

I. Overview

I.1. Purpose

The purpose of this document is to establish a standardized set of guidelines and procedures for the efficient and effective management of IT sourcing and vendor relationships within Group D&T. This SOP aims to ensure that the organization consistently obtains high-quality IT products and services, maximizes value from vendor partnerships, mitigates risks, and aligns IT sourcing activities with overall business objectives. By defining clear processes and responsibilities, this SOP aims to enhance transparency, accountability, and compliance in IT sourcing and vendor management.

I.2. Scope

This SOP covers the entire lifecycle of IT sourcing and vendor management activities within Group D&T. It includes the identification of IT needs, vendor selection, contract negotiation, performance monitoring and risk management, issue resolution, and contract termination. The scope extends to all IT-related products and services, encompassing hardware, software, cloud services, and consulting services procured by the organization.

Specifically, the scope includes:

Setup and contracting: The procedures for identifying vendors and suppliers that are needed to meet our organisational goals with approvals from procurement, legal, risk, finance and approvals that may necessitate external sourcing. The procedures implement a vendors' strategy that ensures maximum reuse of existing technology and strategic vendors.

Small IT Purchase: The procedure is a fast-track procedure for small IT purchases under 10k AED which does not require a full RFP, commercial negotiation and frame agreement. Main purpose of the procedure is to ensure fast and efficient purchase of e.g. hardware or software under the DOA threshold. Preferred vendors from the Technology Portfolio are utilised for rapid quotation, selection and implementation. The process utilises the Standard RF module in D365 where requirements are created and submitted. If an item going to be purchased frequently then please refer to the Procurement policy for guidance (P-AGI-Procurement-401)

Refresh Technology Portfolio: The procedures for re-evaluating vendors within our technology portfolio given product and market evolutions and re-selecting vendors or replacing vendors that align with the organization's strategic goals.

Manage Vendor or Supplier IT Risk: A dedicated process for assessing, monitoring, and mitigating IT-related risks associated with vendors or suppliers. This includes evaluating the security measures, data protection practices, and overall resilience of vendors to ensure alignment with the organization's risk management policies.

Manage Vendor Relationship: The procedures for establishing and maintaining positive, constructive, and collaborative relationships with vendors. This encompasses regular communication, performance reviews, feedback mechanisms, and strategic alignment to ensure that vendor partnerships contribute to the organization's overall success.

Performance Monitoring: The ongoing assessment of vendor performance against established benchmarks and key performance indicators (KPIs).

