I. **Title**: ACCREDITATION AND PERFORMANCE EVALUATION OF SUPPLIERS

II. **Objective**: To ensure high quality of supplies, equipment, and outsourced services by accrediting suppliers and regularly evaluating their performance.

III. **Scope**: The procedure covers activities from the assessment of the application for accreditation to the evaluation of the performance of the accredited suppliers.

IV. **Definition of Terms**: Supplier – organization or person that provides products or services to the organization (e.g. producer, distributor, retailer or vendor of a product, or provide of a service or information); in a contractual situation a supplier is sometimes called “contractor”.

V. **Procedure Summary**:

<table>
<thead>
<tr>
<th>Responsible Person</th>
<th>Activity</th>
<th>Interface</th>
</tr>
</thead>
<tbody>
<tr>
<td>Admin Services Associate</td>
<td>1. Request Suppliers to submit application form and requirements.</td>
<td>Application Form and Checklist of Requirements; Supplier Accreditation Evaluation Form (SAEF)</td>
</tr>
<tr>
<td>Supplier</td>
<td>2. Submit Application form and other requirements.</td>
<td>Mayor’s permit and Business license; VAT Registration; List of current clients with corresponding contact person and contact nos.; Product lines; For exclusive distributor, latest certification of Exclusive Distributorship (Refer to checklist)</td>
</tr>
<tr>
<td>Admin Services Associate</td>
<td>3. Screen application form, check requirements and conduct inspection, if necessary.</td>
<td>Application Form and Checklist of Requirements</td>
</tr>
<tr>
<td>Admin Services Associate</td>
<td>4. Recommend approval or disapproval.</td>
<td>Supplier Records Folder, SAEF</td>
</tr>
<tr>
<td>Accreditation Committee Members</td>
<td>5. Evaluate and approve/disapprove application.</td>
<td>Supplier Records Folder, SAEF</td>
</tr>
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</table>
VI. Procedure Details:

Admin Services Associate
1. Request Suppliers to submit application form and requirements.

Supplier
2. Submit Application form and other requirements

Requirements:
- Mayor’s permit and Business license
- VAT Registration
- List of current clients with corresponding contact person and telephone nos.
- Product lines
- For exclusive distributor, latest certification of Exclusive Distributorship.

Optional:
- SEC Registration
- Articles of Incorporation/Partnership and By-laws
- Certificate of Registration of Business Name (DTI)

Admin Services Associate
3. Screen application form, check requirements and conduct inspection if necessary.

3.1 Receive application form titled Suppliers Accreditation Form from Supplier.
3.2 Screen accomplished application form. Basic information must be complete.
3.3 Call at least three of the supplier's other clients to check on the performance of the applicant.

3.3.1 Indicate comments in the supplier's list of current clients.

3.4 Conduct the initial spot checking of the following:

- supplier's office/plant address
- machines to be used (minimum requirements)
- workers, if capable of doing a job order
3.5 Accomplish Suppliers Accreditation Evaluation Form.

Admin Services Associate

4. Recommend approval or disapproval.

4.1 Make recommendation on the application form based on the submitted documents, information disclosed in the application form and on the inspection made.

4.2 Forward application and submitted requirements to Accreditation Committee.

Accreditation Committee Members

5. Evaluate and approve/disapprove application.

5.1 Evaluate capability and approve the accreditation of the supplier within the day. This will be done by the committee which is composed of the following:

Chair – Accreditation Committee
Head – Information Technology
Head – Claims-Multiline Section
Head – Marketing Support Services Section
Legal Department

Admin Services Associate

6. Issue Accreditation Certificate for approved suppliers, and send feedback letters to suppliers with disapproved applications.

6.1 Prepare a contract/agreement, which states the conditions of the company under the accreditation status.

6.2 Forward the Agreement Form to the accredited supplier for signature.

6.3 For suppliers who do not pass the accreditation, prepare a letter informing them of the status of their application.

6.4 File contracts and related documents for future references.

Admin Services Associate

7. Update List of Accredited Suppliers.

7.1 Update the List of Accredited Supplier by indicating the following information:

Name of supplier
Contact person
Address
Effectivity date of accreditation
Type of supplies/service accredited for

Admin Services Associate


8.1 Monitor the performance of the accredited suppliers if they comply with the conditions of the company through monthly Suppliers Performance Evaluation Report. (Refer to Calibrated Service Rating Schemes as basis for rating Suppliers’ performance.)

8.2 Accomplish the Annual Supplier Performance Evaluation Report. Indicate the following basic information:

Name of supplier
Contact person
Items
Quality of the items delivered (rate of defects/rejects) *
Timeliness of the delivery *
Quality of service - accessibility, responsiveness, reliability, etc.
Price

* Rating will be on a number basis, Five (5) being the highest and one (1) the lowest. The overall rating should be at least "Fair". (Refer to Calibrated Service Rating Schemes)

8.3 Forward the accomplished Annual Suppliers Performance Evaluation Report to Department Head for review and notation.
8.4 Submit report to Accreditation Committee for information

Accreditation Committee Members

9. Appraise the performance and compliance of accredited suppliers and approve/disapprove continuance of accreditation.

9.1 Review annual report and discuss whether to continue or discontinue accreditation.
9.2 Send Letter of Non-accreditation if performance does not meet standards.

VII. References:

1. Supplier Accreditation Form
2. List of Accredited Suppliers
3. Calibrated Service Rating Schemes

VIII. Records Generated:

1. Suppliers Accreditation Folder

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<tr>
<th>SIGNATURE</th>
<th>DESIGNATION</th>
<th>DATE</th>
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<tbody>
<tr>
<td>Prepared by</td>
<td>MELISSA S. MASACUPAN</td>
<td></td>
</tr>
<tr>
<td>Reviewed by</td>
<td>MICHELLE G. GUCE</td>
<td></td>
</tr>
<tr>
<td>Approved by</td>
<td>TERESITA UB. DELA VEGA</td>
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