



Supplier Performance

Every delivery is important to NOV and **Rig Technologies'** suppliers are carefully selected to support us in meeting and exceeding our Customers' expectations.

To ensure we continue to do business with the best suppliers available, NOV will regularly **measure performance** of every order as follows:

- ❖ Supplier **On Time Delivery** %
 - Count of receipts 'On Time' / Total count of receipts
 - On Time Count: When date difference of Metric date and Receipt Date is on time or no more than 28 days early.
 - Metric Date is the date that the supplier committed to deliver the order

- ❖ Supplier **Quality** %
 - Quantity Rejected / Quantity Received
 - If quantity rejected in a month is greater than quantity received, non-conforming rate is 100%

- ❖ All suppliers are rated according to the below scale

Rating	Quality	Delivery
★★★★★	99.5% or Greater	97.0% or Greater
★★★★☆	99.0% - 99.4%	92.0% - 96.9%
★★★☆☆	98.0% - 98.9%	87.0% - 91.9%
★★☆☆☆	95.0% - 97.9%	82.0% - 86.9%
★☆☆☆☆	94.9% and Below	81.9% and Below