

1) Introduction

In a partnership with our strategic suppliers or critical suppliers is aim for the continuous improvement of products/services' quality and key deliverables through the annual evaluation of our suppliers which the sustainable development is strategically added in order to comply with sustainable business purpose of supply chain management.

2) Critical Suppliers Analysis

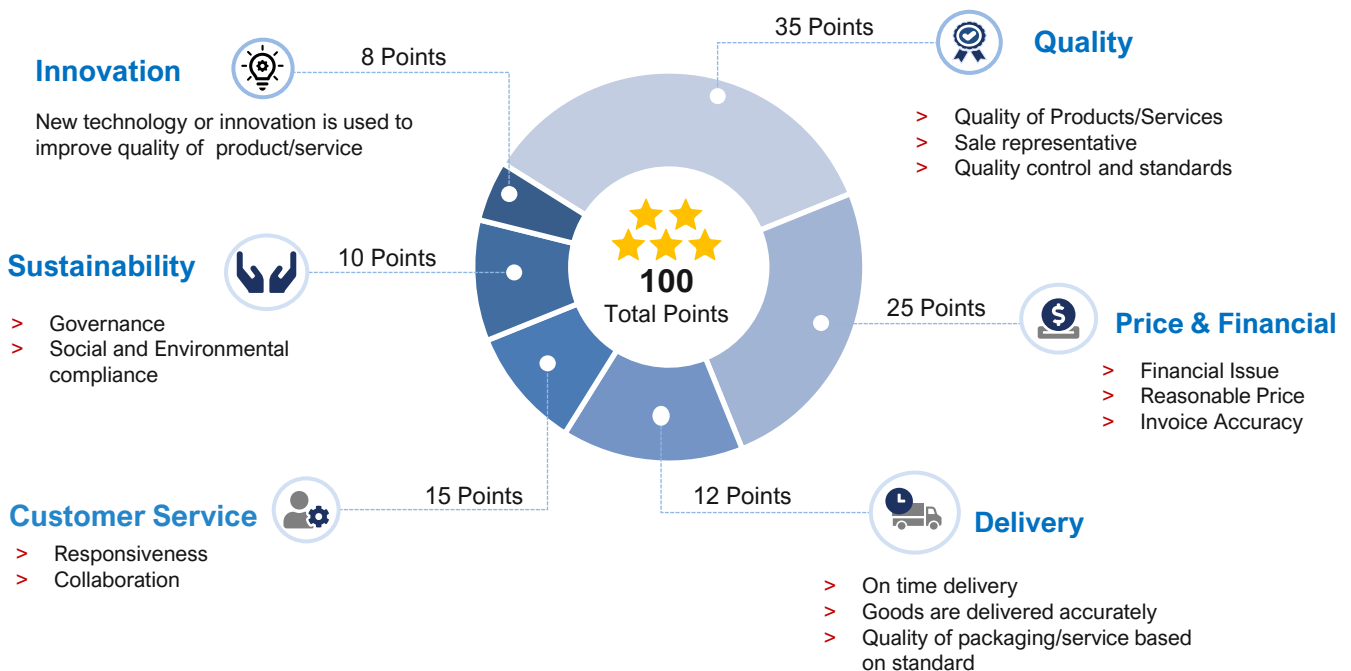
Critical Suppliers Criteria:

- High spending in each procurement commodity (Medicine, Medical Supply, Medical Equipment, Information Technology, Construction, General Supply and Service).
- Suppliers who supply COVID19 essential items
- Supplier performance from last year

Suppliers	Number	Share of total procurement spent
Total suppliers	5,484	
Total Critical suppliers	612	82.29%
• Tier 1	483	
• Non-tier 1	129	

Remark : Tier 1 suppliers refers to suppliers that directly supply goods, materials or services (including intellectual property (IP) / patents) to the company.

3) Evaluation criteria and weighting score



4) Grading

Norm referenced; Set the standard deviation proportion for each grade.

Graded based on the capabilities of the entire vendor pool being assessed. Base on the average score and standard deviation, If the vendor group has high capabilities the average score will be high accordingly, Thus, Norm referenced grading will have some flexibility based on the ability of the vendor segment.

Performance Grading and action

- **Excellent** Exceeds expectations, enhance sustainability
- **Good** Meets all expectations, enhance sustainability
- **Average** Meets some expectations, encourage to improve performance continuously
- **Fair** Improvement needed, corrective action within 7 business days
- **Poor** Mandatory improvement or to be considered to taken out of Approved Vendor List (AVL)

5) Overall Results

Target Group: High spending including critical suppliers

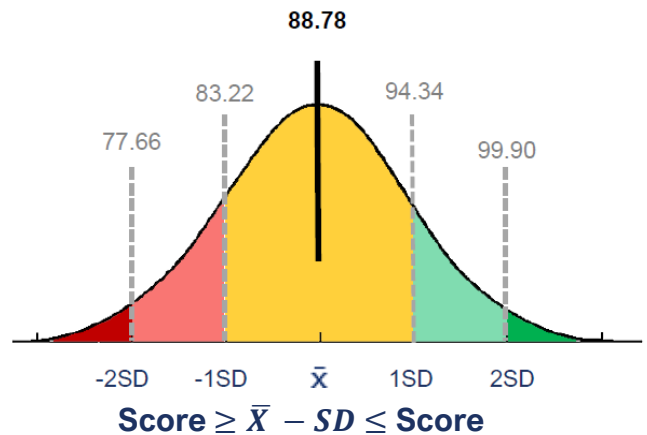
Sample (n) = 974

Suppliers completed to supplier evaluation program in 2021 from 31 hospitals of BDMS and 4 non hospital companies

Evaluation Period: Nov 2021 –Jan 2022

Results

- **88.78** is average score of suppliers in this evaluation
- **100.00** is highest score and **66.20** is lowest score
- **842** suppliers (86%) with outstanding performance
- **132** suppliers (14%) need to improve performance



Outstanding $\geq 83.22 \leq$ Improvement