



Procurement Playbook

Procedure version 1.0

ABSTRACT

This MPM Procurement Playbook takes us to the next operating level as it is intended to be used across all JLL office property management. It has been deeply researched and submitted to many rounds of feedback. We articulate the “best of the best” ways of working, integrating many US markets’ best practices. We are excited to introduce new tools and processes differentiating us from competitors, creating and sustaining a JLL way to partner with and manage third party suppliers supporting our clients.

Benefits of using this playbook include:

- Consistent sourcing services and products delivery across markets and managed portfolios
- Proven ways to achieve faster results in savings, supplier performance and risk management.
- Increased compliance to risk management obligations for us and our clients

The Procurement Playbook is a procedure document, covering minimum working expectations with vendors and suppliers. We use specific terminology to clarify which steps are minimum team member requirements and which are a judgment call—so you will know the best practices for specific tasks. These requirements are not intended to replace client expectations when working with vendors or suppliers. Instead, they supplement JLL property management’s collective knowledge, to set standards that ultimately exceed client’s expectations.

Thank you for putting this MPM Procurement Playbook into action, and delivering increased client value.

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Scope and Application

This procedure applies to all JLL Office US markets' property management procurement, and to sourcing activities for our services and products. We created—and manage—this document to deliver consistent, proven procurement results for our owners across JLL-managed portfolios. We expedite this by explaining these processes:

1. Governance (Rules of Engagement for Ethical Sourcing and Procurement)
2. Annual Planning
3. Sourcing Services, Equipment and Products
4. Supplier Contract Creation and Management
5. Risk Management
6. Supplier Performance Management

Each section includes a general scope statement to define process requirements.

If Clients present requirements that are more stringent than this procedure, properties shall meet Client requirements first.

Terms and definitions

Shall – A JLL mandatory requirement that must conform to this procedure.

Should – A strongly-encouraged activity benefiting JLL market portfolio business development (i.e., additional things we can do to help win business).

Good Practice – A JLL best practice or recommendation.

Supplier – A third party company performing services or securing equipment or products for JLL.

RFP – Request for Proposal.

Property Level – Procuring products or services for a single property or campus.

Regional Level – Procuring products or services for a Market or sub-Market.

National Level – Procuring products or services for at least two Markets or Business Lines.

Property Team – All JLL management employees supporting a specific asset or client.

** - a notation that shows a possible sourcing resource to manage requirement execution.

Implementation

All personnel engaged in procurement shall conform to this procedure. Annual reviews and procedure revisions shall fall under the responsibility of MPM Strategic Sourcing, paired with the Excellence Committee and approved by the Group Head of Markets.

Exceptions

The Market's Regional Manager shall approve in writing any justification for deviation from this procedure.

Governance of this Procedure

Annually, each property management team member shall confirm in writing that he or she will adhere to this document's requirements. Team members must self-verify adherence to each property's procedure in the contracting and procurement section of the annual Compliance

Excellence Program (CEP). Confirming each property's adherence is initially self-verification through the annual Compliance Excellence Program (CEP) contracting and procurement section. Each year the Regional Manager (or acting Operations Manager) shall initiate an audit to randomly self-review and verify, using forms provided by at least 10% of properties, on or before February 1st. The CEP and SCMP teams will gather findings for reporting purposes by March 1st.

1.0 Rules of Engagement for Ethical Sourcing and Procurement

This section establishes the rules of engagement for ethical sourcing and aligns with [JLL's Code of Business Ethics](#), which requires uncompromising ethical behavior in all business activities.

1.1 Objectivity, Transparency and Accountability

Conduct all Sourcing Activities with objectivity, fairness and transparency. The process for awarding contracts should be open, clear and defensible.

- The sourcing team must supply clear and concise conditions for participating in the RFP process, providing all participants with the same information and instructions to ensure that no one has an unfair advantage over others. Do not provide any pricing to participants ahead of awarding a contract.
- Anyone in the sourcing team—or any other JLL employee in a position to influence a sourcing decision—must avoid any activity that may diminish, or even appear to diminish, decision-making objectivity.
- The RFP responses must be evaluated by at least two members of the Sourcing team before recommending an award.
- The Sourcing team must maintain complete RFP process records to justify the award decision.

1.2 Confidentiality Obligations

The Sourcing team must not disclose any intellectual property or participant's proprietary or confidential information. The team must maintain strict confidentiality of all RFP responses, nor may it disclose any participant's pricing or other confidential information to other participant(s).

1.3 Conflict of Interest

The Sourcing team must avoid any situation that might weaken the primary duty of loyalty to JLL, nor may it lessen or compromise it by personal interest or a third party relationship.

- Sourcing team members must not use their position or buyer influence for any personal or improper benefit, or let their dealings on behalf of JLL be influenced—or appear to be influenced—by personal or family interests. If a team member has a personal relationship with a participant, he or she should disclose the relationship to the line Manager and resolve the conflict in accordance with JLL's [Conflicts of Interest Manual](#). Any other actual or potential conflict of interest must be declared and resolved prior to the RFP evaluation process.

- JLL employees must not (directly or indirectly) solicit, give or receive gifts, gratuities, entertainment or anything else of value during or in connection with a Sourcing Activity.
- The sourcing team must avoid improper or unethical reciprocal arrangements in connection with a Sourcing Activity.

2.0 Annual Planning

This section helps align a Market's goals with property sourcing and supplier management needs in order to deliver an annual, prioritized regional events calendar. The overall goal of annual planning, regional sourcing and supplier management activities, is to:

- Create market-leading pricing
- Be a market differentiator to clients
- Drive increased NOI for the properties we manage
- Get the best service levels from our supplier partnerships.

2.1 Representative**

The Regional Manager shall nominate a Market representative in January each year to create the sourcing plan and shall:

- Gather and analyze contract expiration and spend market properties information. A good practice: use the [Contract Collection Template](#).
- Create and maintain a quarterly regional [Preferred Supplier List \(PSL\)](#). This includes the primary suppliers awarded from a regional or national bidding event and suppliers hosted on the Market's SharePoint or Box Site. The purpose: so Property Teams can access strong active suppliers for specific service categories.
- Propose to Regional Manager for endorsement a regional sourcing and supplier performance management activity calendar, no later than February 15th each year. A good practice: use this [Annual Supply Chain Plan Template](#) to document the agreed activity. The Representative should share these findings with Strategic Sourcing to inform, cross-market or stage national events prior to seeking endorsement.
- Share planned events with property and client-facing team members to reference new business pursuits.

