Kennametal
Supplier Guide

CONFIDENTIAL

THE BEST RUN

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$USD

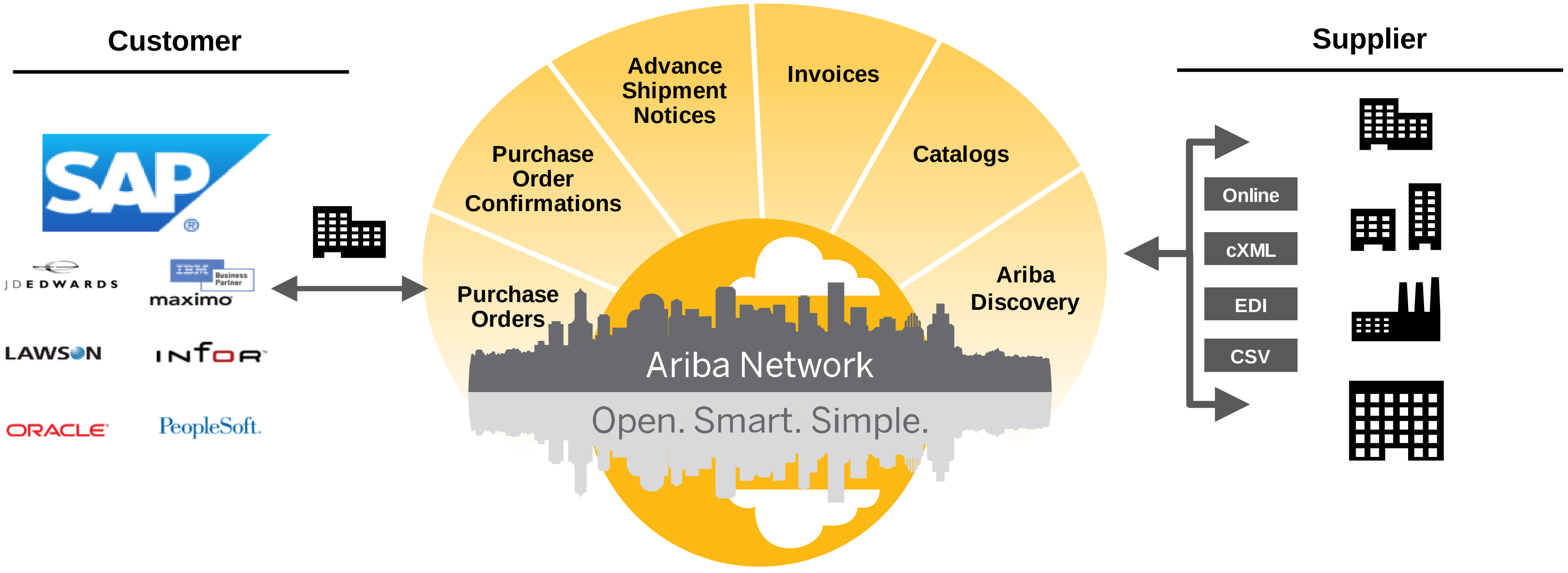
£GBP

€EUR

$AUD

What is Ariba Network?

Kennametal has selected Ariba Network as their electronic transaction provider. As a preferred supplier, you have been invited by your customer to join Ariba Network and start transacting electronically with them.



2+ million
Trading Partners

$850B
In Annual Commerce

>60%
Global 2000 use the Network

65+ million
Annual Invoices

190
Countries

60+ million
Annual Purchase Orders

Kennametal Message

As a valued supplier, Kennametal has identified your company as a candidate for Ariba Network enablement. Kennametal goals of transacting through the Ariba Network include:

- Share cost reductions and efficiencies with suppliers by lowering transaction costs and streamlining the sourcing process.
- Better communication and visibility between Kennametal and our suppliers.
- Increased standardization for orders, acknowledgments, and invoices.
- Paperless transactions from order placement to invoice receipt by taking advantage of available technologies.
- Improve the quality of invoice information, which leads to fewer invoice errors.

Expectations

- For full-use accounts, accept the Trading Relationship Request that was sent from Ariba. For light account suppliers, you will receive your first order via email and should create your account then.
- Take advantage of functional training offered by Ariba.
- Transact business with Kennametal using the Ariba Network by submitting confirmations and invoices.

Compliance

- All suppliers are expected to transact business with Kennametal through the Ariba Network.

Review Kennametal Specifications

Supported Documents

Kennametal project specifics:

- ***Tax data*** is accepted at the line item level of the invoice. If no tax is due, enter 0 in the invoice.
- ***Shipping data*** is accepted at the header/summary level or at the line item level.

Supported

- **Purchase Order Confirmations**
  Apply against a whole PO or line items
- **Detail Invoices**
  Apply against a single purchase order referencing a line item
- **Partial Invoices**
  Apply against specific line items from a single purchase order
- **Service Entry Sheets**
  Apply against a single purchase order referencing a line item
- **Service Invoices**
  Invoices that require service line item details
- **Credit Memos**
  Item level credits; price/quantity adjustments

Future Functionality

- **BPO Invoices**
  Invoices against a blanket purchase order
- **Advance Shipment Notices**
  Apply against PO when items are shipped

Review Kennametal Specifications

NOT Supported Documents

NOT Supported:

- **Paper Invoices**

  Kennametal requires invoices to be submitted electronically through Ariba Network; Kennametal no longer accepts paper invoices
- **Summary or Consolidated Invoices**

  Apply against multiple purchase orders; not accepted by Kennametal
- **Invoicing for Purchasing Cards (P-Cards)**

  An invoice for an order placed using a purchasing card; not accepted by Kennametal
- **Duplicate Invoices**

  A new and unique invoice number must be provided for each invoice; Kennametal will reject duplicate invoice numbers unless re submitting a corrected invoice that previously had a failed status on Ariba Network
- **Advance Shipment Notices**

  Apply against PO when items are shipped
- **Non-PO Invoices**

  Apply against a PO not received through Ariba Network
- **Contract Invoices**

  Apply against contracts
- **Schedule Agreement**

SAP Ariba Helps You…

60% average reduction in operating costs

Lower costs

Reduce time and paper usage

Eliminate postage costs

Reduce costs associated with Resources used to generate/ rework the invoices

30% growth in existing accounts
35% growth in new business

Increase your revenue

Become searchable customers using the AN worldwide

Establish new customer relationships via Ariba Discovery

Publish your Catalogs in front of thousand buyers

15% increase in customer retention

Satisfy your customer

Support your customer's strategic business plan

Become a preferred supplier

Simplify the communication process

80% efficiency & transform business operations

Stay organized

Consolidate Network relationships under one account

Enjoy a simple way to store POs and invoices

Get better visibility into customers' spend and payments

62% decrease in late payments

Receive faster payments

Help your invoice reach the correct contact in the approval flow

No need to confirm the orders via email/phone

Feel confident all order information is complete and accurate

Prevent errors through system checks

Ariba Network Supplier Subscription Offerings

Standard

- ✓ FREE Collaboration
- ✓ Onboarding Assistance
- ✓ Custom Routing and Reporting
- ✓ Electronic Catalogs
- ✓ Ariba Discovery
- ✓ Customer Support

Bronze

- ✓ Advanced Reporting
- ✓ Achievement Badges
- ✓ cXML/Catalog e-Learning Courses
- ✓ 1 Ariba Discovery Lead Response

Silver

- ✓ Integration Express Consultation
- ✓ Unlimited cXML and EDI Usage
- ✓ Technical Support
- ✓ 2 Ariba Discovery Lead Responses

Gold

- ✓ Data Cleansing and Enrichment
- ✓ Basic Integration Tools
- ✓ E-commerce Consultation Services
- ✓ Unlimited Ariba Discovery Lead Responses

Platinum

- ✓ Dedicated Support Channel
- ✓ Advanced Integration Tools
- ✓ Pass to SAP Ariba LIVE

Supplier Fee Schedule

Please select your currency:

$USD

GBP

EUR

AUD

Supplier Fees - USD

Transaction Fees

Billed every quarter

0.155% of transaction volume

Capped at $20,000/year (per relationship)

+

Subscription Fees

Billed once a year

Annual Document Count Across <u>All</u> Customer Relationships	**Subscription**	**Annual Fees**
5 to 24 documents	*Bronze	$50
25 to 99 documents	Silver	$750
100 to 499 documents	Gold	$2,250
500 and more documents	Platinum	$5,500

***Chargeable suppliers transacting less than $250,000 in annual financial volume will be assigned to the Bronze level irrespective of annual document count**

<u>Fee Threshold</u>

$50,000 and 5 Documents

Suppliers who do not cross the Fee Threshold will not be charged fees

Supplier Fees - GBP

Transaction Fees

Billed every quarter

0.155% of transaction volume

Capped at £13,200/year (per relationship)

+

Subscription Fees

Billed once a year

Annual Document Count Across All Customer Relationships	**Subscription**	**Annual Fees**
5 to 24 documents	*Bronze	£35
25 to 99 documents	Silver	£500
100 to 499 documents	Gold	£1,500
500 and more documents	Platinum	£3,770

***Chargeable suppliers transacting less than £155,000 in annual financial volume will be assigned to the Bronze level irrespective of annual document count**

Fee Threshold

£34,250 and 5 Documents

Suppliers who do not cross the Fee Threshold will not be charged fees

Supplier Fees - EUR

Transaction Fees

Billed every quarter

0.155% of transaction volume

Capped at €15,500/year (per relationship)

+

Subscription Fees

Billed once a year

Annual Document Count Across All Customer Relationships	**Subscription**	**Annual Fees**
5 to 24 documents	*Bronze	€45
25 to 99 documents	Silver	€670
100 to 499 documents	Gold	€2,000
500 and more documents	Platinum	€4,900

***Chargeable suppliers transacting less than €185,000 in annual financial volume will be assigned to the Bronze level irrespective of annual document count**

Fee Threshold

€44,600 and 5 Documents

Suppliers who do not cross the Fee Threshold will not be charged fees

Supplier Fees - AUD

Transaction Fees

Billed every quarter

0.155% of transaction volume

Capped at A$20,000/year (per relationship)

+

Subscription Fees

Billed once a year

Annual Document Count Across All Customer Relationships	**Subscription**	**Annual Fees**
5 to 24 documents	*Bronze	A$50
25 to 99 documents	Silver	A$750
100 to 499 documents	Gold	A$2,250
500 and more documents	Platinum	A$5,500

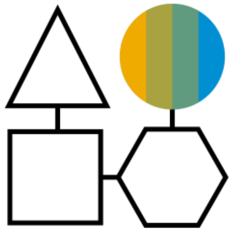
***Chargeable suppliers transacting less than A$235,000 in annual financial volume will be assigned to the Bronze level irrespective of annual document count**

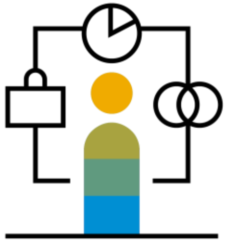
Fee Threshold

A$50,000 and 5 Documents

Suppliers who do not cross the Fee Threshold will not be charged fees

SECTION 2: Set Up Your Account





Basic Account Configurations

- Suggested Configuration
- Accept Invitation
- Profile Completion
- Email Notifications

Enablement Tasks

- Enablement Tasks
- Purchase Order Routing
- Invoice Notifications
- Tax Details
- Remittances

Advanced Account Configuration

- Customer Relationships
- Roles and Users
- Enhanced User Account Functionality
- Multi-Orgs
- Test Accounts

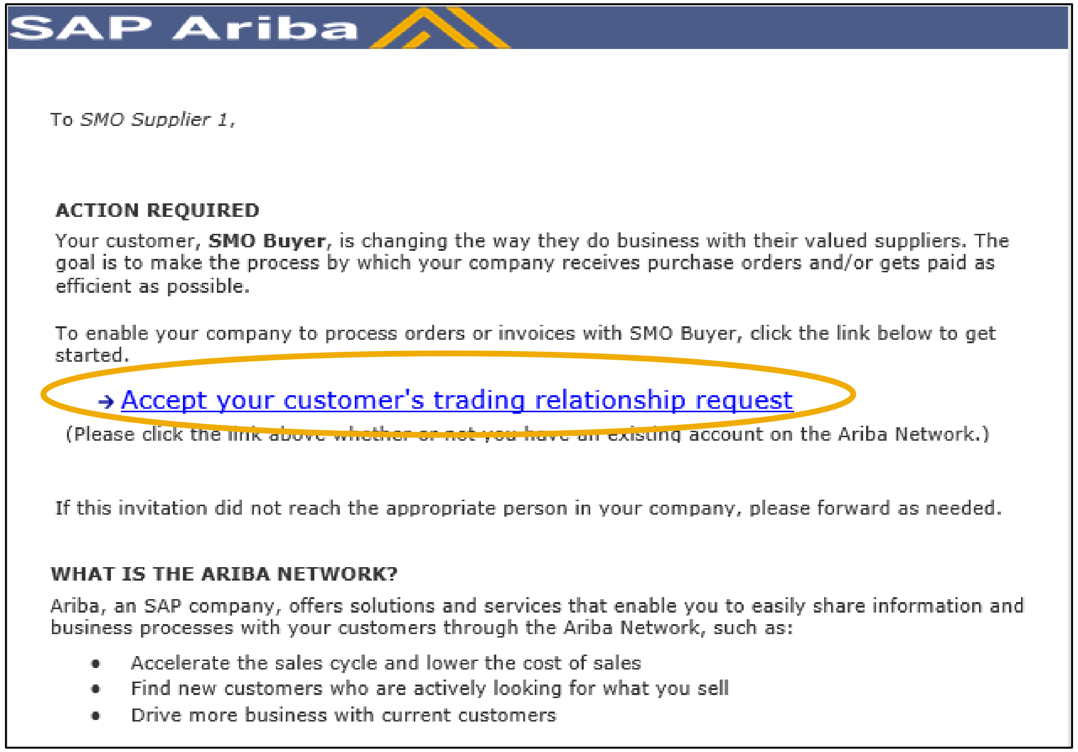
Kennametal Specific Account Configuration

- **VAT ID / TAX ID –** select Company Settings in the top right corner, go to Company Profile and select tab Business. In the section Financial Information enter your Vat ID / Tax ID.
- **Test Account Creation (testing is required for integrated and catalog suppliers) –** To create a test account, select your name in top right corner and choose “Switch to Test ID.”

Accept Your Invitation

The invitation is also referred to as the **Trading Relationship Request**, or TRR. This e-mail contains information about transacting electronically with your customer.

1. **Click** the link in the emailed letter to proceed to the landing page**.**


SAP Ariba

To *SMO Supplier 1*,

ACTION REQUIRED

Your customer, **SMO Buyer**, is changing the way they do business with their valued suppliers. The goal is to make the process by which your company receives purchase orders and/or gets paid as efficient as possible.

To enable your company to process orders or invoices with SMO Buyer, click the link below to get started.

→ Accept your customer's trading relationship request

(Please click the link above whether or not you have an existing account on the Ariba Network.)

If this invitation did not reach the appropriate person in your company, please forward as needed.

WHAT IS THE ARIBA NETWORK?

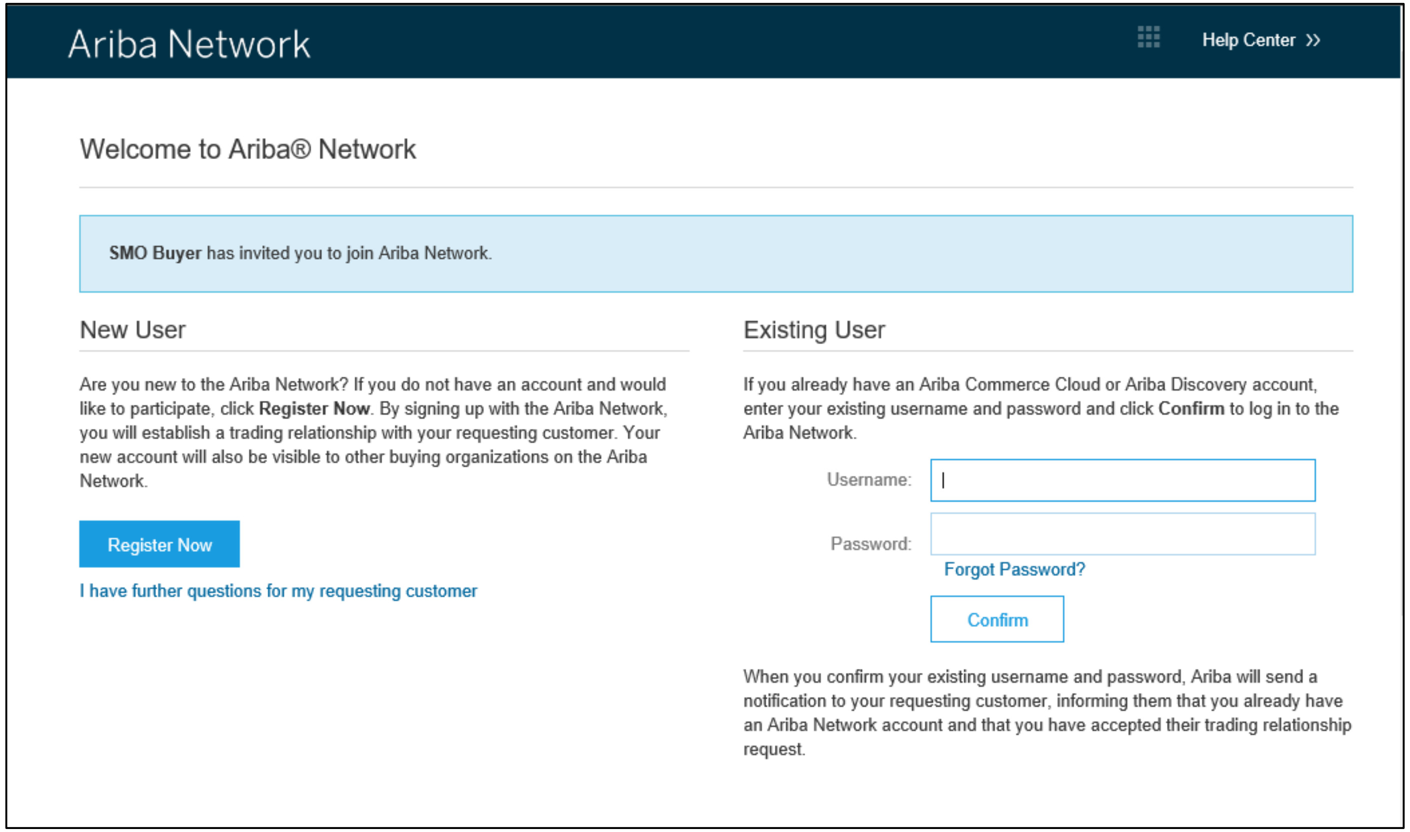
Ariba, an SAP company, offers solutions and services that enable you to easily share information and business processes with your customers through the Ariba Network, such as:

- Accelerate the sales cycle and lower the cost of sales
- Find new customers who are actively looking for what you sell
- Drive more business with current customers

Select One…

First Time User

Existing User



Register as a New User

1. Click **Register Now.**

2. Enter Company Information fields marked required with an asterisk (*) including:

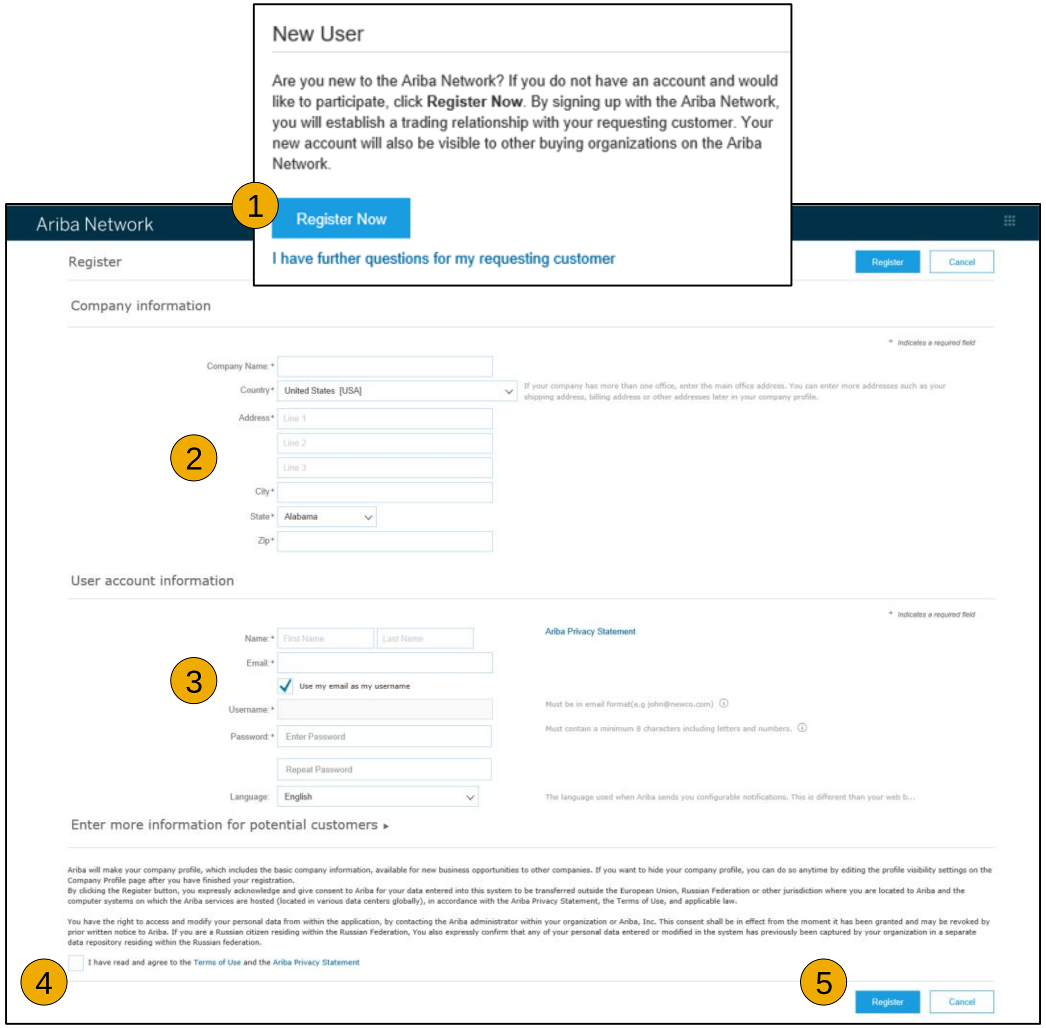
- **Company Name**
- **Country**
- **Address**

3. Enter User Account information marked required with an asterisk (*) including:

- **Name**
- **Email Address**
- **Username (if not the same as email address)**
- **Password**

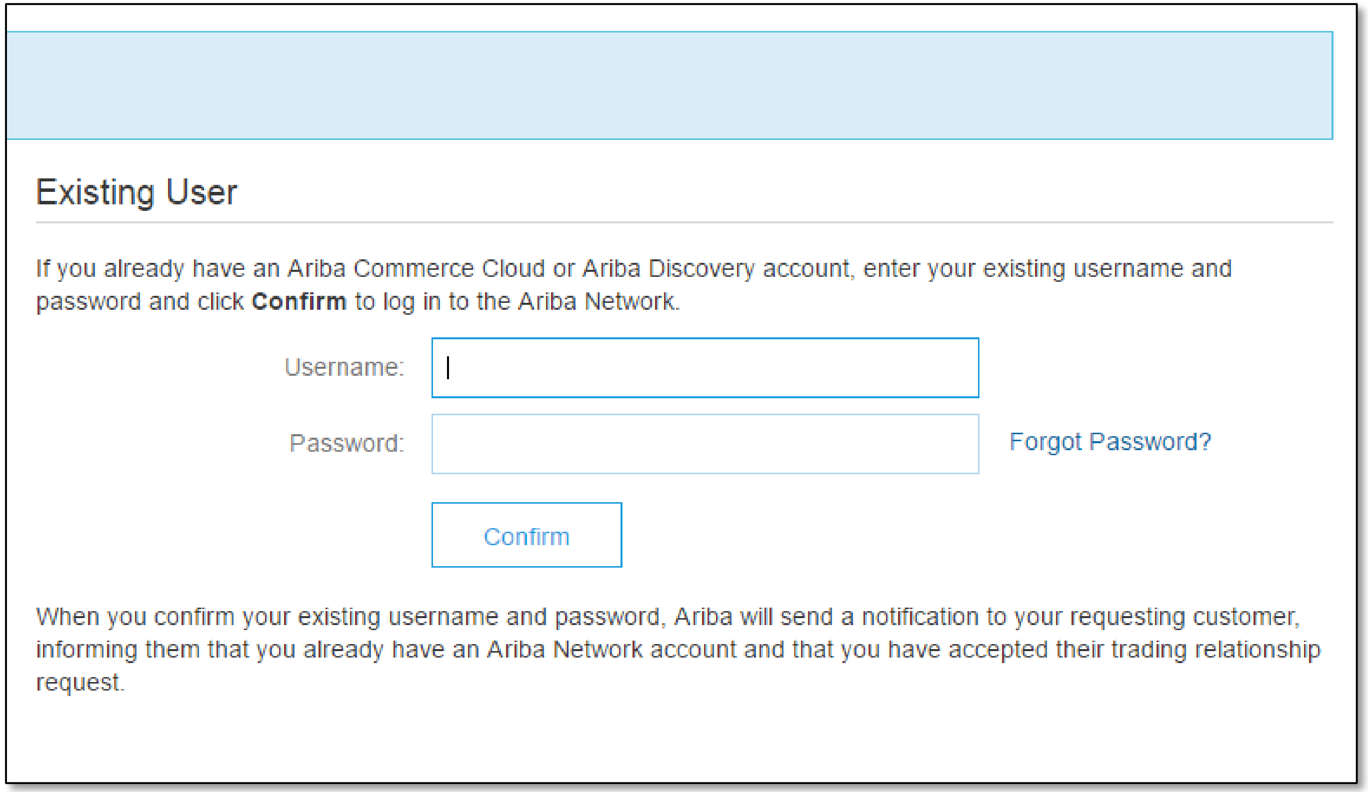
1. Accept the **Terms of Use** by checking the box.

