

## Siemens Mobility Limited Supplier Prompt Payment Action Plan 2020 / 2021

Siemens Mobility Limited is committed to paying all our suppliers within the agreed contractual payment terms.

Siemens Mobility Limited operates in a variety of sectors, across many countries, using different commercial terms. Siemens continues to monitor all market sectors to ensure that the commercial terms are in-line with expected payment structure within those sectors.

Siemens Mobility Limited reports on its payment practices and payment performance annually. Siemens Mobility Limited is also able to offer KPIs direct to its customers on its' payment performance on a project basis.

Siemens Mobility Limited has a pro-active approach to pay its suppliers in accordance with the agreed terms, and within the market sector expectations and the type of project that is being undertaken. Below are a number of initiatives that are current in the process of being implemented to enhance our on-time payment record.

### Initiatives

E.D.I	Last year Siemens Mobility Limited launched an electronic data interchange (EDI) initiative to digitalise purchase order and invoice transactions with suppliers. This aims to solve the first two primary causes identified for late invoice payments by increasing transparency, speeding up communication on changes and standardising message exchanges. It will allow us to focus on resolving price/quantity disputes at the front end of the process before delivery and invoicing occurs.
SupplyOn Platform	Where our smaller suppliers do not have the IT or system capability to handle EDI messages, we have introduced a web-based platform from SupplyOn. This provides an EDI interface with Siemens without the need for suppliers to invest in the technology. SupplyOn is subsidised by Siemens, making it free for suppliers to use.
New GRN App	<p>The delay in confirmation of completion of works or delivery of goods mostly occurs when operating outside of our manufacturing facilities e.g. on project sites or field services. Access to our systems to complete a Goods Receipt (GRN) isn't available in these instances so they need to be completed retrospectively. Only once the GRN is complete is there a 3-way match with the PO and invoice to allow payment.</p> <p>To combat this issue, we are working on developing a mobile app which allows for the quick GRN of an item whilst on the move. We have also introduced an automated internal expediting process in case an invoice is received where a GRN is not in place.</p>
Increased Payment Runs	From 01/04/2020, Siemens Mobility Limited has increased the payments made on a weekly basis from 2 to 5. By introducing this initiative Siemens Mobility Limited can pay any disputed invoices on the day they are resolved.

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## Initiatives Continued

Dedicated Email Box	Siemens Mobility Limited now has a dedicated internal electronic mailbox for supplier invoices which eliminates payment delays due to identification and allocation.
Enhanced Invoice Matching Process	An improved matching process has been put in place to ensure Siemens Mobility Limited's supplier invoice queries are reviewed quickly. There is a service-level agreement (SLA) for a named member of staff to resolve the query within 7 working days.
Siemens Factoring	Siemens Mobility Limited offers a low rate factoring finance arrangement for all our suppliers who require it. This will allow the supplier to be paid within 10 to 15 days of invoice