



# Timpson Group Supplier's Manual



# Our business, in numbers...

- Founded in 1865
- Entirely owned by the Timpson family
- 2100+ shops in the UK and Ireland
- 60 locksmith vans
- 7 barbershops
- 5000 colleagues working in the business
- The biggest service retailer in Europe
- £300m+ turnover per annum
- £50m+ spent with our suppliers each year
- 2 main warehouses
- Over 40m warehouse issues each year
- 9 holiday homes for free use by our colleagues and any families providing foster care
- Over £1m spent on 'dreams come true' rewards for our colleagues last year
- Over £4m raised for children's charities through our shop charity boxes
- Biggest recruiter of ex-offenders in the UK
- Over 10% of our colleagues recruited via the Timpson Foundation
- 4 academies within UK prisons



## **A note from James Timpson OBE**

Welcome to our family!

Thank you for taking the time to read our supplier's manual. We hope it helps you to understand a little bit more about how we run the business, what we expect from our suppliers, and what our suppliers should expect from us.

The guidelines in this document will help to ensure that we have a strong and smooth working relationship. If you have any questions, queries or concerns, please let us know now rather than later down the line. It is important that we are honest with each other from the outset.

We understand how important our suppliers are to the success of our business. This is why we see all of our suppliers as partners, with each of us ready to go the extra mile to support one another. Here's to a happy and successful working relationship. I hope to meet you at Timpson House or on my travels before too long.

Kind Regards,

James Timpson OBE



## Open book

Honesty is a core value of our business. We expect our suppliers to be honest with us and to tell us everything we ought to know, when we ought to know it. Our relationship will be much simpler and will likely last much longer if we are open and honest with each other at all times.

This isn't a one sided arrangement. We promise to stick to the things we agree to in the terms of our agreement. We expect our suppliers to do the same.

We think it is important for you to understand our business and for us to understand yours.

To make this easy, we will always;

- Give you access to all our shops and the opportunity to talk to our branch colleagues
- Offer to show you around our Warehouses, Offices and Workshops
- See you as soon as you arrive for your appointment

In return we expect to be able to visit your offices, warehouses and factories upon request.

## Payments

### Prompt payment

We know how important prompt payment is to our suppliers. We promise to honour the terms we have agreed with you, as we don't mislead our suppliers.

### Standard Payment Terms

Our standard payment terms are 45 days from receipt of invoice.

### Faster Payment Options

We can offer faster payment options in order to help our suppliers avoid costly invoice financing. In return, we expect a small settlement discount. Our standard faster payment terms are;

Payment within 14 days of receipt of invoice = 2% discount from invoice value

Payment within 7 days of receipt of invoice = 4% discount from invoice value



## Dealing with issues and problems

We understand that things can go wrong. Therefore, we think it is important that you know what to expect if there is an issue.

### Late delivery or poor quality

We may:

- Cancel the order
- Issue a fine or admin charge
- Expect the order to be corrected at the supplier's expense

We will always speak with you before taking any of these actions.

### Consequential Loss

If our business suffers a loss directly related to the goods or services you supply to us, we may seek compensation.

Our advice here is simple:

- 1) Read the small print
- 2) Get insurance cover!

## Sourcing Policy- It is **crucial** that you read and understand this

We will only work with suppliers who share our commitment to maintaining ethical working conditions and practices. This is the case for our entire supply chain, which includes any of your suppliers. We reserve the right to audit you and/or your supply chain either ourselves or via a third party at any time.

This is not a shallow statement – we mean it and may require you to provide proof that all of the goods or services that your supply to us are manufactured/provided in an entirely ethical way.

### Health & Safety standards

A safe working environment **must** be provided, and all regional laws relating to health & safety need to be maintained. Wherever possible, minimum standards should be exceeded.

### No Child Labour

Under no circumstances will child labour be used during the production of goods or the provision of services for the Timpson Group. The definition of a child is any person who is younger than the official school leaving age in the local region of the workplace concerned.

### Fair employment

All local laws relating minimum wage, overtime, holidays, contracted hours of work and sick pay must be met.

### No Forced Labour

Under no circumstances will you forced labour be used in your workplace or supply chain. Regardless of the location of your business, you must uphold the standards and conditions of [The Modern Slavery Act 2015](#). By signing the terms of supply, you agree to this.