2. Click **Register** to proceed to your home screen.



Accept Relationship as an Existing User

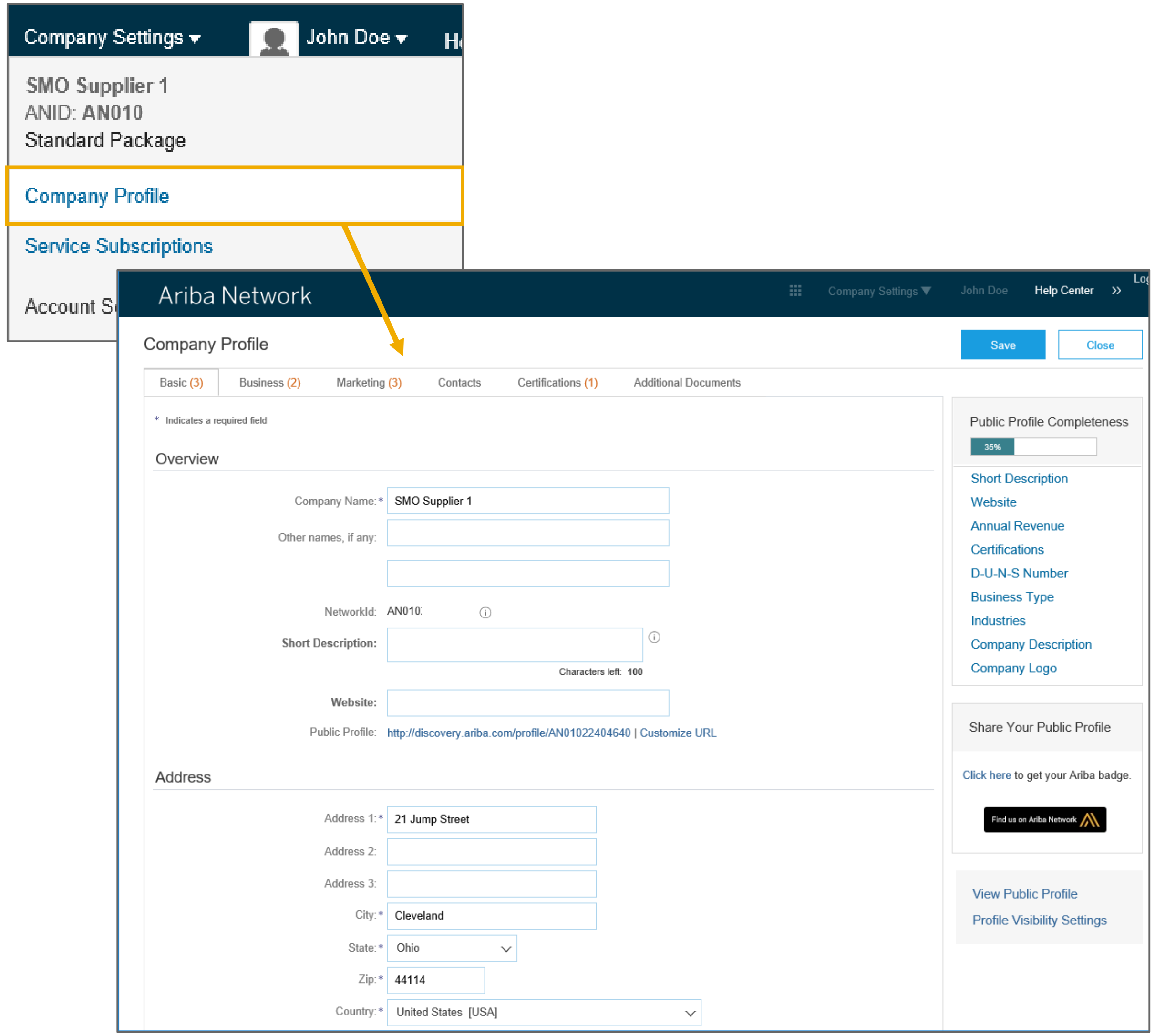
1. **Log in** using your current Ariba username and password in order to accept the relationship with your customer.



Complete Your Profile

1. Select Company Profile from the Company Settings dropdown menu.
2. Complete all suggested fields within the tabs to best represent your company.
3. Fill the Public Profile Completeness meter to 100% by filling in the information listed below it.

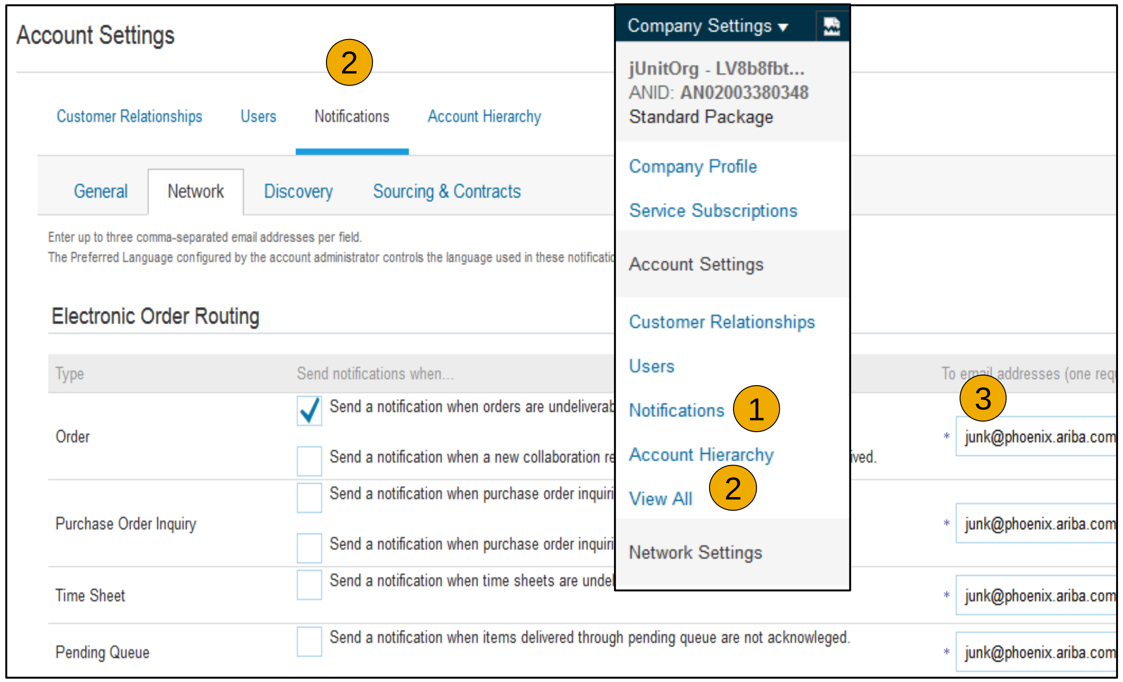
Note: The more complete a profile, the higher the likelihood of increasing business with existing and prospective customers.



Configure Your Email Notifications

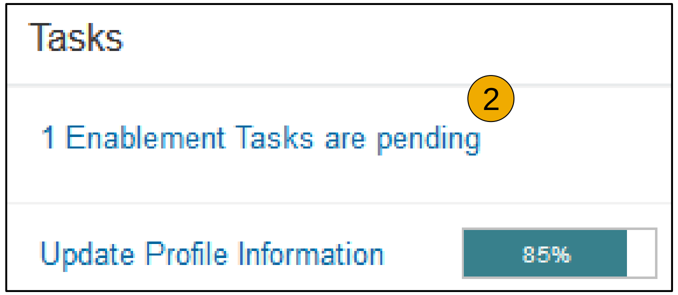
The Network Notifications section indicates which system notifications you would like to receive and allows you to designate which email addresses you would like to send them to.

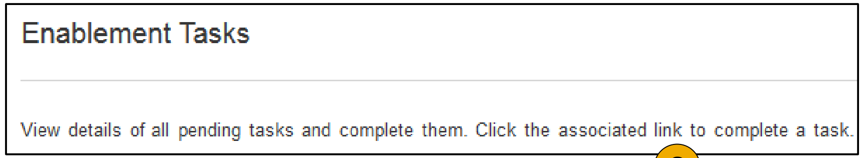
1. **Click** on Notifications under Company Settings.
2. **Network Notifications** can be accessed from here as well, or you may switch to the Network tab when in Notifications.
3. **You can enter** up to 3 email addresses per notification type. You must separate each address with a comma but include NO spaces between the emails.

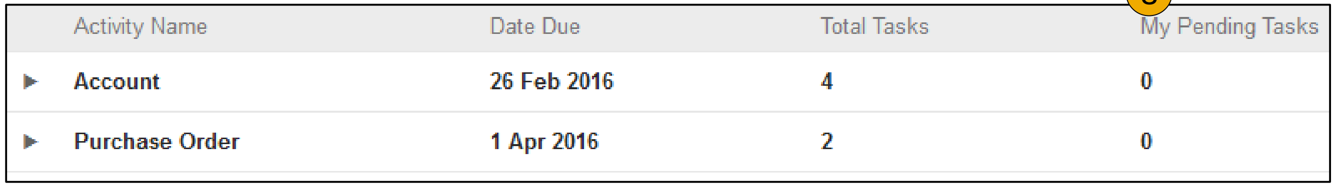


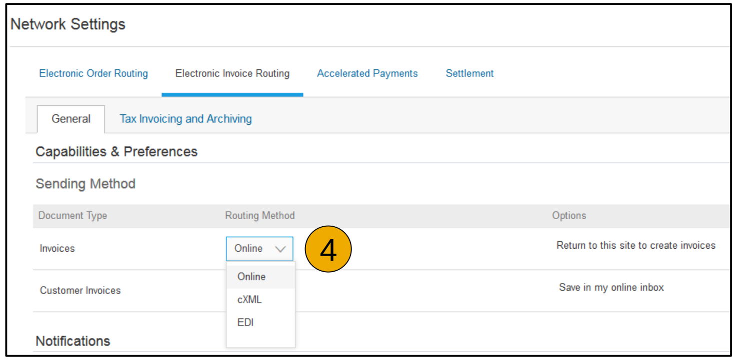
Configure Your Enablement Tasks

1. **From** home screen, select the Enablement Tab.
2. **Click** on the Enablement Tasks are pending link.
3. **Select** necessary pending tasks for completion.
4. **Choose** one of the following routing methods for Electronic Order Routing and Electronic
   Invoice Routing:
   Online, cXML, EDI, Email, Fax or cXML pending queue (available for Order routing only) and configure e-mail notifications.









Note: There may be times you see a pending task for your customer. This will not go away until your customer completes it.

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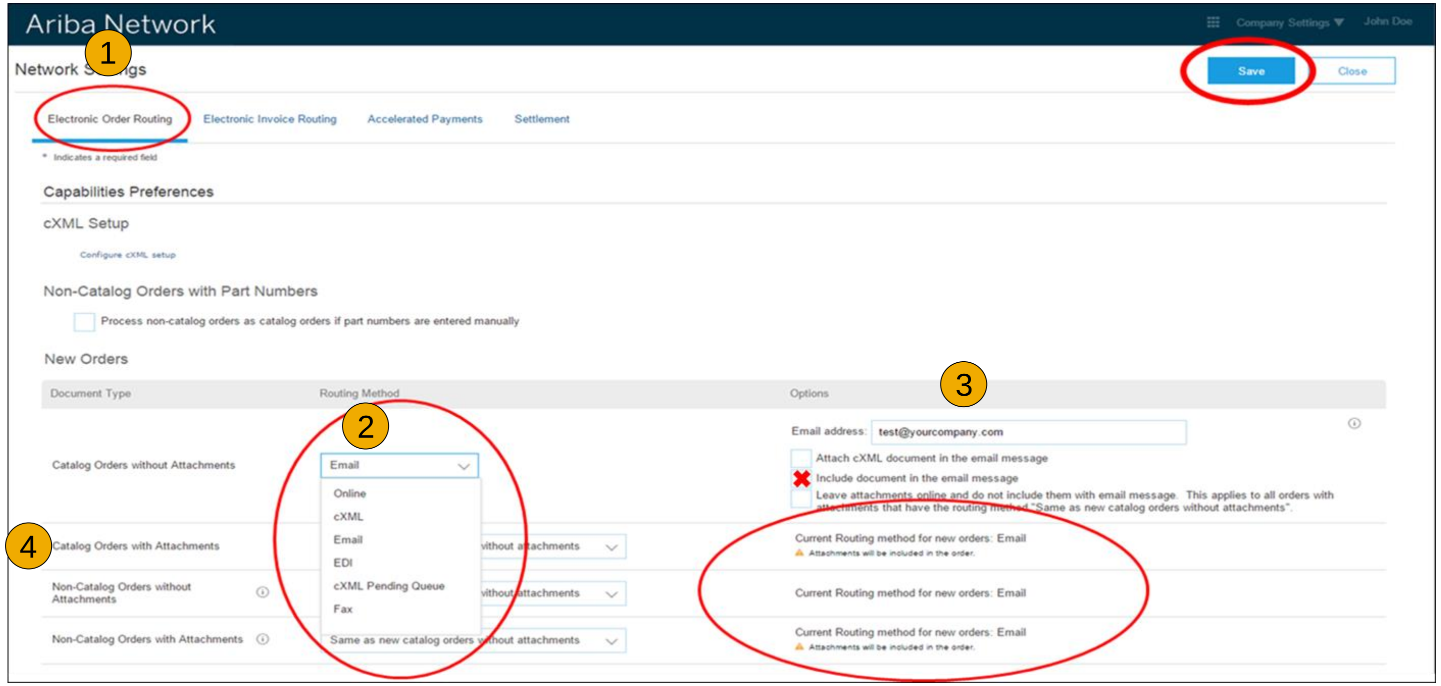
Select Electronic Order Routing Method

1. **Under** the “Customer Relationships” drop down, select “Electronic Order Routing” to configure your account.
2. **Choose** one of the following routing methods:
   - **Online**
   - **cXML**
   - **EDI**
   - **Email** (recommended for new users)
   - **Fax**
   - **cXML pending queue**
     (available for Order routing only)
3. **Enter** up to 3 email addresses of the people at your company who should receive alerts/ notifications when a PO is posted.
4. **Select** “Same as new catalog orders without attachments” for POs and Other Document Types to automatically have the settings duplicated or you may set according to your preference.



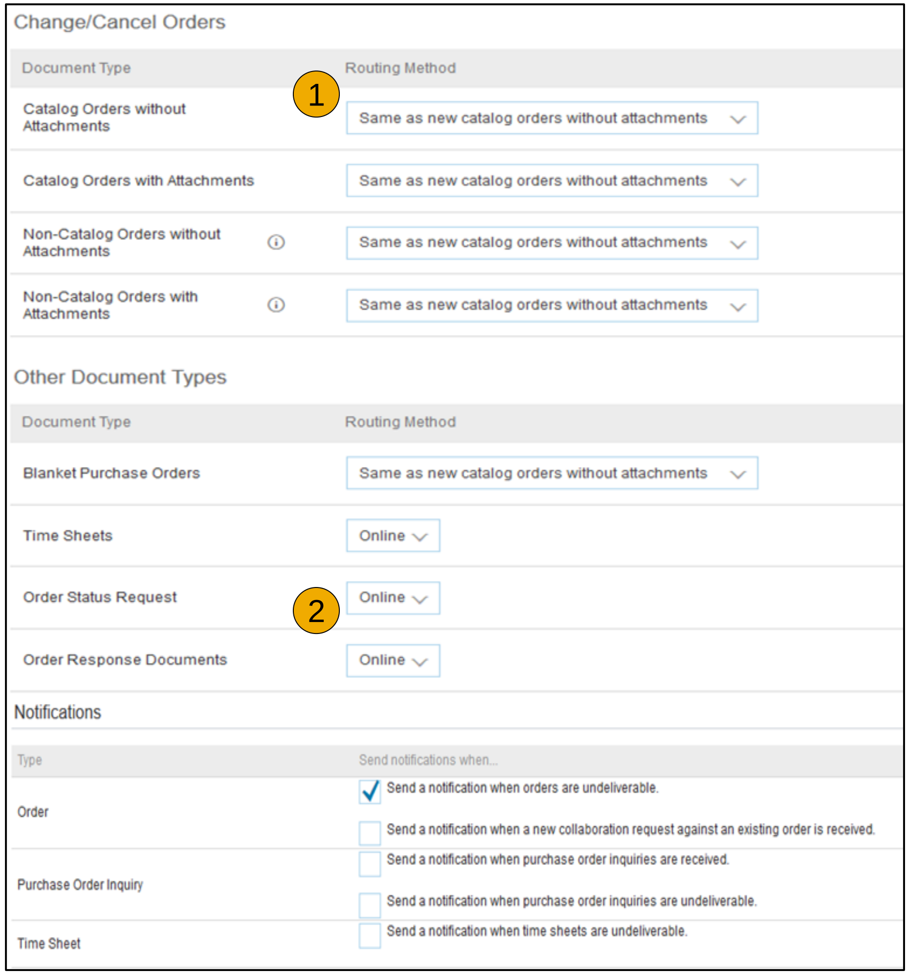
Route Your Purchase Orders
Method Details

- **Online (Default):** Orders are received within your AN account, but notifications are not sent out.
- **Email (Recommended):** Email notifications are sent out, and can include a copy of the PO, when orders are received within your AN Account.
- **Fax:** Notifications of new orders are sent via Facsimile, and can include a copy of the PO as well as a cover sheet.
- **cXML/EDI:** Allows you to integrate your ERP system directly with Ariba Network for transacting with your customer. Please contact KennametalEnablement@ariba.com to be connected with a Seller Integrator who will provide more information on configuration.

Select Electronic Order Routing Method

Notifications

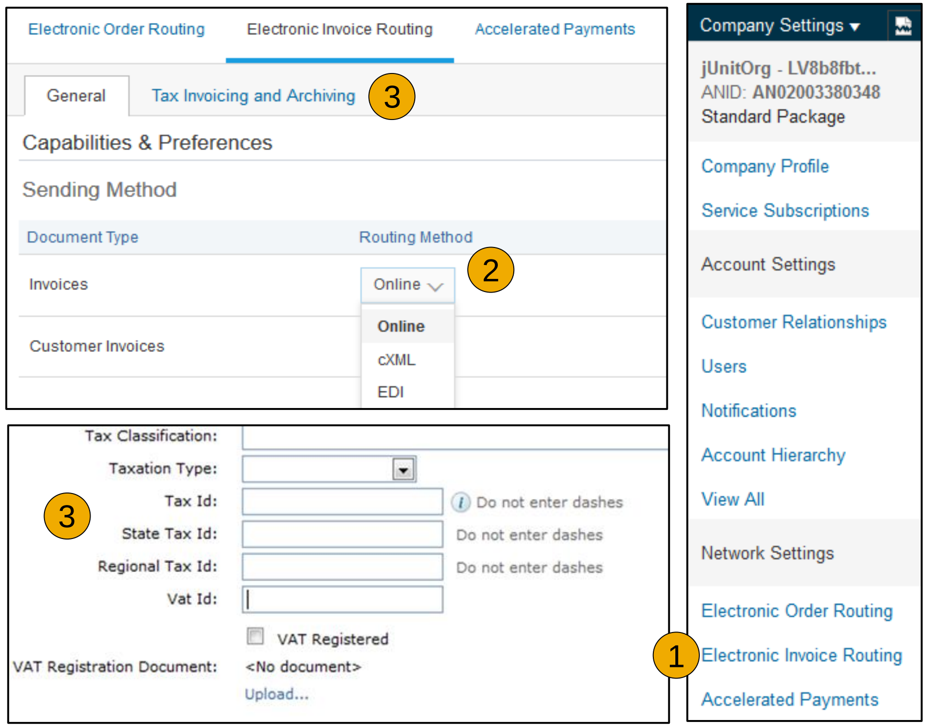
1. **Select** “Same as new catalog orders without attachments” for Change Orders and Other Document Types to automatically have the settings duplicated or you may set according to your preference.
2. **Specify** a method and a user for sending Order Response Documents (Confirmations and Ship Notices).



Select Electronic Invoice Routing Method

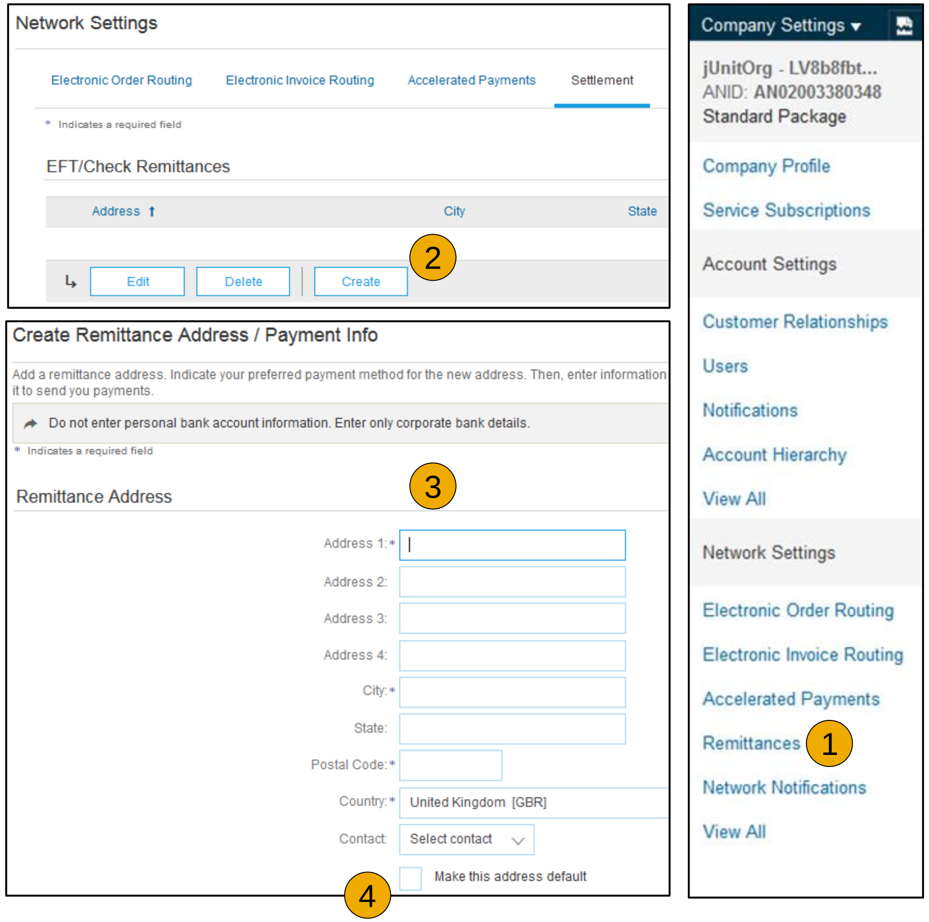
Methods and Tax Details

1. **Select** Electronic Invoice Routing.
2. **Choose** one of the following methods for Electronic Invoice Routing: Online; cXML; EDI. It is recommended to configure Notifications to email (the same way as in Order Routing).
3. **Click** on Tax Invoicing for Tax Information and Archiving sub-tab to enter Tax Id, VAT Id and other supporting data.



Configure Your Remittance Information

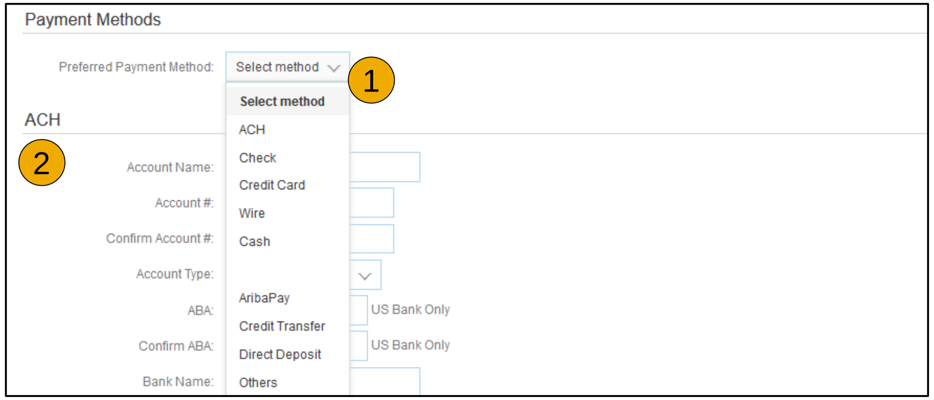
1. Remittance information is not required. Currently Kennametal uses existing Accounts Payable information for suppliers already entered into the existing database.

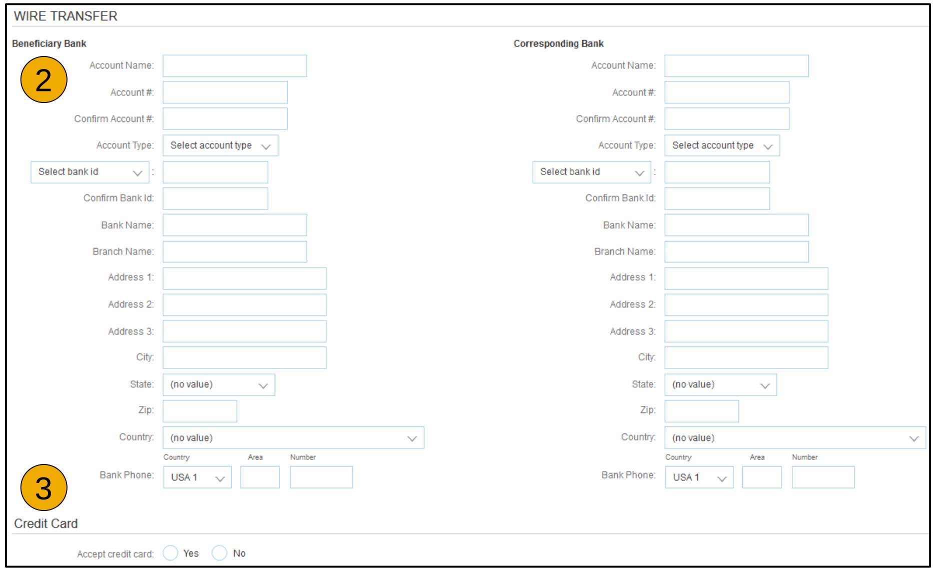


Configure Your Remittance Information

Payment Methods

Note: This does not change the method of payment from your customer, unless specified.





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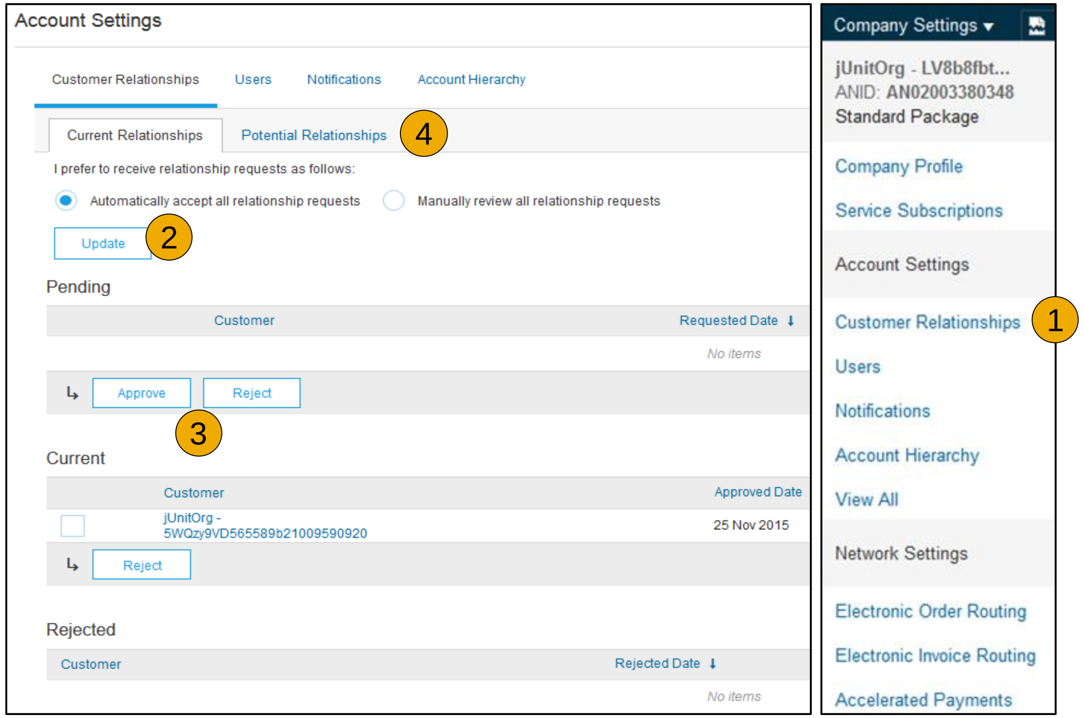
Review Your Relationships
Current and Potential

1. **Click** on the Customer Relationships link in the **Company Settings** menu.
2. **Choose** to accept customer relationships either automatically or manually.
3. **In the Pending Section**, you can Approve or Reject pending relationship requests. In the Current Section, you can review your current customers' profiles and information portals. You can also review rejected customers in the Rejected Section.
4. **Find** potential customers in Potential Relationships tab.