2.2 Categories

Categories you should consider for regional sourcing events include, but are not limited to:

- | | |
|------------------|------------------------|
| • Janitorial | • Snow Removal |
| • Security | • Waste Management |
| • Landscaping | • Recycling, Utilities |
| • Window Washing | • HVAC |
| • Elevators | • Roofing Maintenance |

Ideally, a region will execute regionally-led sourcing events for two different categories each year.

2.3 Contract Collection Template

A good practice: maintain a regional list of contracts for these categories using the [Contract Collection Template](#) and analyze categories having the most opportunity, based on the following considerations:

- Aggregated Regional Spend
- Number of suppliers – the more suppliers, the greater the opportunity to consolidate and leverage spend
- Contract Expirations
- Complexity of the category
- Client Requirements (if any)

3.0 Sourcing Services

This procedure gives the Property Team clarity and direction when planning, soliciting and awarding contracts and procuring supplies. Consult the Management Agreement for each step below to determine Owner requirements. Regardless of the dollar amount—and even if there is no dollar amount—all services require a services agreement.

We divided the following sections into bidding services at the Property, Regional and National Levels. Refer to each sub-section separately, depending on how you'll conduct the sourcing event.

Regional and National Service RFP's give JLL clients a differentiating value offering, allowing them to leverage JLL's size and scale. The process below offers Property Teams a recipe for success to give our clients the best price and service levels.

3.1 Sourcing Services – Property Level (checklist)

We based this section on best practices for Property Teams to source products at the Property Level, following a Four-Step Procurement Process. Use this [Checklist](#) to track completion of requirements.

3.1.1 Identify Requirements



Contract Review. The Property Team shall create and manage a summary that includes all active service contracts and expiration dates.

- A good practice: Summarize these requirements using the [Contract Collection Template](#).

- The Contract Collection Template will feed into your property sourcing plan outlined in Section 2 (called Annual Planning). This will determine whether you can include any regional or national procurement initiatives with this property.
- A good practice: To get specific category market intelligence, reach out each year to the Category Management team for contracts over \$100,000. Contact the applicable category manager found on the [SCMP Connect Site](#) or reach out to your MPM sourcing contact.

Identify Suppliers. The Property Team should consider JLL Preferred Suppliers:

- **Americas Preferred Supplier Agreements**
- **PDS Supplier List**
- **Regional Preferred Supplier List (PSL)**

The person nominated to create the annual sourcing plan for your Market should maintain the Regional Supplier List. You should give these suppliers a procurement process opportunity at the Property Level. That allows us to continue to leverage scale nationally and regionally for better performance and cost management.

Consider these other good practices, too:

- Recommendations from Strategic Sourcing MPM resources
- Recommendations from other local or regional buildings managed by JLL
- Recommendations from BOMA or other industry associations

Make sure to check that Suppliers being considered for JLL and our clients have been vetted through the Office of Foreign Assets Control (OFAC). The [Sanctions List Search](#) is one tool offered to assist in utilizing the Specially Designated Nationals and Blocked Persons list ("SDN List") and/or the various other sanctions lists; use of Sanctions List Search is not a substitute for undertaking appropriate due diligence.

Sourcing Strategy. The property team shall determine the best sourcing strategy for each contract expiry, based on complexity level, contract value and Management Agreement requirements, and shall follow either the minimum standards below or the Management Agreement—whichever is more stringent:

Annual Contract Value	Sourcing Strategy	Timing
< \$10,000	No RFP Recommended	Source as needed, benchmarking annually
\$10,000 - \$150,000	Three competitive bids unless single source strategy approved by the Group Manager. Single sourcing may require owner/client approval.	Every 3 years
> \$150,000	Competitive Bidding Regionally, Contract Extension or Direct Negotiations	Review every 3 years and seek to balance partnership vs. bid solutions

For high-value, strategic contracts (typically over \$150,000/year) where there is a focus on long-term, value-added service offerings, the Property Team should consider a strategic supplier partnership through a Performance Based Agreement.

A good practice: Use the Sourcing Strategy outline prior to bidding. This could include:

- competitive bidding
- single source
- contract extension
- direct negotiations

3.1.2: RFP Execution



Prepare RFP Package. The Property Manager or designee should prepare the RFP package, distribute it to the selected bidders (subject to the Owner’s review and approval, as necessary) and shall include the following considerations, at a minimum:

- bidder instructions
- non-disclosure agreements
- supplier code of ethics
- scope of work
- contract
- pricing section
- quality section
- remove any incumbent supplier information (i.e. name, address and pricing)
- risk and compliance
- accurately reflect the outcomes required of the service provider prior to sending RFP package

In support of RFP creation, it is good practice to:

- 1) Utilize the following templates where applicable:
 - Standard Request for Proposals
 - Standard Scope Documents
- 2) Save RFP files and correspondence on a Property Share Drive or JLL Box Site that can be accessed by the entire Property Team.

3.1.3: Bid Review



- 1) Property Team shall develop their bid evaluation criteria prior to the RFP submission deadline.

- 2) This evaluation shall consist of a commercial and quality review and have measurable results based on weighted responses.
 - A good practice: Use these [bid evaluation criteria templates](#) for evaluating RFP results, but you will need to modify them to address the sections being scored in the RFP and the weighting the property management team agrees to.
 - If you are bringing in suppliers for presentations or interviews, here is a good practice: Use the [Presentation Scoring Template](#) & [Presentation Summary Template](#) to notate and score supplier presentations while integrating the final score into the larger evaluation criteria template.

3.1.4 Supplier Award



- 1) Secure any necessary client approvals prior to awarding.
- 2) Select supplier(s) for award.
- 3) Selected supplier based on the evaluation criteria shall be notified in writing of award and intended timing of contract execution.
- 4) Once you or your team have selected and notified the Supplier, you should notify all remaining bidders that they were not selected. The management team shall not share specific pricing information between bidders.
- 5) You can use the following templates for notifications:
 - [Supplier Presentation Letter](#)
 - [Supplier Award Letter](#)
 - [Supplier Non-award Letter](#)
 - [Supplier Termination Letter](#)
 - [Supplier Contract Extension Letter](#)

3.2 Sourcing Services – Regional Level (RACI matrix)

Each year, the Regional Manager may establish specific objectives for services procurement, to be renegotiated or rebid regionally vs. at the Property Level. This Sourcing Plan will be an outcome of the Annual Planning Section of this Playbook (section 2). Please refer to this section for guidance on recommended categories to bid for a regional sourcing event. Use this [RACI Matrix](#) to execute the requirements in this five-step process.

If a region chooses to pursue a regional bidding initiative, the Regional Manager establishes a local Managers group to lead the initiative (also referred to as a bid committee). A good practice: The Regional Manager sets up the Committee as follows:

- **Committee Lead**** – appointed by Regional Manager of Regional Operations Manager.
- **Committee Members** – A minimum of one individual from each sub Market (larger sub-markets may have more than one committee member) to represent each RFP event.