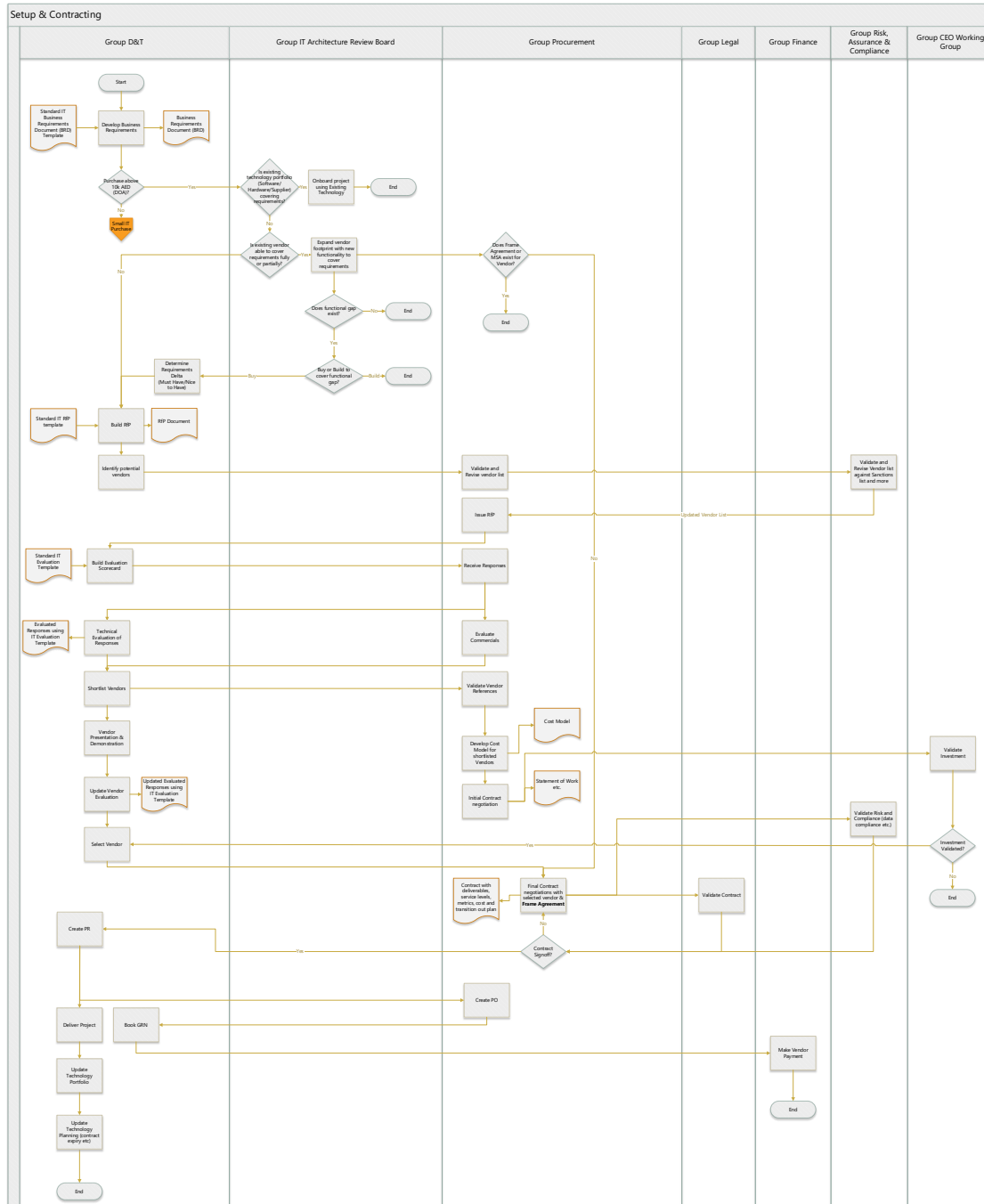
Contract Termination and Vendor Transition Out: Guidelines for the termination of vendor contracts, including the appropriate steps to be taken to ensure a smooth transition to alternative solutions or vendors.

1.3. Applicability

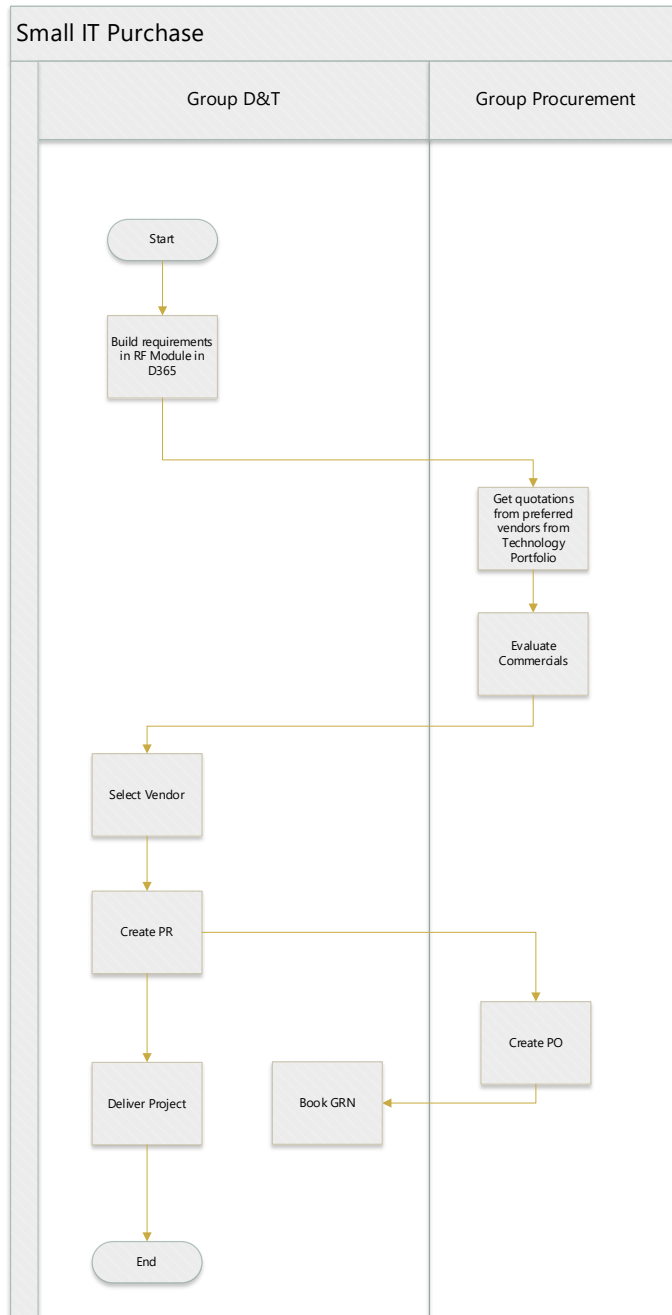
This SOP is applicable to all employees, contractors, and stakeholders involved in IT sourcing and vendor management activities within Group D&T. This includes, but is not limited to, IT managers, procurement specialists, contract administrators, and department heads responsible for IT needs identification. Adherence to this SOP is mandatory for all individuals engaged in activities related to the acquisition, management, and evaluation of IT products and services from external vendors.

