  Provide any other information necessary to implement the adjustment, such as the reportable tax year ►  See attachment

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

/s/Peter Schreiner      /s/ Daniel Weiss
Signature              Signature
Date                   Date

Print your name ► Peter Schreiner / Daniel Weiss
Title ► Head of Tax / Deputy Group Treasurer

Paid Preparer Use Only
Print/Type preparer’s name    Preparer’s signature    Date
Check if self-employed
Firm’s name ►
Firm’s address ►
Firm’s EIN ►
Phone no.

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054
Novartis AG  
Attachment to Form 8937, Part II  
Report of Organizational Actions Affecting Basis of Securities

Part II, Question 14

On April 9, 2019, Novartis AG (“Novartis”) distributed 100% of the ordinary shares of Alcon Inc. (“Alcon”) to the holders of Novartis Shares (the “Distribution”). In the Distribution, each holder of Novartis Shares received 1 Alcon ordinary share for every 5 Novartis Shares. As used herein, “Novartis Shares” refers to Novartis ordinary shares or Novartis American Depositary Receipts (“ADRs”).

Part II, Question 15

See response to Question 16.

Part II, Question 16

The aggregate tax basis of the Novartis Shares and Alcon ordinary shares held by each holder immediately after the Distribution will be the same as the aggregate tax basis of the Novartis Shares held immediately before the Distribution, allocated between the Novartis Shares and the Alcon ordinary shares in proportion to their relative fair market values on the date of the Distribution.

There are a number of ways to determine the fair market value of Novartis Shares and Alcon ordinary shares. The allocation described below is based on the closing trading price on the New York Stock Exchange of Novartis ADRs and Alcon ordinary shares on April 9, 2019. Other valuation methodologies may exist, however, and we urge you to consult your own tax advisor regarding these basis allocation calculations.

The following example illustrates the tax basis allocation. Assume a shareholder held 100 Novartis Shares, acquired before the Distribution for $50/share, for an aggregate tax basis of $5,000. In the Distribution, such shareholder received 20 Alcon Ordinary Shares. Tax basis would be allocated as follows:

<table>
<thead>
<tr>
<th>Number of Shares</th>
<th>Closing Price on 4/9/2019</th>
<th>FMV of Shares Post Distribution</th>
<th>Percentage of Total FMV</th>
<th>Allocated Tax Basis</th>
<th>Allocated Tax Basis Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Novartis Shares</td>
<td>100</td>
<td>$83.41</td>
<td>$8,341.00</td>
<td>87.7834%</td>
<td>$4,389.17</td>
</tr>
<tr>
<td>Alcon ordinary shares</td>
<td>20</td>
<td>$58.04</td>
<td>$1,160.80</td>
<td>12.2166%</td>
<td>$610.83</td>
</tr>
</tbody>
</table>

Novartis shareholders who acquired blocks of Novartis Shares at different times or at different prices should perform the foregoing allocation separately with respect to each

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1 The Distribution may be reported to some holders as occurring on April 8, 2019.
such block of Novartis Shares. Such holders should consult their own tax advisors in performing the foregoing allocation with respect to such blocks of Novartis Shares.

**Part II, Question 17**

Sections 355 and 358.

**Part II, Question 18**

No, except with respect to cash received in lieu of fractional shares.

**Part II, Question 19**

The Distribution occurred in calendar year 2019.

The foregoing discussion is not a complete analysis or discussion of all the potential tax consequences of the Distribution. Please consult your own tax advisors as to the specific tax consequences to you of the Distribution, including tax return reporting requirements and the applicability and effect of U.S. federal, state, local and foreign income and other tax laws in light of your particular circumstances.