



FUNAI

FUNAI (THAILAND) CO.,LTD.

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Subject: Conflict Minerals supply chain investigation

Date: February 2018

Dear Supplier,

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

We ask you to undertake the following immediate action:

- Within a week please confirm that you have received this letter as well as that you are the person responsible for conflict minerals topic in your company. If not, please provide contact details of the correct person.
- In case products/components supplied to Funai 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 haven't 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 don't 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 (CFSP or equivalent) to your suppliers and ask them to do the same with their next tier partners. Funai will ask you to present evidence of this action.
- Download, complete and send us the [Conflict Minerals Reporting Template \(CMRT\)](#) www.responsiblemineralsinitiative.org

Funai position on Responsible Sourcing of Minerals

Responsible sourcing of minerals is an important part of Funai 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 smelter/refiners. Funai expects from its suppliers 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.

Funai expects suppliers to steer their supply chain towards using only smelters validated via CFSP (or equivalent). A list of conflict-free validated smelters is available on the [CFSI](#) 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 CFSI smelter audit program (or equivalent) or otherwise switch to an already audited smelter.

We count on your full cooperation in this important matter. Sincerely,

Mr.Shogo Shimizu
Managing Director
Funai(Thailand)Co.,Ltd.