

High Level Supplier Performance Expectations

Introduction

Keysight Technologies, Inc. seeks to establish excellent, long-term working relationships with suppliers through mutual performance expectations and measures, performance feedback, and performance improvement plans to ensure continuous progress. Keysight uses TQRDCE supplier expectations and performance feedback, where T, Q, R, D, C and E represent Technology, Quality, Responsiveness, Delivery, Cost, and Environmental and Social Responsibilities.

Keysight Technologies is a global company with an extended supply chain that includes outsourced partners. Supplier performance expectations are applicable to supplier relationships throughout the worldwide supply chain.

The success of this program is shared with our suppliers who specifically contribute to our commitment to excellence. Successful supplier performance in the areas of TQRDCE offers rewards of repeat business, increased sales and profitable growth.

T: Technology

Keysight Technologies delivers best in class products and new technologies to our customers in breakthrough time. We expect our suppliers to be on-going technological leaders with technology being a core competency in their respective fields of design and manufacturing. Suppliers are expected to support Keysight with materials throughout the lifecycle of Keysight Technologies' products. Support for Keysight product changes is expected through participation in collaborative engineering to enable timely introductions; to support continuous technology, quality and cost improvements; and to support worldwide product regulation requirements.

Q: Quality

Keysight Technologies' [Quality Policy](#) is to earn customer loyalty by providing products and services of the highest quality and greatest value. To achieve this commitment to our customers, Keysight expects that all materials are fit for use, and defect-free for electrical, mechanical and cosmetic reasons. Keysight expects notification from suppliers for all discontinuances, obsolescence and material or process changes that affect form, fit or function, and with sufficient notice to allow Keysight to make a thorough evaluation. Quality and reliability are expected to be achieved through superior design, process control and continuous process improvements, in accordance with Keysight Technologies' [Supplier Quality System Requirements](#).

R: Responsiveness

Keysight Technologies has a broad and technologically complex product portfolio, resulting in an ultra-high mix procurement portfolio with frequent changes in design and demand. We achieve growth through well-implemented new product introductions. Our success is contingent upon delivering new products in breakthrough time and ahead of our competition, while also exceeding customer expectations for all product deliveries. Keysight is dependent upon rapid turn-around time of prototypes from suppliers to support new product introductions. Suppliers are expected to be responsive and flexible when reacting to swings in demand, and design and manufacturing changes. Suppliers must provide excellent and timely communication, service and issue resolution.

D: Delivery

Keysight Technologies is focused on shortening the overall product delivery cycle time from customer order to product delivery. Keysight expects supplier deliveries to be 100% on-time, and in alignment with the requirements of the delivery model (PO, SMI, SOI, DTL & JIT) as used by the associated Keysight businesses. Lead times must be short by industry standards, reliable and decreasing over time.

C: Cost

Keysight Technologies is focused on achieving Total Cost Leadership. We expect to drive continuous improvement in cost reductions. Our suppliers are accountable for offering effective low cost alternatives aimed at providing both supply chain flexibility and best value on a total cost basis.

E: Environmental and Social Responsibility

Keysight Technologies recognizes our obligation to be an economic, intellectual and social asset for each nation and community in which we do business. Keysight must conduct its operations in a manner that respects basic international principles relating to labor standards, and protects the environmental quality of these countries and communities. Our suppliers are an integral part of this effort, thus suppliers of Keysight are expected to adhere to environmental and social responsibility principles that are similar to those valued at Keysight and outlined in the Keysight Technologies' [Supplier Code of Conduct](#).