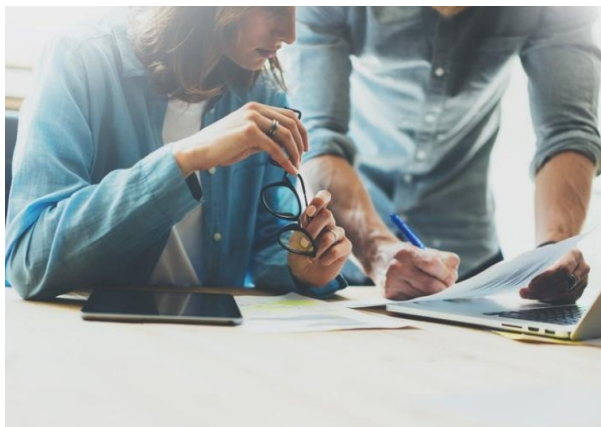


Vendor Inspection - Third Party Inspection

Vendor Inspection, sometimes referred to as independent **third-party inspection**, or **source inspection**, involves inspection activities performed at a manufacturer's works on all types of new-build mechanical, rotating, electrical and instrumentation equipment. We work with clients to provide vendor inspection services within the Petrochemical, Oil and Gas, Power, Pharmaceutical, and Mining Industry sectors.

Vendor inspection services provide clients with the confidence that purchased equipment will arrive to the correct specification and minimise the financial impact of faulty equipment. Clients set the level of vendor inspection services provided, which is intrinsically linked to the equipment involved, the purchase order requirements and the technical specifications/standards applicable to the equipment. Normally, the level of third-party inspection is reviewed with the client to ensure that both parties fully understand their mutual obligations.



THE Applus+ SOLUTION

All clients/projects for our vendor inspection services are provided with a dedicated local, office-based coordinator who is responsible for managing all worldwide call-offs from that client in a timely, concise and efficient manner. Our dedicated coordinators liaise closely with the client, inspectors, and vendors to ensure inspection schedules are set and achieved; communications are dealt with promptly, and the source inspection side of the supply chain process is accurate and transparent. To achieve this, Applus+ has developed a complete online management control system called AMIS.

AMIS is a software program designed in-house as a complete Quality Management package for vendor inspection and the expedition of engineered material and equipment. AMIS optimizes administration efficiency by automating functions such as the issue of assignments, budgetary control, tracking of non-conformances, order status, scheduling of visits, and maintaining full traceability of all documentation, and communication.



Applus+ works with clients to achieve their quality needs in a professional and efficient manner. We provide experienced, local technical vendor inspectors from an extensive international network of qualified, competent and technically assessed personnel. Our vendor inspectors are strategically based in the world's major industrial manufacturing areas, providing a comprehensive cost-effective service to our clients. Our vendor inspectors in the field are familiar with a wide variety of standards/specifications and reporting formats, as a result of our extensive international client base. All reports are technically reviewed for completeness and correctness by the local Applus+ office prior to client submission. In addition, as timeliness is crucial, we have our own in-house KPI targets, including detailed turn-around times or submission time of reports.

Vendor inspection is a core service line for Applus+, and we have been a leading provider of third-party surveillance to the global energy market over the last 20+ years. Our reputation has been built on managing global framework agreements with many of the largest international oil clients (IOCs) and by providing full [vendor surveillance](#) supply chain management packages to major projects.

Target customers

Vendor inspection is an integral part of a client's purchasing activities. The range of vendor surveillance services at Applus+ can be deployed during the procurement phase of a project or during maintenance and upgrade of operational assets.

We can provide a suite of vendor inspection packages, from a one-day visit or multiple visits on all orders across an entire project. The scope or level of inspection is determined by the client's requirements, which are normally controlled by a Quality Plan or Inspection and Test Plan (ITP). The scope can range from final vendor inspection to an intensive inspection regime, starting at the pre-production meeting, through to identifying and inspecting all of raw materials, inspecting at all prescribed hold-point stages, witnessing all tests, verifying all documentation and certificates and delivering a final release inspection.

Either the operator or the contractor on a project may require vendor inspection services to ensure that equipment is supplied in accordance with specifications.

Key customer benefits

Vendor inspection provides the opportunity for early detection of quality issues, thereby minimizing any potential delays and costs due to sub-quality work or incorrect specifications.

Vendor inspection is the most convenient and cost-effective way to ensure that equipment complies with specifications, client expectations, and applicable industry and statutory regulations. All vendor inspection activity is fully maintained and integrated



within our bespoke database management system, with easy direct access for clients and inspectors.

- A global network of vendor inspection centers and field personnel all work to the same certified QHSE-management system, providing a unified high level of service across the globe.
- Specific local expertise and competency to inspect equipment for the energy industry sector.
- Access to our knowledge of the vendor and equipment to agree on the scope of the inspection, maximizing the value added by the inspection activity.