

Vendor Guidelines

Patterson-UTI's Vendor Guidelines set forth our expectations of our vendors, suppliers and their subcontractors. These guidelines are intended to complement our [Code of Business Conduct and Ethics](#) and our other policies.

We are committed to compliance with all applicable employment, labor, and human rights laws of the countries in which we operate, and we expect the same of our vendors and their subcontractors. Any vendor providing products or services to Patterson-UTI is expected to act in accordance with these Vendor Guidelines, and to communicate and implement these guidelines throughout their own organizations.

Compliance with Guidelines

Patterson-UTI's Code of Business Conduct and Ethics outlines the standards and principles that all employees, officers and directors must follow when working with co-workers, vendors, customers or other third parties. Likewise, these Vendor Guidelines outline the standards and principles of conduct that we expect of our vendors and any of their subcontractors. We expect our vendors to also maintain their own codes of conduct addressing business ethics, conduct and practices and communicate those expectations to their own suppliers and subcontractors.

We reserve the right to carry out annual audits of our vendors, evaluating their performance in human rights, health and safety, environmental management, ethics and other areas as set forth in these guidelines.

Ethics

Patterson-UTI's [Global Anticorruption Policy](#) prohibits bribery, including offering, giving, receiving, or agreeing to a request for or offer of a bribe. This prohibition applies whether the bribe or offer of a bribe is being made by or to a Patterson-UTI employee or someone outside the company on behalf of the employee or Patterson-UTI.

It is our policy to comply with all relevant anticorruption and antibribery laws and rules, including, but not limited to, the US Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act and any laws enacted pursuant to the OECD Anti-bribery Convention. Violation of our policy subjects personnel to disciplinary action, up to and including termination.

We expect our vendors to take the same approach. Vendors shall not directly or indirectly offer, give, receive, or agree to a request for or offer of anything of value on behalf of Patterson-UTI or a Patterson-UTI employee, or to a Patterson-UTI employee, in order to gain an improper advantage. Business partners are an extension of Patterson-UTI and can have an impact on our good name. For this reason, they are expected to act consistently with our policies.

Supplier Relations

Our suppliers are essential to our ability to conduct business and meet our high standards and expectations - that is why we choose them carefully and use an objective and impartial selection process. Our Code of Business Conduct and Ethics requires our employees to:

- Avoid all conflicts of interest and favoritism in supplier relations.
- Help suppliers understand our expectations and act in a way that is consistent with our standards and applicable policies.
- Report any suspicions that a supplier may not be meeting our standards or their obligations.

With limited exceptions, employees may not accept or solicit gifts, services, discounts, or other things of value from a vendor or supplier that is doing business with or seeking to do business with Patterson-UTI.

Procedures for Reporting Concerns

Our suppliers are expected to promptly report any concern so that it can be properly investigated. We provide several avenues through which suppliers and other third-parties may report concerns involving Patterson-UTI or one of its employees. These methods include reporting the concern by using our anonymous SHARP Hotline available by phone or internet (managed by a third-party).

Information pertaining to the anonymous SHARP Hotline is also available on our [website](#). Every complaint is treated with appropriate concern so that we may take suitable and measured remedial action as needed. Additionally, in accordance with applicable law, we do not take any action against anyone who raises a concern in good faith.

Human Rights

At Patterson-UTI, we believe in the dignity of every individual and that everyone's basic human rights are deserving of respect, as detailed within our Human Rights Policy. We expect our suppliers and vendors to maintain similar policies that apply to their own employees and suppliers.

Diversity, Inclusion and Respect

We are committed to workplace diversity and fostering a culture of inclusion and respect. Our company policies set forth clear standards of behavior, including our prohibition of discrimination, harassment and retaliation, as well as the establishment of a minimum age employment requirement. We do not tolerate harassment or discrimination based on age, race, sex, color, religion, national origin, disability, marital status, covered veteran status, genetic information, gender identity, sexual orientation, or any other characteristic protected under applicable law. We expect the same values of diversity, inclusion and respect to be upheld by our vendors and their subcontractors.

Compensation and Work Hours

We expect our suppliers to offer adequate working conditions and fair compensation relative to the industry and local labor markets and design their compensation programs to be in compliance with applicable wage, work hours, overtime and benefits laws.

Child Labor, Forced Labor and Human Trafficking

Our commitment to human rights includes supporting the elimination of all forms of modern slavery, forced or compulsory labor, child labor, and human trafficking. No supplier shall use any form of modern slavery, forced or compulsory labor, child labor, and human trafficking.

Human Rights Compliance

We provide access to, and expect our vendors to comply with, our policies and guidelines. Our Human Rights Policy, Code of Business Conduct and Ethics, Conflict Minerals Policy and other policies are available on our corporate website at: <https://patenergy.com/>.

Our vendors are expected to (and shall ensure that each of their subcontractors shall) comply with all applicable human rights laws, statutes, regulations and codes, including some of the principles set forth in the United Nations Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work.

We expect vendors to implement due diligence procedures for their own suppliers, subcontractors and other participants in their supply chains, to ensure that there are no human rights violations, including but not limited to modern slavery, forced or compulsory labor, child labor, and human trafficking in their supply chains. Vendors shall notify us as soon as they become aware of any human rights breach, or potential breach, in their organizations or supply chain.

Workforce Health and Safety

The safety and well-being of our employees and the protection of our environment is a cornerstone, and we are committed to providing a safe, incident-free work environment for all. We expect our vendors and their subcontractors to have health and safety programs and policies in place to promote a safe, incident-free work environment for all, to be environmentally responsible, and to avoid adverse impacts of operations on the environment.

Environmental Protection and Compliance

Vendors are encouraged to conserve natural resources by reducing their use and recycling when possible. In addition, vendors shall avoid use of hazardous materials where practicable. Vendors shall have environmental management programs and policies in place to comply with all applicable environmental laws, rules and regulations.

Our vendors and their subcontractors are expected to have systems in place to ensure that any waste, especially hazardous waste, is managed in a responsible manner.

Emergency Preparedness and Response

Vendors shall have appropriate policies and procedures in place to identify, prevent and mitigate risks of any events that could pose a threat to safety and/or to the environment. These policies and procedures should include emergency plans and response procedures.

Local Content

We prioritize procurement of services and materials from local suppliers in our areas of operations where practicable. Procurement from local suppliers helps to support local communities and economic development in the communities where we operate. We encourage our vendors, in turn, to prioritize local procurement.

Vendor Compliance and Due Diligence

In order to comply with these guidelines, vendors are expected to adopt systems, policies and procedures to:

- Identify and comply with all applicable laws and regulations in the countries where they operate.
- Assess and manage risks in all areas addressed in these guidelines.
- Maintain documentation to show compliance with these guidelines and relevant laws and regulations.
- Communicate the expectations of these guidelines and provide effective training to workers.
- Ensure continual improvement in processes.
- Allocate appropriate resources to ensure compliance with these guidelines.