



TRL Supplier Prompt Payment Action Plan

October 2024

TRL are committed to paying all suppliers to contract terms. TRL also has a statutory duty to report on its payment practices and performance in each six-month reporting period. Further detail and the TRL submission is available here: <https://check-payment-practices.service.gov.uk/>

The government has set a standard of 95% of all supply chain invoices to be paid within 60 days. It is our ambition to consistently achieve the standard set by the government. In recent years the Group has maintained a level of 70% to 75% of invoices being paid within 0 to 60 days and are committed to striving towards the Government Standard of 95% of all supplier invoices being paid within 60 days.

This action plan summarises the outcome of our review of payment practices and sets out the measures that we have put in place to take positive steps to improve this result.

IDENTIFY PRIMARY REASONS CAUSING THE SHORTFALL	ACTIONS TO ADDRESS
The Group has faced some difficult years with adverse trading conditions, some of which related to unforeseen political and macro-economic events (such as COVID-19).	In recent months Customer demand (and receipts) is continuing to increase and the Group expects further improvements in its working capital arising from this. The Group will continue to carefully manage and control its working capital to meet all of its obligations, whereby in particular payment to SME's have been prioritised.
Situations where invoices are being queried, are disputed or have errors can lead to a delay in payment being made to the agreed terms. The delay is caused by the need to engage with the suppliers and internal stakeholders to resolve.	To better assess the cause of invoice queries, the finance team has created a more detailed report which will list reasons for the delay in payment. This ensures finance has visibility of the status of these and can take necessary action as required. This is our commitment to ensure there is ownership of the value in dispute. Our aim is to resolve all queries in a fair and prompt manner through open communication with the supplier.
Invoices should be received electronically to a central finance mailbox. Any deviation from this can cause a delay to the processing of an invoice.	The finance team will continue to provide clear and accessible guidance on our payment procedures; particularly at distribution of the Purchase Order which will expediate payment. One of the simplest ways to ensure prompt payment is for all invoices to be submitted to a central mailbox purchaseledger@trl.co.uk .

On a six-monthly basis the Management team and Group Audit Committee will review TRL's progress and performance in relation to the prompt payment of suppliers

Approved by:

ALAN HARDY

CFO