

Subject: Xerox (UK) Limited – Prompt Payment Plan

Number: XRXUKPPP 001

Effective Date: October 1, 2023

Dated: Updated October 2023

SUMMARY

This document establishes the guidelines governing Xerox (UK) Limited Prompt Payment Plan.

PURPOSE:

The purpose of the Prompt Payment Plan is to ensure that Xerox (UK) Limited is paying 3rd Party Suppliers within 60 days of receipt of a valid invoice thereby supporting the UK Government's Prompt Payment Notice – PPN 08/21.

The threshold that is targeted is 95% of invoices in Xerox (UK) Limited are paid within 60 days.

REVIEW:

Xerox (UK) Limited, has changed its standard payment terms for all Non Public Sectors suppliers from its existing EMEA Payment Term policy below:

- Xerox releases payment of invoices on or before fiftieth (50th) calendar day after the supplier's correct invoice.

To:

- Xerox releases payment of invoices on or before forty-fifth (45th) calendar day after the supplier's correct invoice is received.
- H1 2023 (January - June) submitted figures showed 82% of suppliers have been paid within 60 days.
- During the reporting period 1/7/23- 30/9/23, 95.9% of the suppliers have been paid within 60 days.

In addition, Xerox (UK) Limited also will continue to ensure that suppliers dedicated exclusively to UK Government contracts are paid on the reduced payment term below:

- Xerox releases payment of invoices on or before thirtieth (30th) calendar day after the supplier's correct invoice is received.

Xerox (UK) Limited will also continue to promote its mature Procurement Card program which was established to ensure an efficient process for high volume low value transaction spend with suppliers. On average these transactions are cleared within 4 days.

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PRIMARY CAUSES OF FAILURE TO MEET PAYMENT TERMS:

Invoice received late;
Non-compliant invoice;
Service/delivery dispute;
Price/charge dispute;
Processing delay.

ONGOING ACTIONS:

Further steps are still required to ensure that Xerox (UK) meets and maintains the 95% threshold:

1. Payment statistics to be generated and communicated internally on a monthly basis.
2. Continuation of weekly management review of invoice status via the Parked Report meeting.
3. Management intervention to take place where requisitioners fail to process goods received notifications ('GRN's) in a timely manner.



C Shephard
Finance Director