

Public Interest Incorporated Foundation
The NOVARTIS Foundation (Japan) for the Promotion of Science
Business Report & Financial Statements

Fiscal 2021 (35th fiscal year) (April 1, 2021 - March 31, 2022)

The Foundation was established on September 4, 1987 with the approval of the Minister of Education and Culture, and was converted to a public interest foundation on April 1, 2012 with the approval of the Cabinet Office. Since its establishment, the Foundation has been providing public service to the public, and the current status of its operations, general affairs and accounts for fiscal year 2021 (the 35th fiscal year) are as follows

I. Business Situations

1. The 35th 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 of candidates from 622 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 269 nominations. The Selection Committee selected 40 candidates (plus two runners-up), and the Board of Trustees made the decision. A total of 40 million yen will be awarded in April and May 2022, with each award amounting to 1 million yen. The ratio of adoption was 6.7 times.

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.

FY2021 Meeting : Five candidates (one runner-up) were selected by the Selection Committee from 17 applications, and the decision was made by the Board of Trustees (adoption ratio: 3.4 times). The recipients will receive 400,000 yen each, for a total of 2 million yen, in April or May 2022.

3. BioCamp cosponsored

The workshop was held jointly with Novartis Pharma K.K. in July every year for the purpose of fostering global human resources in the biotechnology field, but was not held in FY2021 due to the business plan of Novartis Pharma K.K., the organizer, and the impact of the new coronavirus.

4. Annual Report Publication

In order to broaden understanding and support for the Foundation's activities, 145 CD copies and 43 books of the annual report were prepared, and distributed to grant recipients and related parties. The annual report included reports on the results of the 33rd (2019) research grant recipients, reports on the 2019 research meetings, and the status of the Foundation's activities, and was also posted on the website for public access.

II. General Affairs Overview

1. Trustees, Auditors, Councilors and Selection Committee members

The list of Trustees, Auditors, Councilors and Selection Committee members as of May 1, 2022 is on a separate page.

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

1) 28th Board of Directors Meeting (May 19, 2021) Conducted via online meeting

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

Proposal 1: Business Report and Settlement of Accounts for FY2020 (Approval of the original proposal)

Proposal 2: Resignation and appointment of selection committee members for FY2021 (Resolved and approved 8 resignations, 8 replacements, and 6 reappointments)

Proposal 3: Renewal of nominations for research grant applications for FY2021

Proposal 4: Discussion on the establishment of the 35th Novartis Research Grants Priority Proposals

Proposal 5: Revision of the "Operating Rules of the Selection Committee" (remuneration, etc.)

Approval of the original proposal

Proposal 6: Convening of the 14th Meeting of the Board of Councilors (Approval of the original proposal)

1) Matters to be reported: 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) 14th Meeting of the Board of Councilors (June 10, 2021) Conducted via online meeting

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

Proposal 1: Election of Chairperson of the Board of Councilors (Approved)

Proposal 2: Business Report and Settlement of Accounts for FY2020 (Approval of the original proposal)

Proposal 3: Election of Signatories to the Minutes (Approval of the original proposal)

Report: Business Plan and Budget for FY2021 • Retirement and election of selection committee members; • The 35th Novartis Research Fellowship for Priority Research Areas, and other matters to be noted, Rules of the Selection Committee (Remuneration for the Chairman of the Selection Committee), Results of the 31st-33rd Results of the 31st-33rd Research Scholarship Grants

3) Tenth Selection Committee Meeting (December 14, 2021) Conducted via online meeting

Number of Selection Committee members: 20 (Quorum: 11): 20 Voting Selection Committee members

Agenda 1: Selection of the 35th Novartis Research Fellowships for FY2021 (36 grants and 5 alternates were selected)

Agenda 2: Selection of research meeting grants for fiscal year 2021 (5 grants and 1 runner-up selected)

4) 29th Board of Trustees Meeting (Online meeting held on February 14, 2022)

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

Proposal 1: Determination of recipients of the 35th Research Grants and Meeting Grants for FY2021 (Approval of the original proposal)

Proposal 2: Business plan and budget for FY2022 (Approval of original proposal)

Proposal 3: Recommendation of persons related to the Foundation to apply for research grants

Proposal 4: Renewal of the designated institutions of the research grants for fiscal year 2022 (Approval of the original proposal)

Proposal 5: Election Policy for Selection Committee Members for FY2022 (Approval of original proposal)

Report: on the status of execution of duties by the Representative Trustee.

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 (FY 2021)

Ordinary income includes 14.87 million yen and 5.56 million yen from the management of basic assets and other assets, respectively, and 40 million yen from donations, for a total ordinary income of 50 million yen.

The total ordinary income was 55.55 million yen, including 14.87 million yen and 560,000 yen from the investment of basic assets and other assets, respectively, and 40 million yen in donations. The total ordinary expenses were 50.73 million yen in operating expenses and 2.96 million yen in administrative expenses, for a total ordinary expense of 55.55 million yen.

The total of ordinary expenses was 53.69 million yen. Operating expenses accounted for 94.5% of recurring expenses, and subsidies of 42 million yen accounted for 82.8% of operating expenses.

The operating expenses were in the red by 0.5 million yen.

Total net assets for the period totaled 1,162.14 million yen, an increase of 1.74 million yen from the previous period.

IV. Attached Documents

Omitted here.

The Foundation did not raise funds (borrowing) or make any capital investments in fiscal 2021.