

Payment Performance Improvement: ACTION PLAN 2025

Contents

Background and Introduction 3

Our Commitment 3

Actions taken in 2024 4

Payment Performance Improvement Action Plan 2025 5

 Modernisation 5

 Delays from suppliers providing invoices 5

 Internal processing delays & Education 5

Summary 6

Background and Introduction

ANS Group is committed to the fair, responsible and timely payment of all suppliers with a target of paying at least 95% of our suppliers within 60 days. Our standard payment terms are 30EOM.

This document outlines the steps taken by ANS to strengthen our payment performance and sets out our objectives to make continual improvements through 2025 and beyond

Whilst this is ANS' first Payment Performance Action Plan, we have already invested in systems and processes that support our efforts to reach our target, as well as complying with relevant legislation such as the Reporting of Payment Practices and Performance Regulations.

Our Commitment

Whilst ANS' supply chain is relatively small, including around 200 'active' suppliers at any one time, it plays a significant role in our ability to deliver our customers' requirements.

Through 2024 ANS processed 4999 payments with a total value of £72,879,805.66. We take our responsibilities around payments very seriously and recognise the impact that inconsistent or delayed payments can have on our partners.

To aid our commitment to strong payment practices and performance, we have implemented a robust supplier onboarding process, in which our payment terms are very clearly defined. Unless special terms are agreed with our legal team, our suppliers agree to our Supplier Onboarding Terms and Conditions which are freely available to view on our website. Invoicing requirements and payment expectations are communicated at the start of each supplier engagement to help foster positive, fair and collaborative relationships.

Actions taken in 2024

Throughout 2024 we made significant progress on making key improvements to our systems and processes, which in turn support our commitment to prompt and responsible payment practices.

As well as implementing our supplier onboarding process, we have implemented automation within our AP team around invoice processing and workflow approvals of invoices. We have also implemented a robust supplier statement reconciliation process along with strict controls around our AP mailbox management.

From July to December 2024, the average number of days taken from Invoice Receipt Date to Payment Date was 35 days.

Month	Within 30 Days	Within 31 to 60 Days	More than 60 Days	Grand Total	Percentage paid within 60 days of Invoice Date
July	501	38	21	560	96%
August	699	26	43	768	94%
September	607	32	32	671	95%
October	486	24	54	564	90%
November	684	31	48	763	94%
December	393	11	39	443	91%
Grand Total	3370	162	237	3769	94%

A number of factors influence our payment performance. Invoices can often be reported as due but not paid within agreed terms because contract payments that fall due on weekends or bank holidays are typically paid on the following business day. Also, the company usually initiates payments in batches, on a weekly basis; where this is the case payments will normally be received by the supplier within a few days of the due date – 41% of invoices classed as late were settled within 6 days of the due date. Our standard payment terms are 30EOM, and we do have some larger supplier accounts with which we have agreed 60day or 90day terms.

Payment Performance Improvement Action Plan 2025

To ensure our continuous improvement, our 2025 action plan focuses on the key causes of delayed or inconsistent payments.

Modernisation

Our ERP system is the foundation for the end-to-end Purchase to Pay process, from ordering through to payment forecasting, payments and reporting. We continually look to improve the system and our related processes, through the implementation of key updates and upgrades that are made available to us.

We are in the process of expanding our use of 2 and 3 Way matching of invoices against purchase orders to enable more accurate invoice query resolution and reporting, therefore reducing manual errors.

At the start of 2025 we implemented a detailed and robust supplier review process, to ensure that data held within the ERP system is current and correct, including payment terms and bank details.

Delays from suppliers providing invoices

In 2024 we implemented a detailed supplier statement reconciliation process, and we have seen very good results in terms of reducing the number of 'missing' invoices we find each month. Through 2025 we will be increasing the target for minimum number of accounts reconciled each month from 70% to 85% to further reduce the number of missing transactions that we encounter.

Internal processing delays & Education

All invoices that are received into ANS must be fully approved by the relevant senior personnel through our approval hierarchy, before they can be posted to the creditor's ledger for payment. Disputes on the invoices can lead to a delay in the invoices being approved and paid, as can delays in approvals due to other pressures on some senior personnel.

Through 2025 we are looking to provide ongoing training and education to anyone who is classed as an 'approver' in our system, to embed our commitment to prompt payment practices in their thinking.

Summary

In summary, our key focus areas are:

- Continual improvement of systems and processes
- Regular supplier review
- Increase in the number of supplier statement reconciliations completed each month
- Education around prompt payment practices to relevant senior personnel

ANS is committed to the regular monitoring of progress against this action plan. A report on payment performance and progress against this action plan will be provided to the board on a six-monthly basis. This will ensure that there is senior oversight for achieving the targeted improvements in invoice payment performance.

ANS intend to publish it's Payment Performance Improvement Action Plan on it's company website, together with regular updates.

Signed:



Alex Hodgson
Chief Financial Officer