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Set Up User Accounts
Roles and Permission Details

Administrator

- There can only be one administrator per ANID
- Automatically linked to the username and login entered during registration
- Responsible for account set-up/configuration and management
- Primary point of contact for users with questions or problems
- Creates users and assigns roles/permissions to users of the account

Note: If you are already on Ariba Network and would like to change your existing administrator, please check your existing customer relationships and contact Ariba customer support.

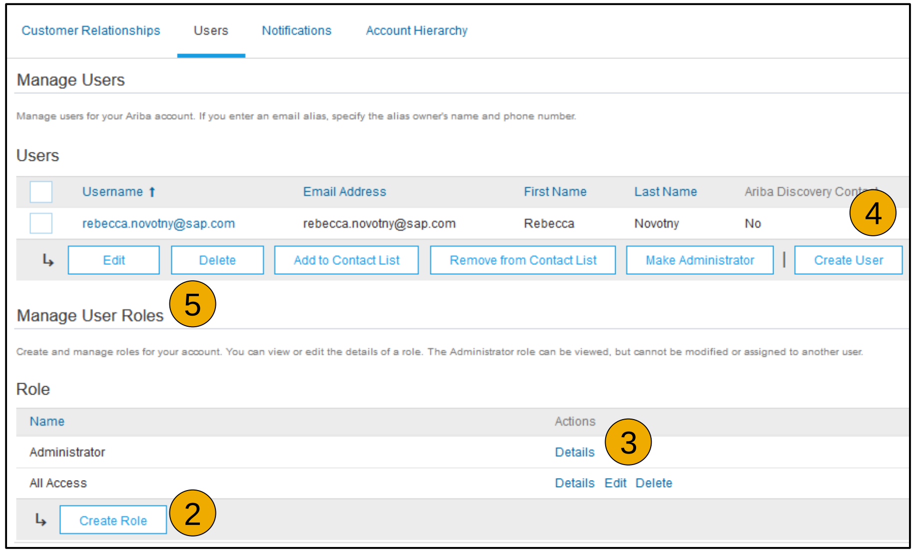
User

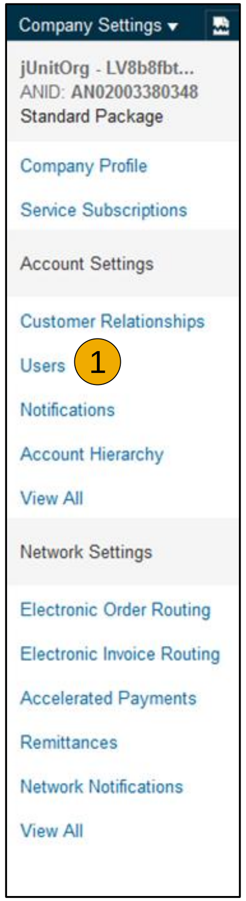
- Up to 250 user accounts can exist per ANID
- Can have different roles/permissions, which correspond to the user’s actual job responsibilities
- Can access all or only specific customers assigned by Administrator

Set Up User Accounts

Create Roles and Users (Administrator Only)

1. **Click** on the Users tab on the **Company Settings** menu. The Users page will load.
2. **Click** on the **Create Role** button in the Manage Roles section and type in the Name and a Description for the Role.
3. **Add** Permissions **to the Role** that correspond to the user's actual job responsibilities by checking the proper boxes and click save to create the role.
4. **To Create** a User Click on Create User button and add all relevant information about the user including name and contact info.
5. **Select** a role in the Role Assignment section and Click on Done.

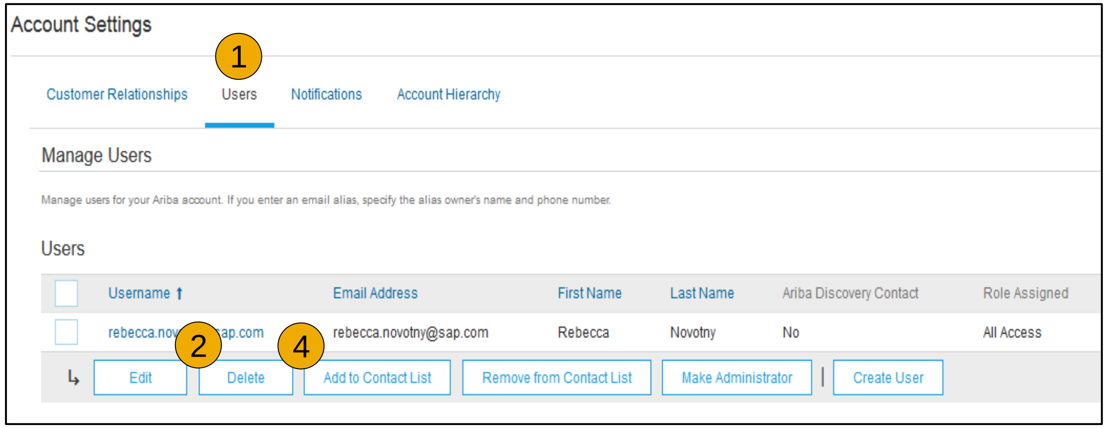


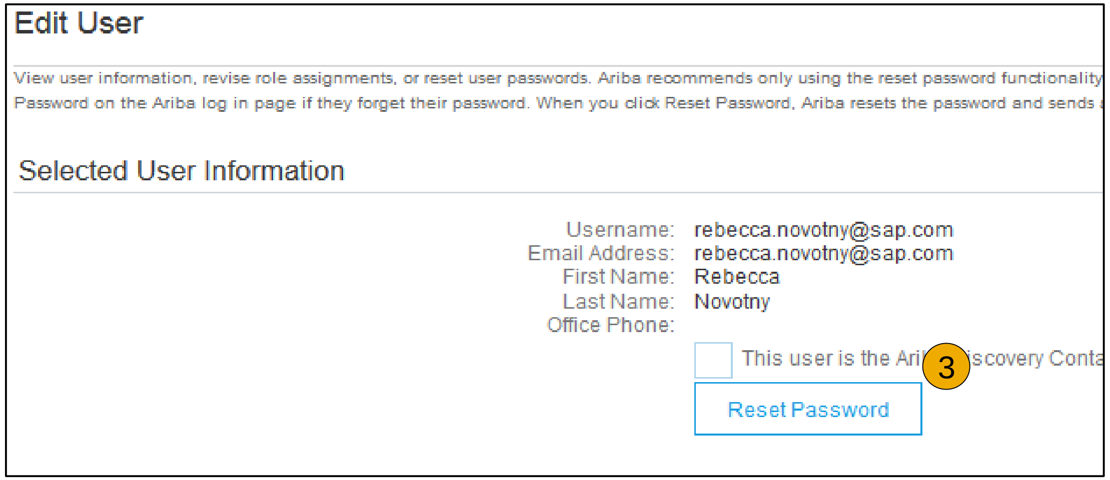


Set Up User Accounts

Modifying User Accounts (Administrator Only)

1. **Click** on the Users tab.
2. **Click** on Edit for the selected user.
3. **Click** on the Reset Password Button to reset the password of the user.
4. **Other options:**
   - Delete User
   - Add to Contact List
   - Remove from Contact List
   - Make Administrator





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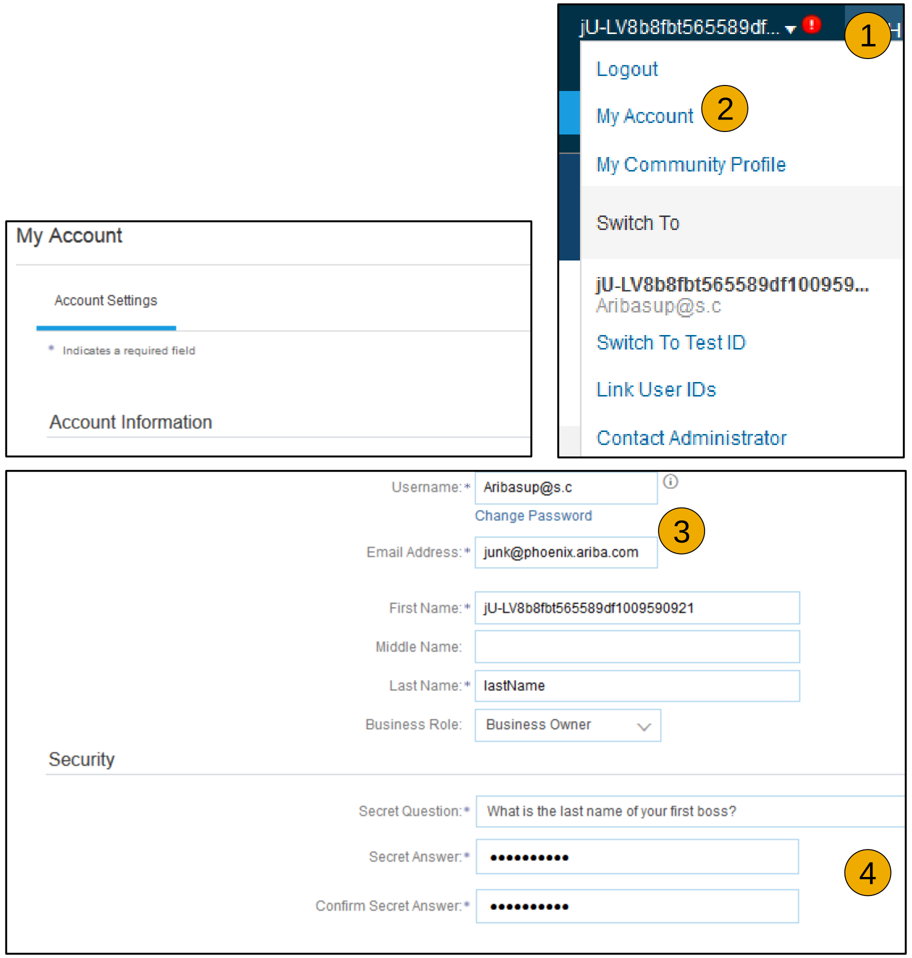
Enhanced User Account Functionality

1. **Click** on your name in top right corner, to access the User Account Navigator. It enables you to:
   - Quickly access your personal user account information and settings
   - Link your multiple user accounts
   - Switch to your test account

   Note: After your multiple user accounts are linked, the User Account Navigator displays the multiple accounts.
2. **Click** on My Account to view your user settings.
3. **Click** Complete or update all required fields marked by an asterisk.

   Note: If you change username or password, remember to use it at your next login.
4. **Hide** personal information if necessary by checking the box in the Contact Information Preferences section.



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Consolidate Your Bills Through a Multi-Org

SAP Ariba

Branch 1
Parent Account
ANID 1

Branch 2 ANID 2

Branch 3 ANID 3

Branch 4 ANID 4

Multi-Org Consolidated Invoice

Branch 1 **Parent Account
- Customer X
- Customer Z

Branch 2
- Customer Y
- Customer Z

Branch 3
- Customer Y
- Customer Z

Branch 4
- No chargeable relationship

1 Master Anniversary Date

1 service invoice per quarter for all customers

Ariba offers <u>invoice consolidation</u> and synchronization for customers with several accounts

- Fees will be invoiced only to the parent account with the payment cycle synchronized for the entire group.
- The parent account will receive one single invoice every three months for all customer relationships and for all linked accounts.
- This consolidation is related only to invoices issued by Ariba to the supplier, the business operations of each account are still independent.

Participate in a Multi-Org

Guidelines

- The supplier needs to designate a **Parent ANID** under which the invoice will be viewed.
- The selection of the parent ANID determines the currency of the Multi-org invoice and the billing dates.
- The supplier should also have confirmed list of child ANID’s to be included on the invoice.
- A Multi-Org is NOT:
  - A way to merge accounts.
  - A way to get a discount on Transaction Fees.

Structure Your Multi-Org

1. **Register** all accounts which will be included in the Multi-Org.
2. **Create** a list of all ANIDs and designate the parent account.
3. **Wait** until the first ANID becomes chargeable.
4. **Contact Customer Support** through the Help Center and inform them of your need for the Multi Org.

Link Accounts Via an Account Hierarchy

Linkage between individual accounts for <u>account management</u> purposes

The administrator of the Parent account can log into the child account and take the following actions:

- Change settings on the child account and complete the company profile
- Publish catalogs
- Check the status of payment for the Ariba invoice and pay the invoice
- Upgrade to a higher Subscription package

The administrator of the Parent account cannot take following actions:

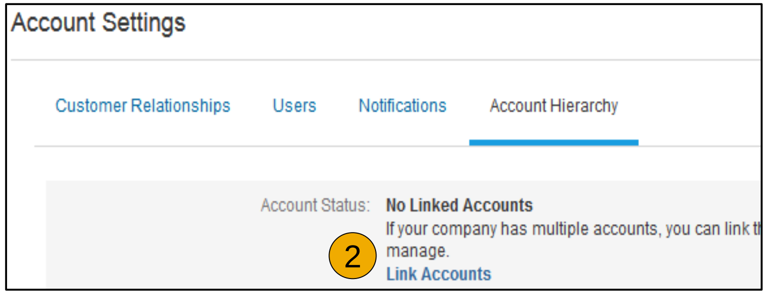
- View buyers on the Child account
- Create any documents (PO confirmations, Ship Notices, Invoices)
- Run Reports

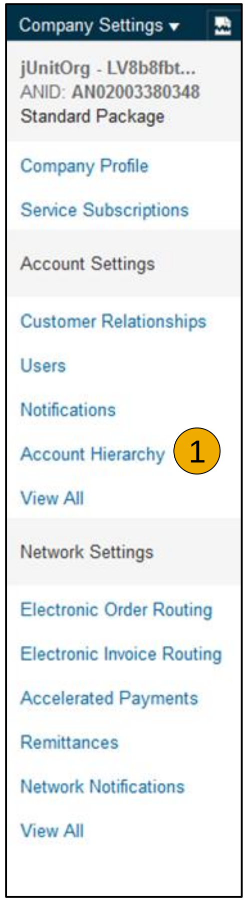
Create an Account Hierarchy

1. **From the Company Settings** menu, click Account Hierarchy.
2. **To add** child accounts click on Link Accounts.
3. **The Network** will detect if there is an existing account with corresponding information.
4. **On the next page** log in if you are the Administrator of the account.

Note: If you are not the Administrator of the account, you can send a request as a 'Non Administrator' to the Administrator through an online form.

5. **Once** the request is confirmed by a child account administrator, the name of the linked account is displayed on the Account Hierarchy page.





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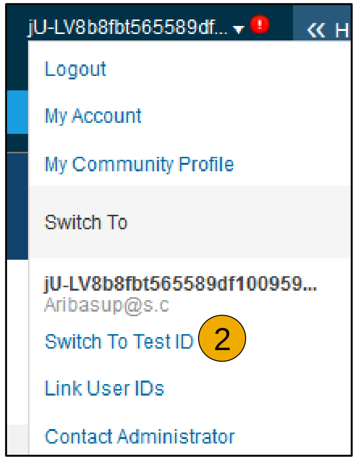
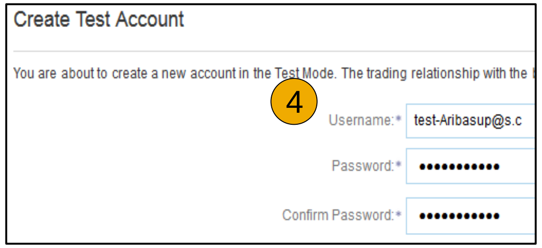
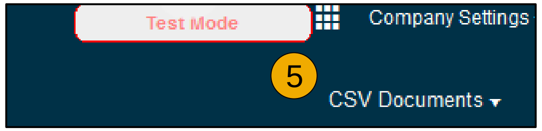
Set Up a Test Account

1. **To set up** your Test Account, you need to be on the tabular view of your Ariba Network Production Account.
2. **Click** your name in top right corner and then select Switch to Test ID. The Switch To Test Account button is only available to the account Administrator. The administrator can create test account usernames for all other users needing access to the test account.
3. **Click** OK when the Ariba Network displays a warning indicating You are about to switch to Test Mode.
4. **Create** a Username and Password for your test account and click OK. You will be transferred to your test account.

   • Your Test account should be configured to match your Production account. This will ensure the testing results are consistent with what will result in Production. Once you have set up your test account, you are ready to receive a test purchase order.
   Note: Test account transactions are free of charge.
5. **The Network** will always display which mode you are logged into, (Production or Test). Your **Test account ID** has the suffix "-T" appended to your Ariba Network ID (ANID).







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Section 3: Purchase Order Management

View Purchase Orders

Purchase Order Detail

Create PDF of Purchase Order

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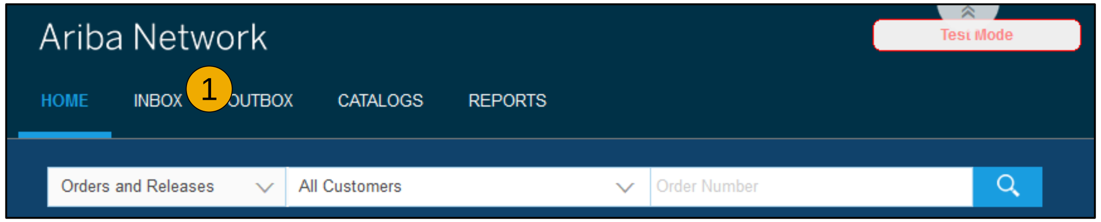
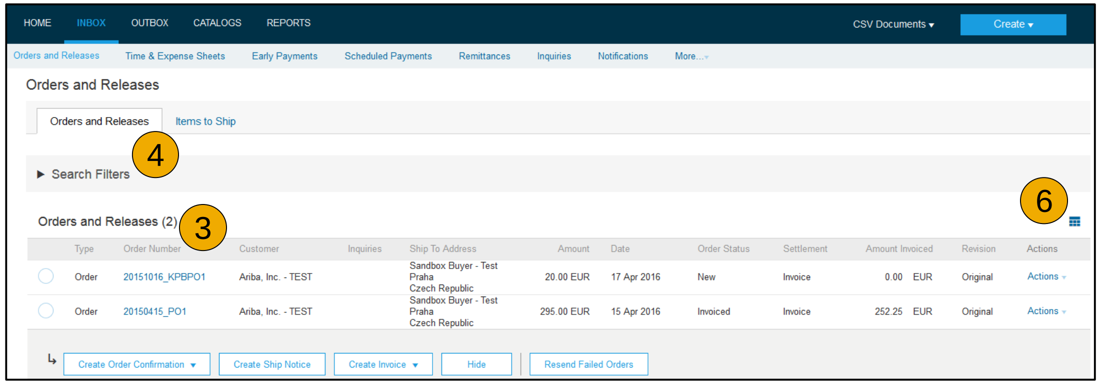
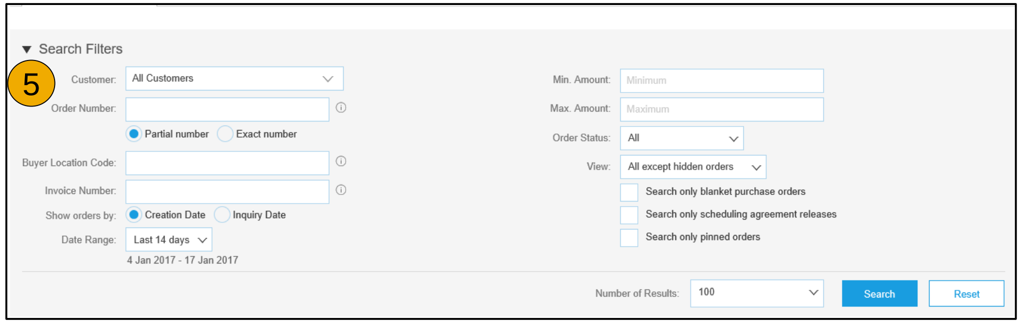
Manage POs

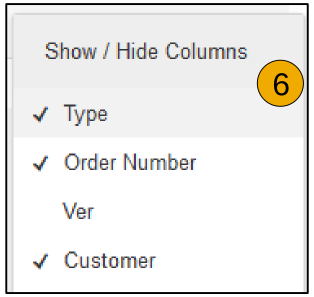
View Purchase Orders

1. **Click** on Inbox tab to manage your Purchase Orders.
2. **Inbox** is presented as a list of the Purchase Orders received by Kennametal.
3. **Click** the link on the Order Number column to view the purchase order details.
4. **Search** filters allows you to search using multiple criteria. When searching for one single order, in the search filter use the Exact Number radio button which will allow you access to that order only.
5. **Click** the arrow next to Search Filters to display the query fields. Enter your criteria and click Search.
6. **Toggle** the Table Options Menu to view ways of organizing your Inbox.









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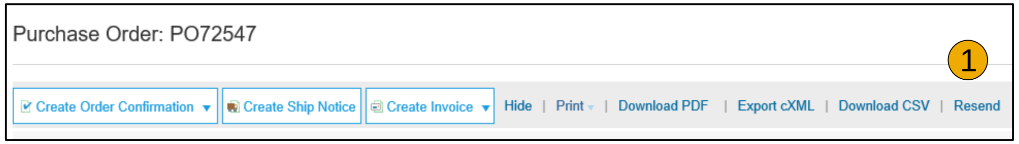
Manage POs
Purchase Order Detail

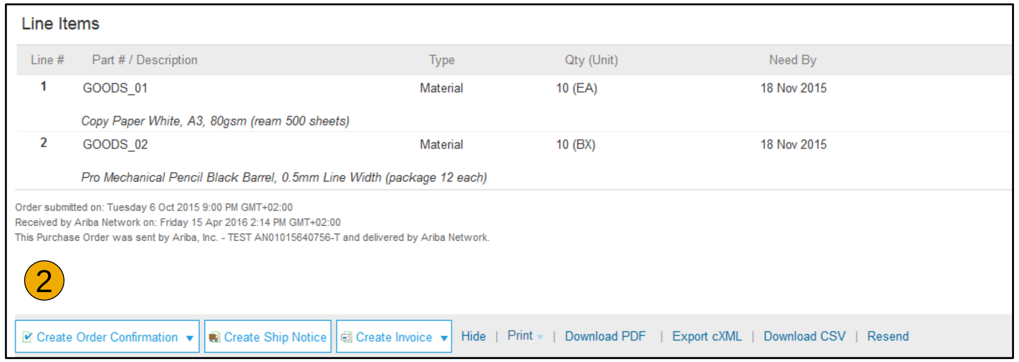
1. **View** the details of your order.
   The order header includes the order date and information about the buying organization and supplier.

   Note: You can always Resend a PO which was not sent to your email address, cXML or EDI properly clicking **Resend** button.

   Additional options: **Export cXML** to save a copy of the cXML source information **Order History** for diagnosing problems and for auditing total value.

2. **Line Items section** describes the ordered items. Each line describes a quantity of items Kennametal wants to purchase. Set the status of each line item by sending order confirmations clicking Create Order Confirmation. The sub-total is located at the bottom of the purchase order.



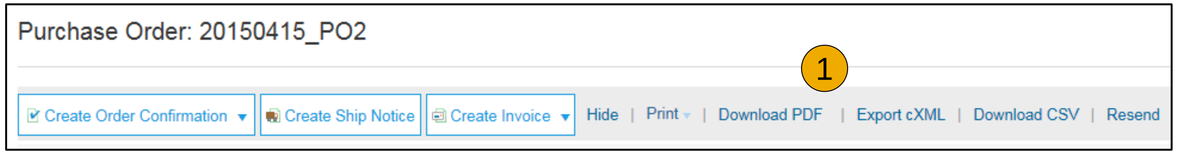


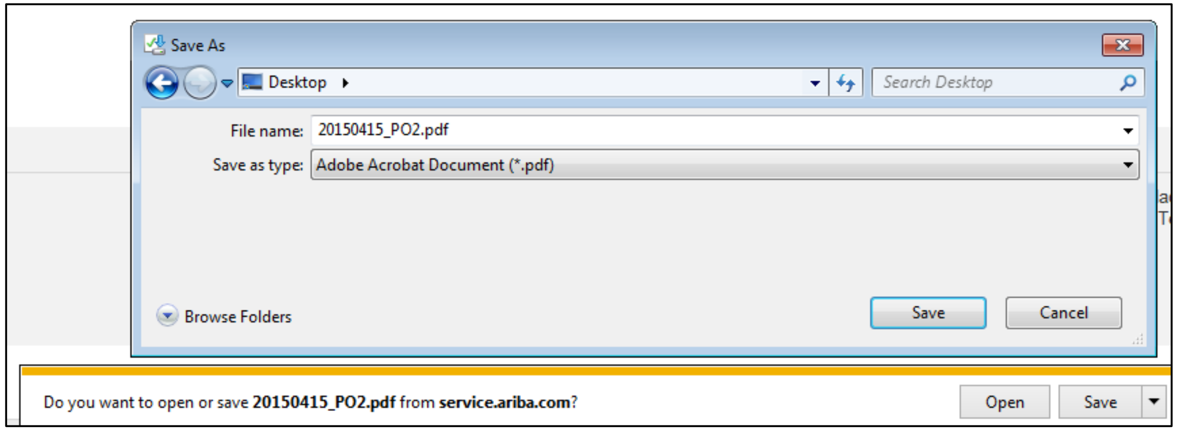
Manage POs

Create PDF of PO

1. **Select “Download PDF”** as shown.

Note: If the document exceeds 1000 lines or is larger than 1MB size, details are not shown in the UI. Therefore the detail is not included in the PDF generated.





