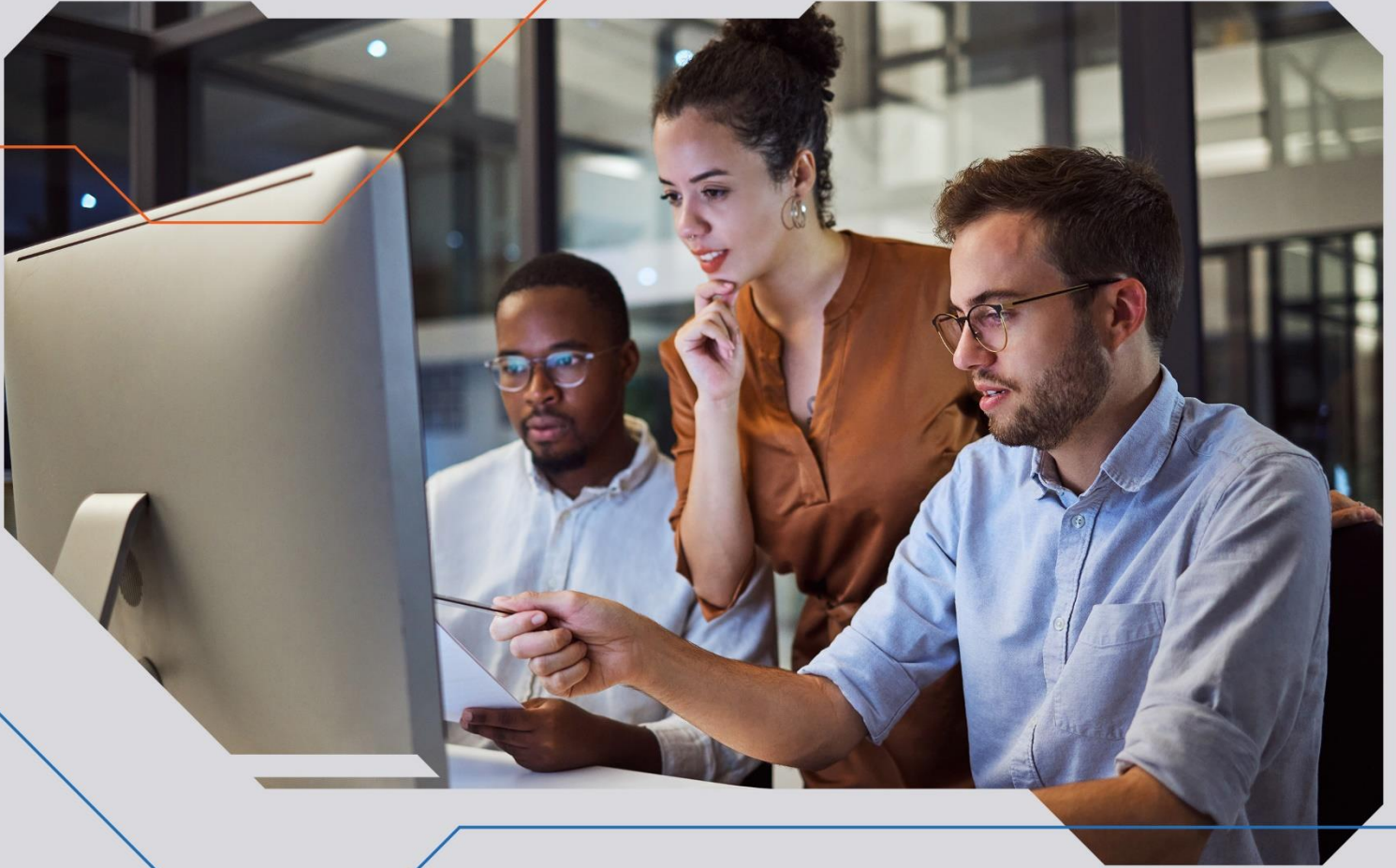




wavenet
Prompt Payment Action Plan

CLASSIFICATION: PUBLIC

Statement on Payment Practices and Continuous Improvement.