The principles outlined in this SOP are designed to be scalable and adaptable to accommodate the varying complexities of IT sourcing within different departments and projects across the organization. Periodic reviews and updates to this SOP will be conducted to ensure its continued relevance and effectiveness in an ever-evolving IT landscape.

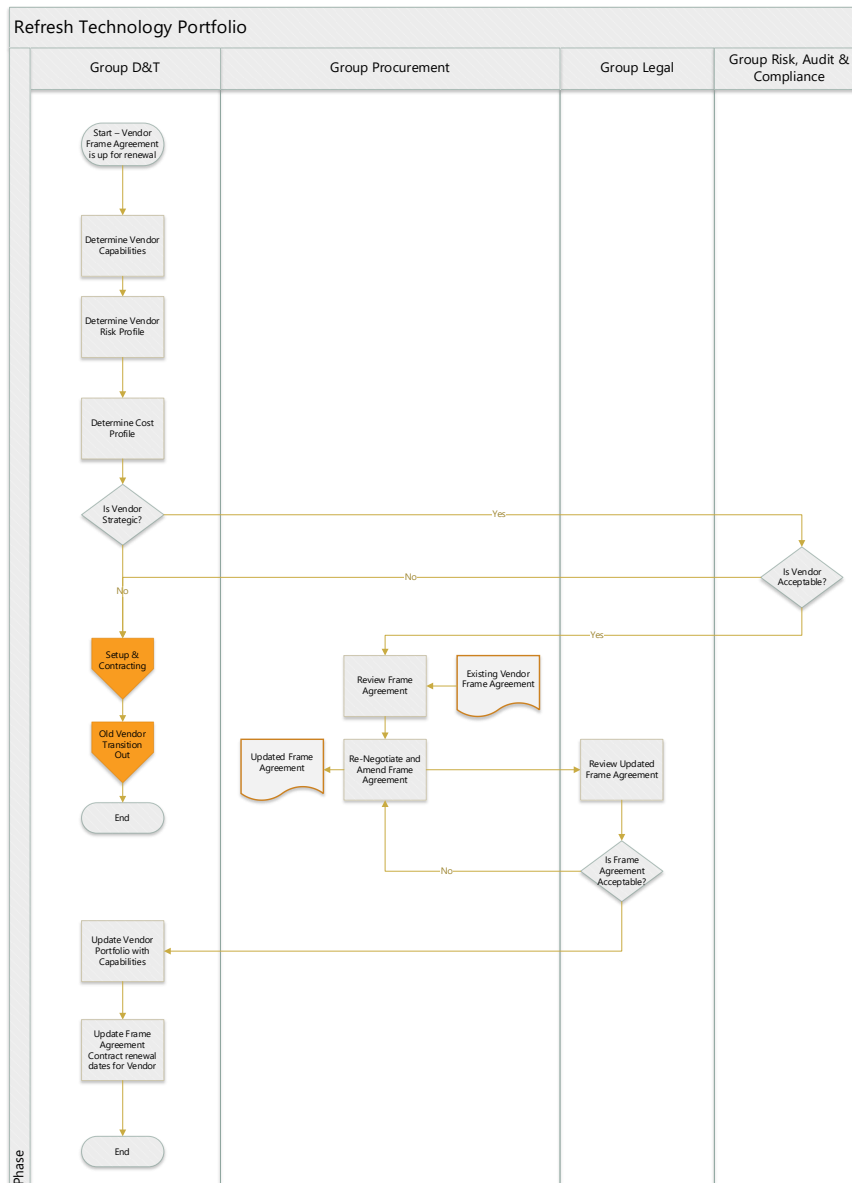
2.1. Setup & Contracting



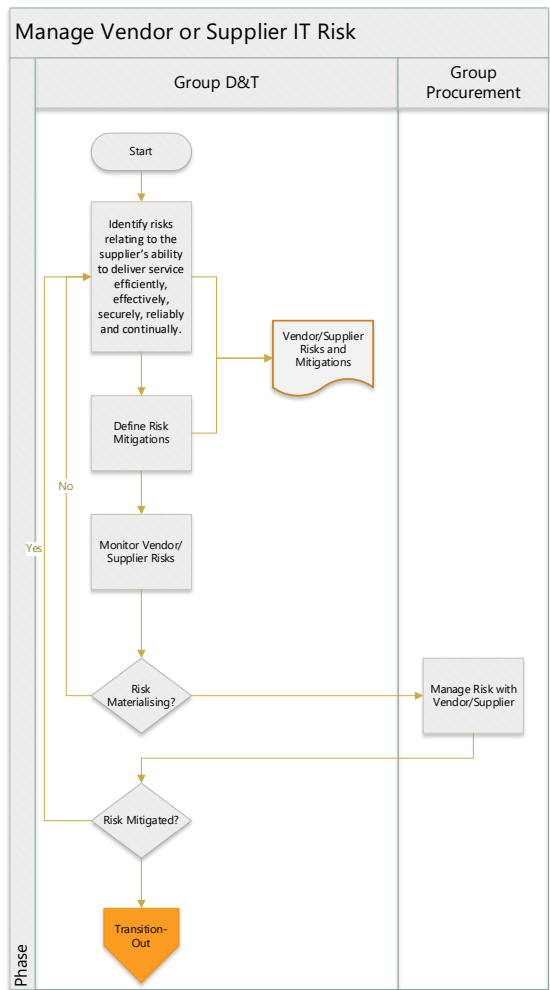
2.2. Small IT Purchase