- Appoint five to six properties per representative.
- New Committee Teams are formed per RFP event.
- ExComm representative, Regional Manager or Operations Manager should be involved in all meetings for oversight.

The Committee’s role is to act as the liaison to managers participating in the regional RFP process, including:

- collecting scope and contract information
- communicating process updates
- managing supplier clarifications
- collaborating on award recommendation with Regional Leadership.

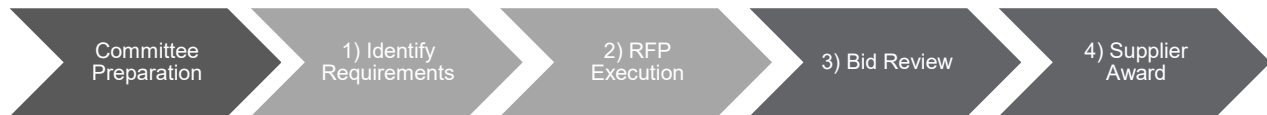
The Committee executes against the 4 Step Procurement Process. The following sections will further outline the Property Team’s, Committee Lead’s and Committee Members’ specific roles, as well as the difference between process executions of a regional RFP versus a process driven at the Property Level.

Unless otherwise prohibited in the Management Agreement and upon Owner agreement, each regional property shall participate in regional procurement initiatives enhancing service levels and producing significant cost savings based on volume.

A Good Practice: Standardize the category specific Scope of Work across the Market ahead of a Regional RFP.

3.2.1 Committee Preparation

The Regional Committee reviews and executes before the RFP.



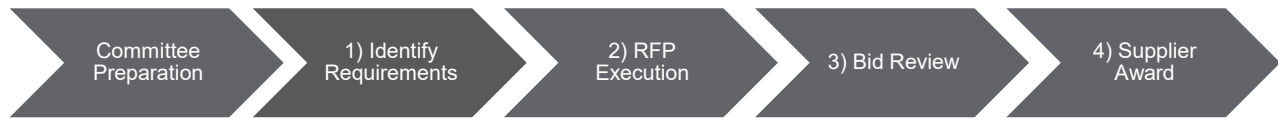
Before the 4 step procurement process, the committee shall identify their strategy, aligning with the Market goals and objectives.

- 1) The Committee Lead** shall collect the [Regional Contract List](#) for the bidding RFP category (this may have already been collected as a regional exercise to determine categories to bid). A good practice: Complete the [Market Commitment Form](#) to ensure group alignment and endorsement from the Regional Manager on the RFP Award overall goals.
- 2) The Committee Lead** shall host a kick-off call with the larger regional committee team to discuss the following:
 - Using the Regional Contract List, establish Committee Coverage to determine which properties to assign to each committee member.
 - Provide Overview of the RFP process ([example overview attached](#)).
 - Review the Property Requirements Template using these [category specific templates](#) and determine if any revisions should be made based on Market-specific nuisances.

Consider how you will collect information from the Property Team, so you will understand what baseline pricing includes (i.e. labor, materials, vacation, benefits, etc.). The pricing the Property Team provides in the Requirements Template should match those in the Scope of Work and Property Base Contract.

- Define the Property Pricing Baseline for your Market. This is a critical step in defining what you will measure savings against. You can use this form to capture [baseline spend data](#):
 - Savings measured against current contract costs
 - Savings measured against budget
- A good practice: Create Project timeline using the [RFP Project Tracker Template](#).
- Another good practice: Develop a Property Communication using this [email template](#).
- Determine how to collect property data requirements such as the Requirements Template, Scope of Work and other supplemental documents you or your team will be use in the RFP process. A good practice: Utilize JLL Box to create a folder for each committee member to manage specific properties.
- Determine what standard JLL Contract Form you will use in the RFP. A good practice: Provide the most commonly used form in the Market to be reviewed in the RFP by all bidders. Review all other contract forms with the “short list” of suppliers prior to award.

3.2.2: Identify Requirements



Contract Review

*Committee Lead***

- 1) Finalize the Property Requirements and Property Communication. These forms launch the RFP Project to the Property Team and include a requirements submission deadline.
- 2) Review the final Regional Contract List and Market Commitment form with the Regional Manager for review and endorsement.
- 3) Gain approval on non-participating properties. The Regional Manager shall approve any properties in the Market that opted out of the RFP Project before sending the RFP to suppliers. Acceptable reasons for opting out could include, but are not limited to:
 - Bid within last 6 months
 - Client does not want to participate in regional event.
- 4) Lead Property Training to review requirements the Property Teams will submit as well as the overall process. The Committee Lead can use this presentation template as a good practice: [Property Training](#). Another good practice: Record this training and send the session to all Property Teams as a reference.
- 5) Host a kick-off call with invited suppliers to review the RFP pricing template and answer any relevant questions to the bid process.

Committee Members

- 1) Send the Finalized Property Communication to assigned Property Teams announcing the RFP and providing the following:
 - Overview of the target timeline and next steps
 - Requirements Template
 - Standard JLL contract form
 - Training date and time for Property Teams to attend
- 2) Collect the RFP Requirements from the Property Team as outlined in the Property Communication. A good practice: Have Property Teams submit this information via Box.
- 3) Review Property Team documents submitted for completion. The Committee Rep shall confirm that the scope of work document does not include any incumbent information such as current supplier name, pricing or address.
- 4) Consolidate all property requirement templates and submit the vetted requirement template to the Committee Lead.

Property Team

- 1) Attend Regional Bid Property Training led by Committee Lead.
- 2) Review your current contract and Scope of Work documents.
 - Remove incumbent supplier information from the Scope of Work document (i.e. Name, pricing). Property Scopes that the Property Team submits will then be forwarded to the bidders for review in the RFP.
 - Update the scope of work to reflect the work executed today and align it with what is submitted in the RFP Requirements Template. The property team can also revise their scope before they submit to their Committee Representative.
- 3) Complete the RFP Requirement Template based on instructions the committee provides.
 - The information submitted on this form shall match the Scope of Work document.
 - Pricing submitted on this form will be used as the baseline that all supplier bids will be compared against for savings and award recommendations.
- 4) Submit the following documents to your committee representative to prepare for RFP development. A good practice: Submit them through JLL Box:
 - Category Specific Requirement Template including all current contract and baseline pricing
 - COI Requirements above JLL Standard
 - Scope of Work (SOW)
 - Building Rules & Regulations
 - Floor plan(s) and/or sitemap

Benchmarking

*Committee Lead: ***

- 1) A good practice: Reach out to the Category Management Team for specific category market intelligence including, but not limited to:
 - price benchmarking
 - supplier recommendations
 - inclusion of additional business lines in the same geographic area (Corporate Solutions, PDS or JLL Corporate)

Please contact the applicable category manager found on the [SCMP Connect Site](#) for this information or reach out to your MPM SCMP contact.

