



1. OVERVIEW

Woolworths Group is committed to building strong long-term partnerships with our suppliers through fair and equitable dealings. Woolworths recognises that payment terms are an important component of our commercial arrangements with small suppliers.

2. PAYMENT TERMS FOR SMALL SUPPLIERS

Where a small supplier meets Woolworths' definition of a "small supplier" (see section 3), Woolworths will offer payment terms not exceeding the latter of 30 days from (i) receipt of a correctly rendered invoice; and (ii) the date the goods are received.

3. DEFINITION OF SMALL SUPPLIER

For the purposes of this policy, a supplier is considered to be a "small supplier" if:

- the supplier is Australian based;
- the annual net payments by Woolworths Group to the supplier are less than \$1m, excluding GST (being the net amount paid to the supplier after deductions for all goods or services supplied by the supplier and any of its related entities); and
- the total annual turnover of the supplier (and its related entities) does not exceed \$10m. Evidence of total revenue should be submitted with the registration form and verified by a member of a professional accounting body and include their name, title, company and professional membership number.

4. BEST PRACTICE PROCEDURES

Woolworths will use best endeavours to pay all invoices on time, however this is more challenging where suppliers do not trade electronically with Woolworths. As such, Woolworths recommends that small suppliers accept digital purchase orders, issue digital invoices and provide electronic means of payment.

Woolworths also recommends that wherever possible, stock levels are optimised such that days stock on hand do not routinely exceed the number of days specified as the agreed payment terms.

5. HOW TO INITIATE THE CHANGE IN PAYMENT TERMS

Any supplier that satisfies Woolworths' "small supplier" definition and follows the best practice procedures outlined in this policy can submit a request for a change to payment terms via the below registration form. If you require further assistance please contact Woolworths Trade Relations via email at traderelations@woolworths.com.au

Regular reviews will be performed to assess whether suppliers continue to satisfy the definition of a small supplier. If a supplier ceases to do so, they may be contacted to re-negotiate their payment terms.

Approved By: David Marr, Woolworths Group CFO

Approval Date: 11 February 2019

Small Supplier Registration Form

The purpose of this form is for a supplier to request a change to their company's classification in accordance with the eligibility criteria outlined in the Woolworths Small Supplier Policy.

Company Details

Registered Company Name

Registered Company Number (e.g. ABN, ACN)

Woolworths Supplier Number

Which Woolworths Business Unit do you predominantly do business with?

Contact Details

Contact Name

Contact phone number

Contact email address

Preferred Contact Method (if required)

Phone

Email

Financial Details

Are your net sales to Woolworths Group below \$1m p.a

Yes

No

Is your total business revenue below \$10m p.a.?

Yes

No

Evidence of annual revenue should be submitted with this form and verified by a member of a professional accounting body and include their name, title, company and professional membership number.

Based on your submitted form you may qualify as a Small Supplier to Woolworths. By submitting this form, you authorise Woolworths Group to assess your eligibility as a 'Woolworths Small Supplier' and where successful, for your Payment Terms to be updated to no greater than 30 days.

All completed forms should be submitted via email with a certified copy of your revenue statement to traderelations@woolworths.com.au

For a copy of our Privacy Policy please click [here](#)