Section 4: Other Documents

Order Confirmations (OC)

- Confirm Entire Order
- Reject Entire Order
- Update Line Items

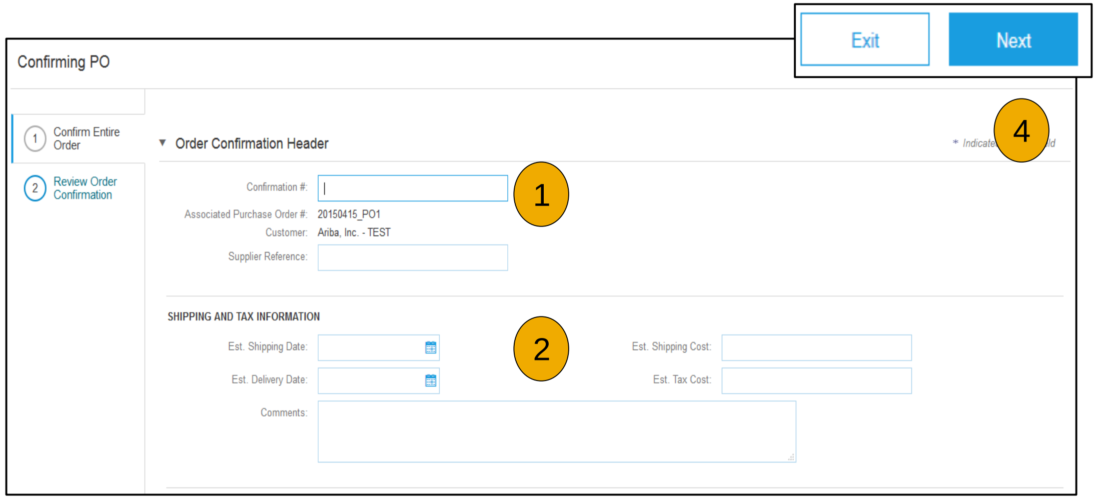
Service Entry Sheet

- Locate a Service PO
- Create Service Sheet
- Submit Service Sheet
- Auto-Generate Service Sheet
- Check Status

Create Order Confirmation
Confirm Entire Order

This slide explains how to Confirm Entire Order when no changes are required.

1. **Enter** Confirmation Number which is any number you use to identify the order confirmation**.**
2. **If you specify** Est. Shipping Date or Est. Delivery Date information, it is applied for all line items.
3. **You can group** related line items or kit goods so that they can be processed as a unit.
4. **Click** Next when finished.
5. **Review** the order confirmation and click Submit.
6. **Your order confirmation is sent to Kennametal.**



Once the order confirmation is submitted, the Order Status will display as Confirmed. When viewing documents online, links to all related documents are displayed.
Click Done to return to the Inbox.

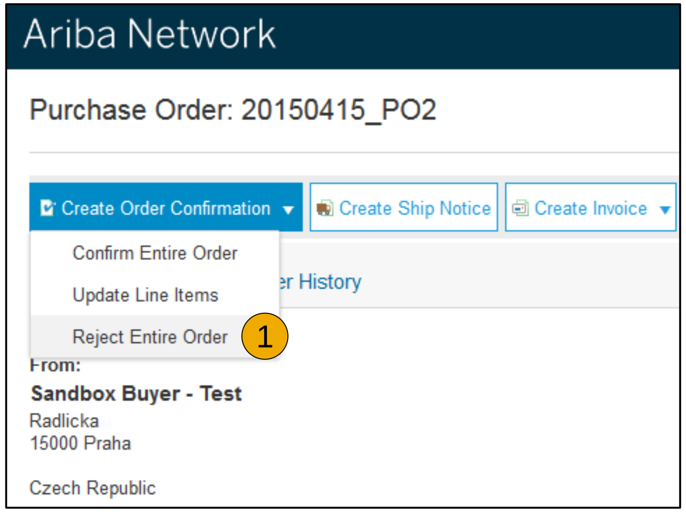
Create Order Confirmation

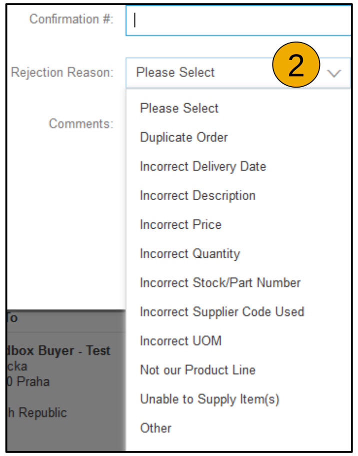
Reject Entire Order

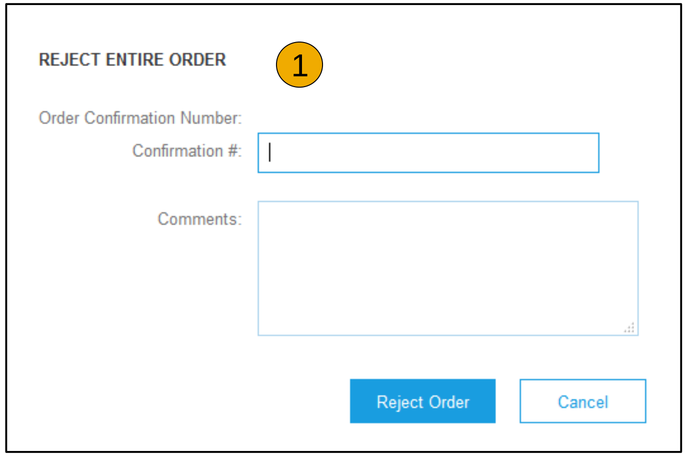
1. **From the PO view**, click the Create Order Confirmation button and select to Confirm Entire Order, Update Line Items for individual line items or Reject Entire Order.
2. **Enter a reason for rejecting** the order in case your buyer requires.

This example demonstrates the Reject Entire Order option. (Updating with Different Statuses will be explained on the next few slides.)

Do not reject entire order when updating line items is possible. Instead update each line item with changes to price, quantity or delivery and confirm with those changes.





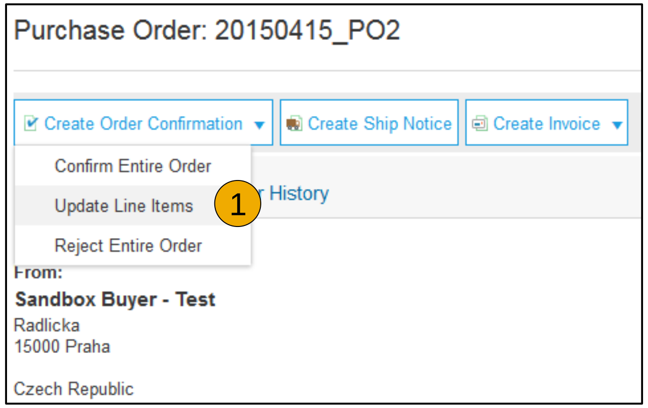


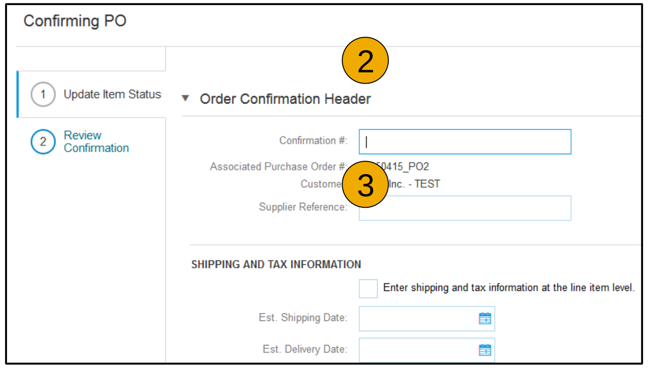
Create Order Confirmation

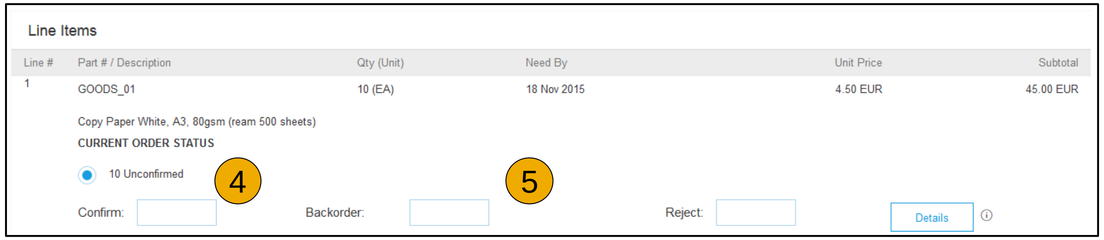
Update Line Items

1. **Select** Update Line Items, to set the status of each line item.
2. **Fill** in the requested information (the same as for Confirm All option).
3. **Scroll** down to view the line items and choose among possible values:
4. **Confirm** – You received the PO and will send the ordered items.
5. **Backorder** – Items are backordered. Once they available in stock, generate another order confirmation to set them to confirm.

Note: If your customer is allowing Supplier Network Collaboration (SNC), your Order Confirmation must be initiated within Ariba.





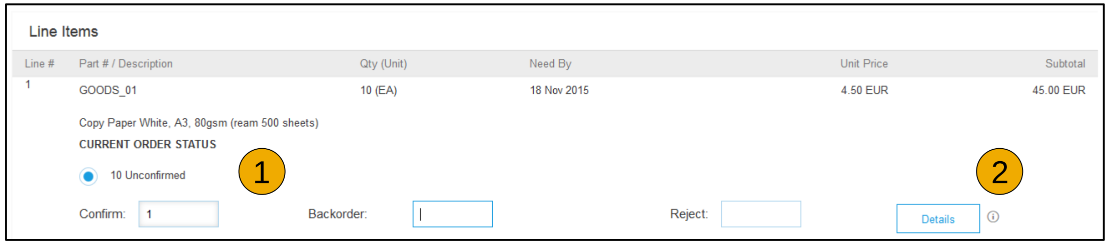


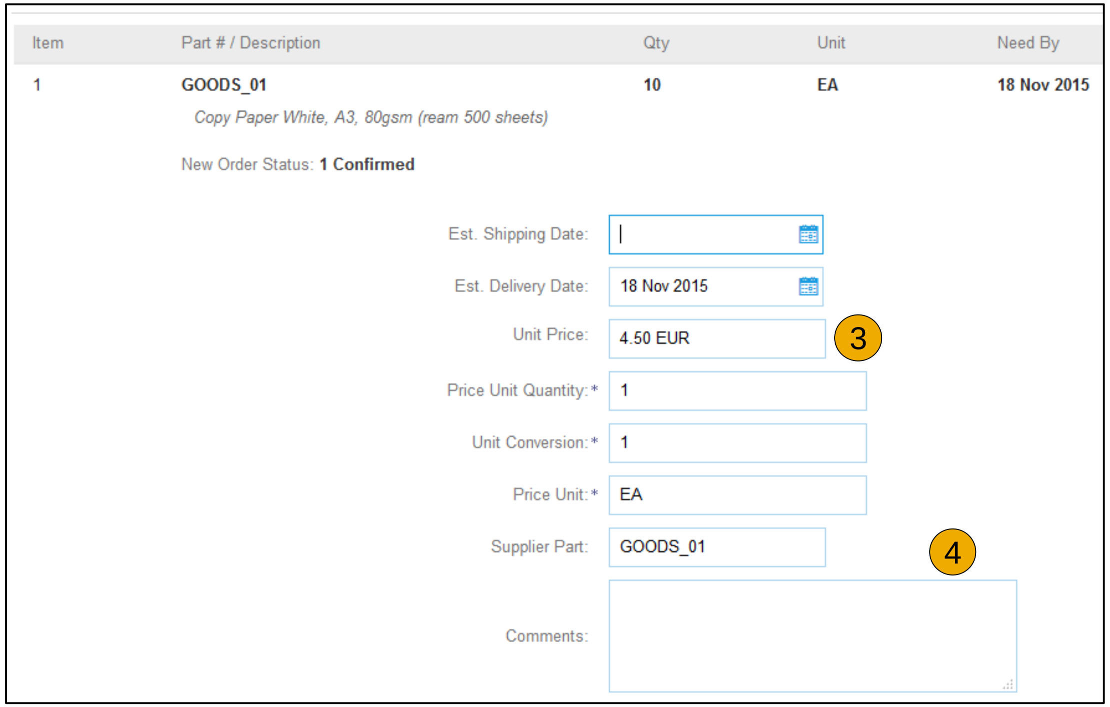
Confirm Order

Update Line Items - Price Change

1. **Enter** the quantity in the Confirm data entry field.
2. **Click** Details to enter the details regarding the price change.
3. **Note** the new price in the Unit Price field on the Status Details page for the line item. Enter a any price changes in the required Comments box not the Pricing Description box.
4. **Update** the Description as needed and click OK when done.

Note: Price changes must be within 20%.





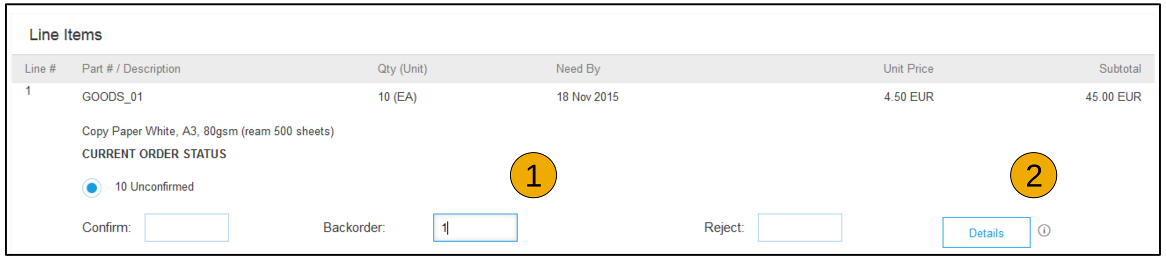
Confirm Order

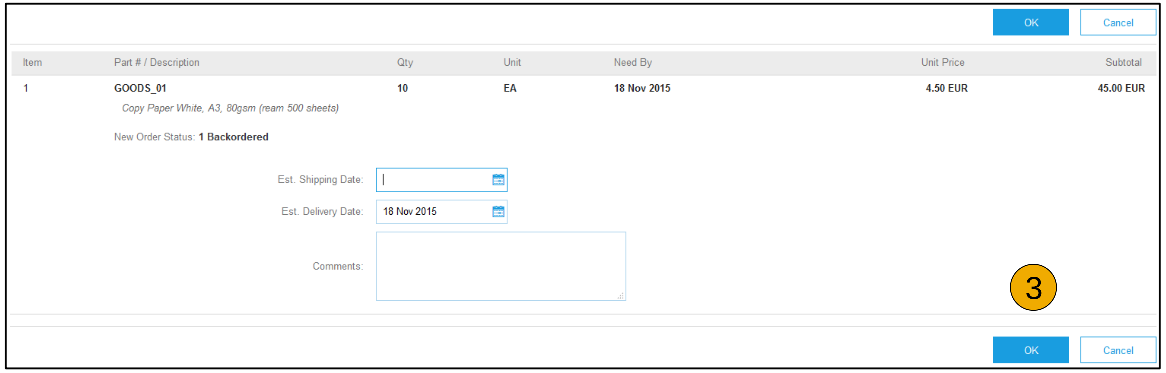
Update Line Items - Backorder

1. **Enter** the quantity backordered in the Backorder data entry field.
2. **Click** Details to enter Comments and Estimated Shipping and Delivery Dates for the backordered items on the Status Details page.
3. **Click** OK when done.

Note: If using several statuses for a line item, the sum of the quantities for the statuses should equal the line item quantity.

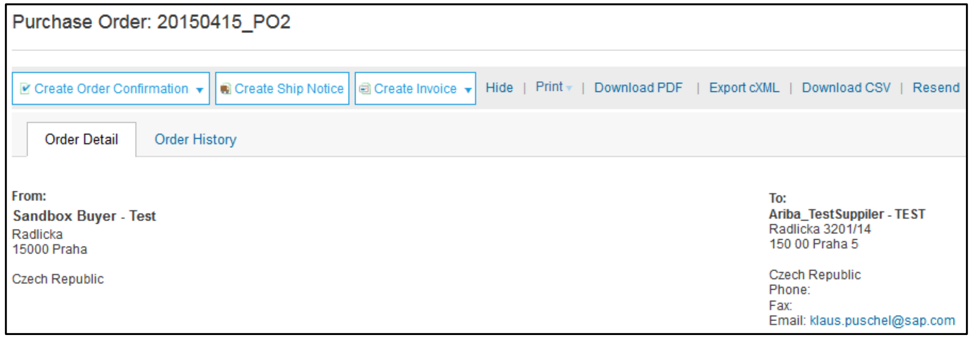
4. **Click** Next.

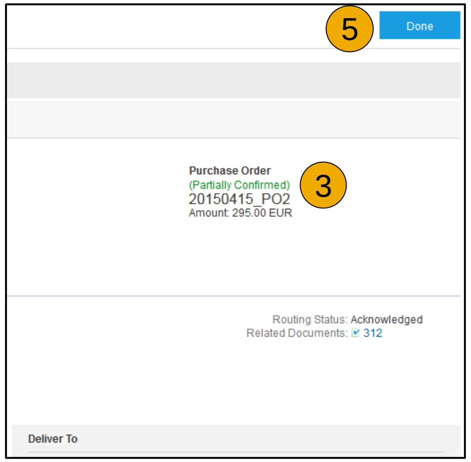




Confirm Order
Update Line Items

1. **Continue** to update the status for each line item on the purchase order. Once finished, click Next to proceed to the review page.
2. **Review** the order confirmation and click Submit. Your order confirmation is sent to Kennametal.
3. **The Order Status will display** as Partially Confirmed if items were backordered or not fully confirmed.
4. **Generate** another order confirmation to set them to confirm if needed.
5. **Click** Done to return to the Inbox.





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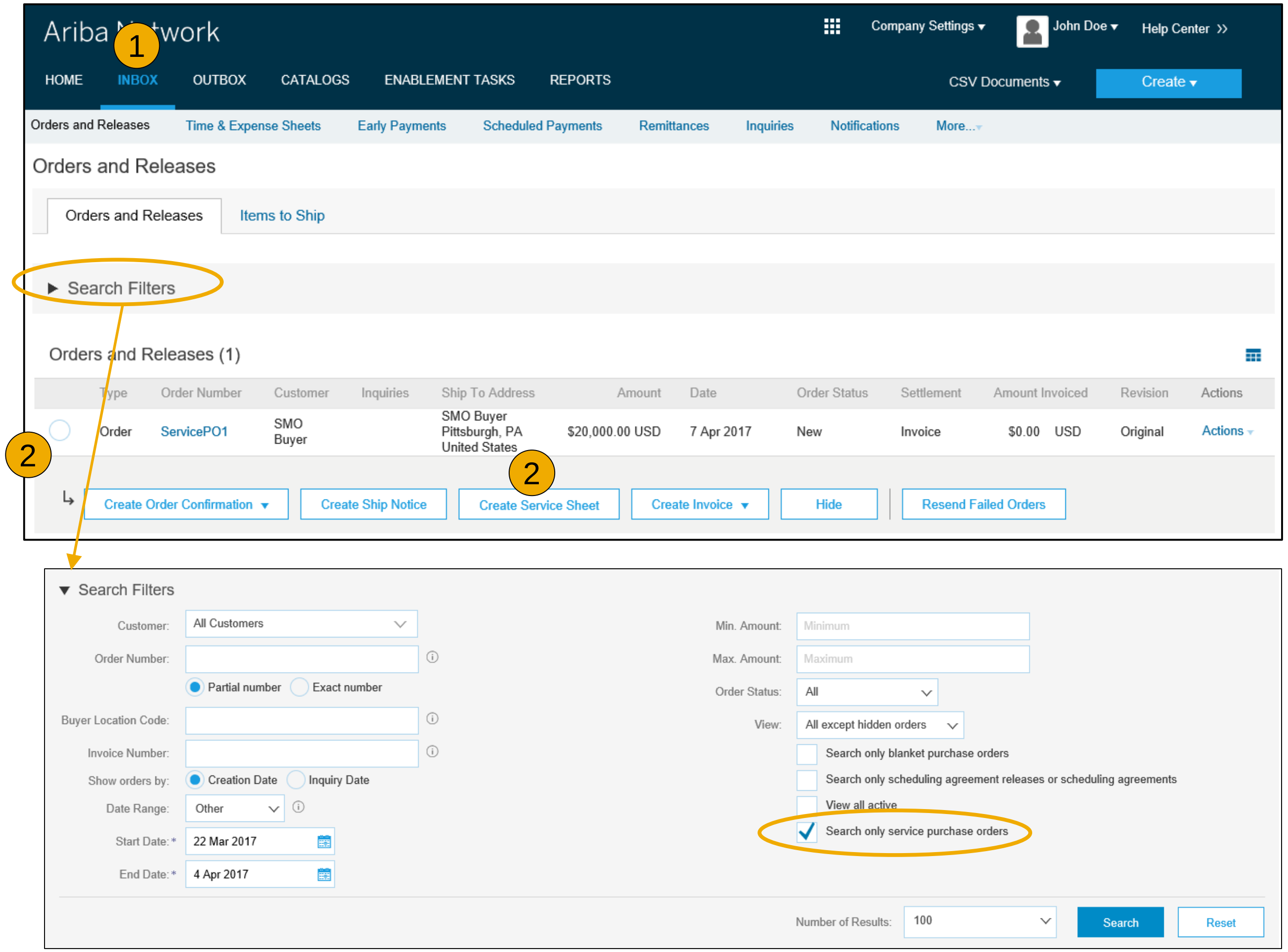
Create a Service Entry Sheet

Locate a Service PO

1. **Locate** your Service PO within your Inbox.

Note: Utilize the **Advanced Search Filters** at the top of your inbox to narrow your view to Service POs only by checking the **Search Only Service Purchase Orders** box and clicking **Search.**

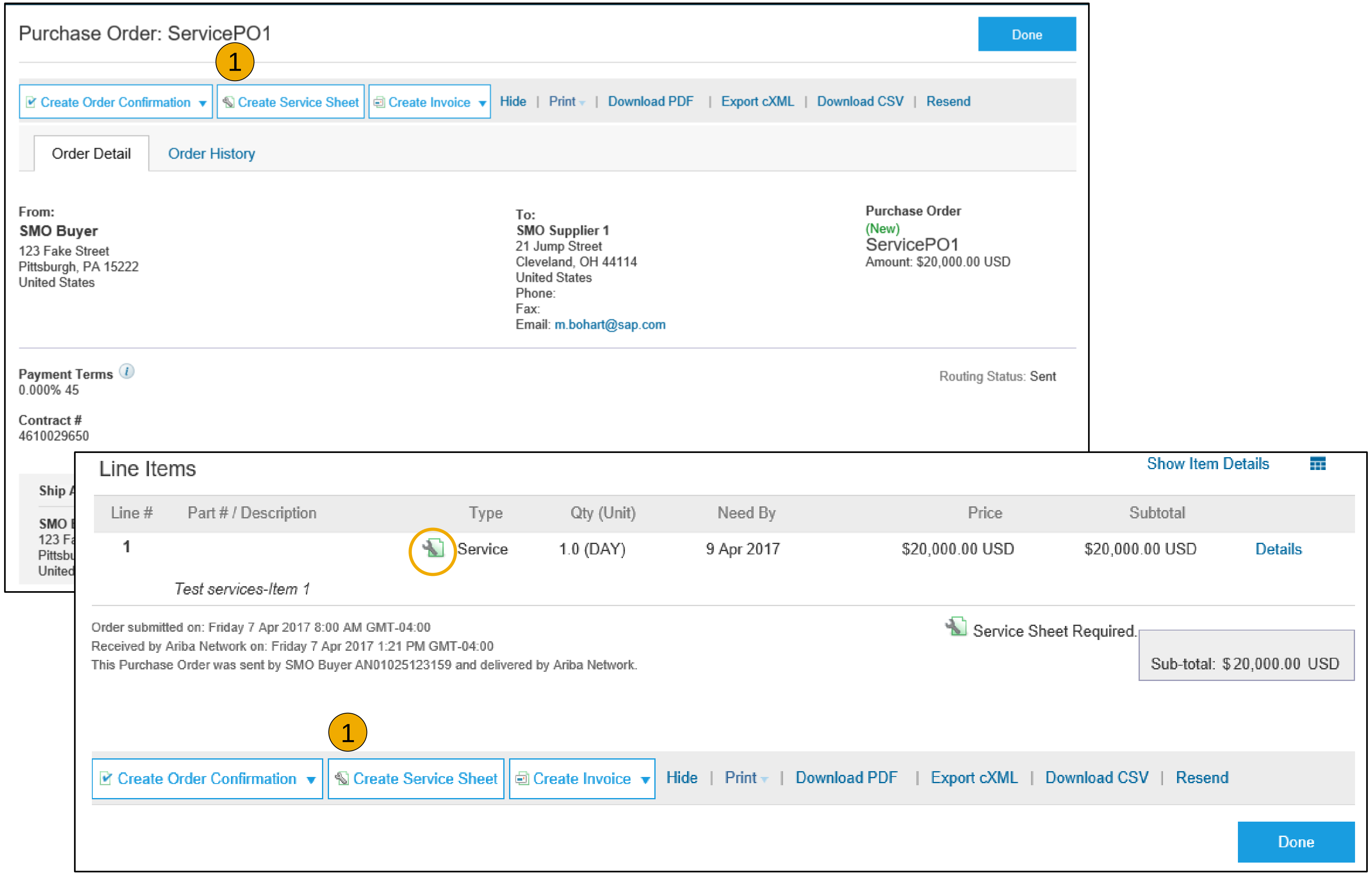
2. **Select** the radio button next to the desired PO and click **Create Service Sheet** OR click the **Order Number Hyperlink** to view the Service PO.