Identify Suppliers

*Committee Lead: ***

- 1) Shall include the participating high-performing property incumbents listed on the Regional Contract List, as well as any National Strategic Suppliers in the [Corporate Sourcing Library](#). A good practice: Complete the [Recommended Supplier Form](#) with the participating suppliers. The committee lead should seek input from the regional committee on the final supplier bid list invited to participate in the Regional RFP.
- 2) Verify that Suppliers being considered for JLL and our clients have been vetted through the Office of Foreign Assets Control (OFAC). The [Sanctions List Search](#) is one tool offered to assist in utilizing the Specially Designated Nationals and Blocked Persons list ("SDN List") and/or the various other sanctions lists; use of Sanctions List Search is not a substitute for undertaking appropriate due diligence.

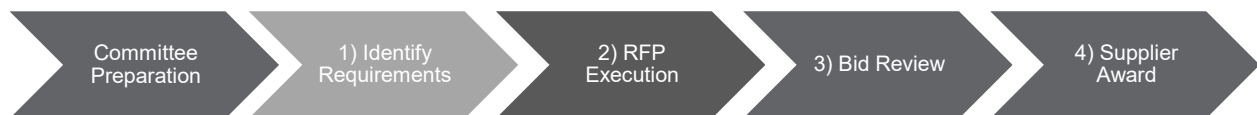
Property Team:

- 1) Shall provide their incumbent contact information on the Regional Contract Form. A good practice: provide comments on experience with their current supplier on the Regional Contract Form.

Sourcing Strategy

Refer to Property Level Procedure

3.2.3: RFP Execution



*Committee Lead: ***

- 1) Consolidate the requirements templates from all committee members into one form across the entire Market and send to your SCMP contact to create the bid template. Once you complete the bid template, your SCMP contact will give you the Pricing Bid Form to include in the RFP package.
- 2) Download all of the Property Scope Forms and supplemental documents (External Documents Only).
 - Forms should start with the Property Name and should be organized by Property Name / Address.
 - Committee Lead shall not include any internal documents in this download (i.e. Requirements template).
- 3) Shall prepare the RFP questions and evaluation criteria specific for the Category being bid.

- A good practice: Use one of these [Standard RFP Templates](#) as a starting point. Pre-weight questions so that Supplier Responses are auto-calculated and incorporated into the [Evaluation Criteria Template](#).
 - Committee Lead seeks input and feedback from the committee team on the RFP package.
- 4) If necessary, Committee Lead coordinates a Site Visit Schedule if beneficial for the service type in a bid. For properties requiring a site visit, use [this form](#).
- A good practice: Populate the form centrally through the committee and then send out the draft schedule to the Property Teams to manage exception revisions.
 - Another good practice: Provide invited suppliers with two options to attend the tour, at least one week apart, giving suppliers flexibility if they can't attend one.
 - Site visits should last long enough to review scope requirements and answer scope-related questions from suppliers participating in the tour. Keep travel distance in mind when coordinating the site visit, and also start and end times across multiple properties within a Market.
 - A good practice: Consolidate as many buildings as possible in the same span of days, since some suppliers may be traveling to attend meetings. Site visits may not apply for every category or building; if they are required, the supplier must attend to be considered for an award.
- 5) Shall distribute a consistent RFP package to all bidders.
- The RFP package contains comprehensive information and instructions on how to submit the bid as well as a copy of the current JLL or Owner service agreement.
 - All Scope of Work (SOW) and contract documents should be reviewed and updated prior to sending RFP packages and cleansed of any incumbent supplier information (name, address and pricing).
 - The RFP package shall include sections covering: non-disclosure agreements, supplier
 - Code of ethics, introduction including bidder instructions, pricing section, quality section, and a risk and compliance at a minimum.
 - In support of RFP creation, a good practice: Use the following standard templates where applicable:
 - [Standard Request for Proposals](#)
 - [Standard Scope Documents](#)
 - A good practice: Save RFP files and correspondence on Box, so the RFP committee can access, upload and review. Another good practice: Use an electronic bidding tool for this part of the RFP.
- 6) Shall be the single point of contact for initial clarifications from suppliers. All supplier inquiries will be funneled to the Committee Lead with support from the Committee members.

Committee Team:

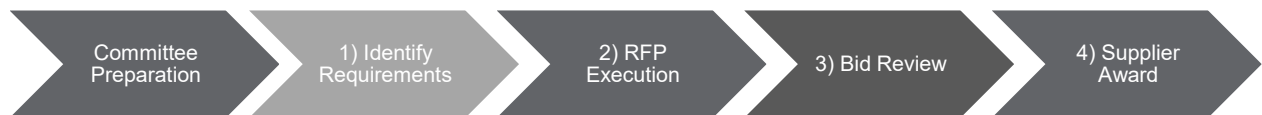
- 1) Shall review, vet and provide input on the following:
- Property Scope documents ensuring all incumbent information has been removed
 - Consolidated Requirements Template
 - Pricing Bid template

- RFP Package
- 2) Supports initial clarifications from suppliers. Funnel all supplier inquiries to the Committee Lead with support from the Committee members to get Property Teams responses in a timely manner.
 - 3) Shall send notification to the Property Teams announcing the RFP being published and providing an overview of the target timeline and next steps.

Property Team:

- 1) Manages any necessary Site Visit RSVP List of suppliers attending Property Site Visits at your building. The Property Site Visit contact will lead the site visit. A good practice: Cover the following information during the tour and answer all scope-related questions:
 - Hours per week
 - Officer classifications and Officer Post Duties
 - Review of Scope
 - Review of incidents (if any) unique property issues/conditions
- 2) Property Team shall ask suppliers to funnel all price and RFP-related questions back through the
 - Committee Team to maintain a consistent bid process.
- 3) Provide timely responses to RFP questions that come from the Committee Representatives.

3.2.4: Bid Review



Committee Lead **

- 1) Review the qualitative and quantitative proposals of all bidders.
 - A good practice: Drill further into the qualitative responses for the most price competitive suppliers across the market. This number will vary based on factors such as size of market, price competitiveness, supply base familiarity, past performance of suppliers, etc., but typically lands between three to six suppliers.
- 2) Collaborate with the larger Committee Team to make a short list recommendation which typically consists of 3-4 suppliers.
 - No suppliers are eliminated at this point in the process. The “short list” is meant to provide focus on the suppliers who are being considered for a larger portfolio award by bringing them in for the next round of evaluation. Suppliers not on this list could still be considered for a smaller award or sub-market and may be interviewed separately, if requested.

