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Document Title <b>PROCUREMENT PROCEDURES MANUAL – VENDOR ACCREDITATION</b>	Ver2

<b>APPROVAL</b>	
Approved by:	Chief Administrative Services Officer
Procurement Contact:	Manager, Procurement
Approval Date:	January 22, 2019
Effective Date:	January 22, 2018
<b>VERSION CONTROL</b>	
Last Review Date:	April 1, 2018

**1. OBJECTIVE**

- 1.1. To detail procedure for Vendor Accreditation.
- 1.2. To establish roles of concerned parties.

**2. SCOPE and APPLICATION**

All vendors and service providers of Sun Life Financial



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### 3. PROCEDURES

Owner	Procedure outline	Interface	Turn Around Time
Vendor	Submits required document to ASD-Procurement 1. Supplier Information Sheet	Email/ Hard copy	T+7
Supplier Relationship Manager (SRM)	Review and check completion of the documents as listed in the Supplier Information Sheet. (Please refer to PH – Procurement Operating Guideline for Vendor Selection, Accreditation and Performance Evaluation for the list of complete requirements)	Forms	T+1
SRM	Performs the following screening tools: 1. Supplier Classification Risk Assessment (SCRA) 2. Dow Jones Screening 3. Coordinate with vendor for additional requirements identified by the SCRA tool.	Excel Form  Dow Jones Portal Email	T+1  T+1 T+2
Vendor	Submits additional requirement(s) if any such as: 1. Due Diligence Questionnaire (DDQ) 2. Latest Audited FS for Financial Viability Assessment 3. Others as may be identified in SCRA. (Please refer to PH – Procurement Operating Guideline for Vendor Selection, Accreditation and Performance Evaluation for the sample of SCRA)	Email/ Hard copy	T+3
SRM	Coordinate with Stakeholders identified in TPRM to secure sign-off on risk assessment.  <b>For Dow Jones Screening:</b> <ul style="list-style-type: none"> <li>• Report to Compliance if screening results indicates positive matches or “hits” for the name of the vendor, stockholders, directors or key personnel.</li> <li>• In the event that the vendor is</li> </ul>	Email/Form	T+7




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	<p>owned by another entity (Entity B), with ownership of 20% and above greater than 20%, PS should also subject Entity B, its stockholders, directors and key personnel to Dow Jones Screening. Similarly, if Entity B is owned by another entity, Entity C, PS should subject Entity C, its stockholders, directors and key personnel. This step will be repeatedly performed until the true beneficial owners and full identity of the supplier's company is unveiled.</p>		
SRM	Inputs result of due diligence activities and submit for approval	Supplier Classification Sheet	T+1
Procurement Manager	<p>Reviews for the following items and approves recommendation for accreditation.</p> <ol style="list-style-type: none"> <li>1. Completeness of information</li> <li>2. Validity of documents submitted</li> <li>3. Dow Jones screening</li> <li>4. SCRA</li> </ol> <p>Forwards the document to staff in charge of vendor profile creation in the PO system.</p> <p>Forwards to Chief Administrative Services Officer (CASO), for approval, for any deviations or incomplete submission of documents by the supplier.</p> <p>In the event that the supplier, its stockholders, directors and key individuals have confirmed positive matches in Dow Jones, Procurement management has the option to accept the risk or reject the accreditation of the supplier.</p>	Supplier Classification Sheet	T+1

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Chief Administrative Services Officer	Reviews the justification for the deviation. Approves or rejects the accreditation.	Email/ Hard copy	T+1
Procurement Specialist	Creates vendor profile in the system database and generates vendor id (if for PO issuance only).	SAP B1	T+1
Procurement Manager	Releases the accreditation result to the Business Unit (BU) or Supplier relationship Manager (SRM).	Email	T+1

#### 4. NOTE

- 4.1 Turnaround time starts from the day the vendor has submitted the complete documents.
- 4.2 Access to Vendor Database in SAP B1 is limited to 2 Procurement Specialists (primary and back-up) only for control purposes.
- 4.3 Only approved documents will be inputted in the system.