Wavenet is committed to paying all suppliers to terms.

The Companies objective is to pay 95% of its suppliers within 60 days.

There are a number of reasons why remaining payments could be beyond 60 days or agreed term; for example, purchase order matching delays, historical longer payment terms, disputes, and the fixed frequency of our BACS payment runs.

Senior Managers of both Procurement and Finance meet regularly to review performance, identify reasons for non-compliance and drive improvements. The output from these meetings is combined with the regular reporting, and publishing, of achievement to measure progress against the plan to the committee.

In addition to the above, senior Managers from Procurement and Finance have a meeting weekly that includes any issues that have been raised by suppliers. This can be about their account, invoices in query or outstanding payments. Actions are put in place to resolve any issue.

Supplier Management have monthly, quarterly and annual reviews with our partners, as part of these reviews there is a section on the agenda dedicated to Commercial and Finance this allows both organisations to raise any issues or concerns. Any issues or concerns are documented as part of the action plan, which details the issue, owners and timeline to resolve. All actions are reviewed by the supplier managers prior to any review or in line with the agreed timelines.

As part of the ongoing performance and improvement review we have noted that the on-time payment performance has improved so Wavenet is currently meeting its on time payment targets. This is down to implementation of the steps highlighted in the previous action plan, which comprise:

1. Purchase Order matching delays

A significant proportion of our supplier invoices are approved by means of 'three-way-matching'. When the purchase invoice is subsequently received by our Finance Shared Services Centre, the processor seeks to match the invoice against the original order and the confirmation of delivery/supply. On confirming a match, the purchase invoice is posted to our Finance system and scheduled for payment.



Sometimes, due to incorrect information received from the supplier, or internally, the processor is unable to find a match and is required to send a query to the order originator. There is sometimes a significant time lag before a query response is received. The delay can lead to late payment of the invoice. This can affect both paying invoices within 60 days, and within agreed terms.

Action:

As part of our supplier onboarding, and service review process, we are reconfirming with suppliers the required information necessary on supplier invoices. We are proactively following up with suppliers where purchase order information on invoices is incorrect and requesting them to amend their processes to ensure that information is correct.

2. BACS Payment Runs Frequency

We settle almost all supplier invoices by means of a BACS payment run. Historically these payment files have been created and processed on a fortnightly basis. This 14-day interval can create the majority of small over-runs on 30/60 day-terms. This can affect both paying invoices within 60 days, and within agreed terms.

Action:

BACS runs are now created on a weekly basis and cover all invoices with a due date before the next BACS run is scheduled and this will continue.

3. Historical Payment Terms

Longer or shorter payment terms may be agreed as part of a wider commercial negotiation of the relevant agreement with certain suppliers. Any deviation from standard terms will take into account, amongst other things, (i) the type of goods or services provided and undertaken, (ii) the size of the supplier and its wider corporate group, (iii) the supplier's relationship with the wider group and (iv) any other relevant commercial factors. This predominantly effects paying invoices within 60 days.

Action:

We have a number of legacy commercial agreements which may be on longer or shorter terms which are being reviewed at renewal with the objective of reducing the payment terms if possible. In addition, formal procedures are in place and extra guidance has been given to Accounts Payable staff about the importance of having the credit terms entered onto the computer system.

4. Automation of Invoice Matching and Query Resolution

Currently invoices have to be manually sent to Wavenet's invoice approval system and assigned to an appropriate invoice reviewer. In addition, reconciliations of invoices on Wavenet ledgers to invoices on supplier statements are performed manually. These manual processes lead inefficiencies and delays in identifying queries with suppliers. The combination of these two factors can lead to payment delays.

Action:

Investigate the feasibility of using AI to automatically perform reconciliations to supplier statements and assign invoice reviewers to increase speed and accuracy of identifying and resolving queries with supplier invoices.



A handwritten signature in black ink, appearing to read "Venetia Cooper". The signature is written in a cursive style with a long horizontal stroke at the end.

Venetia Cooper
Chief Financial Officer

September 2026