- The Committee shall present their short list recommendation to the Regional Manager for approval.
- A good practice: Facilitate this meeting with a presentation similar to this [PowerPoint](#) (Award Recommendation Template), highlighting an overview of the bid magnitude, recommendation methodology and next steps.

Supplier Presentations

Below outlines the requirements of the presentations broken out by roles of the Committee Lead, Committee and Property Team. Property Teams participating in the RFP will be invited to attend Supplier Presentations, but only the Regional Manager and Committee will be asked to provide scores.

- 1) Once the Regional Manager approves the short list, the Committee shall host supplier presentations with select suppliers
- 2) Committee lead** shall invite suppliers to attend and provide them an outline of what their presentation should include.
- 3) Committee lead** sends separate meeting invitation to each supplier to ensure sufficient time in the agenda for internal meetings before the presentations start, and an internal debrief after the last presentation. Typically, the debrief is structured as follows:

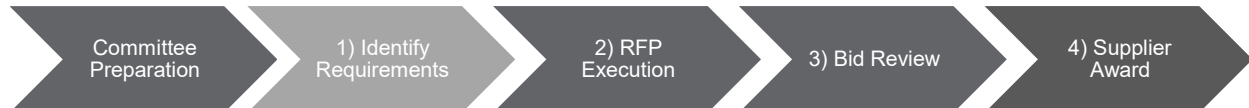
Committee Prep (Committee, Sourcing and RM only)
Supplier A – 1 hour
30 min break
Supplier B- 1 hour
Lunch
Supplier C – 1 hour
30 min break
Supplier D 1 hour
Committee Debrief (Committee, Sourcing and RM only)

Please note: The number of supplier presentations varies and that impacts the provided presentation schedule.

- 4) Committee Representatives will assist Committee Lead in scheduling a large room to host suppliers, committee and Property Teams.
- 5) Finalize presentation evaluation criteria prior to presentations. A good practice: the Regional Manager and Committee should use this [form](#) (Presentation Score Template) to grade and score supplier presentations.
- 6) Committee Lead** facilitates the Supplier Presentations:
 - Ensure that you or your team ask consistent questions from supplier to supplier.
 - Collect and aggregate the presentation notes and scores from the evaluation panel (committee and regional manager).
- 7) A good practice: Debrief with the internal JLL group once the Supplier Presentations conclude to discuss the following:
 - Overall feel of the different suppliers and comparison to one another. Does this “feel” aligned with the scores being submitted by the evaluation panel? How would you rank the suppliers?
 - Discuss any additional clarifications.

- Discuss additional questions, concerns and actions to be addressed post meeting
- 8) Committee lead** shall collect presentation scores and apply the average scores to the pre-set evaluation weighting. A good practice: Use this [template](#) (Presentation Scores).
- 9) Another good practice: Create a summary of the scores and notes and share with the Property Teams when providing their award recommendation.

3.2.5: Supplier Award



*Committee Lead: ***

- 1) Shall complete a [Bid Summary Form](#) which incorporates price and presentation scores to complete the exercise and look at different award scenarios.
- 2) Collaborates with the committee on award recommendations based on presentation, price and the RFP scores.
- 3) Shall present the award recommendation to the Regional Manager for review and approval and align on negotiation plan, based on desired outcome with the Regional Manager and Committee.
- 4) Leads negotiations with suppliers being considered for award.
- 5) Updates the Bid Summary Form to include a new Column capturing any additional savings achieved through negotiations.
- 6) Shall communicate final award recommendation to Regional Manager for approval.
- 7) Shall send out award recommendation email to Property Teams highlighting the overall impact of the RFP and outcome. Consider using this [email template](#).
- 8) Shall send written supplier notifications only after the committee has distributed Property Bid Summaries. Select the supplier based on the evaluation criteria. Notify in writing of award and the intended contract execution timing. Once you or your team have selected and notified the Supplier(s), inform all remaining bidders that they were not selected. The management team shall not share specific pricing information among bidders. Conduct a loss review session if requested by an unsuccessful bidder. Use the following templates for notifications:
 - [Supplier Presentation Letter](#)
 - [Supplier Award Letter](#)
 - [Supplier Non-Award Letter](#)
 - [Supplier Termination Letter](#)
- 9) Committee Lead shall include the following information in their supplier award notification:
 - Inform supplier(s) that all awards are pending final client approval
 - Outline expectations on transition and contract execution timing
 - Request a transition single point of contact, appointed by the Supplier.

- 10) The Committee Lead shall notify the Market's planning resource to have awarded suppliers added to the regional preferred supplier list.

Committee Team:

- 1) Create a bid summary for each of your designated properties. Consider using [this form](#) as a template for bid summary distribution. A good practice: Include a presentation notes summary and any applicable supplemental documents that the awarded supplier provided through the bid process. If ownership requires additional supporting details, they can be provided by request.
- 2) Allow managers reasonable time to secure ownership approvals, send cancellation notices (if needed) and ask questions before the Committee Lead sends out formal award notifications.
- 3) Update property teams after the Committee Lead has sent Supplier award notifications. Consider using this email [template](#).

A good practice post award recommendation: Follow up on the below:

- 4) Ask the supplier for a consolidated update including properties, transition progress, contract start date and comments or concerns on a bi-weekly basis, until all contracts are fully executed.
- 5) Ensure properties understand the awarded supplier's organizational structure and escalation path. If the awarded supplier is a Strategic Supplier through the SCMP organization, the Property Team should consider participating in Supplier Performance Management and escalate any performance or contractual concerns through the SCMP organization.

Property Team:

- 1) Termination of Existing Provider - If the existing contract is going to expire when the new one takes effect, notify the current provider in writing in a timely manner, informing them that their contract will not be renewed. Most often the existing provider participated in the competitive bidding process (if one was held), and will be notified during the bidding process that their contract will not be renewed.
- 2) Service Continuity – Carefully plan the existing supplier's phase out and the new supplier's introduction, creating a smooth transition. It is vitally important to avoid interruptions to essential building services.
- 3) Inventory Management - Transitions may create questions over ownership or right of use of various tools and supplies. For example, housekeeping equipment and supplies should be inventoried prior to the RFP process of a cleaning service provider, to determine whether they belong to the Owner. Where the cleaning supplier provides their own equipment, the existing supplier will remove their items when they leave. Inform the new supplier during the contract bidding and negotiation process, of tools and supplies they must provide.
- 4) Vendor Setup - Before the contract begins, set up the contract in the appropriate accounting system so they can be paid. Vendor setup forms and the newly issued vendor setup process are found on the CAS Connect site, including:
 - Address Book
 - Supplier W-9 Form (payments to suppliers cannot be processed without aW-9)

- Supplier Minority Classification Form
- Supplier Wire Transfer Instructions Form

Follow the link below for access to Connect>Americas>Business Network>Client Accounting Services> Account Payable for all these forms: [Accounts Payable Forms](#)

- 5) Reporting Requirements – Address reporting requirements during the RFP process.
- 6) Documentation Requirements - Before any work at the property can commence, finalize the contract and ensure that both sides execute the agreement. Include any performance metrics and service standards to ensure performance and compliance to the contract. Refer to Section 2.3 for advice regarding the contract type.

