



## Novartis Procure-to-Pay Onboarding Package

Contact P2P Solution Center:

[rtp.phchbs@novartis.com](mailto:rtp.phchbs@novartis.com)

862-778-4241





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 (S2P) 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 Swiss Novartis Company Codes, Procure to Pay is a process, which handles supplier invoices and supports the end-to-end processes. Payments may also be processed by our in-house bank in Luxembourg under the name of Novartis Investment S.a.r.l.

## 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 Manual invoice processing

### 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)

# 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:



INVOICE MUST  
REFERENCE  
INVOICING ADDRESS

PAYMENTTERMS

INVOICE MUST  
REFERENCE  
PURCHASE ORDER

DELIVERY ADDRESS

<b>SupplierAddress:</b> Company Name Street, City Country	<b>InvoicingAddress:</b> <Novartis company> ZentralerFaktureneingang 4002 Basel Switzerland VAT ID
Issued Date: xx.xx.xxxx	PAYMENT TERMS: Within 60 days due net

**Purchase Order : Cxxx-300XXXXXXX**

<b>Delivery Address for Mail:</b> <Novartiscompany> Novartis contact name Street, City Country	<b>Delivery Address for Bulk Goods:</b> <Novartiscompany> Novartis contact name Street, City Country
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**Requester:** xxx [eMail: xxx@novartis.com](mailto:xxx@novartis.com) **Tel:** +41xxxxxx  
**Creator:** xxx [eMail: xxx@novartis.com](mailto:xxx@novartis.com) **Tel:** +41xxxxxx

Thank you for reflecting the PO number and line item number on the invoice accordingly. Please send all invoices to the correct invoicing address: Novartis Pharma AG Basel, Zentraler Faktureneingang/ Postfach / CH-4002 Basel / Die Schweiz.

#	Description	UOM	Quantity	Price w/o vat	Value w/o vat	Delivery Date
1	Good/service A		0.00	0.00	0.00	xx.xx.xxxx
2	Good/service B		0.00	0.00	0.00	xx.xx.xxxx

**Net w/o V.A.T.: 0.00 currency (xx)**

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This purchase order ("PO") is Novartis' acceptance to your offer and this acceptance is expressly limited to the terms contained herein without additions, deletions, or other modifications. No standardized general terms and conditions contained on a quote, bid, proposal, subsequent invoice or other similar documentation will change nor shall any modification to the following terms be binding on the corresponding Novartis legal entity unless explicitly agreed to in writing.

Please communicate any objections you have to the terms and conditions contained herein to Novartis within three (3) business days after receipt.

Your commencement of the performance of any of your contractual obligations pursuant to this PO shall be deemed your acceptance of the terms and conditions contained herein. If you have entered into a separate written agreement with a Novartis entity that is identical with the issuer of this PO, the written agreement shall prevail over the terms and conditions of this PO. If no separate written agreement between you and Novartis exists, you acknowledge that this PO concludes a legally binding contract which is valid without signature.

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INVOICE MUST  
REFERENCE  
LINE  
ITEMS

LEGAL TERMS AND  
CONDITIONS

# Invoice Requirements



For more detailed information please see the [Invoicing guidelines](#)

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																																
<b>Vendor:</b> Company name Company address Postal code, Country VAT registration no.	<b>Purchase Order/          Cost Object*/          Novartis employee name</b>	PO, CC OR NOVARTIS EMPLOYEE NAME																																
<b>Invoicing:</b> Company name <b>Address:</b> Company address Country VAT registration no.	<b>Delivery address:</b> Delivery address Country	ALL MANDATORY ADDRESSES																																
<table border="1"> <thead> <tr> <th>Item no.</th> <th>Description</th> <th>Qty</th> <th>Unit price</th> <th>Net amount</th> <th>Tax%</th> <th>Tax amount</th> <th>Gross Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Good/service A</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>2%</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>2</td> <td>Good/service B</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>2%</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td colspan="4"><b>TOTAL</b></td> <td>0.00</td> <td></td> <td>0.00</td> <td>0.00</td> </tr> </tbody> </table>	Item no.	Description	Qty	Unit price	Net amount	Tax%	Tax amount	Gross Amount	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	<b>TOTAL</b>				0.00		0.00	0.00		LINE ITEM DETAILS FROM PO CONFIRMATION INCLUDING VAT INFORMATION
Item no.	Description	Qty	Unit price	Net amount	Tax%	Tax amount	Gross Amount																											
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																											
<b>TOTAL</b>				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 Corporation (U002)
- Novartis Pharmaceuticals Corp. (U014)
- Novartis Finance Corp. (U100)
- Novartis Services, Inc. (U061)
- Novartis Institute for Biomedical Research (U175)
- Novartis Navigate Biopharma Services (U441)
- Novartis Technology, LLC (U483)
- Endocyte Inc. (U491)

## 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 to you

In order to inform you which invoices have been received and posted, we will send out a list of open items and a remittance advice each week.

## Open items

This is the list of all the documents that have been registered in Novartis Accounting systems but that are not included in the payment run due to possible reasons:

- Blocked for payment – invoice is posted but it is awaiting confirmation of services/goods receipt.  
*Please refer to your Novartis contact directly for more details.*
- Manual block – document cannot be paid, please contact us for clarification
- Pending posting – document received but not yet posted
- BLANK – document posted but not yet due

## 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:



**Ariba Network**  
(e-invoicing solution)



**Novartis invoicing mailbox**  
(e-invoicing solution)

[Invoices.usa@novartis.com](mailto:Invoices.usa@novartis.com)



# 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 inquiries*
- *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](https://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](mailto: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](mailto: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.phchbs@novartis.com](mailto:rtp.phchbs@novartis.com).