#### 5. REFERENCES

Procurement Operating Guideline  
Third Party Risk Management Policy


#### 6. REVIEW

Procurement Manager  
Chief Administrative Services Officer

### 7. VENDOR SELECTION, ACCREDITATION and PERFORMANCE EVALUATION

#### 7.1. Vendor Selection

- 1.1.1 ASD shall continuously search for vendors with the intention of establishing strategic and long-term business relationships.
- 1.1.2 The selection of vendors is the responsibility of Procurement personnel. In making the selection, Procurement will coordinate closely with the requesting department to obtain adequate and reasonable specification and to evaluate vendors with regard to track record, nature of the guaranty and warranty of the product or service, price and quality.
- 1.1.3 Preference may be given to the following types of vendors provided no sacrifice in quality, service or price is incurred.
  - Vendors who are developing new and improved products and equipment, or designing and developing a special product for the exclusive use of the company.


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- Vendors with adequate financial strength who also have a reputation for adhering to specification and delivery schedule.

## 7.2. Vendors Accreditation

- 1.2.1 Vendors are subject to accreditation based on the following standards: quality of product or service, technical competence, competitive pricing, delivery time frame and customer service.
- 1.2.2 There are two types of accreditation specific to vendor class:
- *Non-Primary*: Vendor may either be New or Accredited (with frequent transactions but on a short-term basis). Accreditation will focus on establishing legality of business and vendor’s capability to supply/deliver.
  - *Primary*: Vendor who has demonstrated excellent performance history and transactions are on a long-term basis. Evaluation will focus on establishing vendor’s capability to sustain excellent performance and support long-term relationship with the company.
- 1.2.3 The following documents must be submitted for accreditation:

Vendor Classification	Documents required
Non-Primary Vendor (New and Accredited)	<ol style="list-style-type: none"> <li>1. Company Profile/List of Goods/ Services</li> <li>2. Articles of Incorporation/ Partnership (If amended, request for 1. Latest/amended AOI/AOP and 2. proof of Amendment SEC filing), if applicable</li> <li>3. General Information Sheet, if applicable</li> <li>4. SEC (for Corporation/Partnership) / DTI (Sole Proprietorship) Registration</li> <li>5. BIR Registration</li> <li>6. Valid/unexpired Business Permit (Local Permit)</li> <li>7. List of Clients/ Suppliers/ Bank References</li> <li>8. List of Equipment and Delivery Vehicle, if applicable</li> <li>9. Certification of Authority to Sell (for resellers/ exclusive distributor)</li> <li>10. Documents Required in Supplier Classification Risk Assessment (SCRA) Tool <ol style="list-style-type: none"> <li>A. Accomplished SCRA</li> <li>B. Accomplished &amp; Signed-off SLF Anti-Bribery and Corruption Questionnaire</li> <li>C. If applicable, Privacy Impact Assessment (PIA) Preliminary Questionnaire</li> <li>D. If applicable, PIA Questionnaire [Note: Should be approved by PIA review team – Info Sec, Privacy Office and BUCO – as</li> </ol> </li> </ol>

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	determined by the PIA prelim questionnaire E. Others (i.e. email coordination with Legal and/or Compliance, IT, Tax, Info Sec) 11. Dow Jones Name Screening A. Vendor B. Key Officers / Directors (for Partnership and Corporation) C. Shareholders / Partners (Additional Requirements: If shareholder is a private company with 20% and above ownership, perform Dow Jones screening on its shareholders, key officers and directors) 12. Supplier Information Sheet (Annex I)
Primary Vendor	Vendor to submit the above documents plus additional documents below: 1. Latest Audited Financial Statement 2. Certificate of Technical Competence 3. Company Analysis – includes performance evaluation, plant facility inspection report, and trade references report. This requirement is to be performed by ASD Procurement.

Exception handling:

Incomplete submission of document(s) from vendor but will still proceed with the engagement will require approval from the Chief Administrative Services Officer (CASO).

1.2.4 Additional requirements:

a. Dow Jones Screening

- All vendors must be screened using Dow Jones to ensure that the vendor, its stockholders, directors, and key individuals pass the company's AML policy. The screening result(s) will be included in the vendor file.

- All positive matches shall be reported to PH Compliance for sign-off.

b. Accomplished Anti-Bribery & Corruption Questionnaire


c. Supplier Classification Risk Assessment (SCRA) (Annex II)

- All vendors must be assessed using the SCRA tool before engagement to ensure that possible risks are identified and mitigated.

- Supplier Relationship Manager (SRM) is required to secure and complete stakeholder sign-off as identified in the SCRA result prior to vendor engagement.