3.3 Sourcing Services – National Level

Markets familiar with running regional bids can participate in strategic, national service bid events that leverage other parts of the organization, including Corporate Solutions accounts. These events will be led by Strategic Sourcing and organized on a National Calendar that participating Regional Managers share and endorse. The categories best suited for this are Janitorial Cleaning, Security and Landscaping. We selected these categories for various reasons, including spend profile, category management support and savings and optimization opportunities.

National RFPs will follow the same 4-step process as the Regional Bid Process above while freeing up many tasks the Committee Lead executes through a National Bid and running them through the central Sourcing Lead supporting the event. National Events also provide additional buying power to enhance value delivered to JLL and our clients.

The Sourcing Lead will support the Committee Lead with creating and executing RFP's, RFP analysis, supplier negotiations, award recommendations, while also providing input from a multi-market, cross-functional perspective. In addition, the Sourcing Manager will coordinate the Markets to ensure there is a consistent approach that enables JLL's leverage and sourcing practices, to get the best value possible for our clients.

4.0 Sourcing Products

This section provides best practices on how, and from where, a Property Team should procure products at the Property Level.

4.1 Requirements

- Product purchases over \$10,000 shall require a request for quote from three providers.
- Assuming product specifications meet the scope and quality requirements, you or your team shall procure the best price using a Purchase Order (PO). At a minimum, JLL PO's shall include delivery requirements, delivery dates, warranty details and payment terms. This PO number provides traceability, identifying a three-way match between the PO, Invoice and Goods Receipt.
- Products costing less than \$10,000 shall be purchased using the attached matrix, unless stated otherwise in the Management Agreement. A good practice: Use the JLL Marketplace [Core Products document](#), which outlines how to identify specific products negotiated and added to a JLL Marketplace contract.

How to Purchase?	Core Product Categories	Examples	Primary Suppliers
JLL Marketplace	Office supplies, Janitorial Supplies, MRO supplies, Light Construction Tools	Pens, paper, toilet tissue, paper towels, soap, trash liners, lighting, filters, tools, HVAC	Office – Office Depot Janitorial and Sanitation – Staples Maintenance, Ops – Grainger Light Construction Tools - Home Depot
Coupa	Office Technology	Computer, large printer	Coupa
Jack Nadel	JLL branded products	Shirts, mugs, notebooks	Jack Nadel
Property	Others	Sourced products, OEM parts	Local distributors, online

The sections below outline the process for purchasing through JLL Marketplace, Coupa and Jack Nadel.

4.2 JLL Marketplace

This is our e-commerce platform for procuring goods, including janitorial and sanitation supplies, maintenance, repair and operations supplies, office supplies and Light Construction Tools.

4.2.1 Registration and Implementation process

- 1) To initiate the JLL Marketplace process, the Property Team shall complete a Market Basket for Janitorial and Sanitation Products using this [form](#) and submit it to jllmarketplacepricing@am.jll.com. The SCMP team will analyze the usage and pricing for savings.
- 2) SCMP will present the Market Basket savings to MPM Leadership.
- 3) If approved, the Property Team will receive a property-specific letter outlining the savings, benefits and a single point of contact for their program. Each Property will have local representatives for JLL Marketplace suppliers. If not approved, the property will proceed with all other catalogs aside from Janitorial and Sanitation products.
- 4) The Property Team shall attend a registration support call and submit their registration form to Robyn.Chavez@yardi.com. Once registration form is submitted, the registration process takes approximately 4 weeks. During this time, Property Team shall attend JLL Marketplace User Training.
- 5) Once registration is complete, Property Team will receive a User Welcome Email with their login credentials.

4.2.2 Transition Properties

- 1) Transition properties that do not have access to purchasing history will not complete a market basket.
- 2) Property Team will submit their registration form to Robyn.Chavez@yardi.com. Once the Team submits the registration form, registration takes approximately four weeks. During this time, the Property Team shall attend JLL Marketplace User Training. Properties needing to purchase products prior to go-live can reach out to their dedicated supplier reps to order directly at JLL Marketplace pricing.
- 3) Once the Property Team completes registration, they will receive a User Welcome Email with login credentials.

4.2.3 On-going Support

- 1) For pricing inquiries, reference the escalation process below.
- 2) For technology support, contact your dedicated [JLL Marketplace Program Liaisons](#).
- 3) For delivery questions or concerns, contact your local distributor representative.
- 4) For product related inquiries (program offering, alternative options, and technical support) contact your local distributor representative.

4.2.4 Escalation process

- 1) Once live, if there are products you would like to add to our catalog—or which you purchase frequently and would like our team to assist in a possible price reduction—please complete the attached [template](#) and submit it to: Support@jllmarketplace.com.
- 2) If you are not getting adequate support through the *On-going Support* communication channels, contact the MPM Sourcing Team.

4.3 Coupa

JLL's preferred purchasing platform for corporate office technology (i.e. phones, computers and large printers).

- 1) Purchase products online through: <https://jll.coupa.com/user/home>

4.4 Jack Nadel

JLL's preferred supplier for JLL branded products (i.e. JLL branded jacket or notebook).

- 1) First, you'll need to [register as a new user](#) to access. At the bottom of the registration form, select "U.S.A." in the "Country" category. This will ensure you're shopping in the Americas JNL store, as opposed to the EMEA store.
- 2) Once registered, log into the [company store](#) with your new credentials

5.0 Supplier Contracts

The intent of this section is to ensure a consistent approach for contract selection, approval, and maintenance is in place for JLL-managed properties. These guidelines are only for supplier contracts where JLL is signing as agent for Owner. These guidelines are **not** for supplier contracts where JLL is signing as principal. If you believe your management agreement requires JLL to sign as principal and not as agent for the Owner, **please contact your Regional Counsel**.