## No Discrimination

We are committed to the fair treatment of all employees around the world who are involved in the supply or provision of goods or services for the Timpson Group. We will not stand for discrimination in the work place of any kind, including discrimination because of; race, gender, religion or sexuality.

## Reducing Environmental Impact

We are committed to reducing our impact on the environment and we expect the same from our suppliers. As a minimum, we expect that all of the materials used in the manufacture of our goods are sourced responsibly and that you will look to reduce emissions wherever possible.

**If at any point, we have reason to suspect that you or your supply chain is failing to meet any of the above basic requirements, we will terminate our trading relationship immediately.**

## **Our Products**

All our products have their own unique code (SKU) so that we can differentiate between them.

Before you supply us with any goods, we will need to agree the following for each product that you are going to supply;

- Item description
- Item specification (if applicable)
- Supplier code
- Supplier description
- Cost price confirmation
- Direct to shop shipping costs (if applicable)
- Retail pack size (if applicable)
- Packaging information
- Order unit quantity
- Carton quantity
- Pallet quantity (if applicable)

In return we will provide you with the unique SKU for the product.

## **Purchase Order**

An order will be placed by the buying team and forwarded to you via the appropriate method. This order will contain the following information;

- The unique PO number
- The address to which the invoice should be sent
- The date the order was raised
- The description of the item
- The unique item number
- The number of units ordered either in carton quantities or singles
- The cost price
- The agreed shipping costs (if a direct to shop order)



- The required delivery date, which is based around the lead times supplied
- The delivery address either for one of our warehouses or direct to a shop

Please check and report any discrepancies to the buyer immediately as this will aid in the prompt payment of your invoice. It is vitally important that you report any expected shortages in quantities at the point of order - this way we can raise a new order for the outstanding items or cancel them if no longer required. Any invoices that do not match an agreed PO may be refused.

If we do not receive the full quantity of goods that we have ordered, we may run out of stock and suffer loss of sales. If this happens we may ask you to airfreight or courier the missing items at your own cost in order to fulfil the order.

The Timpson group reserves the right to refuse or return goods that have not been explained and agreed against a valid PO.

Please make a clear note of the PO number on any documents you send to us. This helps us to have a clear audit trail of what we are receiving and when.

### **Shipments - Containers**

Once you are in receipt of our official order, if it will not fill a 20ft/40ft or 40ft HC container, then please contact the buying department immediately. This needs to be done prior to manufacturing and shipment in order to avoid delaying the shipment. Only after you have raised this with the buying department can we decide to order more/reduce items in order to fill a container, or decide to take the order in less than container load (LCL).

When an official order is placed, you will confirm the lead time/delivery date. It is this date that will be used to measure whether or not your delivery is made on time.

If, for any reason, you suspect that a delivery might be delayed, the buying department must be informed at the earliest opportunity. This needs to be done prior to the shipment, in order for us to have maximum time to find a resolution.

All products shall be suitably packed for shipment, so that no movement occurs during transit. If products are not suitably packed and are damaged as a result, you will be liable for any associated costs. In this event the Timpson Group would require either a credit note for the affected products, or stock replacements to be sent via the fastest possible means, at your cost.

Unless otherwise agreed, direct shipments will be made FOB (Free On Board), at which time the risk of loss and title pass to the Timpson Group. All freight, insurance and other shipping expenses, as well as any special packing expenses (these need to be made known and agreed with the customer before transit) not included in the original quotation for the Products, will be paid by the Timpson Group.

You must submit the necessary paperwork to us or to our nominated freight forwarders upon our request. If any shipments are delayed (e.g. at port) due to a delayed submission of paperwork, you will be liable for any costs incurred including storage and loss of sales.



## Late Deliveries

On time in full delivery (OTIF) is the standard we expect all of our suppliers to meet. All of our orders are carefully planned around the lead times you provide us with. If we do not receive the correct quantity of stock at the correct time, there is a risk that we will run out of stock, resulting in a loss of sales. This is especially crucial during new product launches, where a late delivery could have a negative impact on product/season launches. We may seek compensation for any late/incomplete deliveries that occur due to negligence on your part.

We accept that there may be valid reasons for a late/incomplete delivery, be honest with us as soon as you are aware of a potential issue so that we can work together to resolve it.

