Vendor Evaluation and Approval Checklist

Manufacturing unit · New vendors and annual reviews

Precision Components Manufacturing (fictional company, for illustration)

Form number	VQ-F-01
Version / date	v1.0 · 01 May 2026
Completed by	Procurement and Quality
Review frequency	Yearly, or after a serious quality issue

1. Vendor information

Vendor name	_____
Vendor code	_____
Contact person and phone	_____
Address and country	_____
Materials or services supplied	_____
Evaluation type	New vendor / Annual review
Evaluation date and evaluator	_____

2. How to use this checklist

For each requirement, tick Yes, Partly or No and write the evidence seen (certificate number, document or observation). Scoring: Yes = 2 points, Partly = 1 point, No = 0 points. Items that do not apply are left out of the total.

A. Legal and compliance

No.	Requirement	Evidence / comment	Yes	Partly	No
A1	Valid trade licence and company registration.		☐	☐	☐
A2	Tax registration and VAT certificate.		☐	☐	☐
A3	Owners and authorised signatories identified.		☐	☐	☐
A4	No sanctions, blacklisting or pending litigation.		☐	☐	☐
A5	Products comply with laws and standards of our market.		☐	☐	☐
A6	Valid insurance (product liability and transit).		☐	☐	☐
A7	Code of conduct and anti-bribery policy signed.		☐	☐	☐

No.	Requirement	Evidence / comment	Yes	Partly	No
A8	Non-disclosure agreement (NDA) signed.		☐	☐	☐

B. Financial standing

No.	Requirement	Evidence / comment	Yes	Partly	No
B1	Audited financial statements for the last two years.		☐	☐	☐
B2	Stable profitability and liquidity.		☐	☐	☐
B3	Bank reference or credit report obtained.		☐	☐	☐
B4	Credit terms offered (30 to 60 days).		☐	☐	☐
B5	Able to meet our volumes without financial strain.		☐	☐	☐

C. Quality management

No.	Requirement	Evidence / comment	Yes	Partly	No
C1	ISO 9001 or equivalent certificate is valid.		☐	☐	☐
C2	Documented quality manual and procedures.		☐	☐	☐
C3	Incoming, in-process and final inspection records.		☐	☐	☐
C4	Measuring equipment is calibrated.		☐	☐	☐
C5	Traceability by batch or lot.		☐	☐	☐
C6	Corrective and preventive action (CAPA) process.		☐	☐	☐
C7	Defect rate (PPM) within our limit.		☐	☐	☐
C8	Allows audits and first-article sample approval.		☐	☐	☐

D. Production capacity and capability

No.	Requirement	Evidence / comment	Yes	Partly	No
D1	Machines and technology suit our specification.		☐	☐	☐
D2	Capacity for forecast volumes plus 20% peak.		☐	☐	☐
D3	Maintenance schedule for key equipment.		☐	☐	☐
D4	Skilled and trained workforce.		☐	☐	☐
D5	Raw material sourcing is controlled and documented.		☐	☐	☐

No.	Requirement	Evidence / comment	Yes	Partly	No
D6	Backup plan for equipment failure or shortages.		☐	☐	☐
D7	Lead time is confirmed and consistent.		☐	☐	☐

E. Health, safety and environment

No.	Requirement	Evidence / comment	Yes	Partly	No
E1	Safety policy and a trained safety officer.		☐	☐	☐
E2	Fire protection and emergency plan.		☐	☐	☐
E3	Protective equipment is used.		☐	☐	☐
E4	Environmental permits and waste handling.		☐	☐	☐
E5	Safe handling of chemicals and hazardous materials.		☐	☐	☐
E6	Accident records reviewed.		☐	☐	☐

F. Logistics and delivery

No.	Requirement	Evidence / comment	Yes	Partly	No
F1	On-time delivery of 95% or more in the last 12 months.		☐	☐	☐
F2	Packaging protects goods in transit.		☐	☐	☐
F3	Labels and documents meet our requirements.		☐	☐	☐
F4	Can deliver under the agreed Incoterms.		☐	☐	☐
F5	Contingency plan for delays.		☐	☐	☐

G. Commercial terms

No.	Requirement	Evidence / comment	Yes	Partly	No
G1	Prices are competitive and transparent.		☐	☐	☐
G2	Price validity and review method agreed.		☐	☐	☐
G3	Payment terms agreed.		☐	☐	☐
G4	Warranty and returns terms agreed.		☐	☐	☐
G5	Responsive account contact and escalation path.		☐	☐	☐

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H. Ethics and social responsibility

No.	Requirement	Evidence / comment	Yes	Partly	No
H1	No child or forced labour.		☐	☐	☐
H2	Fair wages and working hours.		☐	☐	☐
H3	Non-discrimination policy.		☐	☐	☐
H4	A whistle-blowing channel is available.		☐	☐	☐

3. Score summary

Section	Maximum points	Score obtained
A. Legal and compliance	16	
B. Financial standing	10	
C. Quality management	16	
D. Production capacity and capability	14	
E. Health, safety and environment	12	
F. Logistics and delivery	10	
G. Commercial terms	10	
H. Ethics and social responsibility	8	
Total	96	

Result	Decision
85% or more	Approved vendor.
70% to 84%	Conditionally approved: the vendor must complete an improvement plan within 90 days.
Below 70%	Not approved.

4. Decision and approval

Decision	Approved / Conditionally approved / Not approved
Conditions and actions	_____
Next review date	_____

Procurement Manager

Quality Manager

Plant Manager

Sample document for illustration only. Company names are fictional. A customised checklist for your plant, products, country and language is available at allbizdoc.com.