Before contracting with any supplier, the Property Team should first ask the Owner which service contract form the Owner wishes the team to use. The Owner's direction will fall into three (3) categories:

- 1) The Owner directs JLL to use JLL's form agreements, and Owner approves these forms.
- 2) The Owner provides JLL with Owner's preferred forms. We will then use these forms. If you have any questions on the agreements, please contact your Regional Counsel.
- 3) The Owner may direct us to use our forms with edits. This is acceptable, since the Owner has final say about which form to use. If you have any questions about proposed edits, please contact your Regional Counsel.

JLL Legal may provide general legal assistance, including:

- answering general legal questions
- reviewing Owner’s forms and/or proposed edits to JLL’s form, or
- helping identify the proper forms or other resources on Connect.

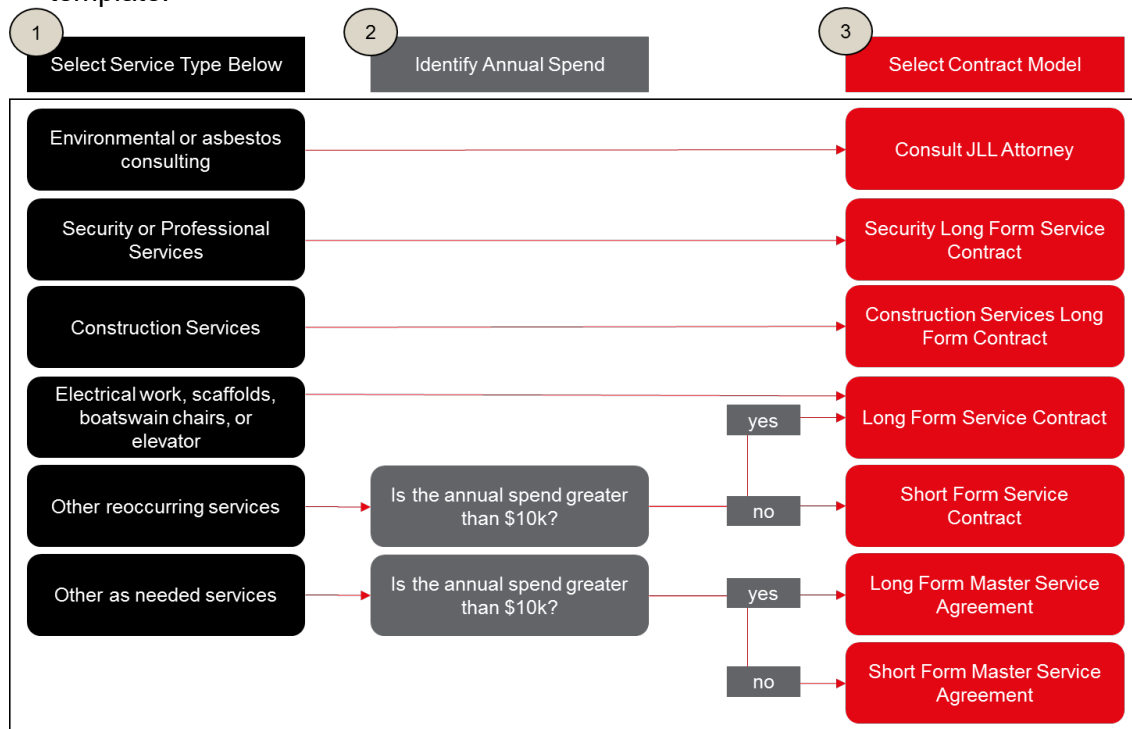
However, JLL Legal is **not** legally permitted to negotiate property-specific agreements. Even if you use a JLL form, the Owner/Owner’s counsel must approve any changes or comments to the document. JLL Legal is not legally permitted to review or provide legal advice to the client concerning edits.

5.1 Contracting Process:



5.1.1 Identify Contract Template

- 1) Once a supplier is identified, the Property Team should review the strategic sourcing national agreements available using this [link](#), a useful starting point. Any changes to these requirements can be done in collaboration with the supplier, Owner/Owner’s counsel, and documented in a modified agreement at the property level.
- 2) The Property Team shall identify the contract type required for the service being contracted, using the below guidance. You can find contract models on the legal connect site through this [link](#). You can also find more detailed instructions about service contract forms [here](#). As noted above, in some cases, property Ownership will have a required template JLL uses when acting as agent, or Owner may wish to edit JLL’s proposed template.



5.1.2 Draft Contract and Exhibits

- 1) Property shall incorporate up-to-date information in the required contract exhibits, including contract duties, compensation, insurance and rules for contracted service personnel.
- 2) Use this opportunity to document the terms and conditions that have been determined through the bid process so the contract stands as the formal agreement of the accepted bid. This is a critical step to managing the supplier's performance.
- 3) Detailed expectations on contracting standards are available in [Exhibit A](#).
- 4) The Property Team shall verify with the Management Agreement that the signature block in the supplier contract contains correct wording and the proper Owner entity name. Never structure a contract naming JLL as a party to the contract without first confirming this proposed structure with your Regional Counsel, and getting documented approval from your Regional Manager.

5.1.3 Gain Approvals

- 1) All contract form changes made by the Supplier shall have documented agreement from property Owner. Understand and adhere to Ownership requirements for co-signature. This is typically determined based on the total contract spend amount.
- 2) To identify the authorized JLL officer to approve and sign a contract, use this [risk assessment worksheet](#).
- 3) To get a signature from the designated JLL officer in the Risk Assessment Worksheet, use this [contract abstract approval form](#) to summarize the contract for approver.

5.1.4 Execute Contract

- 1) After approvals, an authorized JLL Officer shall execute the contract and provide copies to all parties (supplier, JLL management office and Owner). You can do this through electronic signature using software such as Adobe Acrobat software, or you can hand sign and scan the signature.

5.1.4 Setup Contract File

- 1) The Property Team shall create and maintain a contract file in a shared drive accessible to all relevant team members. For all bidders, the Property Team shall include in the contract file any completed RFP files and summaries. That includes written documentation to support the Owner's instruction on any contractual changes, the contract abstract approval form (if applicable), the original signed contract and any subsequent amendments.
- 2) If the Risk Assessment is seven or above, the contract abstract approval form shall be a part of the contract file. If the score is six or less, you can use a summary of contract and bids received in place of this form.

6.0 Risk Management

This part of the procedure is developed so that we are fully vetting those suppliers that are showing up at our properties to perform work. Ideally, each vendor is reviewed on an annual basis. Using this [vendor risk management checklist](#) allows properties to review the right aspects that go into reviewing vendor risk management overall and ensuring proper mitigating of any foreseen challenges.

