THALES TRANSPORT AND SECURITY LTD PROMPT PAYMENT
STRATEGY SUMMARY

1 Background

Thales Transport and Security Limited (TTSL) are committed to ensuring not only that payments are made to suppliers on time but also to encouraging good practice within our supply chain.

As a division of Thales UK, TTSL measures itself against the standards defined by the governments Prompt Payment Code. TTSL undertakes to pay suppliers within a maximum of 60 days, to work towards adopting 30 days as the norm, and to avoid any practices that adversely affect the supply chain.

TTSL is also compliant with regards to its obligations of the Duty to Report Payment Practices and Performances and published this data in to Companies House every 6 months.

TTSL monitors its supplier invoice payment performance against both contractual payment terms and the Prompt Payment Code aligned target of 95% paid within 60 days.

TTSL has identified that its current payment performance falls below its targeted standard and as a result has been working hard with its projects, support functions and suppliers to recover this performance.

2 Concern, Cause and Countermeasures

The summary below is an extract from TTSLs Prompt Payment Strategy and Action Plan which is approved by representatives of TTSL’s board of directors.

An analysis of invoices payable has concluded that there are several factors, which have affected the prompt payment of suppliers. Key causes include:

- Receipting of non-inventory purchase orders
- ERP system alignment with Thales UK
- Consistency of invoices

A summary key actions taken is shown below:

- Ongoing monthly TUK Level Prompt Payment reviews
- ERP system alignment with Thales UK
- Improved reporting and automatic notifications for TTSL users and management
- Clear communication with supply chain to clarify invoicing instructions

3 Conclusion
As a signatory to the Prompt Payment Code, Thales is committed to ensuring that its suppliers are paid promptly and in accordance with agreed payment terms.
To ensure compliance to this code, Thales Transport and Security Ltd is undertaking a number of actions to continuously improve its systems & processes to enable prompt payment to its suppliers and we will monitor and report on these actions to ensure transparency with our clients.

SIGNED BY:
For and on behalf of Thales Transport and Security Limited

Name: Mr James Jackson

Position: TTSL UK Finance Director

SIGNED BY:
For and on behalf of Thales Transport and Security Limited

Name: Mr Mark Garrity

Position: TTSL Strategy, Sales & Marketing Director