Supplier Handbook

Indonesia Invoicing Requirements

Guideline

Ericsson only make payments against valid invoices in accordance with the below stated terms and conditions unless a deviation from this process has been agreed between Ericsson and the Supplier (e.g. ERS).

Not complying with the conditions below may result in a delay of payment or rejection of invoice.

To ensure quality postings and on-time payment, invoices and credit notes received must have the following information:

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1 Supplier Information

- Supplier Name
- Supplier Address
- Supplier's VAT/GST registration number if applicable
- Supplier's telephone number, contact person and email address.

- Bank information (must have SWIFT for USD and IBAN for EUR, Bank name, address and account number)

2 Ericsson Information

- Invoice recipient as specified in purchase order (PO)
- Beneficiary, as specified in purchase order (PO)
  Legal Entities information:

Ericsson entity	VAT/GST Registration Number	Registered Office
PT ERICSSON INDONESIA	01.071.351.9-092.0	Pondok Indah Office Tower 5, 8th floor, Jalan Sultan Iskandar Muda V-TA Jakarta 12310, INDONESIA

- Ericsson purchase order number (one purchase order per invoice)
- Ericsson legal entity's VAT/GST registration number in case of intra-community supplies/services

3 Content Information

- The word INVOICE or CREDIT
- Invoice number (must be unique and length up to 16 digits)
- Invoice date (please specify the format used)
- Date of delivery for services and/or goods
- Currency must be the same currency as stated in the Purchase Order
- Specification of goods and services delivered; Line items and description in the invoice should match the purchase order
- For XRM Purchase Order, invoice entry ID should be provided on the relevant PO line item
- Total net amount
- VAT/GST rate applied in percent (%) and tax amount
- If multiple taxes (VAT/WHT) are applicable, the tax rate for every net amount should be specified.
- If VAT/GST is not charged refer to applicable VAT/GST exemption
- Total payable amount
- If not already included in the unit price, details on discounts and cash discounts.
- For credit note, invoice number being credited must be stated (one credit note per invoice)

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- For invoices using Factoring, please highlight which bank account to use.
- Clear information of vendor name, period (date), NPWP (Tax registration Number), and registered address.
- PO Number- An invoice shall only refer to one (1) PO. It cannot refer to multiple POs.
- PO Line Item- PO line number and Invoice description should match with PO.
- GR Number and GR date.
- Tax Calculation:
  - The percentage and value of VAT and WHT must be indicated in the invoice except those confirmed otherwise by Ericsson. Tax exempted vendors need to declare that they are not required to register for VAT & WHT if applicable.
  - For vendors with Management Fee do indicate WHT base amount and WHT percentage.
  - Vendor is entitled to calculate the applicable tax tariff of any invoice issued to Ericsson according to the prevailing tax regulations.
  - If the *Direktorat Jenderal Pajak* decides that such tax tariff calculation is incorrect and therefore any tax administrative sanction imposed to or borne by Ericsson; then Ericsson shall be entitled to charge the same to the Vendor by issuing a relevant invoice or to set-off from any payment payable to the Vendor.
  - Only one tax invoice should be created for each invoice.

Additional requirements & information:

- Invoice Compliance
  - Invoice will be validated using three-way matching process to ensure no deviation between item, quantity and price mentioned on Invoice, GR and PO. If either quantity and/or price stated is in contrary one to the others, inform your Ericsson contact person. The invoice should comply thee-way matching.
  - **Invoice date** must be on same date with Tax Invoice and BAST.
  - **Original commercial invoice** for Hard Copy and **pdf copy commercial invoice** for Digital Invoice.
  - Undisputable invoice(s) must be received by EID **within 30 calendar days after GR date**.
  - Stamp Duty
    - Vendor shall pay the stamp duty (*bea materai*) of any invoice issued to Ericsson in connection with receipt of payment from such invoice, in accordance with applicable tax regulations.

› Vendor is fully responsible to ensure the validity of any issued invoice, it means every invoice submitted to Ericsson must indicate that it has been legitimately issued, including but not limited to indicate company letter-head, duly signed by authorized person and stamped with company stamp.

Vendor hereby waives the right for payment in the failure to meet the requirement under this section

- Currency

› Invoice currency must be the same as PO currency.
› A PO for local vendor must be issued in IDR.
› A PO for Overseas Vendor, may be issued in IDR, EUR or USD.

- Use reasonable font size minimum 10 pt for writing the invoice.
- Maximal invoice numbering is 15 character (including any punctuation mark).
- Supporting Document

To avoid potential delay to payment process caused by non-compliance to this regulation, the invoice must be sent along with the supporting document as follows:

› **Supporting Documents (General Requirements)**

1. **Invoice related to services and material** must be sent along with original acceptance document determined as per deliverable.

Type of Invoice	Acceptance document
Invoice related to purchase of *product* (material, hardware, software)	DN or similar documents
Invoice related to purchase of *services & resource* (installation services, support services, resource)	BAST or similar documents

2. The acceptance document must be completed with authorized signature & Vendor's company stamp and approval signature of Ericsson authorized officer(s).
3. For certain Ericsson projects that have been approved to apply **electronic BAST** (e-BAST), vendor can submit approved e-BAST documents.
4. Tax invoice (*faktur pajak*).
   For **digital Invoice**, original downloaded version from e-faktur is required.

