

Novartis Procure-to-Pay

Onboarding Package Philippines

Contact P2P Solution Center: payables.ph@novartis.com +63 2 555 6575





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 Novartis Company Codes in Philippines, Procure to Pay is a process operated by our Novartis Global Service Center, based in Malaysia, who handles supplier invoices and supports the Procure to Pay end-to-end processes.

More detailed end-to-end Procure to Pay Process

PURCHASE ORDER

A Purchase Order in P2P 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 FORGOODS/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

Send Original Hardcopy invoices directly to Novartis (Philippines)

- · Guaranteed invoice delivery to Accounts Payable Dept.
- Timely payment

PAYMENT STATUS

Invoices are paid within the agreed payment terms outlined in your Purchase Order. Payment terms are calculated from the date when the invoice was received in Accounts Payable Dept's email or mailroom. To ensure proper payment, please provide your full bank data containing

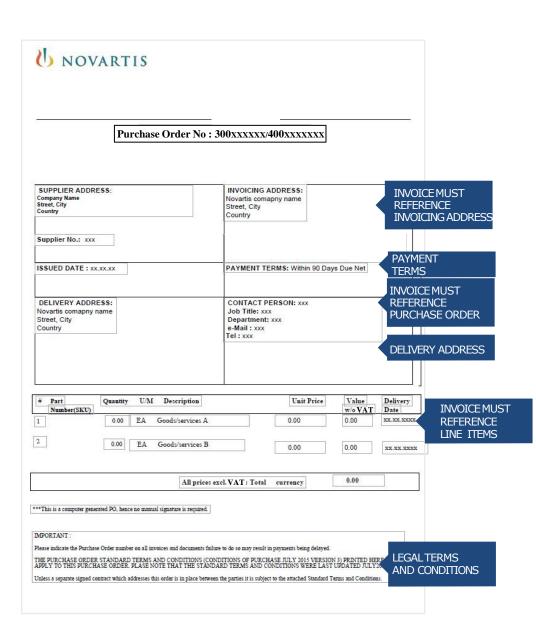
Bank account holder name
Bank name
Bank address
Bank account
IBAN (wherever mandatory)
Bank code/branch code
SWIFT
VAT ID

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 or fax.

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



Invoicing Guidelines

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

Send Original Hardcopy Invoice to:

Novartis Healthcare Philippines, Inc.

5th Floor, Tower 1, Ayala North Exchange Building Ayala cor Salcedo and Amorsolo St., San Lorenzo, Makati City 1223 Philippines

Attention: FRA Ops – AP Dept

OR

Sandoz Philippines Corporation

5th Floor, Tower 1, Ayala North Exchange Building Ayala cor Salcedo and Amorsolo St., San Lorenzo, Makati City 1223 Philippines

Attention: FRA Ops – AP Dept

The Novartis standard Payment Terms is 60 days from invoice receipt date by Accounts Payable, or according to the agreement stated on PO.

When changing the bank details, get in touch in advance (before invoicing) with the appropriate contact person in Novartis.

Invoice content

- Heading "Tax Invoice"
- Name and address of Novartis bill to entity
- Supplier name, address, VAT ID Tax Identification Number (TIN)
- Unique invoice number
- Invoice date
- Description of goods or services delivered
- Unit price, net price and VAT amount
- Standard or reduced VAT rate, or statement that it is "exempt from VAT", and statement "not registered for VAT" if applicable.
- Purchase Order number (10 digit number for Novartis starting with 3*../4*..) is obligatory.
- Name of the Novartis contact person (requester) and department (in case no Purchase Order number is available)
- Invoicing in foreign currency VAT calculation in PHP
- Bank account information for prompt payment (preferred)
- Email address for remittance advice

Invoice Requirements



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

Bill To Entity Addresses:

Novartis Healthcare Philippines, Inc.

