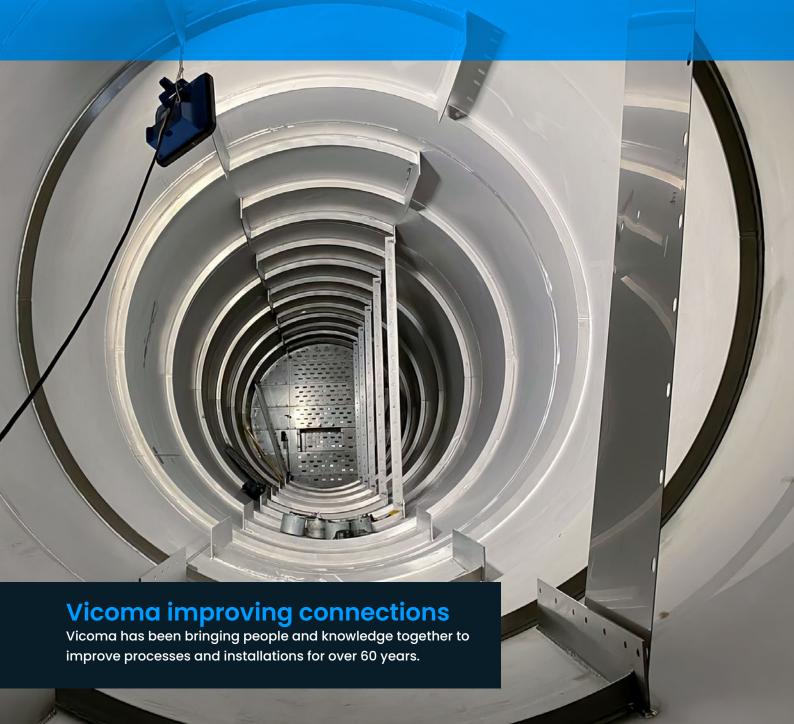


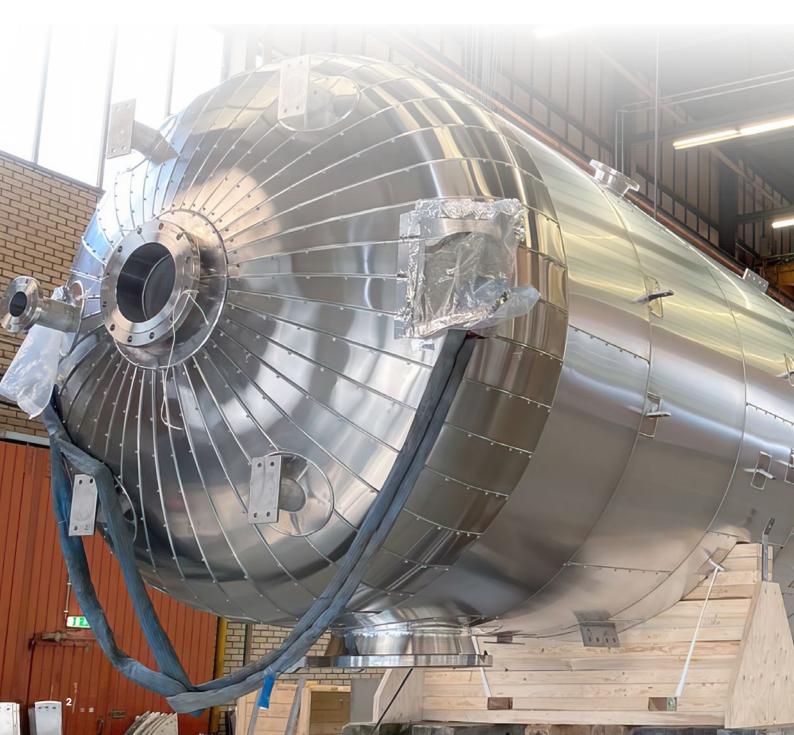
Procurement

The perfect quality, right on schedule and within budget



Procurement

Procurement is an important part of the organisation. Effective procurement management is essential for the proper procurement of required goods and services, striking the right balance between cost, quality and delivery time. Achieving the ideal procurement process requires knowledge and skill, as well as proper preparation and an efficient approach. Vicoma has years of experience in this area and is able to support companies, alleviating the pressure at various steps throughout the procurement process, from procurement plans and strategies to establishing selection criteria. Our experts listen carefully to client requirements and take decisive action.