6.1 Supplier Certificate of Insurance Process

This section is intended to ensure Certificates of Insurance (COI) are in place, that they reflect the contractual insurance requirements and are actively maintained for all companies providing onsite services prior to work commencement. The Property team shall:

- 1) Confirm Certificate of Insurance (COI) requirements applicable to the buildings executed management agreement. The Property Owner's risk management team typically provides this.
- 2) Send new suppliers the building-specific COI requirements for suppliers directly contracted by JLL or Property Owner that will be onsite for any type of work. This also applies to suppliers providing onsite services at the request of tenants that may or may not have a direct JLL contract.
 - a. A good practice: Complete this step after supplier has completed and agreed to the contract's insurance requirements.
 - b. A good practice: Summarize these requirements using [this format](#) and explicitly state that COI must be compliant to contract requirements.
- 3) Review the COI for compliance using this [sample COI](#) and document any agreed deviations with Property Owner. It is good practice to use the [COI Reference Guide \(Exhibit B\)](#) to ensure team members that are actively managing COI's have detailed knowledge of types of insurance and best practices in ensuring compliance.
 - a. If the collected COI does not meet building requirements, use [this template](#) to send as a response to the vendor specifying areas requiring correction before work at the property can commence.
- 4) Store compliant COI's in a centrally-accessible electronic file. This can be in a shared insurance folder for the property, embedded in the contract files on a shared folder, or on client-endorsed software such as building engines. A good practice: Keep the electronic COI on file with the supplier contract. For tenant Suppliers, it is good practice to have a separate centrally located insurance file.
- 5) Shall update COI tracker with the Supplier name, insured name, type of service, contracting party (JLL or tenant) and expiration date. A good practice: Use [this template](#).
- 6) The COI Tracker shall be managed monthly to renew COI's up for expiration. This list will differentiate between tenant and JLL-contracted suppliers. A good practice: Set calendar reminders 60 days ahead of expiration. COI renewal requests can use [this verbiage](#) to inform contracted suppliers about expiring COI's.
- 7) For expiring tenant's supplier COI's, updated COI email can go directly to the tenant.

6.2 Supplier Health and Safety Management

For suppliers that provide onsite services, a [contractor safety questionnaire](#) shall be completed before executing a contract.

When reviewing the form, below thresholds trigger a conversation with a JLL or Owner safety representative before proceeding to contract. This covers:

- 1) Any fatalities or regulatory violations over the last 3 years.
- 2) Worker's Compensation Experience Modification Rate (EMR) greater than 1.0 over the last three years.
- 3) Annual average injury rates are at or below the annual industry average rates for the industry the contractor fits into. Follow this [link](#) to the chart to compare the collected injury rate to the national average.



7.0 Supplier Performance Management

This section is intended to define a consistent way for us to manage our suppliers within a market and nationally to get the best from our relationships. Supplier Performance Management is necessary to ensure that the value agreed to in the bid process and the contract is delivered, and that the relationship continues to benefit both parties in fulfilling Ownership and Tenant requirements. The focus will be on three distinct levels of the process including the property level, the regional market level, and where applicable the national level.

7.1 Ongoing Property Supplier Performance Management

These activities apply to any ongoing service contracted to support a property.

- 1) Overall Performance Management
 - A good practice: Assign a member of the management team to each Supplier to understand the contractual agreement and establish proactive conversations that maximize the relationship advantage.
 - These regular conversations can focus on areas of opportunity to sustain or increase service levels, incorporate green products and processes, and understand new ideas or technologies that increase value or cost savings.
 - This is also an opportunity to notify the Supplier of areas that can be improved before the next scheduled meeting. A good practice: Document any areas of improvement in a joint email to ensure completion accountability.
- 2) Invoice and Spend Management
 - The Property Team shall have invoices reviewed and verified to contract pricing prior to payment.
 - Accurate invoices shall be paid in accordance with the payment terms in the contract.
 - A good practice: Inform a supplier in writing when an invoice is inaccurate.
 - Another good practice: Monitor overall actual spend levels on a regular basis and identify cost savings opportunities.
- 3) Performance Escalations and Termination - If the supplier does not meet the performance expectations of the contract, take action immediately.
 - Document any areas not meeting expectations and communicate them to the Suppliers for correction.
 - Get an agreement on when the correction(s) will be completed. If the contract was awarded as a regional market or national bid and the supplier is not meeting contractual performance obligations, property team shall escalate to strategic sourcing and formalize a supplier correction action request (SCAR) with the supplier. Contract termination should only be done if the SCAR does not resolve the performance concerns after the designated SCAR timeframe. A good practice: Use this [SCAR form](#) for any supplier not meeting performance expectations prior to terminating the contract.
- 4) Contract Renewal Assessment
 - If the Supplier is a strong performer proactively finding opportunities to manage cost and has completed a bid in the last five years, a contract renewal may be in

order. A contract renewal shall be discussed and agreed to with the Owner before participating in a bid or deciding to renew the existing agreement.

7.2 Market Level Supplier Performance Management

These activities apply to services performed in more strategic or critical categories during a market- level or national bid and award process. This process ensures follow-through on level of service committed to in the bid process and continues the joint pursuit of effective performance across the portfolio. This is also intended to share best practices between the supplier and JLL, to further the relationship and ensure we are getting the most from the partnership opportunity. This is intended to supplement the above ongoing performance management section.

- 1) Identify Scope of market Supplier Performance Management (SPM) Program
 - As part of the market's annual regional planning, the Regional Manager should appoint a representative to help prioritize annual activities. It helps if the team launches an SPM program with suppliers performing critical services across the portfolio, or wherever the team needs a high-level executive relationship with the Supplier.
- 2) Initiate SPM with kick off meeting
 - The market's designated SPM representative should set up an initial kickoff meeting to identify the joint goals of the relationship, review initial survey results on performance, and jointly agree on what future KPI's should be measured and SPM meeting frequency.
- 3) Hold regular re-occurring SPM meetings
 - Meetings should include the Regional Manager, Operations Manager and any relevant Group Managers for a high-level, semi-annual performance review of the Market semi-annually. Where possible, your supply chain representative will facilitate and lead these meetings; alternately, the market's designated SPM representative may facilitate.
 - You should put meetings on the calendar at least four months ahead of the review meeting. You can use [this example](#) agenda, survey and KPI's to build a market standard agenda and flow.
 - Capture and close out actions
 - The SPM facilitator should distribute meeting notes, capture continuous improvement actions for both parties and provide follow up communications to close out associated actions prior to the next SPM meeting. Review past actions at the beginning of the next meeting to ensure proper closeout.
 - For any national, strategic, or preferred suppliers managed centrally within SCMP, the market should share SPM outcomes with MPM SCMP team to ensure proper input into JLL-wide Business Reviews.