The lead time information you provide us with will be used to assess whether the delivery arrives on time. If the delivery is delayed then we may ask you to airfreight or courier the missing items at your expense in order to fulfil the order.

If, due to your negligence, a delivery is more than one week late (without prior notification) we will deduct 10% from order invoice and a further 5% for each further week until the order arrives. These penalties are a last resort which can easily be avoided through openness, honesty and clear a understanding of our expectations.

## Standard Delivery Procedures

### Delivery appointments

Every order needs to be given a delivery slot, and must be booked in advance. To book a delivery slot please contact the buying team, who will put you in contact with the appropriate warehouse:

Deliveries can only be made within the following hours;

08:30-17:00 Mon to Fri

The following information needs to be quoted when arranging delivery:

- Purchase Order number
- Number of cartons/pallets to be delivered
- Date and time of intended delivery

Suppliers should note that acceptance of a delivery slot will be considered an undertaking from the supplier that the goods will be delivered within this slot. You should notify the buying team or warehouse if you have any reason to suspect a delivery will be delayed and/or incomplete. Supplier delivery performance and reliability will be considered during each range and supplier performance review.

The Timpson Group reserves the right to refuse any delivery that does not arrive within a pre agreed delivery slot.

### Delivery documentation

All deliveries into the warehouses must be accompanied by a delivery note quoting the following information:

- The Purchase Order number
- Clear description of each item supplied including the unique item/SKU code
- Quantity delivered





Please ensure that each purchase order has its own delivery note in order to avoid any confusion when booking deliveries into the warehouses.

The Timpson Group reserves the right to reject any delivery failing to meet these requirements.

#### Load requirements

All deliveries must comply with the following load requirements;

- Maximum pallet height is 1.5metres, including pallet
- Standard Square 1200x1000mm are accepted
- Standard Euro 1200x800mm are accepted

Each pallet should contain only one item/SKU code (unless otherwise agreed).

Pallets must be in good condition in order to allow immediate safe storage of goods at height. All goods must be shrink wrapped to a good standard. Where possible, pallet sizes should be kept uniform across an order to enable fast, accurate stock handling to take place.

The cartons on the pallet must not be packed so tightly that the items inside are damaged in any way.

The Timpson Group reserves the right to refuse any delivery failing to comply with the requirements.

#### Carton instructions

Cartons must not exceed 20 kilos in weight.

Outer cartons, unless otherwise agreed, are to be labelled with the following information:

- Item/SKU code and description
- PO number
- Quantity

#### Order checking

When we check the order, we will notify you immediately of any faulty/damaged/incorrect goods and we will request a credit/replacement.

We will make any faulty/incorrect goods available for collection by you for 14 days from the date of delivery of the order. After this time, they will be disposed of.

We will refuse to accept a late delivery, unless authorisation has been obtained from the buying department or the relevant warehouse.

If an order is refused for any of the reasons listed, then it is the supplier's responsibility to re-arrange delivery at the supplier's expense.



## Checking Off Deliveries

We trust our suppliers to send us exactly what we have ordered. No more, no less, nothing different! This trust allows us to check only 10% of each delivery, saving us time in getting your products out to our shops to be sold.

During these checks, if we find any discrepancies or defective products, we may charge you an admin fee of £20. We will then go on to count a larger sample and if further discrepancies are found, we will continue to count up to 100% of the delivery.

We will charge you £15 per colleague per hour for any checking that is required over 10%.

We believe that this is the fairest way to charge. Whilst a small delivery may only take one of our colleagues an hour or two to check, a full check of a huge delivery could take two of our colleagues a full day.

## 'Specials' deliveries direct to shops

There will be some instances where we order items from you to send direct to our shops. These are called 'special' orders. Special orders will be made by the buying team or via our Barney's dashboard system if we have set this link up with you.

We will agree special order item prices with you in the same way we agree prices for stocked items. However, we will also need to agree direct to branch shipping costs **per item** as these will be added to each item so our colleagues are fully aware of the costs of a special order. Purchase Orders will be raised automatically based upon the agreed consolidated costs for each item. Invoices for special orders should be consolidated and sent to us in the agreed format each month.

## **Prompt Payment**

### How you can make sure you get paid promptly

Quote the PO number and the item/SKU codes on all invoices, delivery, packing and advice notes.