What steps are needed to achieve a successful procurement process?

A successful procurement process is only possible with the right preparation. To achieve this, Vicoma works through a number of steps in consultation with the client. These steps can be undertaken by Vicoma in part or in full.

 \rightarrow 1 The procurement plan \rightarrow 2 Pre-order procurement activities \rightarrow 3 Post-order procurement activities

STEP 1 The procurement plan

General procurement plan

Defining an overall procurement plan is an important first step. In this phase, Vicoma works together with the client to discuss the project in general as well as the services and goods needed to successfully implement the project. This includes determining who has what responsibilities, when certain elements are needed on site (ROS date, required on site), what budget is available and what quality is necessary. Striking the right balance between speed, quality and price is crucial.

STEP 1.1	STEP 1.2	STEP 1.3
General procurement plan All items to be procured Procurement planning General procurement strategy Procurement risk General Conditions of Purchase ('OPDRACHTGEVER') Approved Vendor Lists ('OPDRACHTGEVER')	Aligning reports Progress Budget Expected delivery	Customised procurement plan Specific procurement strategy Selection of Vendor's Planning based on required on site (ROS) date Specific risk and required mitigation Selection criteria and (weight factor definition)

All procurement activities are based on EPCM contract type.

Specific requirements

Vicoma meticulously identifies the client's technical specifications and particular requirements or requests. In some cases, however, a client may or may not want to work with specific suppliers or countries. For example, collaborating with Benelux suppliers is sometimes necessary to ensure quick service in case of a defect. Using this information, Vicoma prepares an overall procurement plan that takes into account the procurement risks, as well as an overall procurement strategy.

General procurement conditions

As with the process for specific requests and requirements, in this step Vicoma discusses the general procurement conditions that are important to the client, which are then (re)defined if necessary. This could include warranty periods, conditions for working with subcontractors, sustainability, circularity or packaging requirements, confidentiality clauses, penalty clauses for exceeding delivery deadlines, transport organisation, insuring the goods to be delivered, and so forth. Vicoma's experts have extensive experience, enabling them to guide and advise their clients throughout every aspect of the procurement plan.

Aligning reports

Once the overall procurement plan is in place, we map out the requirements regarding procurement reporting.

- When is a desirable time for a progress report including an update on budget and expected delivery?
- > What should the reports look like?
- What elements does the report need to contain?

Good coordination at this stage leads to transparency and clarity during the procurement process.

Customised procurement plan

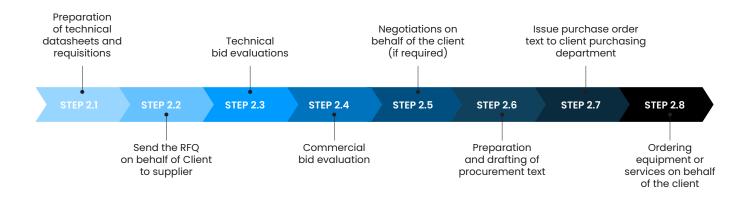
Some products or services require a specific procurement plan that takes into account different weighting factors. This could include high-risk components that require extra precautionary measures such as custom-made systems or equipment that needs to be sourced from certain suppliers. Intermediate inspections at the supplier are sometimes necessary, as well as technical and commercial assessments to ensure the quality of the final product. Vicoma can also take on this role.





