

Action Plan: Improving Payment Timeliness

Introduction & Objectives

This action plan outlines key measures to improve the timely payment of supplier invoices with the objective of ensuring that 95% of all suppliers are paid within 60 days, and all suppliers are paid within agreed contractual payment terms. Hollis Global Limited is fully committed to maintaining fair payment terms with all suppliers.

Alongside this Action Plan, we have established robust reporting processes to monitor payment performance and progress against this plan.

Identification of Primary Causes of Payment Delays

- **Supplier submission delays** – Suppliers often send invoices directly to employees involved in procurement rather than the Finance department, leading to supplier onboarding delays as these invoices take time to be forwarded for processing.
- **Process inefficiencies** – Delays occur both internally and on the supplier side. Inefficiencies in invoice validation and approval workflows create bottlenecks, while slow invoicing processes from our suppliers contribute to payment delays.
- **Preferential supplier terms** – Some suppliers have non-standard payment terms like payment on receipt or 14-day payment terms instead of the standard 30 days, leading to inconsistencies in payment processing.
- **Disputes and discrepancies** – Errors in invoice amounts or documentation require additional resolution time, delaying payments.

Actions to Address Each Cause

- **Supplier guidelines** – Reinforce proper invoice submission procedures, ensuring suppliers send invoices directly to Finance rather than individual employees. Review our supplier on-boarding process and information requested when onboarding to speed up invoice processing delays.
- **Process optimization** – Streamline internal invoice approval workflows and encourage suppliers to improve their invoicing processes to minimize delays.
- **Review of preferential suppliers** – Conduct an evaluation of suppliers with non-standard payment terms and assess whether adjustments need to be made for consistency in payment processing. In addition, all payment terms held within our accounting system will be reviewed to ensure they are accurate and up to date.
- **Enhanced communication** – Improve supplier engagement and implement faster dispute resolution mechanisms which targets notifying suppliers of queries, within 1 working day and committing to resolve queries within 5 working days to prevent delays caused by invoice discrepancies and disputes.

Reporting & Oversight

Our Chief Financial Officer will receive regular quarterly updates on the progress of this action plan. Further updates will be delivered via the company's Payment Practice Reporting, which is reported bi-annually in line with statutory requirements.

Plan Approval & Publication

This action plan has been reviewed and signed off by **Hollis Global Limited's Chief Financial Officer**, ensuring executive oversight and commitment. This plan will be published on our website.

Approved by:
Paul Richards
Chief Financial Officer, Hollis Global Limited

Signature: _____



Date: 15th May 2025