Create a Service Entry Sheet

Review Service PO

1. **After** reviewing your PO for accuracy, click **Create Service** Sheet at the top or bottom of your PO**.**

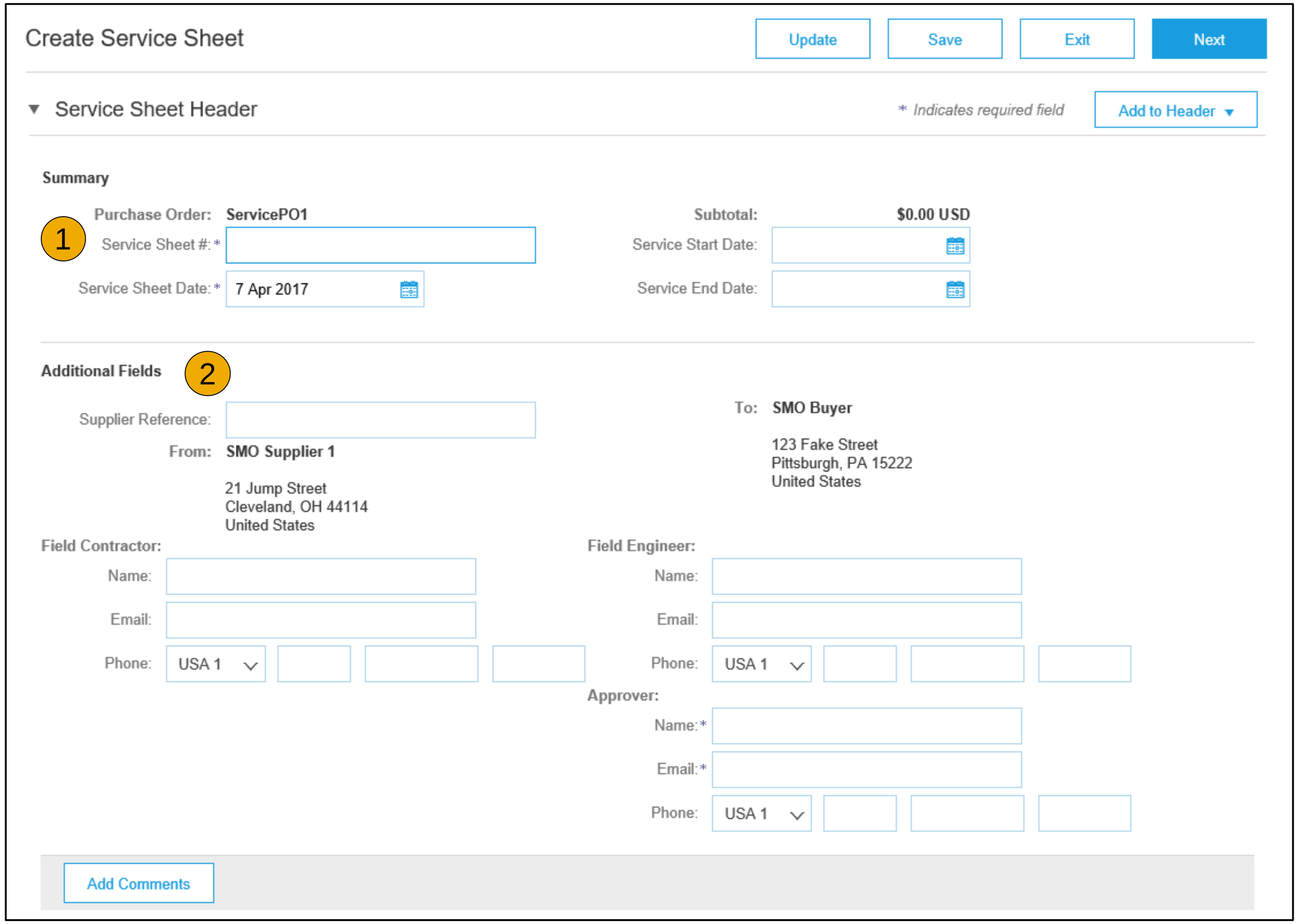


Note: Services will be indicated with the Service Icon next to the Line Type.

Create a Service Entry Sheet

Header Information

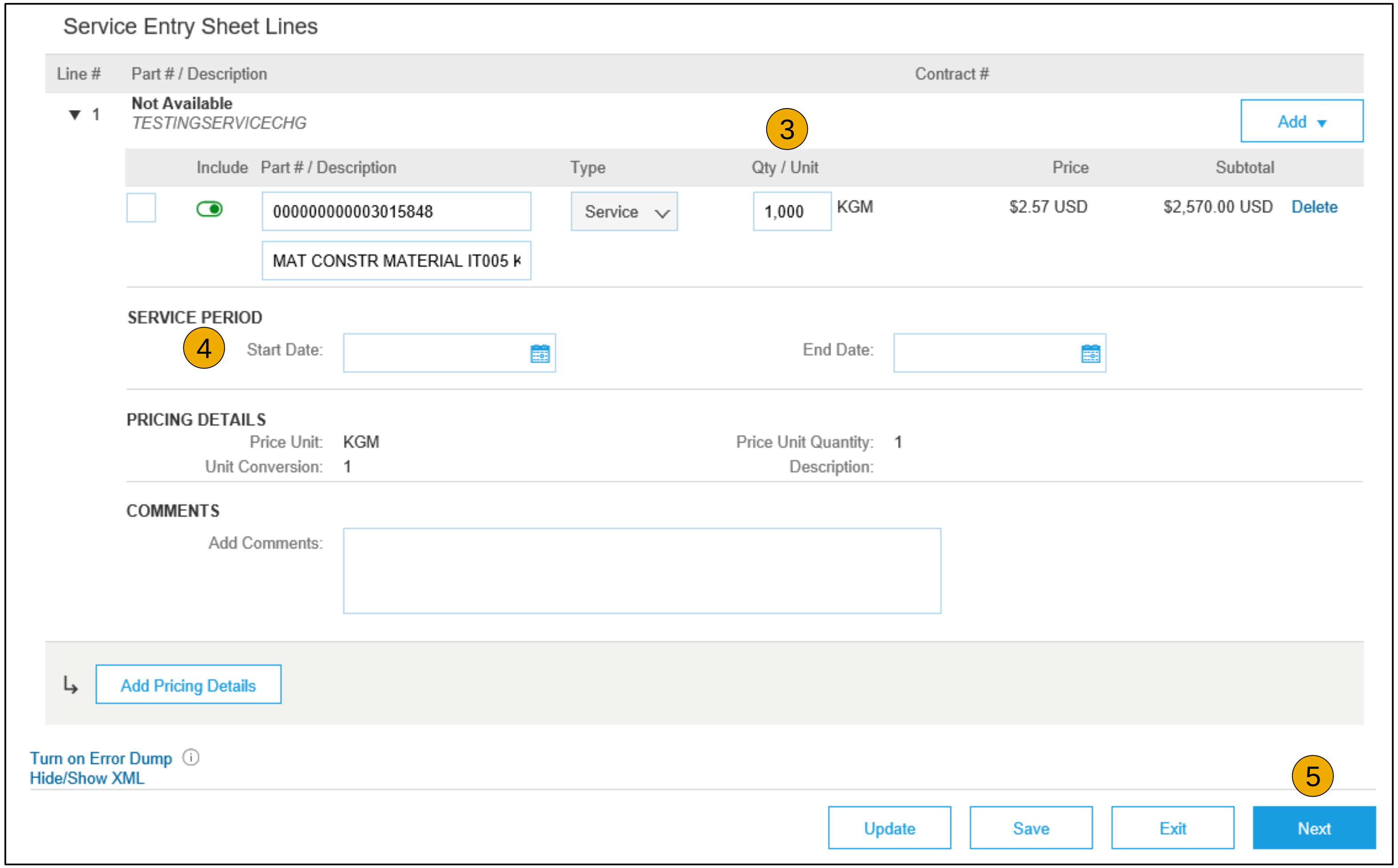
1. **Complete** any required fields that have an asterisk (*).
2. **Enter** additional fields as requested by your customer, including Contractor Information, Approver, etc.



Create a Service Entry Sheet

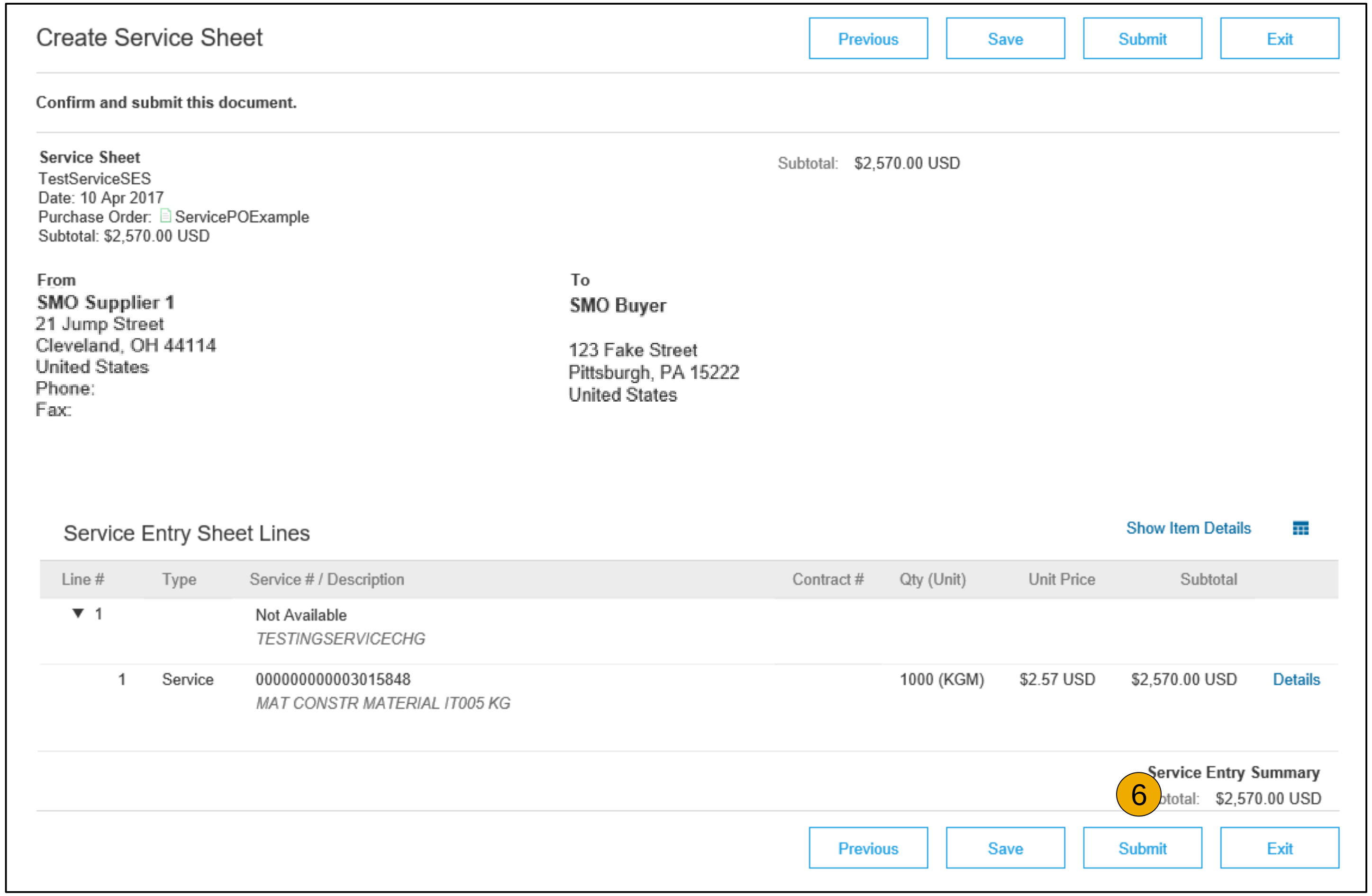
Line Item Section

3. **Update** quantities of line items. When unit is equal to PU (performance unit) and price is equal to $1.00 then the value of the total value of the services or items provided shall be entered in the Quantity field. Future invoicing for additional services or items will be reflected using the balance of funds remaining on the order.
4. **Enter** Service Start and End Dates if available, as well as any additional comments as needed.
5. **Click** Next to proceed to review screen.



Submit a Service Entry Sheet

6. **From** the Review Screen, check your Service Sheet for accuracy. If there are errors, click **Previous** to return to the Create Service Sheet screen. To submit to your customer, click the **Submit** Button.



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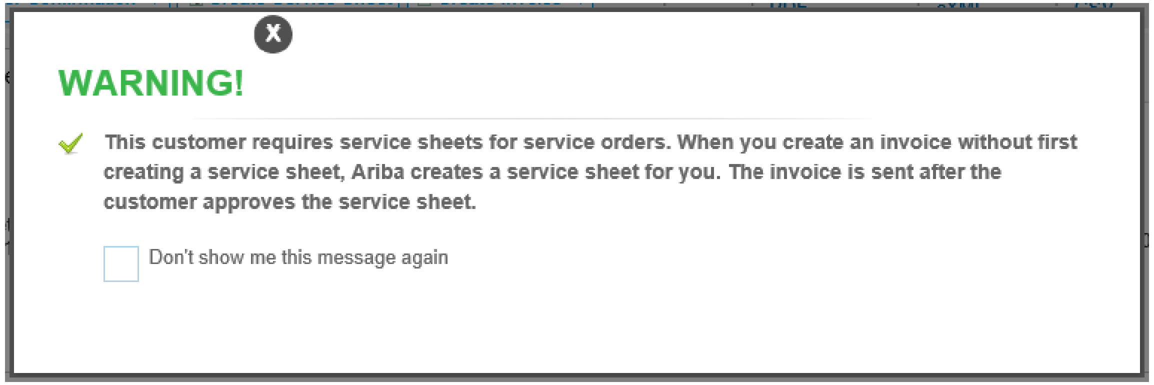
Auto-Generate a Service Entry Sheet

Create a Service Sheet from an Invoice

For customers who allow automatically generated service sheets, you can create service invoices for each service line on a service order, and the corresponding service sheets are automatically generated and sent to the customer.

To create an auto-generated Service Sheet

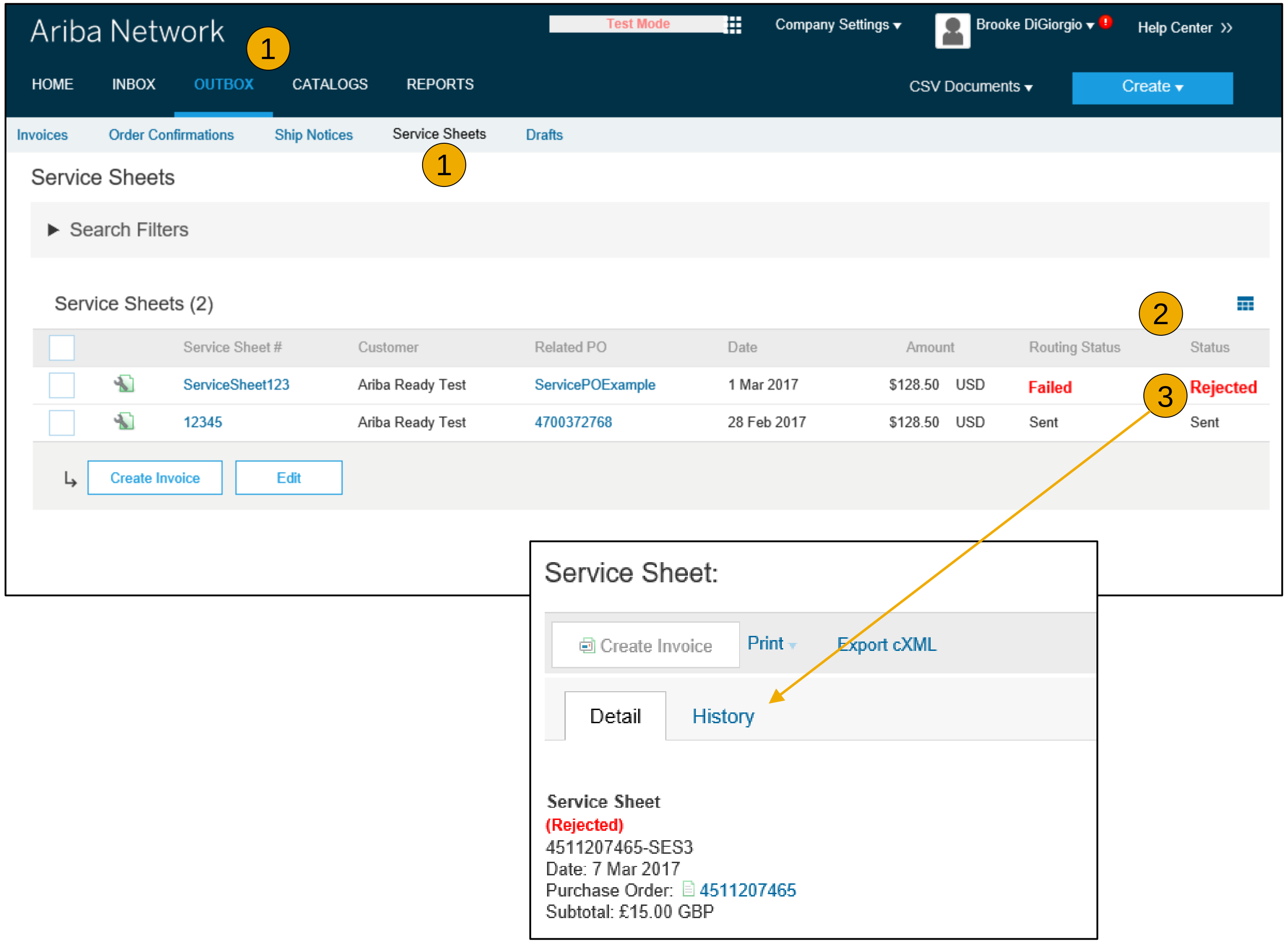
1. **Within** your **INBOX**, locate the PO to invoice against and select **Create Invoice** and select **Standard Invoice**.
2. **Review** the Pop-Up message on your screen, alerting you of the auto-generation (see right).
3. **Click** the X to proceed with invoice creation and submission.
4. **Once** the invoice is completed, the service sheet will automatically generate and be available in your **Outbox** under Service Sheets.



Note: If clicking the box to not show the warning message again, please be aware that service sheets will continue to auto-generate for customers with this option enabled during invoice creation.

Check Service Sheet Status

1. **Click Outbox** and select **Service Sheets** Tab.
2. **Routing** and **Approval Status** will be visible on each line.
3. **If a Service Sheet is rejected or failed**, view the reason by opening the Service Sheet and clicking the **History** Tab.



Section 5: Invoice Methods

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Invoice Rules

Invoice Methods

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Modifying Invoices

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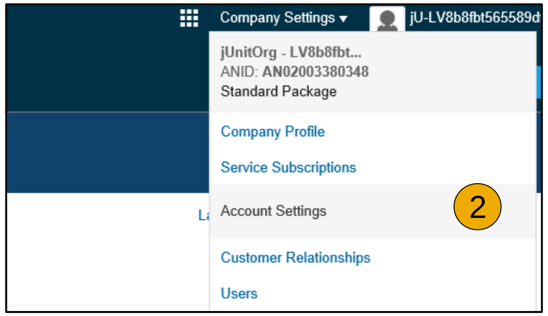
Kennametal Invoice Requirements

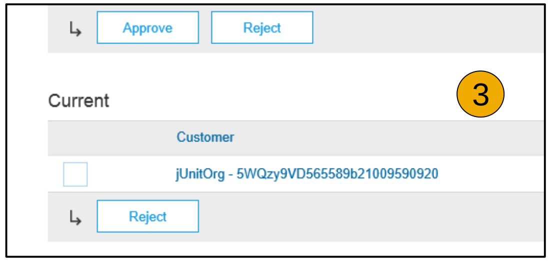
1. Suppliers are required to include a Remit To address on invoice
2. Suppliers are allowed to back date invoices for 4 days
3. Suppliers are required to enter taxes at the line-item level of the invoice. If there are no taxes then enter zero (0) as the tax rate.

Review Kennametal Invoice Rules

These rules determine what you can enter when you create invoices.

1. Login to your Ariba Network account via supplier.ariba.com
2. Select the Company Settings dropdown menu and under Account Settings, click Customer Relationships.
3. A list of your Customers is displayed. Click the name of your customer (Kennametal).
4. Scroll down to the Invoice Setup section and view the General Invoice Rules.
5. If Kennametal enabled Country-Based Invoice Rules then you will be able to choose your Country in Originating Country of Invoice from the drop down menu.
6. Click Done when finished.





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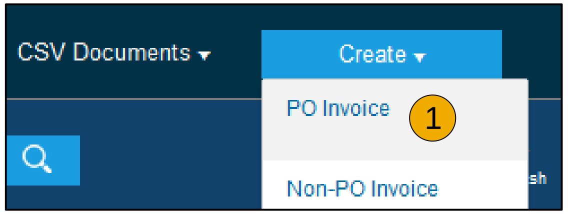
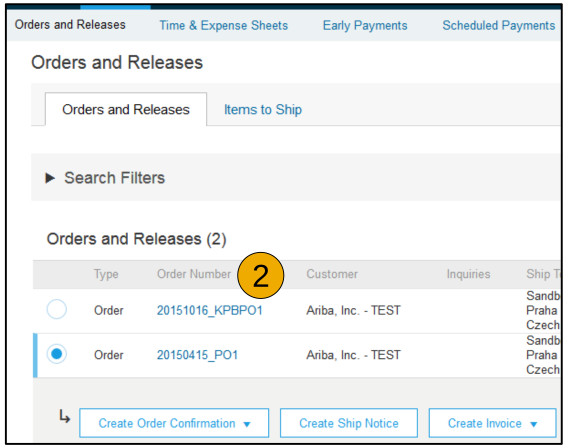
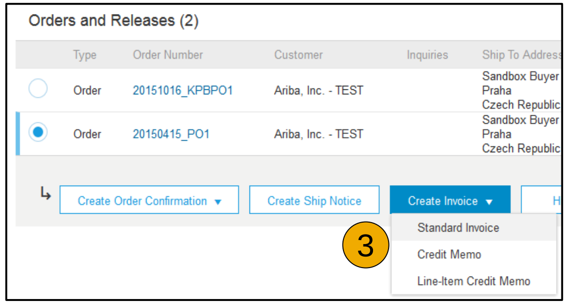
Invoice via PO Flip

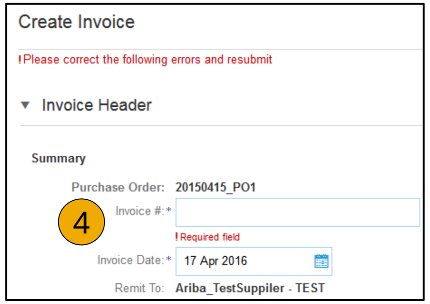
To create a PO-Flip invoice (or an invoice derived from a PO that you received via Ariba Network):

1. From the home screen within your Ariba Network account, select the **Create** dropdown menu and select **PO Invoice**.
2. For PO Invoice select a **PO number**.
3. Click on the **Create Invoice** button and then choose **Standard Invoice**.
4. Invoice is automatically pre-populated with the PO data. **Complete all fields marked with an asterisk and add tax as applicable**. Review your invoice for accuracy on the **Review** page. If no changes are needed, click **Submit** to send the invoice to Kennametal.









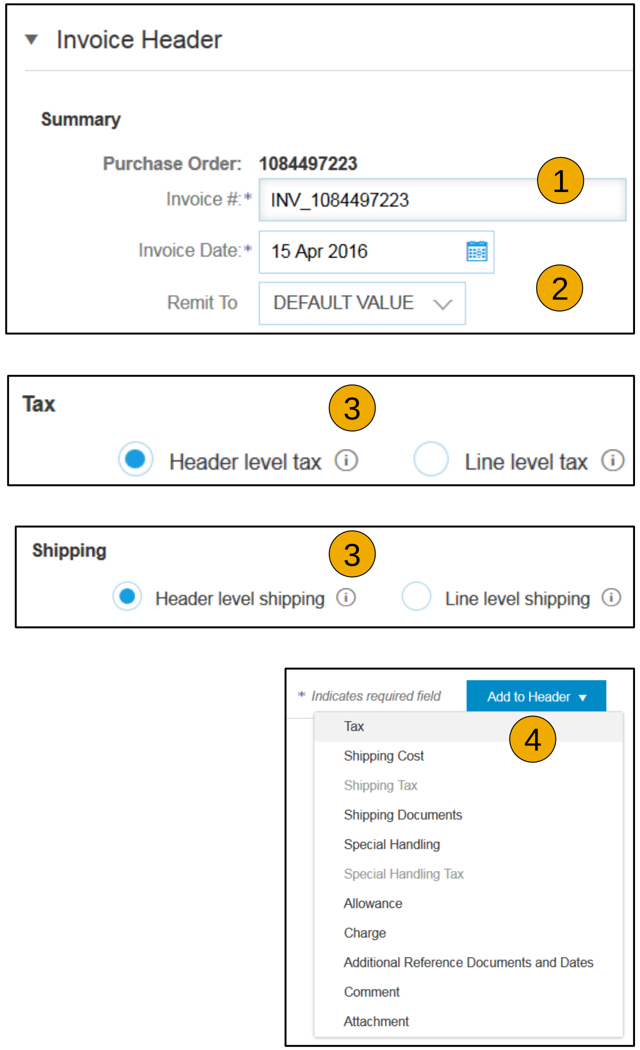
Invoice via PO Flip

Header

Invoice is automatically pre-populated with the PO data. Complete all fields marked with an asterisk and add tax as applicable.

1. **Enter an Invoice #** which is your unique number for invoice identification. The Invoice Date will auto-populate.
2. **Select Remit-To** address from the drop down box if you have entered more than one.
3. **Shipping can be entered** at either the Header or Line level by selecting the appropriate radio button.
4. **You can also add some additional information** to the Header of the invoice such as: Special Handling, Payment Term, Comment, Attachment, Shipping Documents.
5. **Scroll** down to the Line items section to select the line items being invoiced.

Note: Attachment file size should not exceed 40MB.



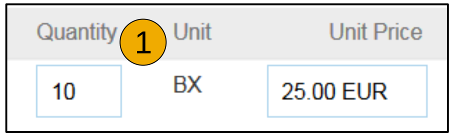
Invoice via PO Flip
Line Items

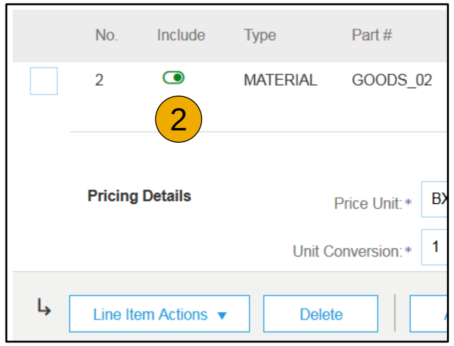
Line Items section shows the line items from the Purchase Order.

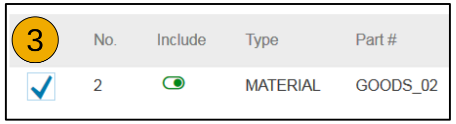
1. **Review or update Quantity** for each line item you are invoicing.
2. **If you wish** to exclude a line item from the invoice, click on the line item's green slider. You can also exclude the line item by clicking the check box to the left and clicking 'Delete'.

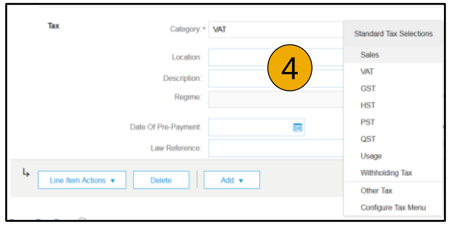
Note: You can generate another invoice later to bill for the excluded item.

3. **Select** the line item to which tax is to be applied using the Line Item # checkbox. To apply the same tax to multiple line items, select those line items to be taxed at the desired rate.
4. To configure additional Tax Options within the Tax Category tool, use the **Configure Tax Menu** option.
5. **Check** Tax Category and use the drop down to select from the displayed options. Click Add to Included Lines.









