

Policy Documentation:

Preferred Supplier Lists

Published 15th May 2014

Definitions

A **Preferred Supplier List** (PSL) is a list of suppliers that are approved to work with a certain company. In reality, winning a place on a PSL is no guarantee of volume business. In fact a company may invite suppliers onto a PSL with the goal of securing lower fees without volume or to secure contractual commitments not to poach staff,. Typically the process to provide information for a PSL is quite time consuming and detailed. This document sets out the correct process and policies.

This document looks at the general policies, systems and guidelines that are now in place to help us to manage the PSL award process and to build key accounts.

Because PSL contracts and Key Account negotiations can potentially impact the whole business there are some clear standards we need to adhere to. Simple guidelines that mean we have the best chance to build lasting accounts that we can develop for the benefit of our colleagues in the network, and of course, candidates and clients!

The document should also be viewed with the Key Account Policy. They go hand in hand.

The following guidelines and standards apply to all offices, both wholly owned and franchised.

We mainly talk about guidelines, however we need some clear and binding “rules” as well.

The Guidelines:

- A consultant identifying an opportunity to start a PSL process should bring this to the attention of the most senior person in the office as soon as possible, who in turn should advise the central PSL support team by emailing psl@antal.com – Most PSL processes will require a high level of group financial and other commercial information, so escalating at an early level is important.
- The originator will work with a nominated experienced person from the group to assist in gathering the required information.
- Where the originating office is a franchised business the Central PSL team will also work with the relevant Franchise Advisory Council (FAC) member to ensure complete fairness in all dealings.
- The central PSL support team will also help to communicate the PSL process to other interested parties in the group. For example other offices with a trading history or offices in territories / discipline focus that the client will require support.
- The central PSL team will support the originator to negotiate fees which may be variable depending on country, discipline, level and volume of work anticipated.
- If in doubt whether a PSL will have an impact outside of the local office’s activities email psl@antal.com to seek advice.

- Referrals made from one office to another (or consultant to consultant) are covered by either the referrals guidelines or the Key Account Management guidelines.

We do need to be quite disciplined about certain aspects of the PSL process, so there are some rules to accompany the guidelines:

The rules:

- No executive of any office, wholly owned or franchised, has the legal right to sign a PSL agreement on behalf of the entire Antal group or part thereof. Where the agreement is likely to be interpreted by the client as governing terms and conditions across all or part of the group then the central PSL team must be involved from the beginning and have agreement in principle from all relevant interested parties. The central PSL team will of course work to agree a consensus to maximise commercial opportunity.
- For clarity, if a local office signs a PSL, without involvement or consultation of the central PSL team it is at the discretion of the other network offices whether they adhere to the terms. This may be particularly relevant for a hands-off, no headhunt clause but there may be other obligations. The signing office should be aware that there are sometimes financial or other penalties from the client if there is no agreement to adhere to terms set without prior approval.
- In the unlikely event that there is a conflict of interest or disagreement on commercial terms involving two offices the Antal Board will nominate an arbitration committee to resolve any issues. If this involves at least one franchised office then the relevant FAC member shall be involved.

Other important points

- One founding principle is that no one person, or office owns a client. However there are guidelines in place to communicate our PSL / Key Accounts which are aimed at avoiding unnecessary duplication of BD activities, but it will happen.
- A client with whom we have a Preferred Supplier Agreement is NOT necessarily a Key Account. Key accounts are covered in the Key Account Management Policy.
- We will send out updates on PSL and Key account clients through the weekly news, intranet and discipline conference calls.

This document was published on 15th May 2014 and supersedes all previous documentation on

The Antal Board

The Franchise Advisory Council

This document was written on 18th March 2014 and supersedes all previous documentation on Key Account Management Guidelines and Policies.