

## Procurement Policy

It is Agilent's intention to purchase industry standard materials and services at worldwide competitive prices from qualified suppliers. The share of business a supplier could receive for any one particular component/service group will be determined by an evaluation. This evaluation will yield the best supplier meeting Agilent's needs in the following areas:

- Price leadership
- Lead times
- Quality
- Reliability
- Delivery
- Long-term technical direction
- Environmental protection
- Flexibility in meeting our changing needs (both present and future)
- Long-term relationships

This evaluation is referred to as TQRDC-E, which stands for Technology, Quality, Responsiveness, Delivery, Cost, and Environment. Agilent plan to nurture relationships with each supplier, so that these relationships will be rewarding for all parties. At the same time, we require supplier to run their businesses in efficient, cost-effective fashion that will allow them to be competitive in the worldwide market.

Agilent's practice is to procure any services or operational materials by asking qualified suppliers to submit competitive quotations. Agilent then awards an increasing share of business to those suppliers offering the greatest continuing value to Agilent relative to the factors discussed above.

Those suppliers that continue to serve Agilent throughout the years as recommended suppliers and are industry leaders in technology, quality, responsiveness, delivery, cost and environment will have the opportunity for an open dialogue with Agilent in all business areas including: terms, conditions, and prices. This allows cost dialogues to occur, when appropriate and fosters long-term relationships.