

To supplier

Description of measurement of OTIF at Piab

At Piab we measure your delivery performance as described below. We measure OTIF = On Time In Full.

Articles are set up in our ERP with the agreed lead time as Supplier lead time. Transportation time is separately set up dependent on Inco Term.

Purchase order from Piab is placed with Request date according to the agreed lead time. If supplier confirms with a Purchase Order Confirmation with the same date the order will be flagged as OnTime.

Purchase order from Piab can be placed with a Request date shorter than agreed lead time. If supplier sends a Purchase Order Confirmation confirming the Request date the order will be flagged as OnTime.

If supplier sends a Purchase Order Confirmation with a later date but within agreed lead time the order will be flagged as OnTime.

If Purchase Order Confirmation confirms a later date than agreed lead time the order will be flagged as Late.

If then the shipment happens later than the Purchase Order Confirmation date, the order will be flagged as Late.

If shipment is complete, i.e. 100% of the quantity is delivered the order will be flagged In Full.

If the shipment is not complete, i.e. not 100% of the quantity is delivered on the date as specified on the Purchase Order Confirmation the order is flagged as Not Full.

Example – On Time (FCA)

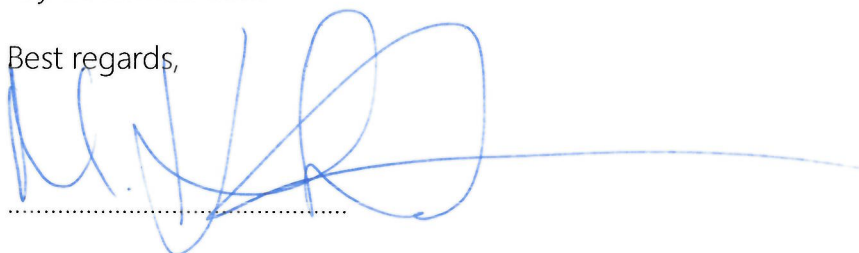
Requested	Contracted	Confirmed	Delivery	On Time
10 days	10 days	10 days	10 days	Yes
10 days	10 days	15 days	15 days	No
5 days	10 days	5 days	5 days	Yes
5 days	10 days	10 days	10 days	Yes
5 days	10 days	5 days	10 days	No

Example – In Full

Requested	Confirmed*	Delivery*	In Full
100 units	100 units	100 units	Yes
100 units	100 units	90 units	No

*By confirmed date

Best regards,



Maria Kingstad

Head of Sourcing, Piab AB