

BAM FM Ltd

Payment Action Plan

Introduction

BAM FM is a strong advocate of fair treatment for all our supply chain partners. BAM FM trades with over 4,000 suppliers per year, and we are committed to meeting the objectives of paying 95%+ of suppliers within agreed payment terms. We monitor our payment performance monthly, reporting in detail to senior management in the business.







As part of monitoring our performance, we also identify risks that prevent us from meeting our prompt payment objectives and we plan and implement mitigation to reduce the likelihood of these risks occurring.











There is always room for improvement in the prompt payment of invoices.

Our response is the creation of this payment action plan, the identification of risks, the mitigation measures we plan to take, and the current status of their implementation.

**David Kyriacos, Finance Director
BAM FM Ltd**

This payment action plan has been approved. Proof of approval can be provided upon request

Objective	Status
We endeavour to pay all suppliers within agreed terms	 Improving
Give clear guidance to suppliers on terms, dispute resolution and prompt notification of late payment	 Improving
Support good practice throughout our supply chain by encouraging Prompt Payment Code	 Improving
The requirement to pay 95% invoices within 55 days	 Improving
Recognise the right of suppliers to charge late payment interest and charges if an invoice is paid late without justification	 Achieved
Suppliers provided with a contact point for payment queries	 Achieved

Objective	#	Risks to success	Risk Status	Risk Mitigation	Risk Status	Status
Ensure that >95% of valid invoices payable to supply chain are paid within 30 days of date of invoices.	1	Large volume of transactions from multiple suppliers requiring a three-way match in our Bought Ledger (Purchase order, Goods Received Note and Invoice) require a high level of manual intervention to process.	 High	Leverage e-invoicing technology to reduce the level of manual intervention when processing invoices for invoice matching. We can also notify suppliers of invoice issues at the earliest possible time from within BASWARE. Implement SAP Materials Management, enables the creation of purchase orders and record goods received electronically. This data is shared with BASWARE and allows for automatic three-way matching.	 Low	Implemented In progress Q4 2027
	2	Analysis of supplier payment performance within the business lacks sufficient detail to identify poor performance.	 Low	We already carry out analysis of our payment performance, reviewed monthly and distributed to the wider business through presentations. By adding extra data, we can produce greater depth of analysis to identify poor payment performance.	 Low	Implemented
	3	Our supply chain is not always familiar with BAM's invoice matching process because we have a high number of single use suppliers, this results in processing delays.	 Medium	Suppliers can e-invoice BAM, see https://www.causeway.com/tradex-bam , for details	 Low	Implemented
	4	Our projects do not always process goods received notes in a timely manner leading to delays in the invoice matching process.	 High	In addition to the detailed guidance in our Business Management System, we will create an e-learning module on prompt payment practices to improve our staff's understanding of prompt payment.	 Low	Q4 2027
	5	Our supply chain does not always provide the information required when invoicing BAM.	 High	Identify which suppliers are affected and discuss requirements with their relationship manager.	 Low	In progress