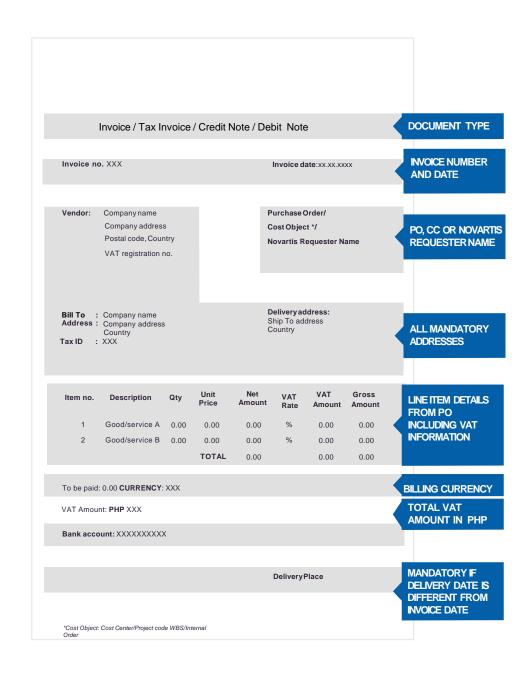
5th Floor, Tower 1, Ayala North Exchange Building Ayala cor Salcedo and Amorsolo St., San Lorenzo, Makati City 1223 Philippines

Attention: FRA Ops – AP Dept

Sandoz Philippines Corporation

5th Floor, Tower 1, Ayala North Exchange Building Ayala cor Salcedo and Amorsolo St., San Lorenzo, Makati City 1223 Philippines

Attention: FRA Ops - AP Dept



Returning an Invoice

Why was my invoice sent back?

4. Service period5. Incorrect calculation

Main Reason	Description and detailed reasons	What you should do?
Issue with paper invoice	 Original hardcopy invoice not sent directly to AP Dept (FRA Ops – P2P). Invoice sent to or left with Novartis requester. 	All invoices must be sent by hand or mail directly to the AP Dept mailroom.
confirmation	Delivery confirmation or other goods / service receipting documentation should be sent to the requester, not to Accounts Payable.	Send delivery confirmation or other supporting documentation to the requestor. Invoice must be handed or sent to Accounts Payable mailroom by the Vendor.
Issue with Purchase Order (PO) Or Non-PO invoice requester information	1. PO number is incorrect or deleted. 2. The PO cannot be matched to invoice because the individual line item detail is not stated on the invoice. 3. Novartis contact person and department are missing or incorrect.	Provide the correct PO number and the correct line item detail that matches to the PO. Please refer to the detailed information received on PO. Please contact the requester, if any information or clarification is needed.
Issue with invoice address	Invoice is billed to wrong/ incomplete Novartis entity name. Invoice has wrong Novartis address.	Please use the correct Novartis address for the correct bill-to entity. Novartis Healthcare Philippines, Inc. OR Sandoz Philippines Corporation 5th Floor, Tower 1, Ayala North Exchange Building Ayala cor Salcedo and Amorsolo St., San Lorenzo, Makati City 1223 Philippines Attention: FRA Ops – AP Dept
Issue with VAT information	 Unit price, net amount, VAT amount or rate is missing or incorrect. Supplier's VAT number is missing. VAT amount in IDR missing. Missing statement that supplier is "not registered for VAT". 	Please provide the correct and complete information.
Issue with document	Vendor address missing or incorrect Invoice date missing or incorrect Invoice currency / unit of measure	Please add the missing information or correct the wrong information.

Main Reason	Description and detailed reasons	What you should do?
Missing	1. Document type not stated	Please provide the missing
document	(Invoice, Tax invoice, Credit note,	information.
type	Debit note).	
	2. Unique invoice number is missing	
	3. Unique invoice number of original	
	invoice is missing for corrective tax.	

What is the invoice rejection process?

Invoices are reviewed by our processing team for compliance.

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

Once a 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 Accounts Payable mailroom.

Non-acceptable invoice types:

- Quotes
- Estimates

Keeping us updated

In order for us to send Purchase Orders to the correct address. and to ensure timely payment of your invoices, the following information must be kept regularly updated:

- Company name
- Company address
- Contact details (telephone number, e-mail address)
- VAT registration number/ Tax Identification number (TIN)
- Banking details for electronic payment

Should any of the above information change, we will require the updated information to be sent to us immediately.

Failure to do so may result in the delayed payment of your invoice.

Where to get support

For invoice-related inquiries, please contact the Novartis Global Services Center on +63 2 555 6575 or send your question to the dedicated e-mailaddress: payables.ph@novartis.com

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Communication sent to you

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