



Novartis Procure-to-Pay Onboarding Package

Contact P2P Solution Center:

rtp.customercare@novartis.com

862-778-4241

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We are pleased to welcome you as a new valued Partner to Novartis. This letter is intended to assist you in understanding our policies and procedures for ensuring timely payment of your invoices.

Procure to Pay (P2P) overview

Our Procure to Pay Process

The Procure to Pay process starts with the creation of a Purchase Order (PO) and ends with the payment of the invoice. Adherence to the following procedures will facilitate on-time payment of your invoices and will ensure compliance with financial and Sarbanes-Oxley requirements.

How does Novartis operate its Procure to Pay Process?

For US Novartis Company Codes, Procure to Pay is a process, which handles supplier invoices and supports the end-to-end processes. Payments are regularly paid from one of our 2 In house bank accounts:

- Novartis Finance Co is our local In House bank meaning the payment was executed from USA in USD.
- Novartis Investments S.A.R.L is the global In House Bank meaning the payment was executed from any other country besides USA in USD or that your payment is in a foreign currency.

More detailed end-to-end Procure to Pay Process

PURCHASE ORDER

A Purchase Order is a document that is issued by Novartis to a Supplier, indicating types, quantities, and agreed prices for products or services. In P2P, a Purchase Order is automatically generated after a Shopping Cart is fully approved. A PO is a commitment from Novartis to pay a supplier upon agreed terms mentioned at the PO confirmation and once delivery of goods/services has been confirmed/recorded.

PROOF OF DELIVERY FOR GOODS/SERVICES

If you are required to provide proof of delivery for any goods or services, please ensure these are communicated to your local business contact prior to invoice generation, in order to avoid any payment delay.

Examples of proof of delivery include time sheets, delivery notes and work schedules.

INVOICE PROCESSING

Novartis offers two invoice processing options:

- 1 Ariba Network – an e-invoicing platform which allows our partners to benefit from:
 - Secure and guaranteed invoice delivery
 - Timely payment ensured by cost-efficient end-to-end process
 - Environment friendly solution (paperless)
- 2 Scanning Center

PAYMENT STATUS

Invoices are paid within the agreed payment terms outlined in your Purchase Order and they are calculated from the date when invoice was received in our mailroom. To ensure proper payment, please provide your full bank data containing

Bank account holder name

Bank name

Bank address

Bank account

IBAN (wherever mandatory)

Bank code/branch code

SWIFT

ABA number (mandatory for USA)

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PO confirmation details



The PO confirmation is delivered to every supplier and for every single PO. The method of communication is the one stated at the supplier creation process being e-mail, fax or directly from Ariba Network.

Whenever a non-Ariba PO is created, the following form will be sent to you:

NOVARTIS

Purchase Order: 300XXXXXX

SupplierAddress: Company Name Street, City Country	InvoicingAddress: <Novartis company> One Health Plaza PO Box 1951 East Hanover NJ 07936-9946 USA Ariba Vendors: Submit invoices in your Portal. Not sure if Ariba enabled? rtp.customercare@novartis.com / +18662403191 Email: invoices.usa@novartis.com
Issued Date:xx.xx.xxxx	PAYMENT TERMS:
Ship to: <Novartiscompany> Novartis contact name Street, City Country	Delivery to: <User name> Email: <User email> Internal Location: Tel: Creator: Email: Tel

#	Description	UOM	Quantity	Unit Price	Extended Amount	Delivery Date	Taxable
1	Good/Service A	EA	1.00	10.00	10.00	DD/MM/YYYY	Y/N
2	Good/Service B	EA	3.00	11.00	33.00		Y/N
Total:							43.00 (currency)

Terms and Conditions

By accepting this PO the supplier agrees to the Terms and Conditions located at:
<http://supplierconnect.novartispharma.com/info/standard-terms-conditions.jsp>

Shipping Instructions

- 1.Furnish Itemized Packing Slip with each Shipment
- 2.A bill of lading must accompany each shipment
- 3.Each container must show the following or shipment may be refused

a.Buyers Purchase Order Number
 b.Supplier Company Name

Invoice Instructions

- 1.Purchase Order Number must appear on all Invoices
- 2.All applicable taxes extra
- 3.Supplier Tax Id