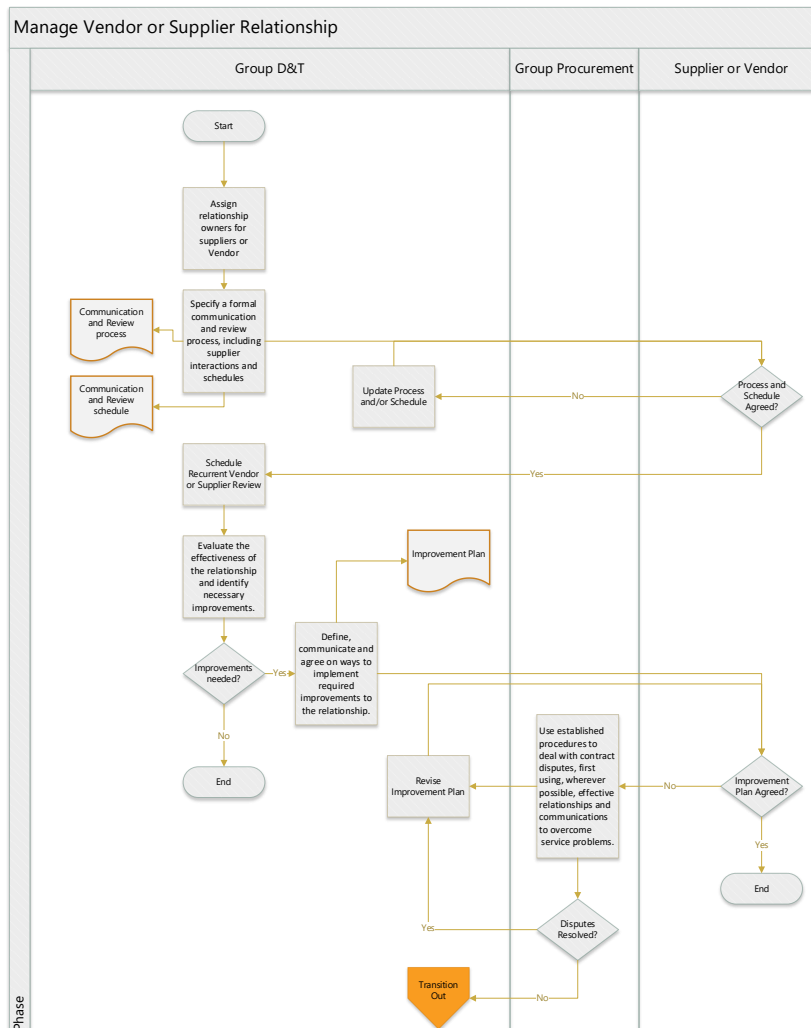
2.3. Refresh Technology Portfolio



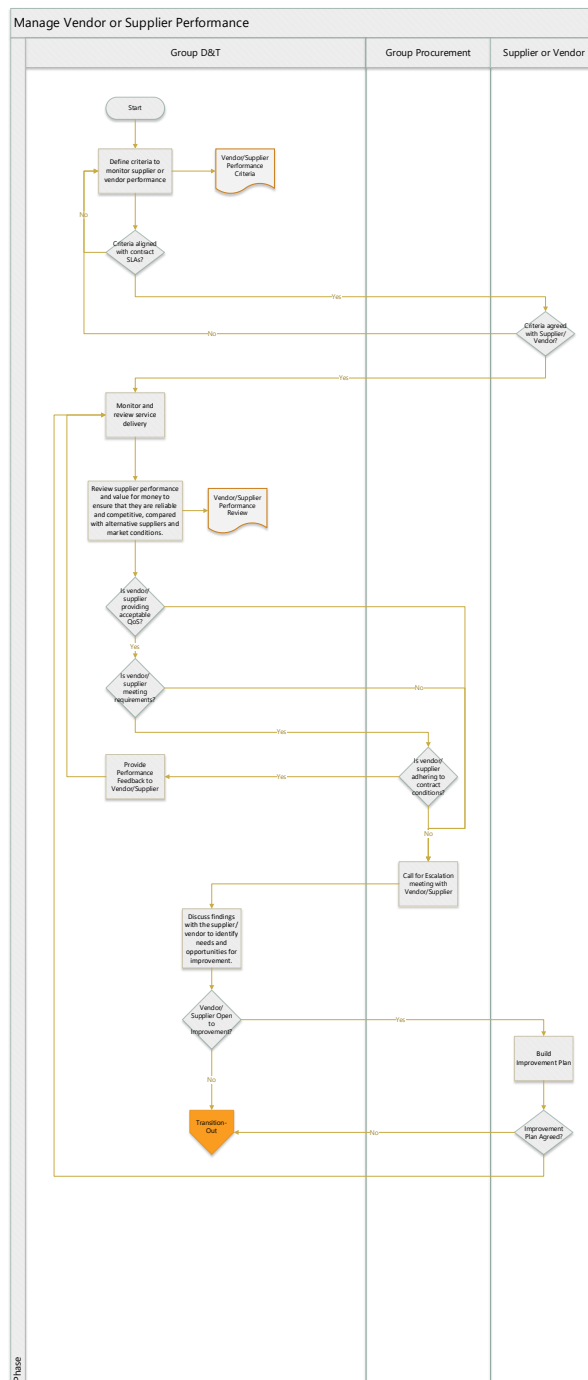
2.4. Manage Vendor or Supplier Risk



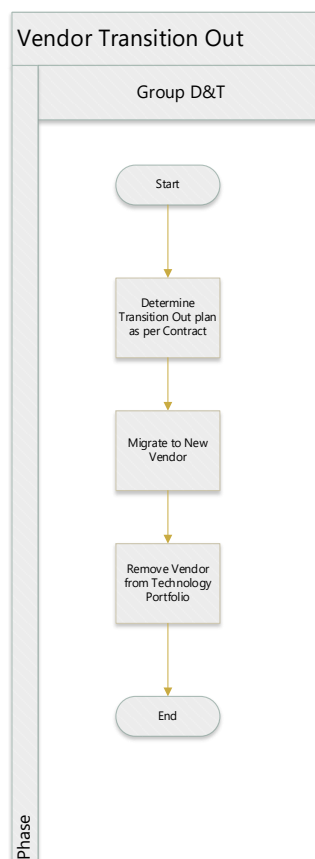
2.5. Manage Vendor or Supplier Relationship