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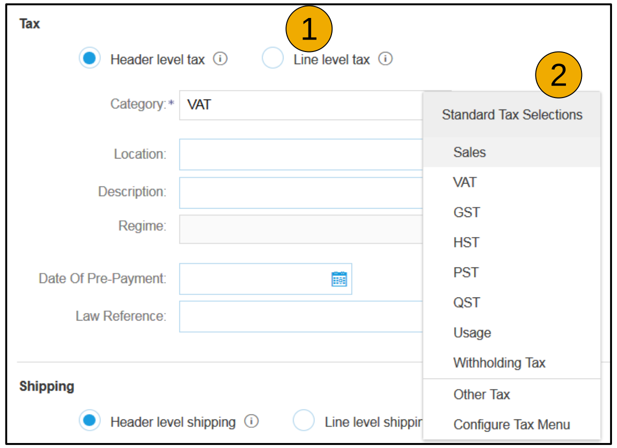
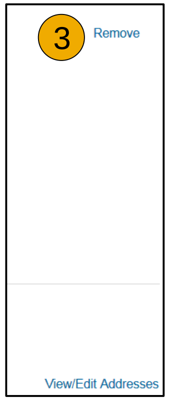
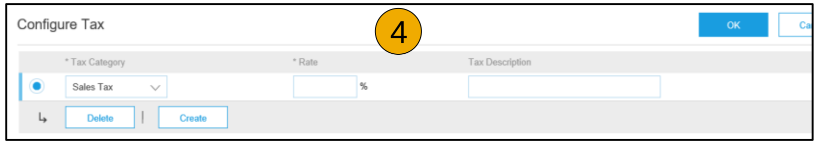
Additional Tax Options & Line Item Shipping

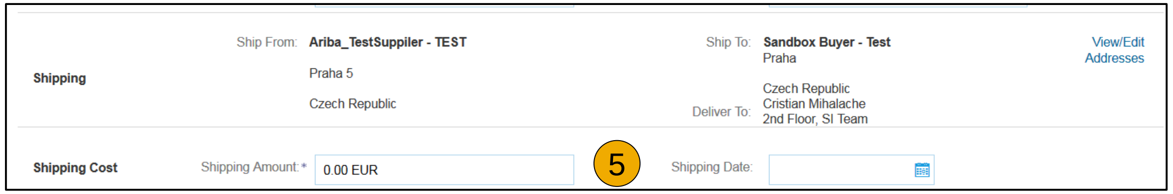
To configure additional tax options click Configure Tax Menu under the Tax Category drop down. Create new tax categories and as needed.

1. **Select** the **Line Item** to apply different tax rates to each line item.
2. **Click Line Item Actions > Add > Tax**.
   Upon **refresh**, the Tax fields will display for each selected line item.
3. **Select** Category within each line item, then either populate the rate (%) or tax amount and click update.
4. **Enter** shipping cost to the applicable line items if line level shipping has been selected.





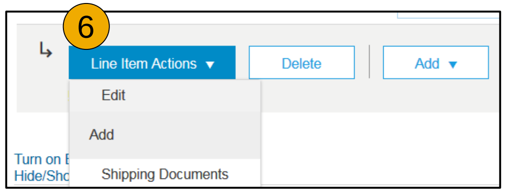


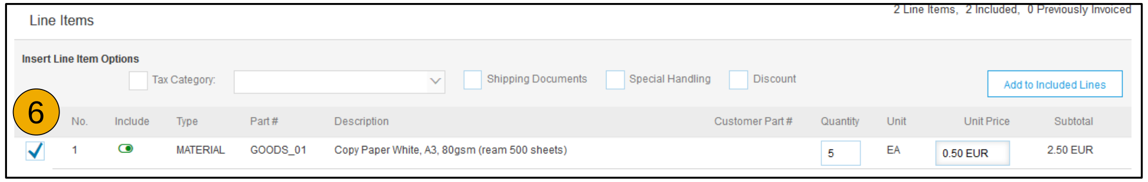


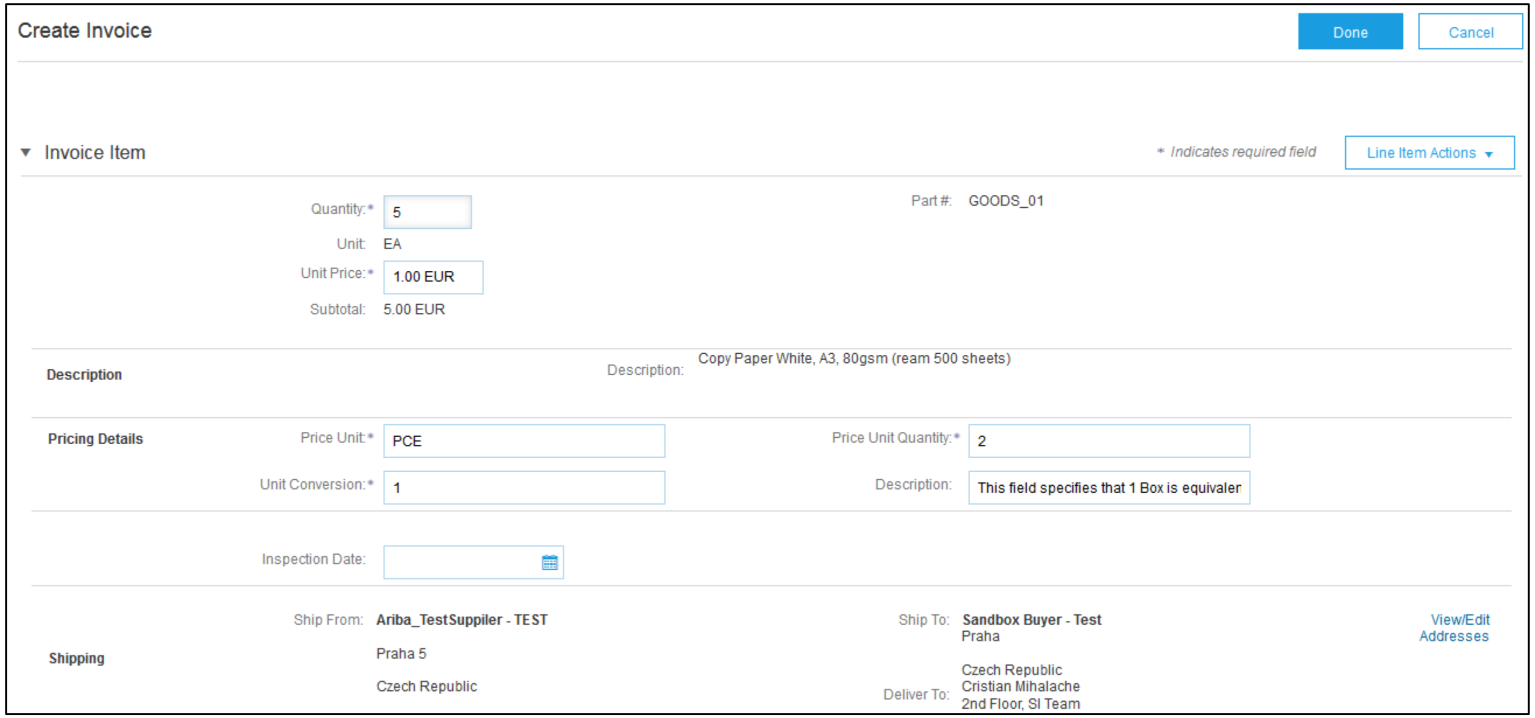
Invoice via PO Flip

Detail Line Items

6. Additional information can be viewed at the Line Item Level by editing a Line Item.





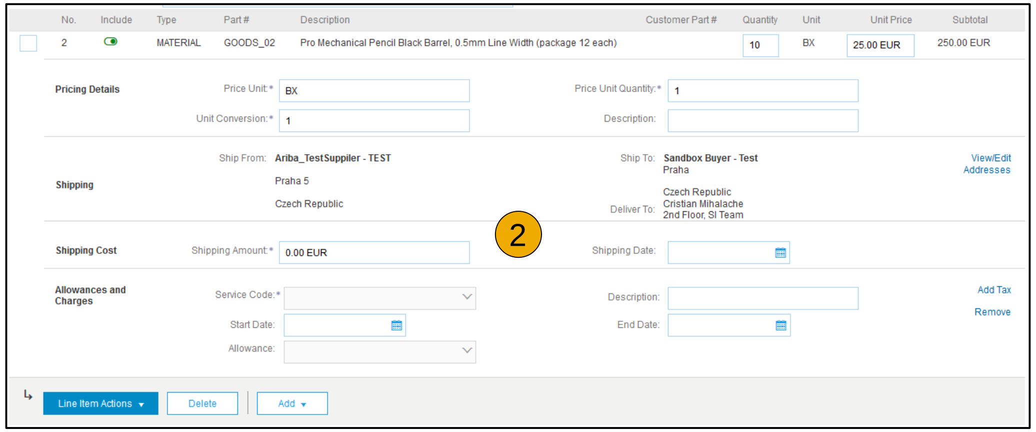


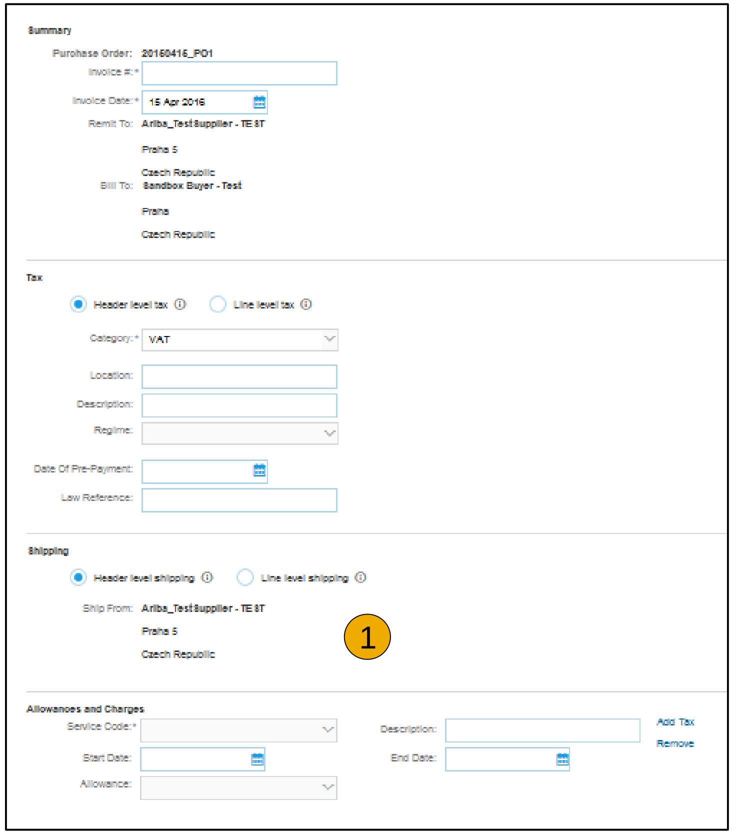
Invoice via PO Flip

Review Allowances and Charges

If Allowances and Charges are included in the PO, these will convert to the Invoice at either Invoice Header or Line Item Level based on where the information is on PO:

1. **Header Allowance and Charges**
2. **Line level Allowance and Charges**





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Invoice via PO Flip

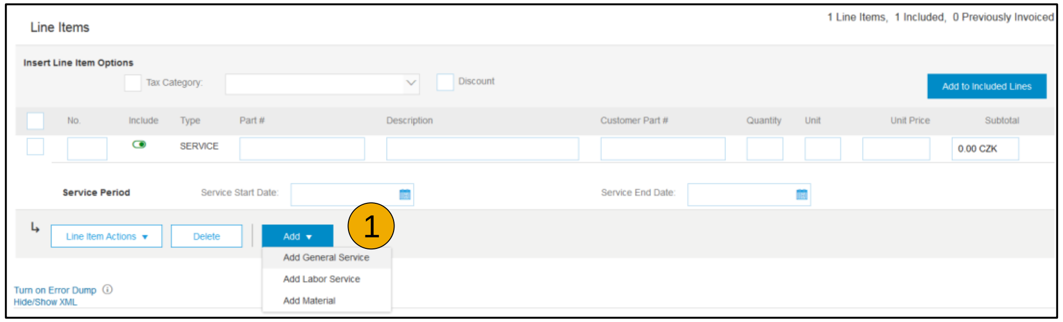
Line Item Comments

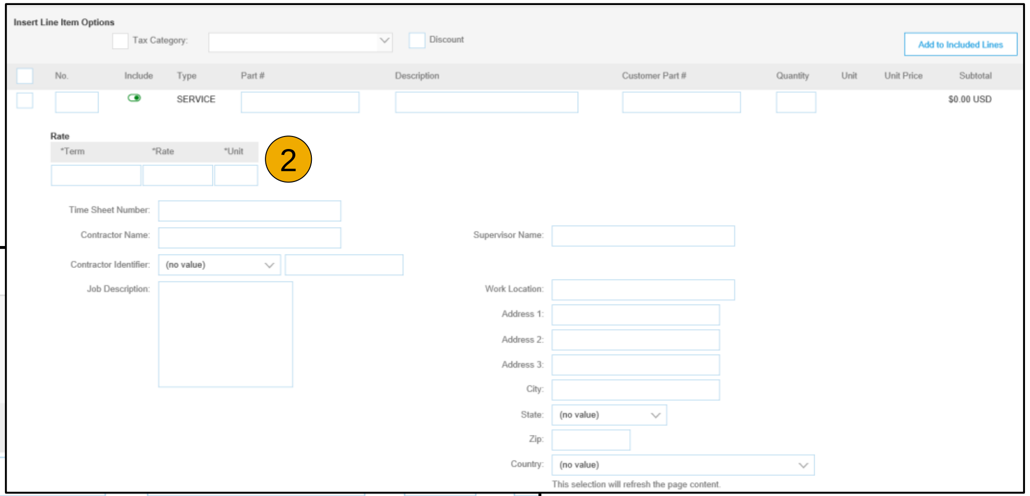
1. To add comments at the line items select **Line Items**, then click at Line Item **Actions >Add > Comments**. Comments are for supplier's internal use only.
2. Upon refresh or **Update**, the Comments field will display. Enter applicable Comments in this field.
3. Click Next.

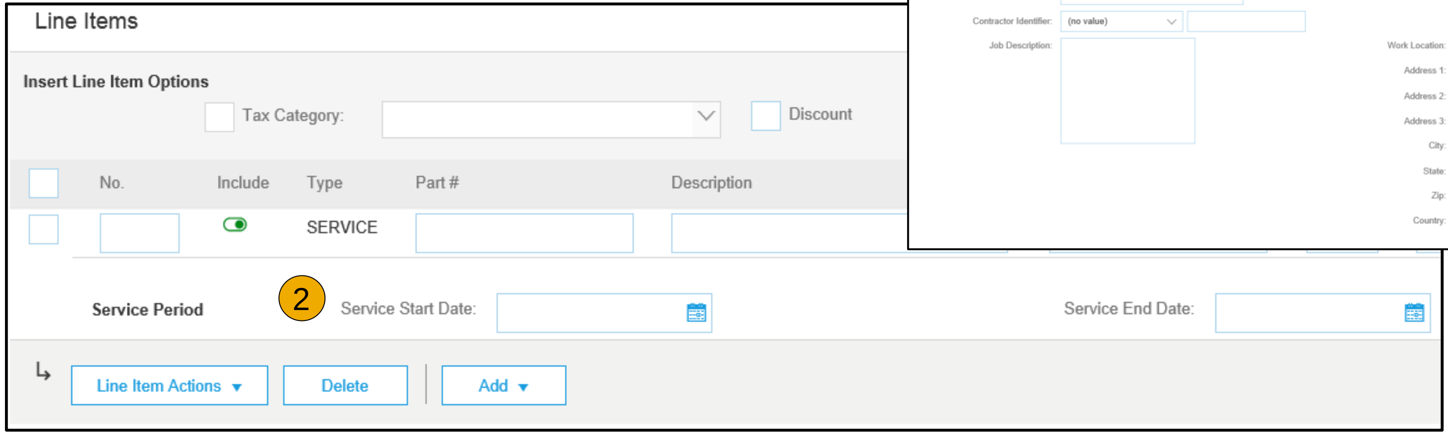
Invoice via PO Flip

Add Service Lines to Invoices

1. **Select** the **Add** dropdown menu and select **Add General Service** OR **Add Labor Service.**
2. **Enter** details for General or Labor Service. General Service lines ask for limited details, including Service Start and End dates. Labor Service contains additional fields includes rate, term, and contractor information.







Invoice via PO Flip

Review, Save, or Submit to Customer

1. **Review** your invoice for accuracy from the Review page. Scroll down the page to view all line item details and invoice totals.

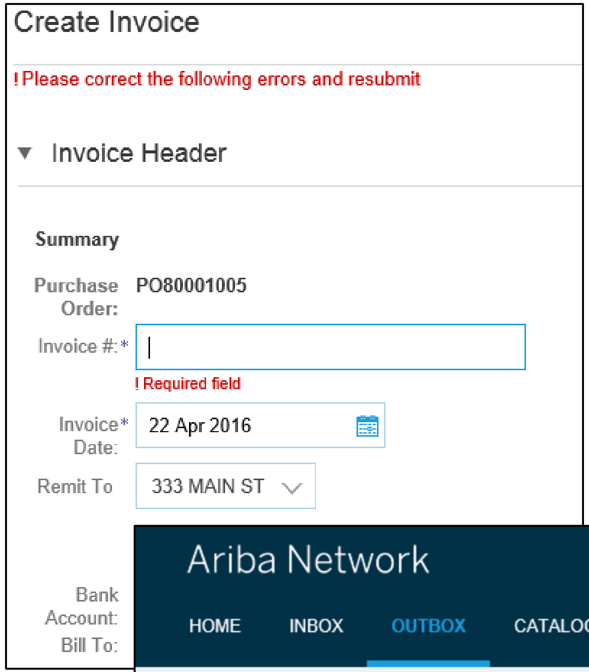
2. If no changes are needed, click **Submit** to send the invoice to Kennametal.

3. If changes are needed, click **Previous** to return to previous screens and make corrections before submitting.

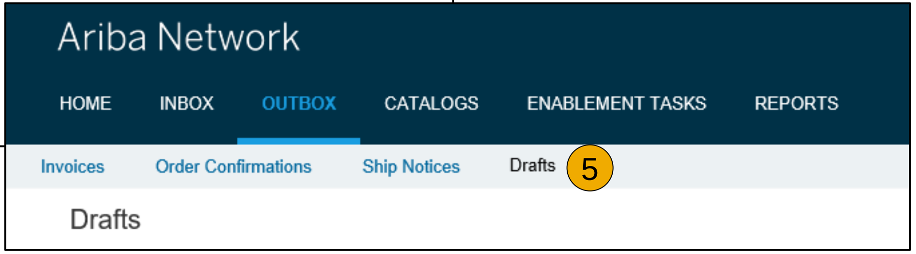
4. Alternatively, **Save** your invoice at anytime during invoice creation to work on it later.

5. You may resume working on the invoice by selecting it from **Outbox>Drafts** on your Home page.

6. You can keep draft invoices for up to 7 days.



Note: In the event of errors, there will be a notification in red where information must be corrected



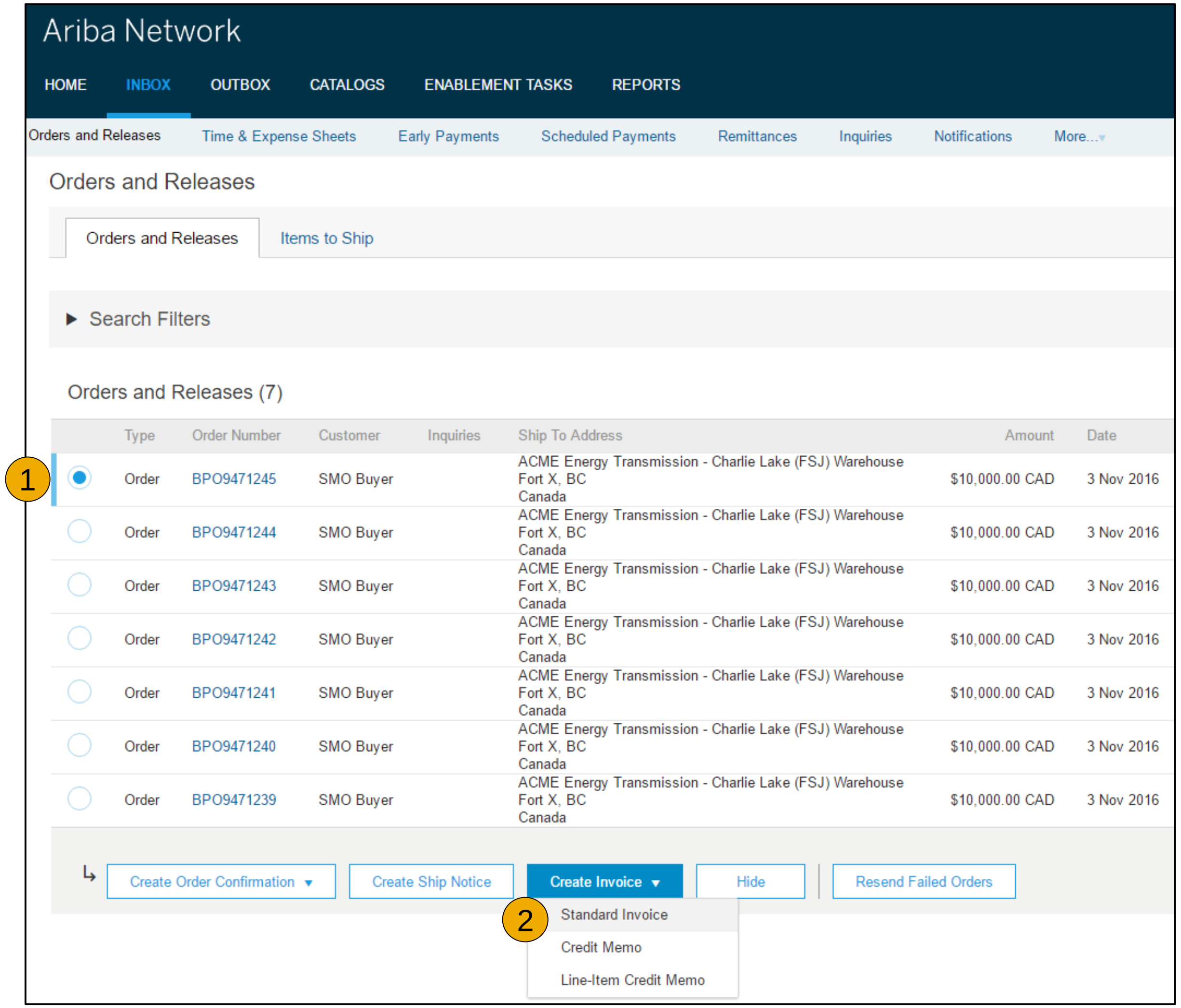
Invoice Against a Blanket Purchase Order (Future Functionality)

Locate Your BPO

To Create an Invoice from a Blanket Purchase Order (BPO):

1. **Locate** BPO in Inbox.
2. **Click Create Invoice** and Select **Standard Invoice.**

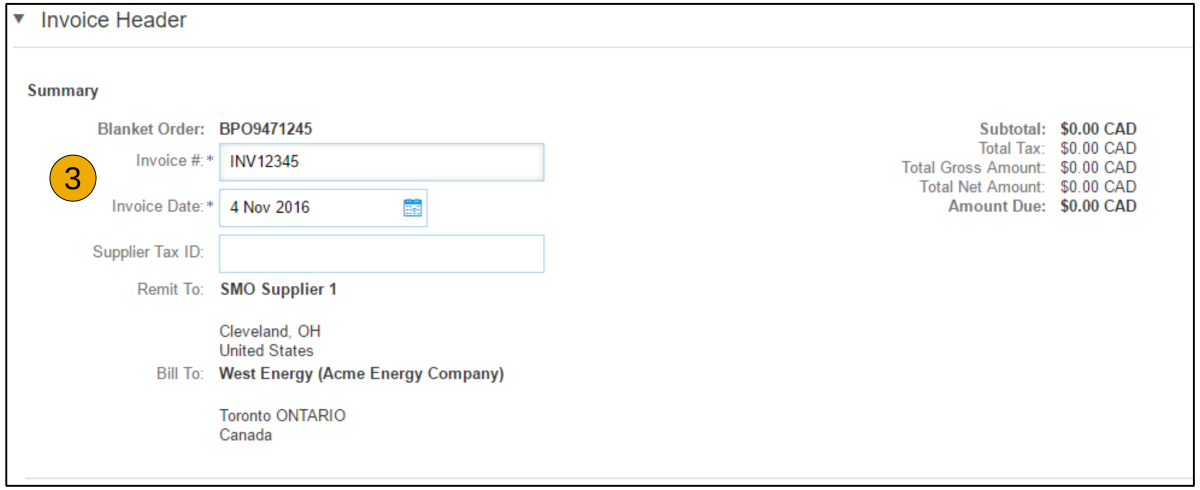
Note: Kennametal is currently working to incorporate blanket purchase orders as a functional order type. Suppliers will be advised once this functionality is operational.

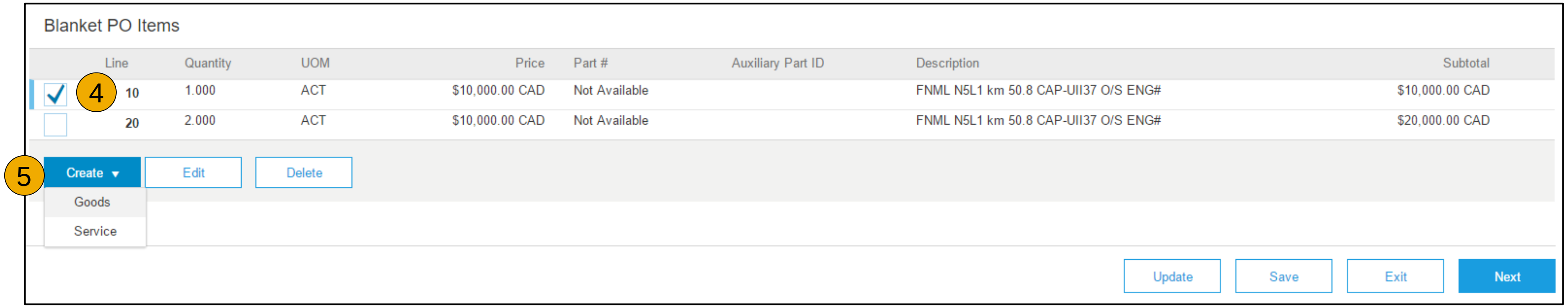


Invoice Against a Blanket Purchase Order

Header Level Information

3. **Complete** Header Section information as needed, including all information marked **required** with an asterisk (*).
4. **Check** the box of the line item you plan on invoicing against.
5. **Click Create** at the bottom and select the appropriate option; Goods or Services.

