Public Interest Incorporated Foundation

The NOVARTIS Foundation (Japan) for the Promotion of Science

Business Report & Financial Statements

Fiscal 2025 (April 1, 2025 - March 31, 2026)

The Foundation was established on September 4, 1987, with the authorization of the Minister of Education, and transitioned to a Public Interest Incorporated Foundation on April 1, 2012, under the approval of the Cabinet Office.
Since its establishment, the Foundation has continuously conducted public interest activities, and the business report, administrative overview, and financial statements for fiscal year 2025 are as follows.

I. Business Situations

1. The 39th Novartis Research Grant

The purpose of the grant is to support creative research conducted in Japan in the fields of biological and life sciences and related chemistry and information science. We requested nominations from 628 persons, including the heads of national, public and private universities, research institutes and affiliated hospitals, as well as trustees and councilors of the Foundation, and received 274 nominations. The Selection Committee selected 35 candidates (plus two runners-up), and the Board of Trustees made the decision. (adoption ratio: 7.8 times) Each recipient will receive 1 million yen, with a total grant amount of 35 million yen to be awarded on May 25, 2026. The recipients are as listed in the attachment.

2. Research Meeting Grant

The purpose of the grant is to support research meetings of international interest held in Japan in the fields of biological and life sciences and related chemistry and information science.

FY2025 Meeting: Five candidates (one runner-up) were selected by the Selection Committee from 19 applications, and the decision was made by the Board of Trustees (adoption ratio: 3.8 times). Each recipient will receive 0.4 million yen, with a total amount of 2 million yen to be awarded on May 25, 2026. The recipients are as listed in the attachment.

3. Annual Report Publication

We have prepared an annual report to expand our understanding of and support for foundation activities. The book of annual reports was distributed to the recipients of the FY2023 grant and posted on the website. The annual reports include the report on the achievements of the FY2023 research grants recipients, the report on the 2023 research meetings, and the status of the foundation's activities.

II. General Affairs Overview

1. Trustees, Auditors, Councilors and Selection Committee members

The list of Trustees, Auditors, Councilors and Selection Committee members as of September 15, 2025 is on a separate page.

2. Meetings of the Foundation (Board Meeting of Trustees, Board Meeting of Councilors and Grant Selection Committee)

1) 39th Board of Trustees Meeting (May 19, 2025) at Daiichi Hotel Tokyo "Cosmos"

Number of Trustees 5 (Quorum: 3): Attendees: 4 Trustees, 2 Auditors

Proposal 1: Business Report and Settlement of Accounts for FY2024 (Approval of the original proposal)

Proposal 2: Resignation and appointment of selection committee members for FY2025 (Resolved and approved)

Proposal 3: Confirm the application guidelines for Novartis Research Grant and Research Meetings for FY2025

Proposal 4: Convening of the 19th Meeting of the Board of Councilors

Report items: Report on the execution of duties by the Representative Trustee, and Status Report on the results and achievements of the Research Grants and Research Meetings

2) 19th Meeting of the Board of Councilors (June 16, 2025) at AP Shimbashi "Room J"

Number of Councilors: 10 (Quorum: 6): 9 Councilors in attendance

Proposal 1: Election of Signatories to the Minutes (Approval of the original proposal)

Proposal 2: Business Report and Settlement of Accounts for FY2025 (Approval of the original)

Report items: -Business Plan and Budget for FY2025
-Retirement and election of selection committee members;
-The Application Guidelines for the 39th Novartis Res Grants and Res Meeting,
- Establishment of the "Regulations on the Protection of Personal Information" and the "Regulations on the Protection of Specific Personal Information"
-Relocation of the Foundation's Website
-Publication Status of the FY2021-FY2023 Novartis Research Grants,

3) 14th Selection Committee Meeting (December 18, 2025) at Daiichi Hotel Tokyo "Flora"

Number of Selection Committee members: 18 (Quorum: 10): 9 members in attendance (Eight members submitted their written consent in advance.

Agenda 1: Selection of the 39th Novartis Research Grants for FY2025 (35 grants and 2 alternates were selected)

Agenda 2: Selection of Research Meeting Grants for FY2025 (5 grants and 1 runner-up selected)

4) 40th Board of Trustees Meeting (February 16, 2026) at Daiichi Hotel Tokyo "Cosmos"

Number of Trustees 5 (Quorum: 3): Attendees: 5 Trustees, 2 Auditors

Proposal 1: Determination of recipients of the 39th Novartis Research Grants and Meeting Grants for FY2025 (Approval of the original proposal)

Proposal 2: Business plan and budget for FY2026 (Approval of original proposal)
Proposal 3: Renewal of the designated institutions of the Novartis Research Grants for FY2026 (Approval of the original proposal)

Proposal 4: Election Policy for Selection Committee Members for FY2026
Proposal 5: Handling of Indirect Costs (Overhead) at Certain Universities
Proposal 6: Operational Policy for "Recommendation Mediation" for Research Grant Applications Submitted Outside the Designated Recommending Institutions
Proposal 7: Convocation of the 20th Extraordinary Councilors' Meeting
Report: Report on the status of execution of duties by Representative Trustee.

5) 20th Meeting of the Board of Councilors (February 26, 2026)

Omission of Resolution (Written Consent Procedure)

Number of Councilors: 10, Number of Councilors in Agreement: All 10

Matters Deemed Resolved:

Proposal 1: Sale of "Mizuho Financial Group Subordinated Bonds (12th Issue)" among Other Investment Securities
Proposal 2: Sale of "Mitsubishi UFJ Financial Group Subordinated Bonds (26th Issue)" among Other Investment Securities
Proposal 3: At Maturity (December 2026), "SG Issuer Credit-Linked Bonds" held as Basic Assets will not be reinvested and will be converted into cash

3. Matters related to donations

The Foundation received a general donation of 40 million yen from Novartis Pharma K.K., for a total of 40 million yen.

III. Financial statement (FY2025)

Ordinary income includes 13.25 million yen and 0.73 million yen from the management of basic assets and other assets, respectively, and 40 million yen from donations, for a total ordinary income of 53.98 million yen.

53.65 million yen in operating expenses and 6.32 million yen in administrative expenses.

The total ordinary expenses were 59.97 million yen.

Operating expenses accounted for 89.4% of recurring expenses, and subsidies of 36.60 million yen accounted for 68.2% of operating expenses.

Total net assets for the period totaled 1,161.63 million yen, a decrease of 5.98 million yen from the previous period.

The Foundation did not raise any funds (borrowing) in FY2025.

In terms of capital investment, 1.02 million yen in outsourcing expenses for the Foundation's website relocation cost.