2.6. Performance Monitoring



2.7. Contract Termination and Vendor Transition Out



3. Work Instructions

3.1. WI-AGI-GroupIT-1061-001 Setup and Contracting

S. No	Process description	Responsible Staff	Controls
1)	Process is activated for large value purchases that require CIO investment approval or above. Work with the business to define the business requirements	Group D&T Business Partner	Manual
2)	Once business requirements are defined, use the BRD template as a reference to create the BRD	Group D&T Business Partner	Manual
3)	If the IT purchase is 10K AED or below then initiate the Small IT purchase work instructions 002 .	Group D&T Business Partner	Manual
4)	Before creating the BRD check if the requirement is included in existing technology first. In case it exists, then Onboard using existing technology.	Group D&T Architecture Review Board	Manual



5)	Otherwise, check if there is an existing strategic Vendor that can cover the requirement fully or partially. In case yes, then expand strategic vendor footprint with new functionality to cover requirements	Group D&T Architecture Review Board	Manual
6)	Inform Group procurement to check if Frame Agreement or MSA exist with vendor. If yes, process ends.	Group D&T Architecture Review Board	Manual
7)	If Frame Agreement or MSA does not exist with vendor, create final contract negotiations with selected vendor & Frame Agreement that should include: Deliverables Service levels Metrics Cost Transition out plan Proceed to STEP 27 - Finalise contract negotiations	Category Manager – IT Procurement	Manual
8)	Check if a functional gap exists. If no gap exists, process ends. If yes then decide to buy or build to cover this functional gap.	Group D&T Architecture Review Board	Manual
9)	If decided to buy inform, Group D&T Business Partner. Otherwise build to cover the functional gap.	Group D&T Architecture Review Board	Manual
10)	For buy decision, inform Group D&T Business Partner to determine requirements Delta (Must have/nice to have) and to start building the RFP	Group D&T Architecture Review Board	Manual
11)	In case if no existing strategic vendors, inform Group D&T Business Partner to start building the RFP	Group D&T Architecture Review Board	Manual
12)	Start building the RFP using the standard IT RFP template	Group D&T Business Partner	Manual
13)	Once RFP created, identify potential vendors, and inform Group Procurement for validation	Group D&T Business Partner	Manual
14)	Validate and revise vendor list and inform GRAS for validation. GRAS to assess and validate vendor risks from accuracy and reliability of operational, customer, and financial information; security breaches, operations effectiveness; and legal and regulatory compliance including Sanctions list.	Group Procurement	Manual
15)	Validate and update vendor list against Sanctions list and more, once updated inform Group Procurement	GRAS	Manual



16)	Issue RFP and inform Group D&T Business Partner	Group Procurement	Manual
17)	Once RFP issued, use the standard IT evaluation template to build the evaluation scorecard	Group D&T Business Partner	Manual
18)	Receive responses, evaluate commercials, and forward responses to Group D&T Business Partner for Technical Evaluation	Group Procurement	Manual
19)	Using the IT evaluation template, conduct technical evaluation of the received responses	Group D&T Business Partner	Manual
20)	Upon evaluation finalization, shortlist vendors and inform Group Procurement for validation	Group D&T Business Partner	Manual
21)	Upon receiving vendor presentations & demonstration, update vendor evaluation	Group D&T Business Partner	Manual
22)	Validate vendor references	Group Procurement	Manual
23)	Develop cost model for shortlisted vendors	Group Procurement	Manual
24)	Start the initial contract negotiation and forward to GRAS for validation. GRAS to assess and validate vendor risks from accuracy and reliability of operational, customer, and financial information; security breaches, operations effectiveness; and legal and regulatory compliance including Sanctions list.	Group Procurement	Manual
25)	Validate investment	Group CEO Working Group	Manual
26)	Upon Group CEO working group validation, select the vendor & inform Group Procurement	Group D&T Business Partner	Manual
27)	Finalise contract negotiations with selected vendor and Frame Agreement and forward to GRAS and Group Legal for validation and signoffs	Group Procurement	Manual
28)	Validate risk and compliance (data compliance etc..) and signoff. GRAS to assess and validate vendor risks from accuracy and reliability of operational, customer, and financial information; security breaches, operations effectiveness; and legal and regulatory compliance including sanctions.	GRAS	Manual