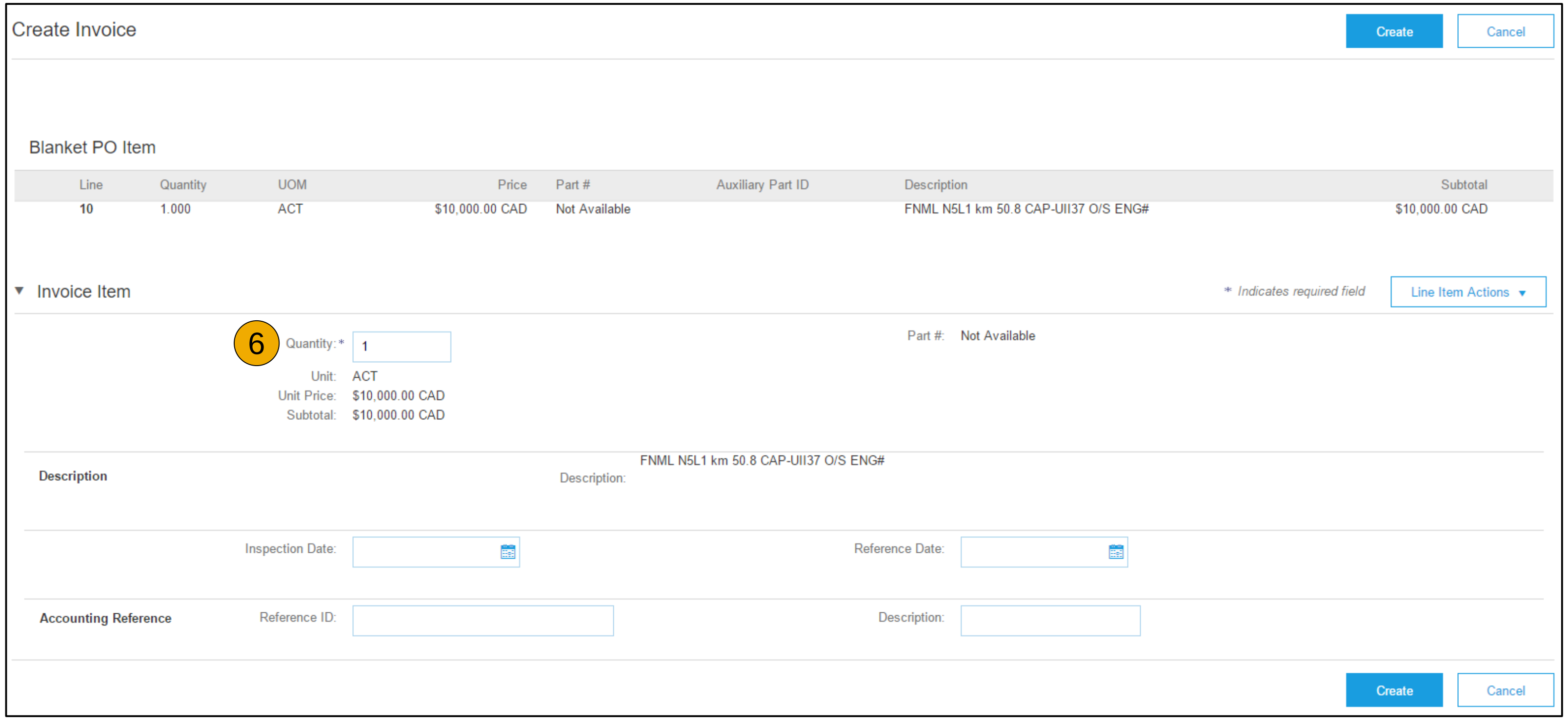




Invoice Against a Blanket Purchase Order

Create a Line Item

6. **Update** required fields including the Quantity and/or Price fields to create the invoice line item. Click Create when done.



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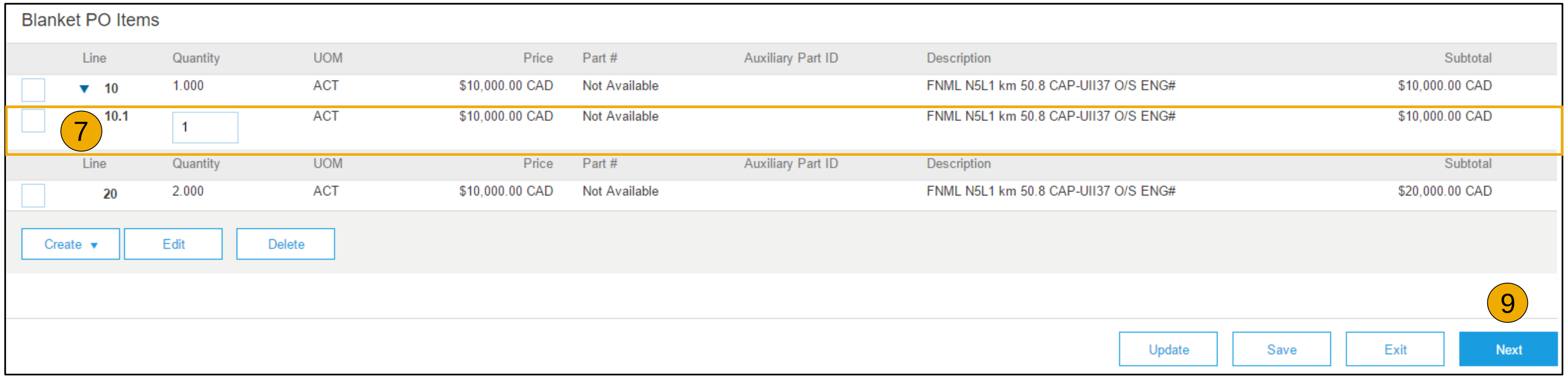
Invoice Against a Blanket Purchase Order

Review Your Information

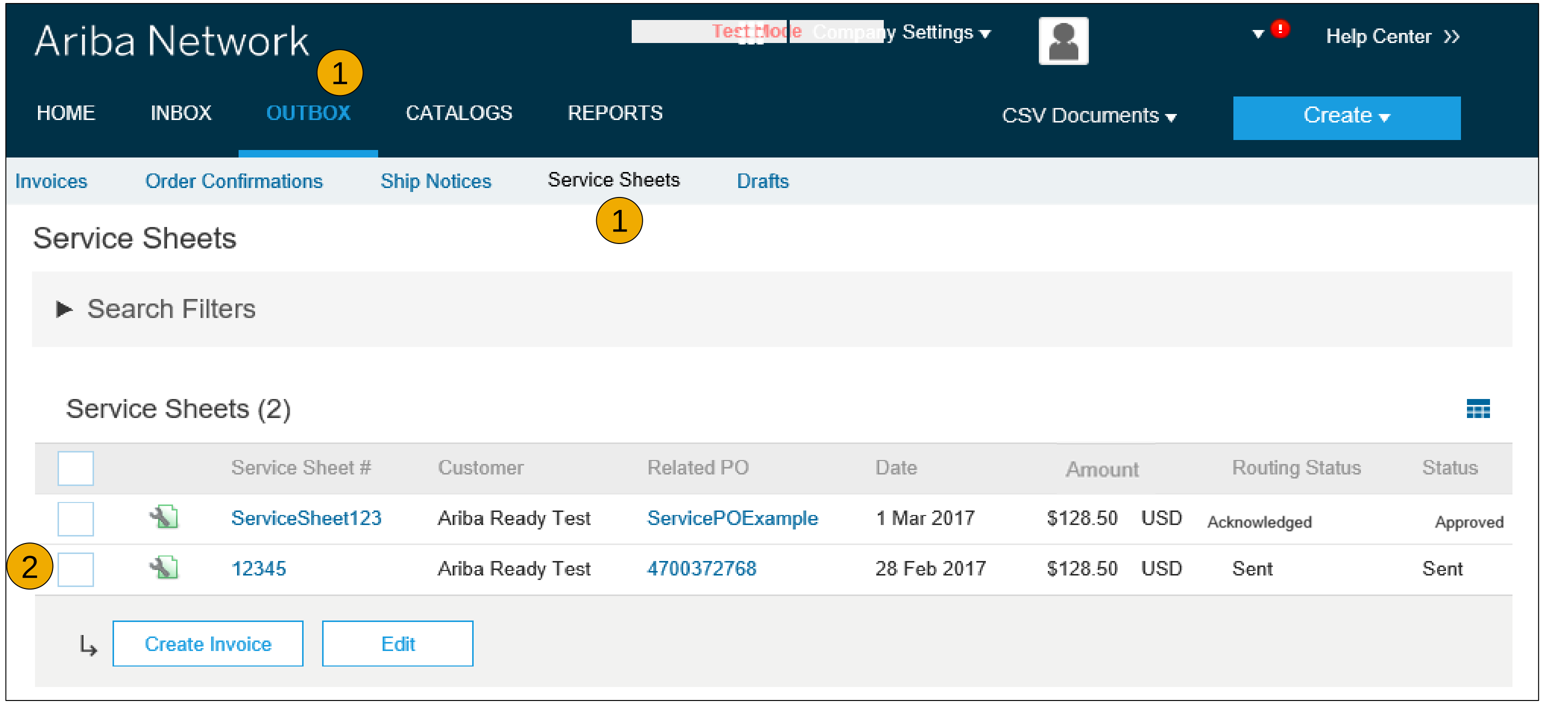
7. **Once** completed, your invoice line will appear as a sub-line (i.e. 1.1) showing the quantity being invoiced.
8. **Repeat** process as needed for each line.



9. **Click Next** to continue.
10. **Review**, **Save** or **Submit** as Standard Invoice.

Invoice from a Service Sheet

Locate Approved Service Sheet



1. **Click Outbox** and select **Service Sheets** Tab.
2. **Select** the checkbox next to the approved Service Sheet and click the **Create Invoice** button to open up the **Create Invoice** screen **OR** click the **Service Sheet #** to open the Service Sheet for review before invoicing.

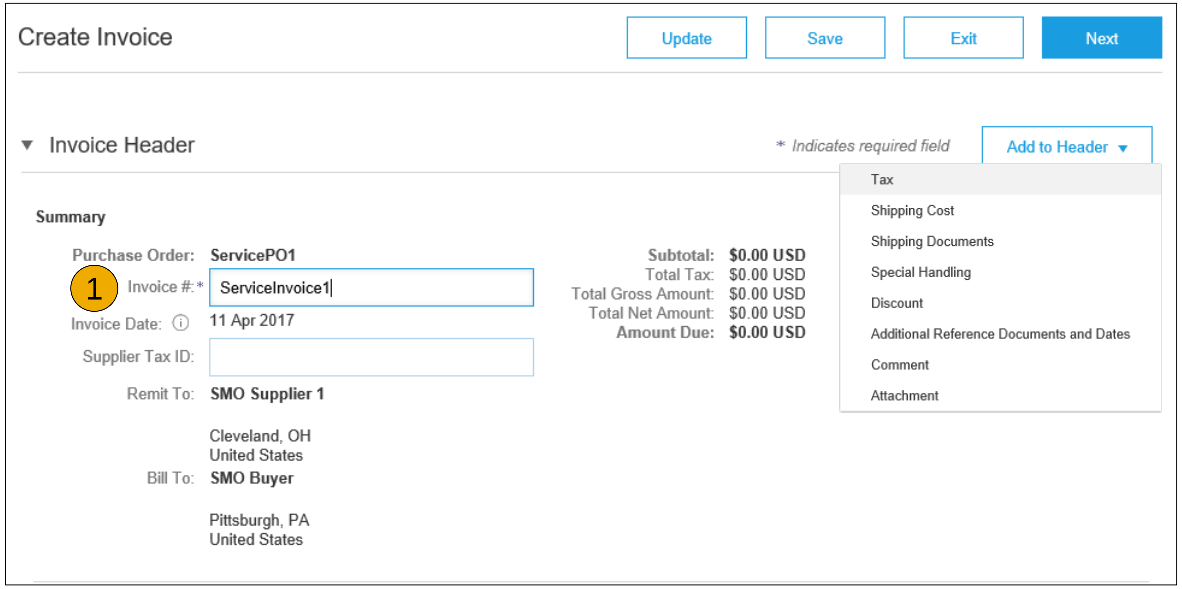
Note: You will ONLY be able to create an invoice against an Approved Service Sheet.

Invoice from a Service Sheet

Invoice Header Information

Invoice information will automatically pre-populate from the Service Sheet.

1. **Complete** all fields marked with required with an asterisk (*). Enter your Invoice Number. Invoice date will automatically populate.



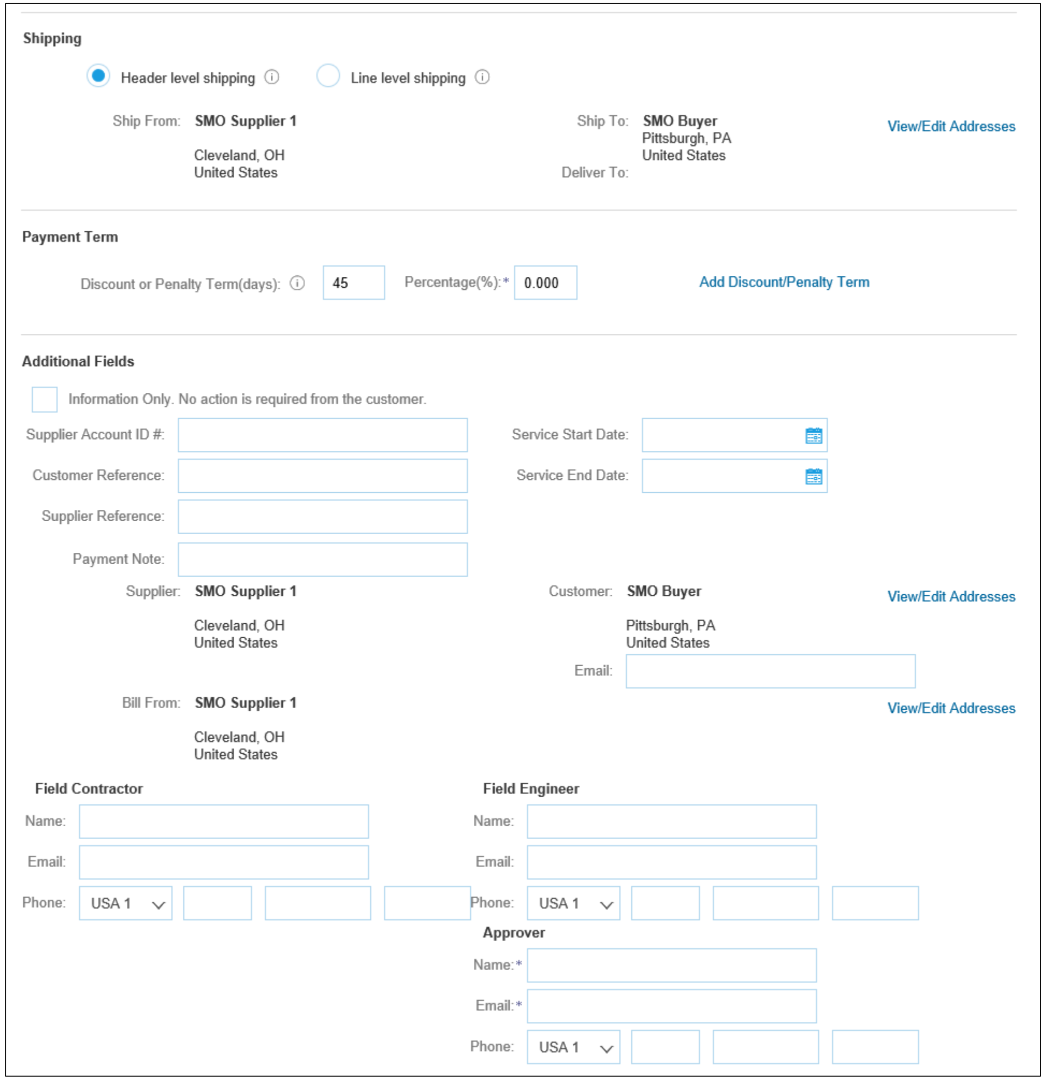
Note: Add to Header button allows for shipping cost, shipping documents, amount details, special handling, and additional reference documents and dates. Comments and attachments may also be added at header.

Invoice from a Service Sheet
Header Level Detail

Header Level information can be entered after the screen refreshes. Complete each section as needed before proceeding to the Line Section.

The Additional Fields section includes optional fields such as reference numbers, service period dates, and Approver Email.

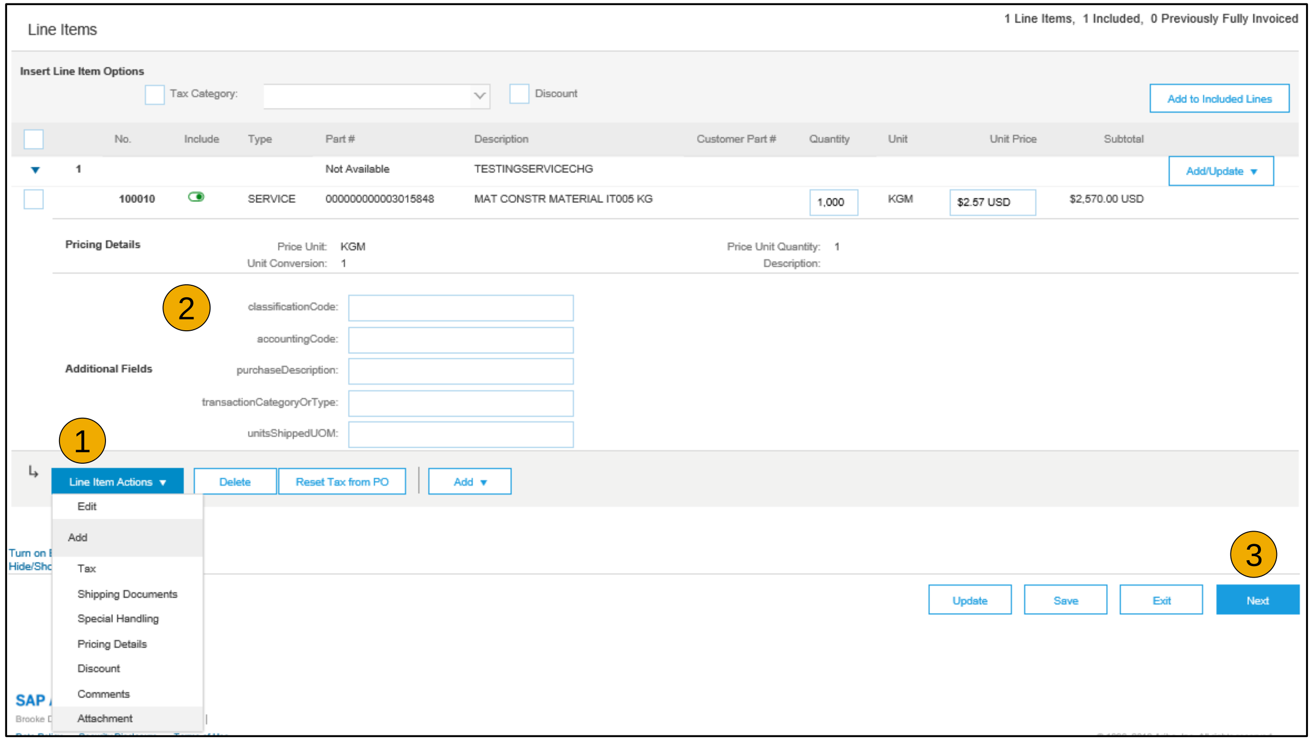
Note: Some fields at the Header Level might be required by your customer. Check for fields marked with an asterisk (*), and enter information as required.

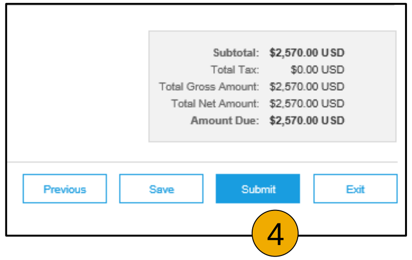


Invoice from a Service Sheet
Line Item Details

Invoice information will automatically pre-populate from the Service Sheet.

1. **Add** line level information, including comments and attachments, by selecting the line and clicking the **Line Item Actions** button. The screen will automatically refresh and you will be able to fill in the detail.
2. **Update** each line item as needed until all items are complete.
3. **Click** Next to proceed to review screen.
4. **From** the Review Screen, check your Invoice for accuracy. If there are errors, click **Previous** to return to the Create Invoice screen and make corrections. To submit to your customer after corrected, click the **Submit** Button.





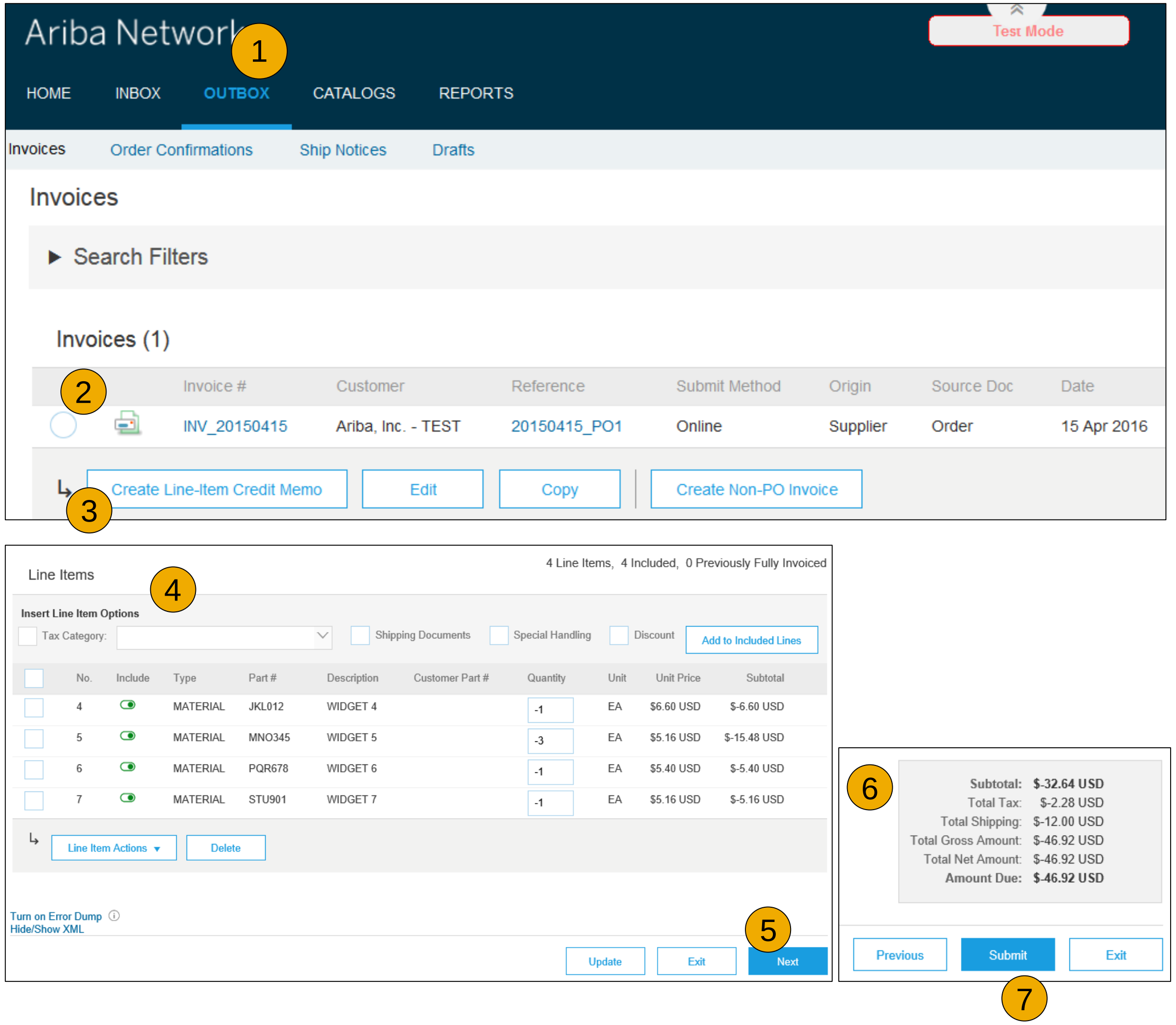
Create a Credit Memo

Line Level Detail

To create a line level credit memo against an invoice:

1. **Select** the **OUTBOX** tab.
2. **Select** your previously created invoice.
3. **Click** the button on the Invoice screen for **Create Line-Item Credit Memo**.
4. **Complete** information in the form of Credit Memo (the amount and taxes will automatically be negative). Make sure that all required fields marked with asterisks (*) are filled in.
5. **Click Next**.
6. **Review** Credit Memo.
7. **Click Submit**.

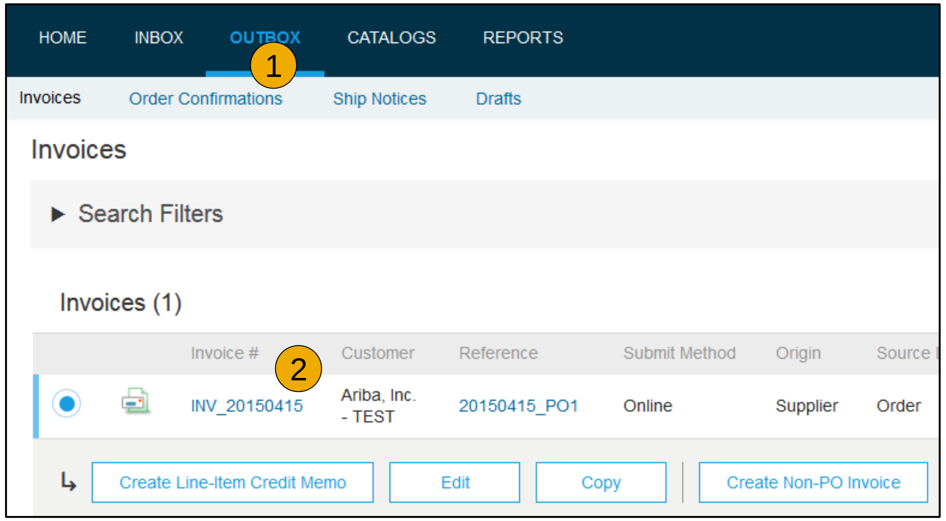
***Credit Memos should not be created for any service type order.**

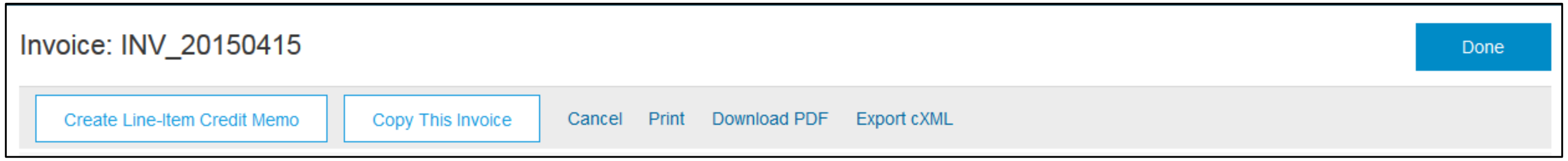


Copy an Existing Invoice

To copy an existing invoice in order to create a new invoice:

1. **Select** the **OUTBOX** Tab.
2. **Either Select** the radio button for the invoice you want to copy, and click Copy. OR Open the invoice you want to copy.
3. **On** the **Detail** tab, click **Copy This Invoice**.
4. **Enter** an new invoice number.
5. **For VAT lines,** make sure the date of supply at the line level is correct.
6. **Edit** the other fields as necessary.
7. **Click** Next, review the invoice, and save or submit it.