1.2.5 Exception to vendor accreditation is limited to:

- Emergency Purchase - If the materials and services requested are not available from any of the accredited vendors and service providers.


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### 7.3. Vendor Performance Evaluation

- 1.3.1 Vendors will be subjected to periodic Performance Evaluation to monitor and assess their performance and compliance to the company’s standard, and to improve key processes of vendor that may be related to the company’s operations.
- 1.3.2 The timing of evaluation will be performed depending on the vendor classification:
- Non-primary – per-transaction basis, relative to timeliness of delivery and quality of product.
  - Primary – annually, to assess performance and compliance to Memorandum of Agreement.
- 1.3.3 Vendors will be evaluated based on the following criteria:

Price	Provides competitive, fair pricing/ low profit margin, provides cost reduction initiatives
Quality	Provides products/services that meet the quality requirements, low percentage of defects/ rejects/ reworks.
Delivery	Provides correct quantity at the right time, flexible in changes of schedules, provides updates on progress or problems.
Service	Provides value-added services, timely response and resolution, willing to share information.

- 1.3.4 Vendors will be rated on a scale of 1-5, 5 being the highest. Over-all rating of 3 is the passing rate. Any vendor getting lower than the passing rate for two (2) consecutive years will be removed from the list of accredited vendors.
- 1.3.5 Procurement shall maintain an inventory of agreements with primary vendors and monitor effectivity date of these agreements. Procurement shall notify the vendors of the intention of renewing or terminating the agreements in accordance with the notification period indicated in the agreements.
- 1.3.5 Agreements with primary vendors will be renewed or terminated based on their overall rating in a given performance evaluation period.
- Agreements with primary vendors with overall rating less than 3 will be terminated. A thirty-(30) day notice will be given to the vendor prior termination.
  - If a primary vendor incurred an overall rating of 3 and above, Procurement Specialist may opt to renew the contract under the following conditions:
    - Prices / rates were retained from the previous contracting period.
    - If prices / rates for renewal have increased, Procurement Specialist should conduct a bidding together with other accredited vendors. If the existing primary vendor’s rates are still competitive, Procurement Specialist can renew the agreement.

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- If the existing primary vendor’s rates are not competitive based on the bidding, Procurement Specialist can create an agreement with the winning vendor.


1.3.6 Exceptions to performance evaluations are limited to the following:

- Vendor with minimal (1-2) transaction in a calendar year.
- Inactive vendor – no transaction for two (2) consecutive years.

1.3.7 The Performance Evaluation will be performed by the Procurement Specialist and requires the approval of the Procurement Manager.

1.3.8 The results of Performance Evaluation/ Vendor classification covering a 12-month period (at the minimum) shall be reported to the Chief Administrative Services Officer and Chief Operations Officer. The report will cover updates in vendor classification and vendor rating.



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Annex I  
Supplier Information Sheet



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## SUPPLIER INFORMATION SHEET

Note: If this form will be filled out electronically, just click on the appropriate box for those info provided with checkboxes.

### SUPPLIER INFORMATION

NAME: \_\_\_\_\_

OFFICE ADDRESS: \_\_\_\_\_  
 Owned     Leased

PLANT / WAREHOUSE ADDRESS: \_\_\_\_\_  
 Owned     Leased

TELEPHONE NO(S): \_\_\_\_\_

FAX NO(S): \_\_\_\_\_

BUSINESS ORGANIZATION:     Corporation     Partnership     Sole Proprietorship

TAX IDENTIFICATION NUMBER: \_\_\_\_\_

NATURE OF TRADE:     Manufacturer / Principal     Authorized / Sole Distributor  
 Wholesaler     Retailer / Reseller  
 Trader     Importer  
 Others (pls specify) \_\_\_\_\_

NO. OF YEARS IN BUSINESS: \_\_\_\_\_


NO. OF PERSONNEL: \_\_\_\_\_

PRODUCT LINES / BRANDS / SERVICES RENDERED:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TRADE REFERENCES:		
Supplier	Address & Contact No.	Contact Person
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Client	Address & Contact No.	Contact Person
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

BANK REFERENCES:		
Bank Name	Address & Contact No.	Contact Person
_____	_____	_____
_____	_____	_____
_____	_____	_____

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**SUPPLIER INFORMATION SHEET**