29)	Validate the contract and signoff and Validation by Group D&T PMO & Governance	Group Legal	Manual
30)	In case contract is not signed off, re-finalize contract negotiations with selected vendor and forward again for signoffs	Group Procurement	Manual
31)	Upon signoffs receipt from both departments, inform Group D&T Business Partner to start PR creation	Group Procurement	Manual
32)	Upon final approvals, create the PR	Group D&T Business Partner	Manual
33)	After PR is created, create the PO	Group Procurement	Manual
34)	Upon PO receipt, book GRN and forward to Group Finance for payment	Group D&T Business Partner	Manual
35)	Make vendor payment	Group Finance	Manual
36)	Deliver project, update technology portfolio, and update technology planning (contract expiry etc.)	Group D&T Business Partner	Manual

3.2. WI-AGI-GroupIT-1061-002 Small IT Purchase

S. No	Process description	Responsible Staff	Controls
1)	Build requirements for small purchase in the RF module within Dynamics 365. Submit the requirements to Group Procurement via the RF Module. Refer to the Procurement Policy (P-AGI-Procurement-401) for guidance if item is a repeat purchase.	Group D&T	Manual
2)	Group Procurement issues quotation request and receives quotations from preferred vendors from Technology Portfolio. Refer to Procurement Policy for additional information on how many vendors are included in the quotation request.	Group Procurement	Manual
3)	Evaluate commercials	Group Procurement	Manual
4)	Select Vendor and Create PR	Group D&T	Manual
5)	Create PO	Group Procurement	Manual
6)	Create GRN	Group D&T	Manual



7)	Delivery of project	Group D&T	Manual
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3.3. WI-AGI-GroupIT-1061-003 Refresh Technology Portfolio

S. No	Process description	Responsible Staff	Controls
1)	Start when a Vendor Frame Agreement is up for renewal and on a regular basis to review technology portfolio so we ensure the portfolio contains the most suitable technologies for our company.	Group D&T – Enterprise Architecture	Manual
2)	Determine vendor's: <ul style="list-style-type: none"> Capabilities Risk profile Cost profile 	Group D&T	Manual
3)	Decide if the vendor is a strategic vendor or not. In case yes, inform GRAS for vendor acceptance. Otherwise, start "Setup & Contracting" and "Old Vendor Transition Out" processes	Group D&T	Manual
4)	Upon GRAS validation, review Frame Agreement	Group Procurement	Manual
5)	Re-negotiate and amend Frame agreement and forward to Group Legal for review	Group Procurement	Manual
6)	Review the updated Frame Agreement: If it is acceptable inform Group D&T to update vendor portfolio. Otherwise, forward to Group Procurement for further negotiation/amendment.	Group Legal	Manual
7)	Upon Frame Agreement approval, update vendor portfolio with capabilities	Group D&T	Manual
8)	Update Frame Agreement contract renewal dates for vendor	Group D&T	Manual

3.4. WI-AGI-GroupIT-1061-004 Manage Vendor or Supplier IT Risk

S. No	Process description	Responsible Staff	Controls
1)	Identify risks relating to the supplier's ability to deliver service efficiently, effectively, securely, reliably, and continually	Group D&T	Manual
2)	Define risk mitigations and monitor vendor/supplier risks	Group D&T	Manual

3)	In case any risk detected, inform Group Procurement to manage the risk Otherwise, keep repeating the risk identification process	Group D&T	Manual
4)	Manage risk with vendor/supplier and inform Group D&T	Group Procurement	Manual
5)	Check if the risk is mitigated, In case it is not, proceed with "Transition-Out" process	Group D&T	Manual