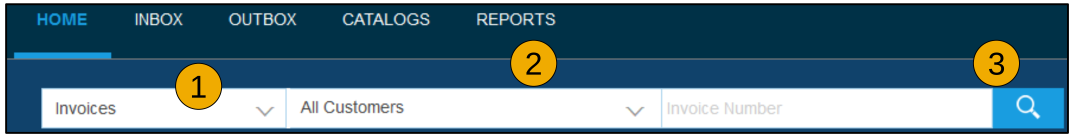
Search for Invoice
(Quick & Refined)

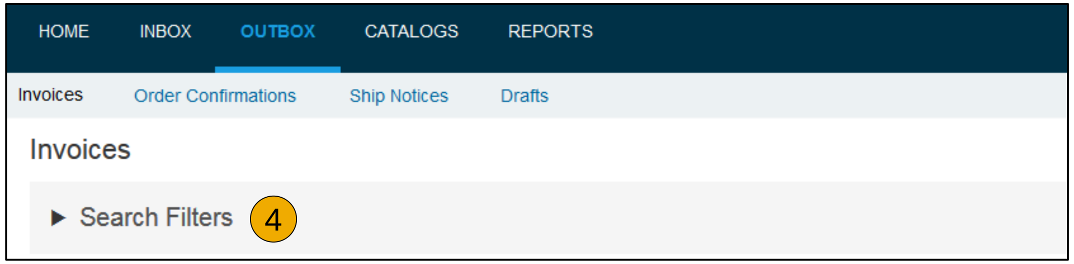
Quick Search:

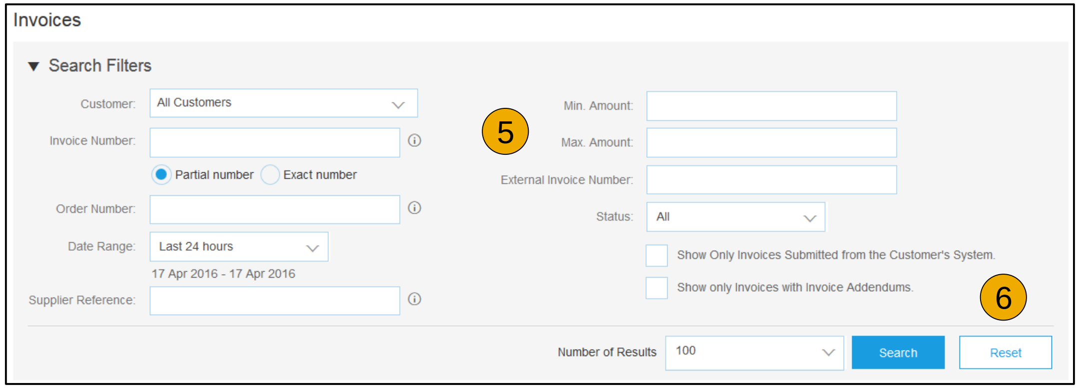
1. **From the Home Tab,** Select Invoices in the Document type to search.
2. **Select** Kennametal from Customer Drop down menu**.**
3. **Enter** Document # , if known. Select Date Range, up to 90 days for Invoices and Click Search.

Refined Search: Allows a refined search of Invoices within up to 90 last days.

4. **Search** Filters from Outbox (Invoices).
5. **Enter** the criteria to build the desired search filter.
6. **Click** Search.







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Check Invoice Status

Routing Status To Your Customer

Check Status:

If you configured your Invoice Notifications as noted earlier in this presentation, you will receive emails regarding invoice status.

You can also check invoice status from the **Outbox** by selecting the invoice link.

Routing Status

Reflects the status of the transmission of the invoice to Kennametal via the Ariba Network.

- **Obsoleted** – You canceled the invoice
- **Failed** – Invoice failed Kennametal invoicing rules. Kennametal will not receive this invoice
- **Queued** – Ariba Network received the invoice but has not processed it
- **Sent** – Ariba Network sent the invoice to a queue. The invoice is awaiting pickup by the customer
- **Acknowledged** – Kennametal invoicing application has acknowledged the receipt of the invoice

Check Invoice Status

Review Invoice Status With Your Customer

Invoice Status

Reflects the status of Kennametal's action on the Invoice.

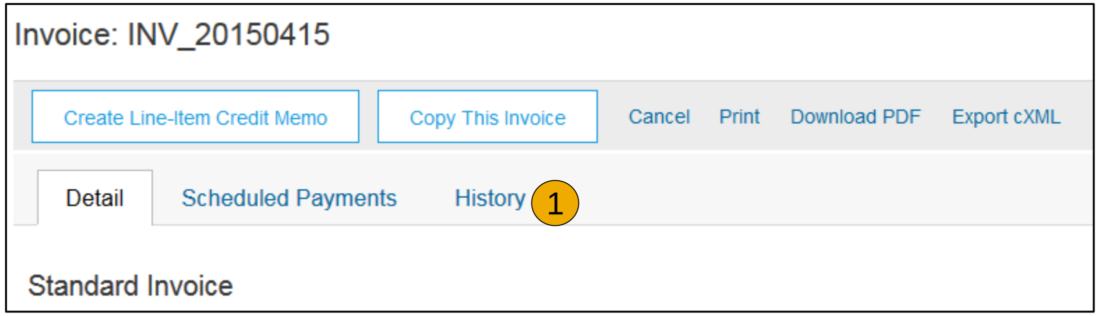
- **Sent** – The invoice is sent to the Kennametal but they have not yet verified the invoice against purchase orders and receipts
- **Cancelled** – Kennametal approved the invoice cancellation
- **Paid** – Kennametal paid the invoice / in the process of issuing payment. Only if Kennametal uses invoices to trigger payment.
- **Approved** – Kennametal has verified the invoice against the purchase orders or contracts and receipts and approved if for payment
- **Rejected** – Kennametal has rejected the invoice or the invoice failed validation by Ariba Network. If Kennametal accepts the invoice or approves it for payment, invoice status updated to Sent (invoice accepted) or Approved (invoice approved for payment)
- **Failed** – Ariba Network experienced a problem routing the invoice

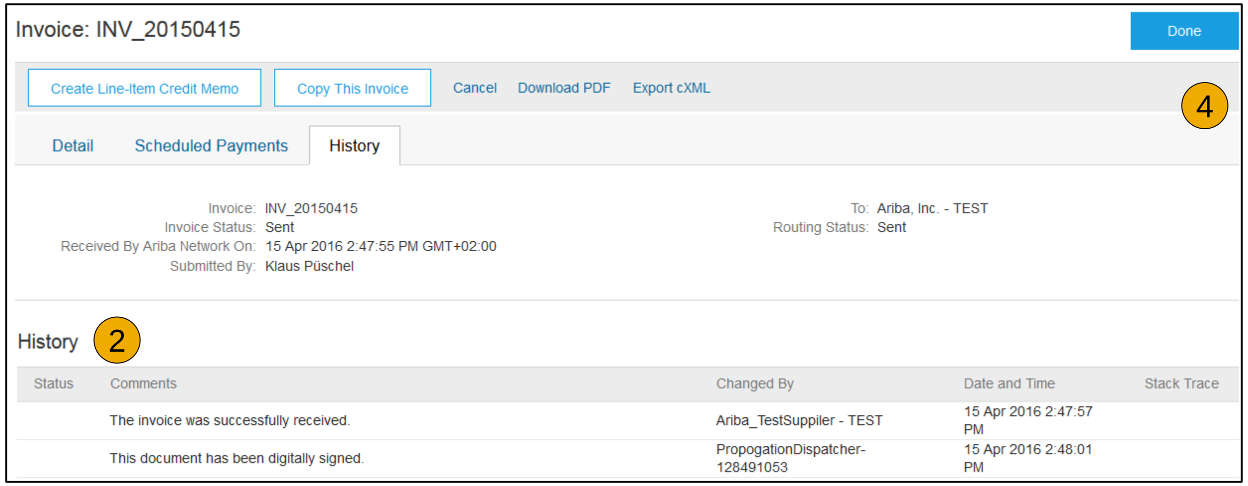
Review Invoice History

Check Status Comments

Access any invoice:

1. **Click** on the History tab to view status details and invoice history.
2. **History and status comments** for the invoice are displayed.
3. **Transaction history** can be used in problem determination for failed or rejected transactions.
4. **When you are done** reviewing the history, click Done.

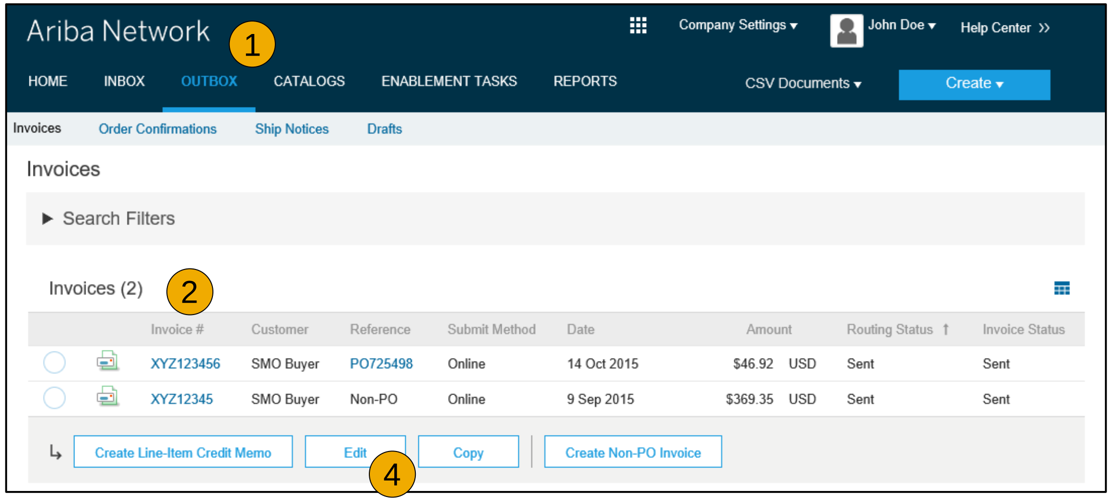


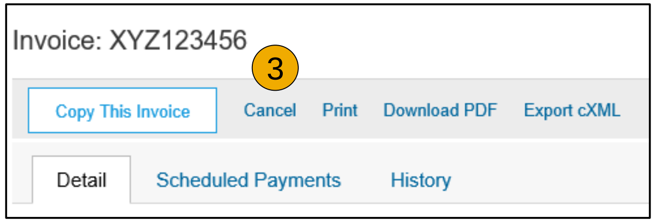


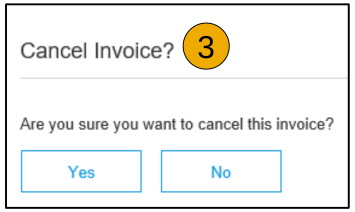
Modify an Existing Invoice

Cancel, Edit, and Resubmit

1. **Click** the **Outbox tab.**
2. **In the Invoice #** column, click a link to view details of the invoice.
3. **Click Cancel.** The status of the invoice changes to **Canceled**.
4. **Click** the **Invoice #** for the failed, canceled, or rejected invoice that you want to resubmit and click **Edit**.
5. **Click Submit** on the Review page to send the invoice**.**







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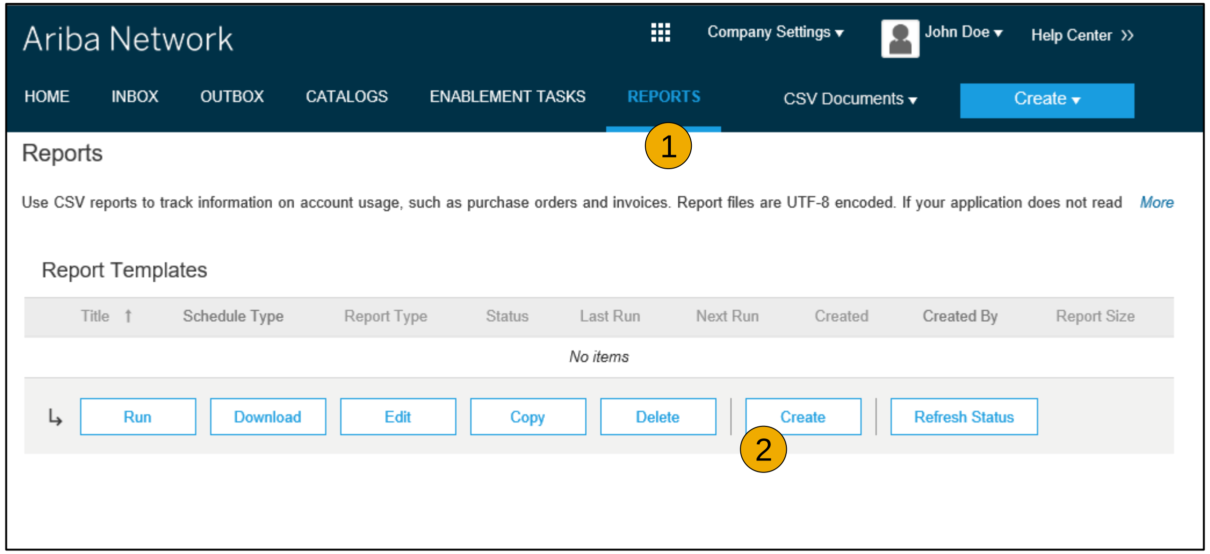
Download Invoice Reports

Learn About Transacting

Reports help provide additional information and details on transactions on the Network in a comprehensive format.

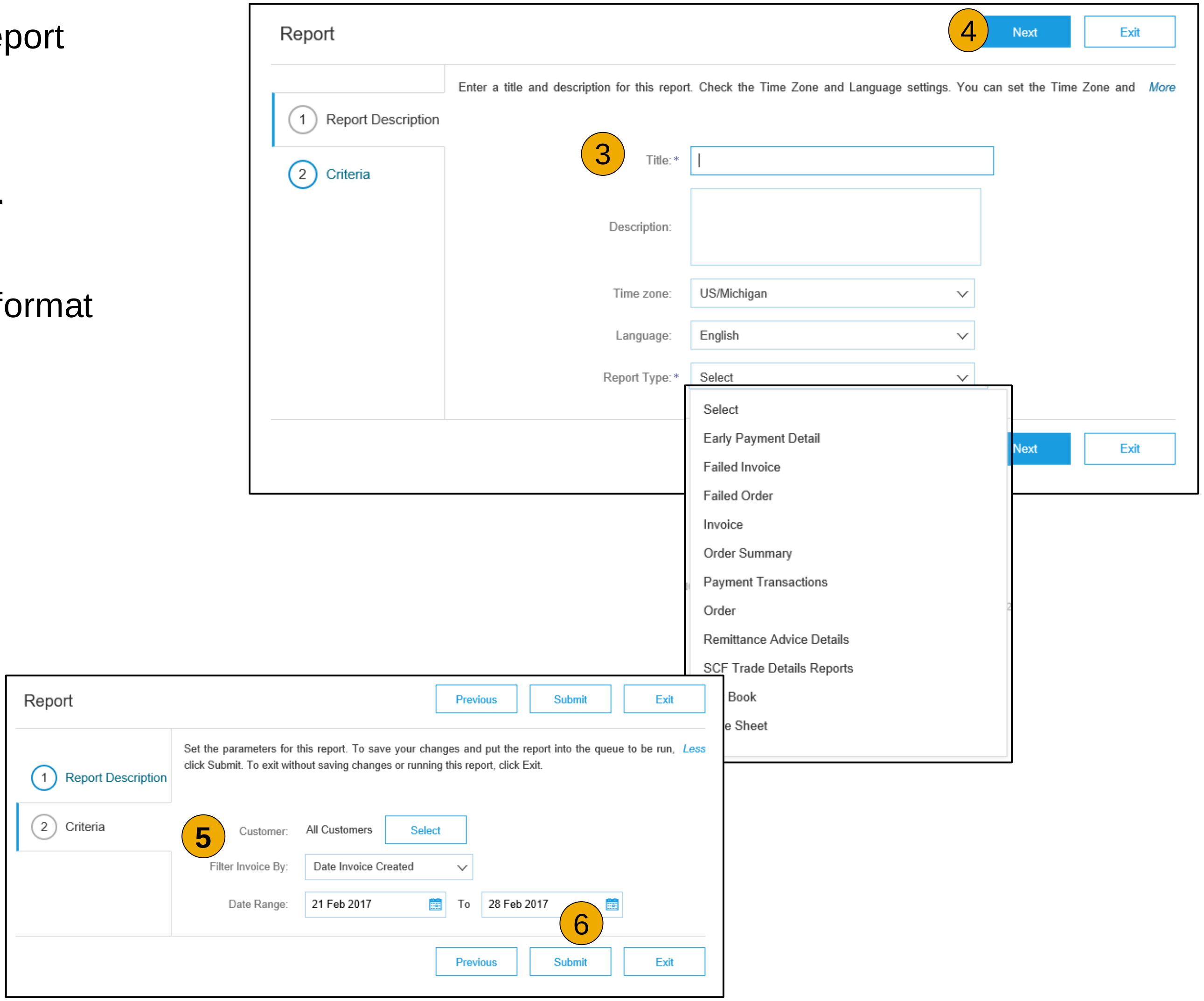
1. **Click** the **Reports** tab from the menu at the top of the page.
2. **Click Create**.



- **Invoice reports** provide information on invoices you have sent to customers for tracking invoices over time or overall invoice volume for a period of time.
- **Failed Invoice reports** provide details on failed and rejected invoices. These reports are useful for troubleshooting invoices that fail to route correctly.
- Reports can be created by Administrator or User with appropriate permissions.
- **Bronze** (and higher) members may choose **Manual** or **Scheduled** report. Set scheduling information if Scheduled report is selected.

Invoice Reports

3. Enter required information. Select an Invoice report type — Failed Invoice or Invoice.
4. Click Next.
5. Specify Customer and Created Date in Criteria.
6. Click Submit.
7. You can view and download the report in CSV format when its status is Processed.

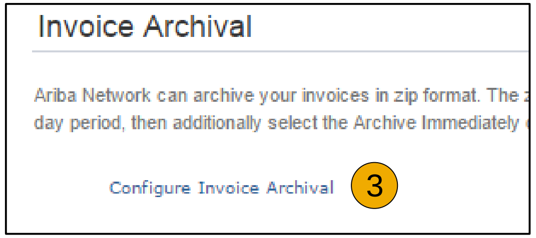


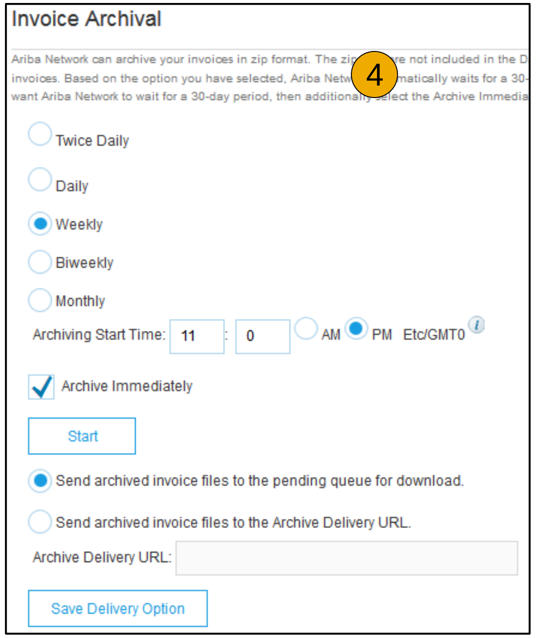
Note: For more detailed instructions on generating reports, refer to the **Ariba Network Transactions Guide** found on the **HELP** page of your account.

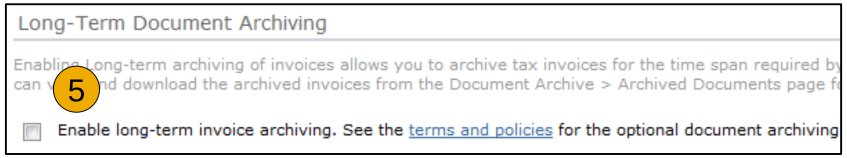
Invoice Archival

Configuring invoice archiving allows you to specify the frequency, immediacy, and delivery of zipped invoice archives. If you wish to utilize it, please follow these steps:

1. From the **Company Settings** dropdown menu, select **Electronic Invoice Routing.**
2. Select the tab **Tax Invoicing and Archiving.**
3. Scroll down to **Invoice Archival** and select the link for **Configure Invoice Archival.**
4. Select **frequency** (Twice Daily, Daily, Weekly, Biweekly or Monthly), choose Archive Immediately to archive without waiting 30 days, and click **Start**.
   - If you want Ariba to deliver automatically archived zip files to you, also enter an Archive Delivery URL (otherwise you can download invoices from your Outbox, section Archived Invoices).
   - **Note:** After **Archive Immediately** started you can either **Stop** it or **Update Frequency** any time.
5. You may navigate back to the **Tax Invoicing and Archiving** screen in order to subscribe to **Long-Term Document Archiving** for an integrated archiving solution. (More details within the Terms and Policies link.)







Section 6: Ariba Network Help Resources

Customer Support

Supplier Information Portal

Additional Resources

Useful Links and Webinars

Troubleshoot Your Invoice

Customer Support

Supplier Support During Deployment

Ariba Network Registration or Configuration Support

- Email SAP Ariba Enablement Team at KennametalEnablement@ariba.com
  - Registration/ Account Configuration
  - Supplier Fees
  - General Ariba Network Questions

Kennametal Enablement Business Process Support

- Email Kennametal Enablement Team at k-corp.supplier_enablement@kennametal.com
  - Business-Related Questions

Kennametal Supplier Information Portal

- Find your supplier information portal HERE

Supplier Support Post Go-Live

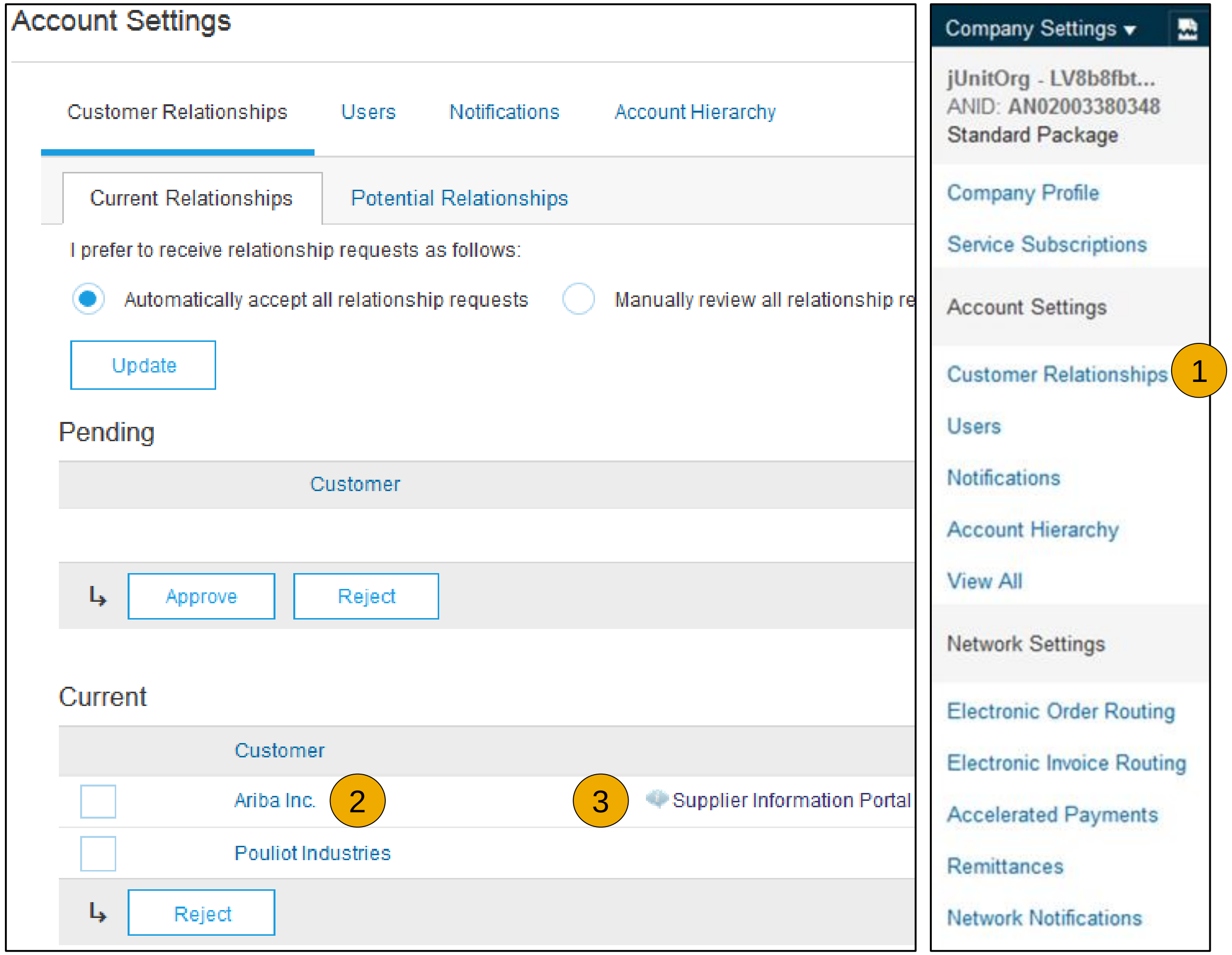
SAP Ariba Global Customer Support

- Click here to find your appropriate customer support phone number

Training & Resources

Kennametal Supplier Information Portal

1. **Select** the Company Settings Menu in the top right corner and then click the Customer Relationships link.
2. **Select** the buyer name to view transactional rules: The Customer Invoice Rules determine what you can enter when you create invoices.
3. **Select** Supplier Information Portal to view documents provided by your buyer.



Useful Links and Webinars Available

Links

- Ariba Supplier Pricing page
- Ariba Network Hot Issues and FAQs
- Ariba Cloud Statistics and Network Notification
  - Detailed information and latest notifications about product issues and planned downtime – if any – during a given day
- SAP Ariba Discovery
- Ariba Network Overview
- Support Center
- Learning Center

Webinars

- Supplier Success Sessions
  - Created by Ariba Network Customer Support
  - Example topics:
    - Introduction to Ariba Network
    - Registration
    - Invoicing
    - Using the help center
- 30 on Thursdays
  - Information sessions on Supplier best practices
  - Example Sessions:
    - Uncover Advanced Functionality to Maximize Value
    - Introduction to Supplier Electronic Integration
    - Roadmap to Your Ariba Network Subscription
- Live Demonstrations
  - Understand SAP Ariba's solutions
  - Example Demos:
    - PunchOut for e-Commerce managers
    - Creating electronic catalogs
    - Integrating with your customers through cXML

Troubleshoot Your Invoice Issues

How do I know which type of invoice to create?

What does this error message mean?

How do I cancel an invoice that I've sent?

How do I edit and resubmit an invoice that I've sent?

What should I do if my invoice has been rejected?

Can I resend a failed or rejected invoice with the same invoice number?

How do I tell when my invoice will be paid?

SAP Ariba

Thank you.

THE BEST RUN SAP