

MEDIA & INVESTOR RELEASE

Sandoz collaborates with Civica Rx to help reduce critical generic medicine shortages in US hospitals

- *Sandoz to provide six injectable medicines used in acute care settings to help ensure supply reliability for optimal patient care*
- *Securing reliable supply of and access to these high-quality medicines will help ensure fewer shortages and interruptions for patients requiring critical medicines*
- *As a worldwide leader in generic and biosimilar medicines, Sandoz is committed to supporting efforts to deliver vital generic medicines to patients*

Princeton, New Jersey, July 7, 2020 — Sandoz Inc. today announced it has entered into a long-term agreement with Civica Rx (Civica, Inc.) to manufacture and supply critical injectable generic medicines, to help reduce supply shortages and ensure acute care settings can deliver optimal patient care.

Under the five-year agreement, Sandoz will supply six injectable medicines widely used at Civica's 1,200 US member hospitals, to help ensure patients have access to high-quality, critical medicines when needed. These include antibiotics, acid reducers, blood thinners, blood pressure regulators and medicines required in the operating room. Initial supply is expected to begin shipping to Civica later this year.

"Frequent supply shortages of critical generic medicines result in additional pressure for hospitals and their staff and often lead to sub-optimal patient care. Our partnership with Civica is delivering on a shared purpose to help ensure patient access to critical, high-quality medicines for years to come," said Carol Lynch, President, Sandoz Inc.

"Our associates are inspired every day to deliver on this purpose, even more so during this time of increased demand due to the global healthcare crisis."

In a survey of 700-plus hospital pharmacy managers conducted in 2018, 70% said that, on at least 50 occasions in the prior year, they were unable to provide hospitals with medicines needed to treat their patients because of shortages¹.

With collaborations like Civica, where Sandoz has long-term contracts with pre-committed orders, it can better predict supply requirements for those medicines in order to sustainably deliver them to customers and patients.

"With Sandoz by our side, we will be able to stabilize the supply of more vital medicines used in hospitals daily and in times of crisis," said Martin VanTrieste, President and CEO of Civica Rx. "Sandoz brings over 100 years of experience to Civica's mission and is a trusted leader in the generic drug industry with a reputation for exceptional supply reliability. We are proud to partner with Sandoz to ensure doctors, nurses and pharmacists have the medicines they need for essential patient care."

Civica is a non-profit organization committed to making quality generic medicines available and affordable to its hospital members, which to date include more than 50 health systems, representing 1,200 hospitals and more than 30 percent of all licensed US hospital beds.

Disclaimer

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 “potential,” “can,” “will,” “plan,” “expect,” “anticipate,” “look forward,” “believe,” “committed,” “investigational,” “pipeline,” “launch,” “to provide,” “to deliver,” “to ensure,” or similar terms, or by express or implied discussions regarding potential future revenues from the products described in this press release, or discussions regarding the manufacture and supply of critical injectable generic products to help reduce supply shortages in acute care settings. You should not place undue reliance on these statements. Such forward-looking statements are based on our current beliefs and expectations regarding future events, and are subject to significant known and unknown risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements. There can be no guarantee that the products described in this press release will be commercially successful in the future. Nor can there be any guarantee that the activities and efforts described in this release, including the collaboration with Civica Rx, will achieve any or all of its intended goals, or succeed, in the expected time frame or at all. In particular, our expectations regarding such products and the collaboration with Civica Rx could be affected by, among other things, the uncertainties inherent in research and development, including clinical trial results and additional analysis of existing clinical data; regulatory actions or delays or government regulation generally; the particular prescribing preferences of physicians and patients; competition in general, including potential approval of additional generic or biosimilar versions of such products; global trends toward health care cost containment, including government, payor and general public pricing and reimbursement pressures and requirements for increased pricing transparency; litigation outcomes, including intellectual property disputes or other legal efforts to prevent or limit Sandoz from selling its products; general political, economic and business conditions, including the effects of and efforts to mitigate pandemic diseases such as COVID-19; safety, quality, data integrity or manufacturing issues; potential or actual data security and data privacy breaches, or disruptions of our information technology systems, and other risks and factors referred to in Novartis AG’s current Form 20-F on file with the US Securities and Exchange Commission. Novartis is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

About Sandoz

Sandoz, a Novartis division, is a global leader in generic pharmaceuticals and biosimilars. Our purpose is to pioneer access for patients by developing and commercializing novel, affordable approaches that address unmet medical needs. Our ambition is to be the world’s leading and most valued generics company. Our broad portfolio of high-quality medicines, covering all major therapeutic areas, accounted for 2019 sales of USD 9.7 billion. Sandoz is headquartered in Holzkirchen, in Germany’s Greater Munich area.

Sandoz is on Twitter. Sign up to follow @Sandoz_global at http://twitter.com/Sandoz_Global

References

1. *JAMA Intern Med.* 2019;179(5):710-711. doi:10.1001/jamainternmed.2018.8251

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