### Invoicing

We aim to match 100% of our invoices to the goods received at our warehouses. To enable us to do this and to ensure you get paid on time (or before!) you must;

- Check cost prices and quantities are as agreed with the buying team and these are mirrored on the invoice
- Produce one invoice per purchase order
- Issue credit notes immediately for any delivery discrepancies
- Submit your invoice in the currency detailed on the purchase order
- Show deposit amounts clearly
- If the price on the order is incorrect, you must request a revised purchase order before shipping the goods.

Your invoices must include the following information:

- Full supplier trading name and address
- Invoice number & invoice tax point
- Supplier's VAT registration number
- Purchase order number



- Delivery note number
- Date delivered and delivery location
- Item/SKU codes and description for each item dispatched
- Quantity delivered per item
- Cost price (Unit cost/Extended cost)
- Input VAT (plus VAT rate)
- Total cost price (including VAT) for the invoice

#### Where to send your invoice

[Purchase.ledger@timpson.com](mailto:Purchase.ledger@timpson.com)

Queries regarding invoices should also be submitted to the above team, via email or via telephone;

Timpson House switchboard – 0161 946 6200

#### When you will get paid

We promise to honour whatever payment terms we have agreed with you. Payments will be made via BACS/cheque.

If we make a claim for credit or payment in respect of returned goods, short deliveries or overcharges, we expect the claim to be settled or payment to be made within 30 days of the issue of claims. In the event that this does not happen, we reserve the right to make deductions from any remittance due to you.

Sometimes things go wrong. If you have any problems or complaints about how we are dealing with you, please speak to our Finance Director- [paresh.majithia@timpson.com](mailto:paresh.majithia@timpson.com) We expect all of our suppliers to engage with us in an attempt to resolve any issues before taking action such as putting us on stop.

### **Trading Terms**

#### Controlling Law

This agreement shall be governed and construed in all respects in accordance with the laws of the United Kingdom.

#### Quality of goods

By supplying the goods the supplier warrants that they:

- Conform to the descriptions and quantities ordered
- Conform to all relevant product and service specifications
- Comply with the requirements of all acts of parliament, statutory rules, orders, regulations, British or European standards and all other requirements, regulations or legislation which apply to such goods
- Be of satisfactory quality and sufficient for the purpose intended and of good material and workmanship, free from defects and all other faults.



The Timpson Group reserves the right to pursue any consequential loss claim as a result of defective product if a supplier's quality process is deemed to have failed.

#### Remedies

The supplier will indemnify the Timpson Group against any and all costs, losses or damage arising directly or indirectly from goods or services supplied by the supplier or from failure by the supplier to comply with the terms of a Purchase Order or these conditions.

#### Subcontracting

The supplier shall not assign or transfer the whole or any part of this contract, or subcontract the production of any goods to be supplied under this contract, without the prior written consent of the Timpson Group.

This agreement applies to the supplier, plus any agreed appointed/represented agents of the supplier. These appointed/representative agents must be approved in writing by the Timpson Group.

#### Protection of brand

Under no circumstances should any stock that is branded with the logo of a Timpson Group company be sold to anyone other than the Timpson Group. Our brand is very important to us and we reserve the right to pursue any consequential loss claim as a result of a breach of this term.

#### Breach and Termination

The Timpson Group may terminate a purchase order by written notice at any time. The Timpson Group will not incur any liability for the termination where the supplier fails to comply with one or more of these conditions. In all other cases, the supplier will take the reasonable steps to minimise any loss it incurs as a result of such termination and the maximum amounts the supplier will be liable to claim from the Timpson Group will be actual cost of production of goods (or, in the case of services the performance of those services) incurred up to the date on which the supplier receives notification of termination. The Timpson Group will not be liable for any loss of profit or revenue consequential loss or damage.



## Timpson Group Supplier Terms Agreement

### **Supplier Details**

Name of Supplier-

Company Registration Number-

Country Registered In-

VAT Number (if EU country)-

### **Payment Details**

Account Name-

Sort Code-

Account Number-

IBAN-

### **Terms of Supply**

Payment Terms-

Settlement Discount-

Rebate Terms-

Prices-

Shipping Costs-

General Information-

By signing this document, you agree to the terms of supply as outlined in the Timpson Group supplier manual and the terms outlined above.

**Name-**

**Position-**

**Signature-**

**Date-**

