

Subject: Conflict Minerals supply chain investigation

Philips Group Procurement

Date: June 30, 2019

Dear Supplier,

The intent of this letter is to inform you about Philips' requirements for suppliers related to **responsible sourcing of minerals**, as stipulated in [Philips Supplier Sustainability Declaration](#).

**We ask you to undertake the following immediate action:**

- Within 3 days, please confirm that you have received this letter as well as that you are the person responsible for the conflict minerals topic in your company. If not, please provide contact details of the correct person.
- In case products/components supplied to Philips do not contain any 3TG metals, please confirm this to us.

**Next steps after you determined that your products contain tin, tungsten, tantalum, and/or gold (3TG metals):**

- If you have not done so yet, please adopt a policy to reasonably assure that the *3TG metals* in your products do not directly or indirectly finance or benefit armed groups in the DRC or an adjoining country.
- Identify all smelters in your supply chain that supply the *3TG metals*. If you do not source directly from smelters, please pass on this request to your suppliers (and they may have to pass it on to their suppliers).
- Cascade the request to only source from conflict free smelters (RMAP or equivalent) to your suppliers and ask them to do the same with their next tier partners. In addition, we rely on your support to request non-audited smelters to be audited.
- Download, complete, and send us the [Conflict Minerals Reporting Template \(CMRT\)](#).

**Philips position on Responsible Sourcing of Minerals**

Responsible sourcing of minerals is an important part of Philips supplier sustainability commitment. It is our intention to do our utmost to ensure that the products and components in our supply chain do not contain metals, which have contributed to the conflict in the Democratic Republic of Congo (DRC). We support responsible sourcing from the region via validated smelters/refiners as can be read in our Position Paper. [Philips expects its suppliers to adopt a similar policy](#).

We require our suppliers to perform supply chain due diligence, identify smelters, and provide this information to us upon request regardless of whether suppliers are subject to the SEC requirements. Additionally, we expect you to review the due diligence information received from your suppliers against your company's expectations and take corrective actions if needed.

Philips expects suppliers to steer their supply chain towards using only smelters validated via RMAP (or equivalent). A list of conflict-free validated smelters is available on the [RMI](#) website. We request all suppliers using smelters that are not yet verified as conflict-free to address these smelters with a request to participate in the RMI smelter audit program (or equivalent) or otherwise switch to an already audited smelter.

**Training and support**

Philips offers training on this topic. Support to you and your suppliers is available via our Conflict Minerals Support Center:

Email: [conflict\\_free\\_minerals@philips.com](mailto:conflict_free_minerals@philips.com)

Phone: +48 66 55 58 136

We count on your full cooperation in this important matter.

Sincerely,

Tom Scholte  
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