3.5. WI-AGI-GroupIT-1061-005 Manage Vendor Relationship

S. No	Process description	Responsible Staff	Controls
1)	Assign relationship owners for suppliers or vendors	Group D&T	Manual
2)	Specify a formal communication and review process, including supplier interactions and schedules according to vendor/supplier classification (strategic, tactical, operational or commodity).	Group D&T	Manual
3)	Once communication & review process and schedule is defined, inform the supplier or vendor	Group D&T	Manual
4)	In case the supplier or vendor does not agree, update processes and/or schedule and reshare with them. Otherwise, proceed with scheduling recurrent vendor or supplier reviews	Group D&T	Manual
5)	Upon regular reviews, evaluate the effectiveness of the relationship and identify necessary improvements	Group D&T	Manual
6)	If there are improvements needed, define, communicate, and agree on ways to implement required improvements to the relationship creating an improvement plan	Group D&T	Manual
7)	Upon plan creation, share with the supplier or vendor. In case the supplier or vendor does not agree, inform Group Procurement to deal with the problem	Group D&T	Manual
8)	Once informed, use established procedures to deal with contract disputes, first using (wherever possible) effective relationships and communications to overcome service problems	Group Procurement	Manual
9)	In case disputes are not resolved, inform Group D&T to proceed with "Transition-Out" process. Otherwise, inform to revise the implementation plan	Group Procurement	Manual
10)	Upon dispute resolution, revise the implementation plan and reshare with supplier or vendor. Otherwise, start the "Transition-Out" process	Group D&T	Manual

3.6. WI-AGI-GroupIT-1061-006 Performance Monitoring

S. No	Process description	Responsible Staff	Controls
1)	Define criteria to monitor supplier or vendor performance	Group D&T	Manual
2)	Align performance criteria aligned with contract SLAs	Group D&T	Manual
3)	Agree performance criteria with vendor or supplier	Procurement	Manual
4)	Monitor and review service delivery	Group D&T	Manual
5)	Review supplier performance and value for money to ensure that they are reliable and competitive, compared with alternative suppliers and market conditions. Produce Vendor or Supplier Performance Review	Group D&T	Manual
6)	Determine if vendor or supplier is providing Quality of Service as expected. If not, call for Escalation meeting with Vendor/Supplier	Group D&T	Manual
7)	Determine if vendor or supplier is delivering as per requirements. If not, call for Escalation meeting with Vendor/Supplier	Group D&T	Manual
8)	If vendor or supplier is delivering as per requirements, then determine if the vendor or supplier is adhering to contract conditions and terms If yes, then Provide Performance feedback to the vendor/supplier.	Group Procurement	Manual
9)	Discuss findings with the supplier/vendor to identify needs and opportunities for improvement.	Group D&T	Manual
10)	Determine if Vendor or Supplier is open to improvement. If not, then initiate Transition Out	Group D&T	Manual
11)	If Vendor or Supplier is open to improvement, then build improvement plan in collaboration with Vendor or Supplier.	Procurement	Manual
12)	If the improvement plan is agreed with the Vendor or Supplier then continue to Monitor and Review Supplier or Vendor Performance. If an improvement plan cannot be agreed, then initiate Transition Out of Vendor or Supplier.	Group D&T/ Procurement	Manual

3.7. WI-AGI-GroupIT-1061-007 Vendor Transition Out

S. No	Process description	Responsible Staff	Controls
1)	Determine Transition Out plan as per contract	Group D&T	Manual
2)	Migrate to new vendor	Group D&T	Manual
3)	Remove vendor from Technology Portfolio	Group D&T	Manual

4. References/Citation (if any)

NA

5. Stakeholders

Group D&T
 Group Procurement
 Group Finance
 Group Legal
 Group Risk
 Vendor or Supplier

6. Definitions

Abbreviation / Terms	Description
BRD	Business Requirement Document
BU	Business Unit
KPI	Key Performance Indicator
RFP	Request for Proposal
MSA	Master Service Agreement (Frame Agreement)
Architecture Review Board	<p>The Architecture Review Board (ARB) has been established by the Technology Management Team as a key component of the overall Technology Governance methodology to ensure that projects and proposals are delivered within the guardrails defined including architectural principles, sourcing and vendor management.</p> <p>Members:</p> <ul style="list-style-type: none"> • Group CIO • EVP, IT Business Partners • EVP, Enterprise Architecture & Digital Engineering • SVP, PMO and Governance • SVP, Enterprise Applications • SVP, Infrastructure • Senior Manager, Security • VP, Data Analytics

7. Records Maintenance

Documentation will be archived as soft copy in the Group D&T Teams site for the duration of the contract and/or engagement with the vendor plus 3 years of archiving.

8. Document Controls

Approvals	Name	Designation	Date	Signature
Preparer	Mads Bak Bjornsbo	EVP, Enterprise Architecture	Apr 2024	
Approved By	Stephen Rea	Chief Enterprise Excellence & Procurement	Apr 2024	
Approved By	Divya Bathija	Chief Information Officer	Apr 2024	

Date	Version	Changed by	Description
April 2024	1.0	Mads Bjornsbo	First issuance