Q4

Vendor Management Process Update

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Privileged and Confidential

Q4 Vendor Management

Business discipline focusing on the initiation and maintenance of effective relationships with vendors, who provide products and services to Q4. This function enables the monitoring of costs, driving vendor service excellence and mitigating organizational risks to gain increased value from Q4 vendors throughout the contract lifecycle.

Vendor management evaluations & due diligence helps Q4:

- Select the right vendors and categorize vendors to ensure the right contract, metrics and relationship are established and maintained,
- Remove redundant / duplicate vendor functions, and
- Manage vendor contracts and avoid deal and delivery failure

While driving the most value from our contractual relationships

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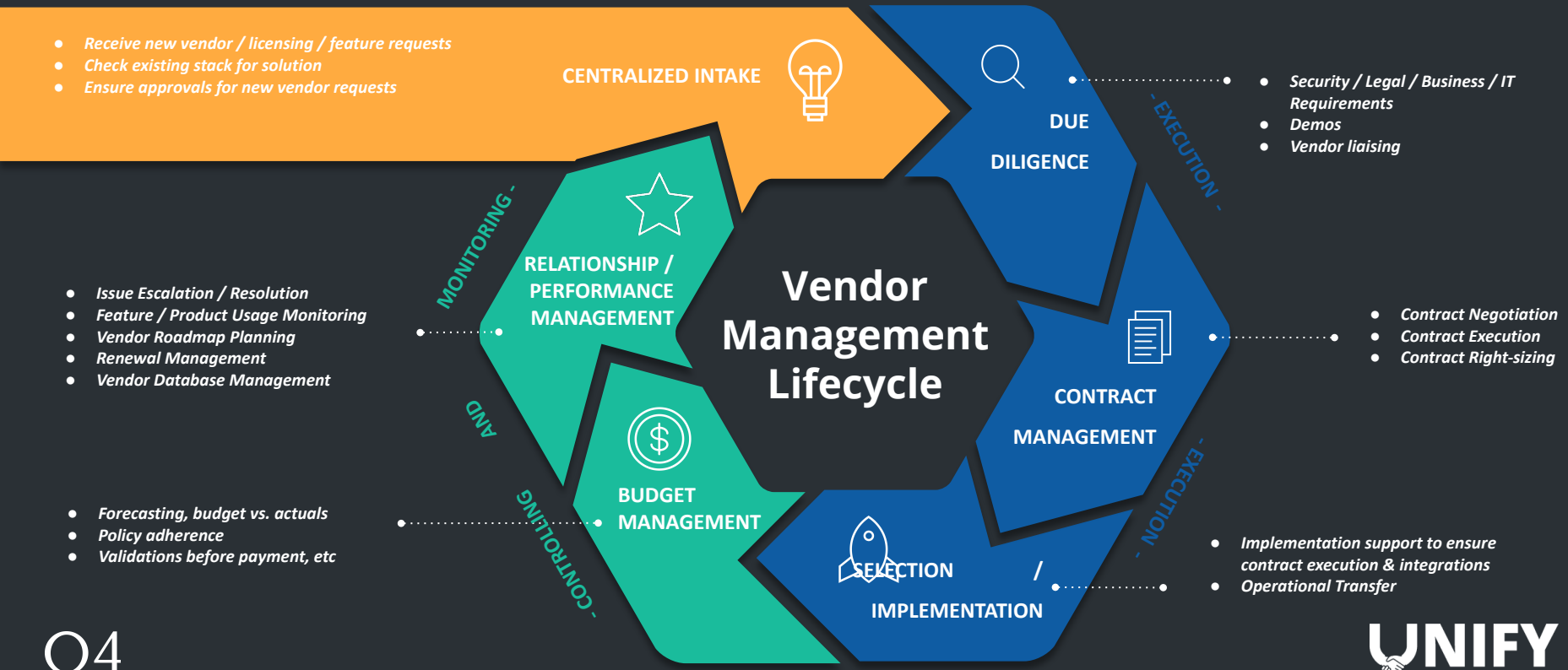
Q4 Vendor Management Lifecycle

Key elements of vendor management are:



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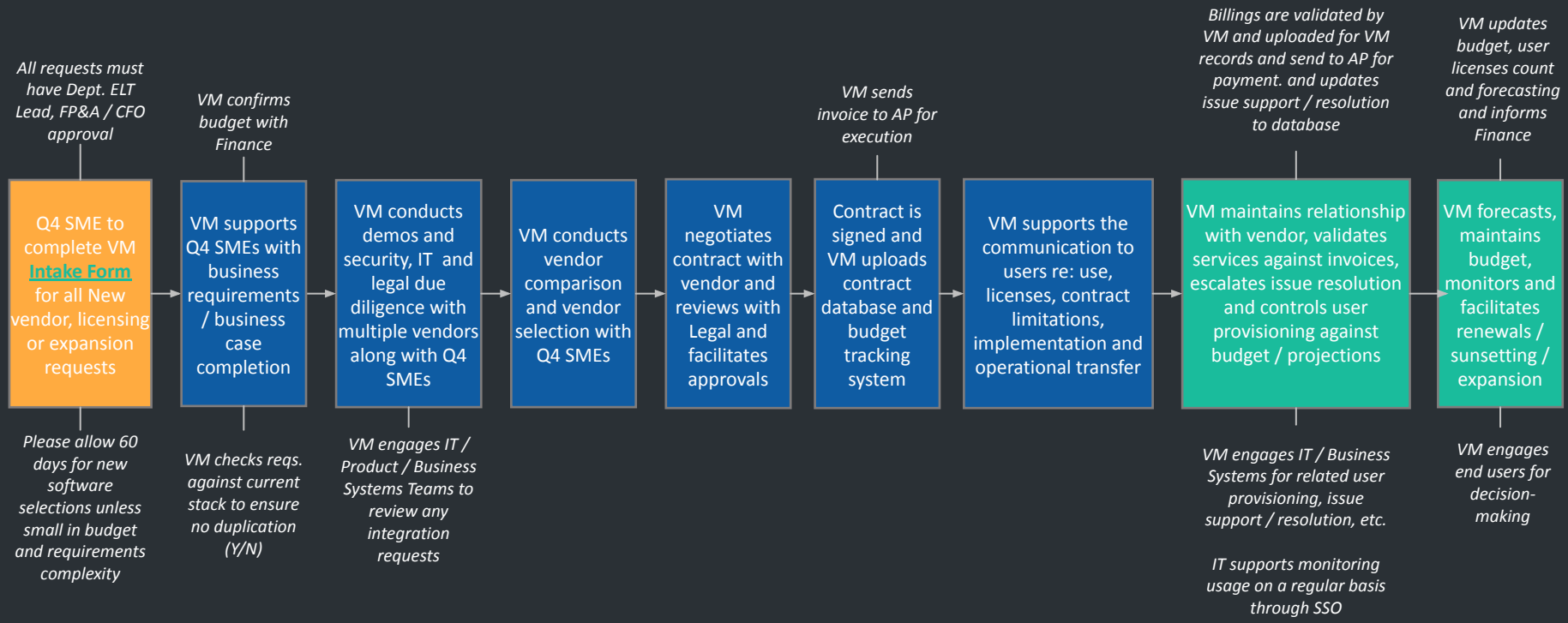
Vendor Management - New Requests



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Legend
- Initiation
- Execution
- Monitoring

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CENTRALIZED INTAKE

Vendor Management - Intake New Software

Additional Detail to Note

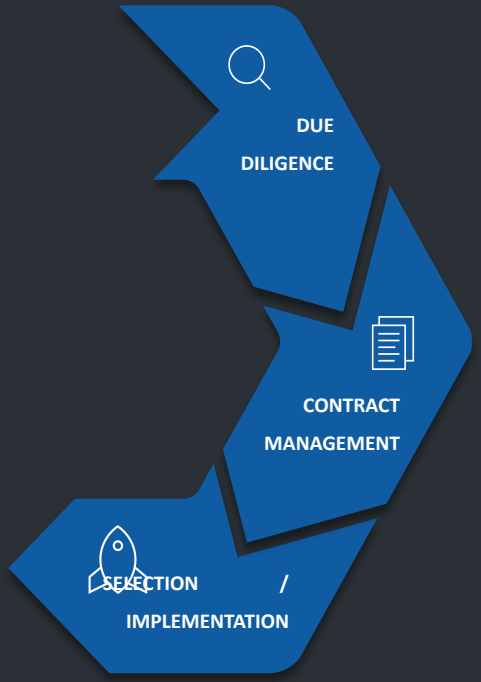
Any new software requests, must be submitted for assessment. These requests must have department ELT Lead, FP&A / CFO approval and sign-off prior to submission. Please follow these steps when submitting your request:

1. Obtain approval for the request
2. Submit Request Form through Asana here.
3. Vendor Management will follow-up and may request for more details prior to initiating any evaluation on:
    a. # of licenses / projected for the next 12 months or until EOY
    b. Potential vendors for comparison
    c. Business gap / need for software

If your request has been approved, Vendor Management will reach out to schedule a kick-off in order to support the development of a business case, to be reviewed senior management prior to commitment and execution of any agreement. A few notes on the evaluation process:

- We kindly ask you to route all vendor engagement, including demos through Vendor Management in order to facilitate the evaluation process
- Note: While some small, minor and low cost software can be implemented earlier, a full software evaluation can take up to 60 days. Please keep this in mind when submitting your request.
- If you believe you will require project support for implementation to go-live, please inform your vendor management specialist to coordinate with the PMO.

Vendor Management - Security / Legal Due Diligence



Additional Detail to Note

Security Due Diligence: All vendors, new and existing, must comply with the organization's mandated security requirements.

- Vendors must either hold or commit to obtaining one of the following security certifications:
  - SOC 2 Type 2
  - ISO27001
- If a vendor does not currently hold one of the two certifications above, the vendor will be required to complete the alternative security assessment form for SPC team review and approval. Meetings may be arranged at their discretion to determine whether or not the vendor is compliant.
- In addition to the mandated security certifications, Vendor Management commits to working in tandem with SPC & Legal to ensure that the data processing activity for each vendor have been identified and recorded.

Legal Due Diligence: Vendor Management will ensure that all proposed contracts are reviewed and approved by Q4 Legal prior to execution.

Contract Management: Vendor Management will maintain a vendor contract database and actively work to ensure that all records are up to date including the vendor's security compliance and legal contract acceptance, necessary for any audit.

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Vendor Management - Monitoring & Controlling

Additional Detail to Note

Renewals

Prior to renewal period, Vendor Management will review existing vendors to evaluate the success/adoption and ensure that an annual due diligence review is conducted to maintain the mandated security / legal and financial requirements. The evaluation will consider the business criticality, success of metrics determined pre-execution of agreement, changes to contract over the year based on usage, license management, and growth of the organization, as well as comparison against like-vendors within the current stack to determine:

- Vendor Consolidation Opportunities
- Renewal decision & re-negotiation terms
- Required changes to contract/agreement

Onboarding

People & Culture provides new hire notifications at least one week prior to start date. Vendor Management currently reviews and forwards all new hire notifications to the Vendor Intake Form to ensure that the appropriate licenses are provisioned by the appropriate parties (IT, Business Systems or Vendor Management) for Day 1 of the onboarding process.

Offboarding

Vendor Management currently receives notifications regarding any offboarding activities from & Culture and ensures that licenses managed by Business Operations are deprovisioned within the mandated 24 hours.

Service Level Escalations

When seeking immediate resolution to any technical/functional software, please contact the vendor's Customer Support/Success contact directly and cc vendormanagement@q4inc.com in all communications to assist with any urgent escalations and monitor service level issues experienced in the duration of our agreement.

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Working to improve your experience

Questions, Comments, Issues

Please don't hesitate to email vendormanagement@q4inc.com

Service Level Expectations

- **New Software Requests (Lite):** 2-4 weeks
- **New Software Requests (Full):** 4-8 weeks
- **Licensing Inquiries:** 1-3 business days (barring budget impact)
- **New hire onboarding:** completed prior to new hire start date based on P&C notification and contingent on budget impact
- **Data Inquiries:** 1 business day for initial inquiry, variable for purchase of new data / exchanges

*note - all new requests for 2021 must have CFO and COO approval prior to execution

What's to Come

- Peoples Leader Webinar: March 8
- Launch to Q4 - TGIF: March 26
- Further rollout of SSO license management (Q2-Q3)

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