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INVOICE MUST REFERENCE PO#

INVOICE MUST REFERENCE INVOICING ADDRESS

PAYMENT TERMS

DELIVERY ADDRESS

INVOICE MUST REFERENCE LINE ITEMS

LEGAL TERMS AND CONDITIONS

SHIPPING AND INVOICE INSTRUCTIONS


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Supplier Address: Company Name Street, City Country	Invoicing Address: <Novartis company> One Health Plaza PO Box 1951 East Hanover NJ 07936-9946 USA Ariba Vendors: Submit invoices in your Portal. Not sure if Ariba enabled? rtp.customercare@novartis.com / +18662403191 Email: invoices.usa@novartis.com
Issued Date: xx.xx.xxxx	PAYMENT TERMS:
Ship to: <Novartis company> Novartis contact name Street, City Country	Delivery to: <User name> Email: <User email> Internal Location: Tel:

#	Description	UOM	Quantity	Unit Price	Extended Amount	Delivery Date	Taxable
1	Good/service A	EA	1.00	10.00	10.00	DD/MM/YYYY	YN
2	Good/service B	EA	3.00	11.00	33.00		YN
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SHIPPING AND INVOICE INSTRUCTIONS

Invoice Requirements



To ensure timely processing and payment of invoices, please include the following data in your invoice:

Invoice								DOCUMENT TYPE
Invoice no. XXX				Invoice date: xx.xx.xxxx				INVOICE NUMBER AND DATE
Vendor: Company name Company address Postal code, Country VAT registration no.				Purchase Order/ Cost Object*/ Novartis employee name				PO, CC OR NOVARTIS EMPLOYEE NAME
Invoicing: Company name Address: Company address Country VAT registration no.				Delivery address: Delivery address Country				ALL MANDATORY ADDRESSES
Item no.	Description	Qty	Unit price	Net amount	Tax%	Tax amount	Gross Amount	LINE ITEM DETAILS FROM PO CONFIRMATION INCLUDING TAX INFORMATION
1	Good/service A	0.00	0.00	0.00	2%	0.00	0.00	
2	Good/service B	0.00	0.00	0.00	2%	0.00	0.00	
TOTAL				0.00		0.00	0.00	
To be paid: 0.00 CURRENCY: XXX								BILLING CURRENCY
Bank account: IBANXXXXXXXXXX								BANK DETAILS TO ENABLE PAYMENT
Delivery date								MANDATORY IF DELIVERY DATE IS DIFFERENT FROM INVOICE DATE
*Cost Object: Cost Center/Project code WBS/Internal Order								

Invoicing guidelines

To ensure the smooth receipt, processing and payment of Invoices, please observe the following requirements.

Novartis company name

- Novartis Pharmaceuticals Corp. (U014)
- Sandoz, Inc. (U023)
- Novartis Finance Corp. (U100)
- Novartis Services, Inc. (U061)
- Novartis Institutes for BioMedical Research, Inc. (U175)
- Novartis Technology, LLC (U483)
- Oriel Therapeutics, Inc. (U327)
- Fougera Pharmaceuticals, Inc. (U367)
- Eon Labs, Inc. (U220)

Invoice content

- PO Line Number and Amount Allocation
- Federal Tax ID Number
- Include a VALID, CURRENT PO #
- Novartis Contact Name
- One Invoice per PDF.
- No links to other websites (ex: to download invoices.)
- No more than 5 attachments per email or 20 MB.
- Only PDF attachments (Approvals, coding, notes must be within PDF.)
- Documents should be scanned with 300 dpi.

Recommended: Have the Vendor email the box directly and copy Novartis Contact

Invoices which do not have required information are subject to rejection.

Returning an invoice

Why was my invoice sent back?

Invoices may be sent back to you for multiple reasons. The most common reasons for returned invoices are the following:

- PO number is missing or invalid/Cost object or Novartis contact employee name is missing
- PO referenced on the invoice is closed
- Address is wrong/wrong Novartis company code

Non-acceptable invoice types:

- Quotes
- Estimates
- Proforma invoices

What is the invoice rejection process?