**KEY PERSONNEL AND CONTACTS AUTHORIZED TO TRANSACT WITH SUN LIFE:**

Name	Title / Position	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

Do you have relatives who have worked with us at one time or another, or are presently employed with SUN LIFE? If so kindly state name and relationship.  Yes  No

Name	Relationship
_____	_____
_____	_____
_____	_____

Do you have board member/s, owner's or key business representative that are presently affiliated with SUN LIFE as Financial Advisor? If so, kindly state name and relationship/position in your company.  Yes  No

Name	Relationship
_____	_____
_____	_____
_____	_____

**DOCUMENTS CHECKLIST**


- Company Profile/ List of Goods and Services
- Table of Organization
- Articles of Incorporation
- SEC / DTI Registration/ Business Permit
- Certification from Principals (for resellers/distributors)
- Latest 2-years Audited Financial Statements
- List of Equipment and Delivery Vehicle (for manufacturers)

**DECLARATION**

This certifies that the information provided is true and correct. This also authorizes Sun Life to validate information with the concerned authorities/parties.

By providing Sun Life with the above personal data, I explicitly authorize and consent to Sun Life's use of said data for purposes of evaluating our performance as a supplier; availing of our products and services; and other lawful or legitimate commercial or business purposes necessary for the performance of, or in relation to, a contract or service to which I or the Supplier is a party. I further represent and warrant that (a) the Supplier has advised its incorporators, shareholders, directors, officers, representatives, trade references and other individuals whose personal data is indicated above of the purpose/s of collecting personal data, and (b) obtained the necessary consent and authority to disclose personal data from your incorporators, shareholders, directors, officers, representatives, trade references and other individuals to Sun Life, pursuant to the Data Privacy Act, its Implementing Rules and Regulations, and related issuances.

**Signed by:** \_\_\_\_\_ **Position:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

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## Annex II Supplier Classification and Risk Assessment Tool

Request Details – this information determines the complexity of the engagement ▼

\* 1. Select Your Business Group - if you are a project manager select the business group that will own and manage the supplier/solution.

ES                       SLF Asia                       SLF UK

\* 2. Select Your Business Unit

\* 3. Engagement Description  
A short description of the supplier engagement. Indicate why required, if it is part of a bigger initiative, type of engagement (e.g. new purchase, renewal, contract amendment, termination or supply market analysis).

\* 4. Estimated total cost / spend or budget amount converted into CAD over the length of the contract  
Estimated total cost/ spend or budget amount over the length of the contract, such as product/service and related support , maintenance, consulting services etc. For example, SLF has entered a three year agreement for PC maintenance @ \$1,000,000 / year = \$3,000,000 total value for the life of the contract. For perpetual calculated based on 5 year term.  
NOTE: This is a mandatory field

 CAD

\* 5. Supplier Name(s) - Supplier name or supplier(s) being considered

\* 6a. Is the proposed Supplier a new Supplier to Sun Life?                       Yes                       No

\* 7a. Please select all product/services that apply to your purchase  
If product / service has a technology component, select the appropriate technology.  
A hosted product/service can include Software as a Service (SaaS), Platform as a Service (PaaS), Infrastructure as a Service (IaaS), Cloud solutions and Subscriptions to web accessible and portal services. If the supplier will be hosting and/or storing Sun Life data as part of the service offering, please select Hosted in your selection.

- Consulting
- Real Estate
- Hardware or Telecom
- Software
- Hosted
- IT Professional Services
- Other

Risk Assessment - this information will identify actions you can take to mitigate the risk associated with your contract ▼

\* 9. Does the supplier have access to personal information of SLF clients or employees?                       Yes                       No

\* 10. Does the supplier have access to confidential information?                       Yes                       No

\* 11. Is this an Outsourcing agreement?                       Yes                       No

\* 12. Are the products or services provided by the supplier critical to SLF day-to-day operations or financial processes?                       Yes                       No

\* 13. Will disruptions in the Supplier's service cause SLF to lose revenues or clients?                       Yes                       No

\* 14. Is it difficult to switch to another supplier if this supplier ceased to do business?                       Yes                       No

\* 15. Will the nature of the supplier duties require negotiation with Government Officials on behalf of Sun Life and/or was the supplier strongly recommended by a government official?                       Yes                       No

[CLICK HERE TO SEE THE RESULTS OF THE ASSESSMENT AND ACTIONS REQUIRED](#)