STEP 2 Pre-order procurement activities

Once the bases have been laid, preparations take place that will ultimately lead to the final order. Vicoma prepares technical specifications and datasheets that are then used to solicit bids (RFQ) from a select number of suppliers on behalf of the client. Upon receipt of these offers, we then evaluate them both on a technical and commercial level and, if required, negotiate on behalf of the client. This is followed by preparing and drafting a procurement text so that all parties know what requirements need to be fulfilled. Thanks to our years of experience, we can guarantee that no details will be overlooked. We follow a uniform working method with highly efficient and accurate results. The procurement text is provided to the client who is then able to place the order.



STEP 3

Post-order procurement activities

Once an order is placed, it is often essential to manage the follow-up process properly. Here are some examples where Vicoma can play a role:

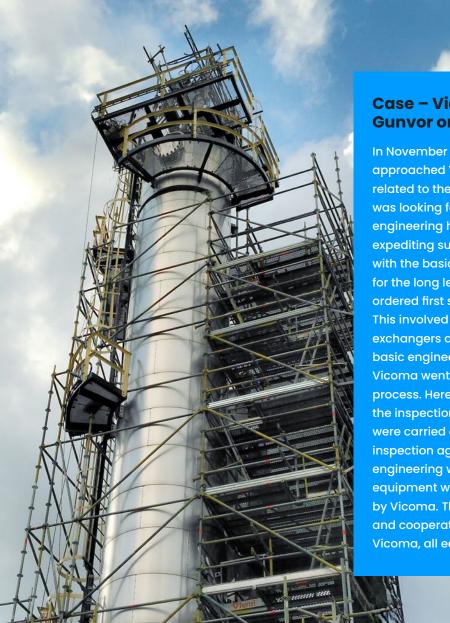
- Organising a kick-off meeting with the supplier for certain equipment such as complex custom-made systems. This ensures that everyone is heading in the same direction
- Conducting a delivery follow-up of the documents and goods at appropriate times, ensuring that everything is going according to the agreements and schedule.
- Checking the design drawings before the start of production of a specific item.
- > Performing one or more interim inspections, on-site if required
- > Verifying and accepting goods and services, on-site at the supplier's premises.
- Performing an on-site check to avoid overlooking damage during transport.
- Handling and approving invoicing.

Vicoma can support the client, completely taking care of one or multiple steps as required.

Custom-made solutions

Vicoma's procurement specialists know better than anyone how important procurement is for an organisation. Because we are independent, we ensure the best offer of goods and services, right on schedule and within budget. In the process, our experts always listen carefully to the client's requirements allowing us to provide custom-made solutions. We take a decisive and efficient approach here. Since we can rely on years of knowledge and expertise, there are never any unpleasant surprises for clients.





Case – Vicoma eases the burden for Gunvor on way to major turnaround

In November 2018, Gunvor Petroleum Rotterdam approached Vicoma to engineer a number of projects related to the turnaround in 2020. The oil refinery was looking for a party to carry out basic and detail engineering here, while procurement, inspection and expediting support was also desired. Vicoma started with the basic engineering and preparing specifications for the long lead items. These types of items had to be ordered first so that they could be delivered on time. This involved equipment such as vessels, columns, heat exchangers and pumps. After obtaining approval of the basic engineering and specifications for long lead items, Vicoma went on to take care of the entire procurement process. Here, Vicoma's engineers also coordinated the inspections and expediting. The official inspections were carried out in collaboration with an independent inspection agency. In the meantime, the detail engineering was carried out after which all related equipment was requested, evaluated and ordered by Vicoma. Thanks to the excellent planning and cooperation between Gunvor, the suppliers and Vicoma, all equipment was delivered on time.



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An innovative, flexible, and independent Consultancy & Engineering firm

Our consultancy and engineering firm has been working for 60 years with a wide array of clients on single and multidisciplinary projects. What can you expect from us? A pragmatic and flexible approach.

Our engineers are capable of overseeing diverse projects from start to finish, handling the engineering aspect efficiently. We also operate swiftly with flexible teams and streamlined communication channels. Being an independent family-owned business, it's inherent for us to prioritize your interests alone. As such, we are not publicly listed and are not tied to specific contractors.

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We serve 150+ customers in 5 locations in the Netherlands and India.