Invoices are reviewed by our processing team for compliance check with the Novartis defined Invoicing guidelines and, based on this review the invoice may be rejected for the reasons referenced previously.

A notification is sent to the supplier via post or e-mail informing that the invoice is rejected due to one of the referenced reasons with a request to correct the invoice and resend for processing/payment.

Once new, correct invoice is received, it will be posted and paid according to due date. Payment terms are calculated based on invoice receipt date at Novartis mailroom.

How can I avoid the rejection of invoices?

The majority of the rejection causes may be avoided with the implementation of the [Ariba Network](#) solution.

By using it the hard data of the invoice is filled by the system, avoiding the chance of human error. The PO details are checked against the invoice details. Only correct invoices can be processed.

The major benefit is the reduction of invoice processing cycle time supporting timely payments.

Another requirement is to follow all the indications mentioned in the [invoicing guidelines](#) and PO confirmation.

Communication sent by Novartis

Remittance advice

A remittance advice includes the list of all invoices that were included in the latest payment. We provide you with:



- An invoice number
- The amount
- The payment date

Invoice submission options

Two channels are available for submitting invoices:



PDF Mailbox

Pharma mailbox
(invoices.usa@novartis.com)

Sandoz mailbox
(invoices.p2pus@novartis.com)



Ariba Network
(e-invoicing solution)

How Ariba Network works

We are committed to ensuring that we provide not only timely and efficient payment processing for goods and services to all our suppliers, but that we do this whilst supporting our drive towards environmental sustainability through the adoption of e-solutions.

What is Ariba Network?

- It is an online platform, that enables exchange of legally compliant electronic orders and invoices between Novartis and our suppliers.
- E-Invoices have legal validity and can be used to prove compliance or as tax originals (the interface does not use or require paper-based invoices).
- The e-invoice is delivered to Novartis as an image and a data file, ensuring a fully automated end-to-end process.

Note: For the above reasons, a PDF copy of the invoice is not regarded as a true “electronic invoice”.



What are the main benefits of the Ariba Network solution?

The Ariba Network enables the electronic PO and invoice transmission.

The purchase orders are sent by Novartis to the supplier and the invoices are transmitted by the supplier to Novartis through the Ariba Network. The invoices are transferred to Novartis accounting systems, where they are processed and posted.

- *Lower risk of delayed payment thanks to instant invoice delivery*
- *High paid-on-time rate by decreasing invoice processing time*
- *Full visibility on orders, invoices and payment status*
- *Fully compliant electronic invoices that can be used as tax original*
- *Invoice delivery is guaranteed and confirmed, allowing full visibility as part of an end-to- end process*
- *Elimination of invoice exceptions and supplier inquires*
- *Elimination of costs associated with the processing of paper invoices (postal stamps, envelopes, printing)*
- *Environmentally friendly*
- *Invoice data is digitally archived, saving time and space*
- *Opportunity to use the same e-invoicing solution across multiple Novartis entities*

How to get onboarded to Ariba

1. Visit supplier.ariba.com, click on Register Now and complete the registration
2. Once registered you will receive your Ariba Network ID (ANID), which you will need to share it to Novartis at : contact.elink@novartis.com, and we will make sure to complete the Ariba onboarding process and activate the PO output.
2. Once activated, all new purchase orders will be sent to you via the interactive email order, we expect you to submit all related invoices via the Ariba Network using the “process order” button or you can locate all your orders directly on your Ariba account.
3. Using the Standard Account is FREE and enables you to receive orders and to submit invoices
 - For more info visit [Novartis Supplier Information Portal](#).
 - Check the [Novartis manual](#) that should help you to configure your Ariba Standard account.
 - If you have any process related questions, please reach out to contact.elink@novartis.com

SAP Ariba

Supplier Login

User Name

Password

Login

[Forgot Username or Password](#)

New to Ariba?
[Register Now](#) or [Learn More](#)



Where to get support

For invoice-related inquiries, please contact the P2P Solution Center on 862-778-4241 or send your question to the dedicated e-mail address:
rtp.customercare@novartis.com