For **manual generated tax invoice**, a code and serial number must appear on the tax Invoice in a format which is controlled by the *Direktorat Jenderal Pajak*.

- Supporting Document (Overseas Vendor): Applicable for an overseas company, required supporting document as described in sub-section 5.1, should be followed along with below supporting documents: One valid DGT1 form for each Invoice. Failure to submit will result in 20% WHT applied.

4 Invoice Submission Information

PDF Solution (VIM e-send)

Please send your invoices, exclusively in PDF format, to the following email address depending on the purchasing Ericsson entity:

Ericsson entity	PDF solution (VIM e-send) email address
PT ERICSSON INDONESIA	pdf.invoice.eid.2089.831@ericsson.com

Please note that the following requirements need to be followed when submitting PDF invoices:

- One invoice per PDF document
- The subject of email to PDF mailbox should be- Vendor Name-Invoice number for easy reference and tracking
- Supporting documents are to be appended to the invoice in one PDF (invoice and supporting documents in same PDF file, not as separate files. Invoice as first page, supporting documents thereafter)

Note:

- Please do not submit any invoice to multiple channels, as this can result in duplicate invoices received and problems in payment associated with that.

5 Payment Procedure for Suppliers

Electronic Fund Transfer

- Ericsson legal entity will pay invoices to all suppliers through electronic payment method.

WHT certificate

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- Taxes withheld certificate shall be issued within 30 days from the end of the month in which payment has been made.
- WHT certificate shall be issued in soft copy and mailed over the e-mail address as per records.
- For non-receipt of WHT certificate, please e-mail at eid.tax.support@ericsson.com. Hard copy of the certificate shall be available for collection from Ericsson's office address as mentioned above.
- For any other issue related to WHT deduction, please follow the process stated in Section 7 below.

Note: For the smoot posting and payment flow, please secure your contact information and bank details are up to date in Ericsson Master Data. Any change in your company details must be properly communicated to your Local Sourcing contact person at Ericsson so that they can request the update in the Ericsson database and any payment rejections or returns can be avoided.

6 Ariba Information

6.1 SAP Ariba self-service (carbon copy)

Taulia SAP Ariba self-service is a solution for Ericsson's suppliers with no additional cost and waiting time (7*24). Login to the SAP Ariba Portal SAP Ariba Login or sign-up page to check:

- Acceptance/rejection of your invoices (post 5-7 days of submission)
- Status of your invoices & their due date
- Status of Purchase Orders

Reach out to your Ericsson representative for enrollment and further information.

6.2 SAP Ariba support and useful links

- SAP Ariba help portal
- SAP Business Network for Suppliers
- SAP Ariba Login or sign-up page
- SAP Ariba – Ericsson global portal

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7 Ericsson Purchase to Pay Services Support

Please reach out to Ericsson Accounts Payable Services Support for queries regarding invoices and payments using this link Ericsson Purchase to Pay Services Support.

If the request was not resolved to your satisfaction or you experience a delay in resolution, you can ask us to investigate by escalating the request ID to ptp.incident.management@ericsson.com . We will review the case and help you obtain the correct resolution.

8 Miscellaneous

Updated Vendor Information

- Vendors are responsible to ensure information related to the company such as contact details, banking details, etc. are correct and updated in Ericsson database. Any changes should be communicated to respective Sourcing Manager by filling in the Supplier Data Form.

Adobe Acrobat Document

- Ericsson shall not be responsible for any late payment due to any change of Vendor's bank account details without prior written confirmation from Sourcing Manager.
- SIUJK/ LPJK updates is mandatory to be reported to Ericsson, only applicable for local vendors.

Rejection

Any invoice fails to comply with the requirements in this document will be rejected. Rejection will be processed as follows:

- Vendor will receive e-mail for rejection along with details and invoice soft copy.
- Relevant Vendor should pick up the rejected invoice at Ericsson Mailroom (only for hard copy invoice submission).
- Particularly for Overseas Vendors, the rejected invoice may be sent back by mail/courier (upon request).

Supporting Notes

For a better understanding of this document, the following definitions apply.

Abbreviation/Term	Definition
BAST	*Berita Acara Serah Terima* (handover certificate/ acceptance document) that states Ericsson acceptance of the delivery and/or performance of resources, products and/or services provided by the Vendor in accordance with the criteria specified in the relevant agreement.
DN	Delivery Note.
GR	Confirmation of goods receive by Ericsson of delivery and/or performance of resources, products and/or services provided by the Vendor.
Ericsson	PT Ericsson Indonesia.
NPWP	*Nomor Pokok Wajib Pajak* (Tax Registration Number).
Overseas Vendor	For the purposes of this document means a vendor company legally incorporated, registered and domiciled outside the Republic of Indonesia and therefore subject to the laws and regulation of the country/state where it's registered.
PO	Purchase order issued by Ericsson for the purchase of resources, products and/or services from the Vendor.
SIUJK/ LPJK	*Surat Izin Usaha Jasa Konstruksi (Construction Service Business License)/ Lembaga Pengembangan Jasa Konstruksi (Construction Service Development Institution).*
VAT	Value added tax.
Vendor	The seller, supplier, or service provider company that receives a PO under relevant agreement or other form of purchase confirmation from Ericsson, and accordingly is a party to the purchase or service contract.
WHT	Withholding tax.

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