



**Signify**  
**Formerly, Philips Lighting**

March 13, 2020

200 Franklin Square Drive  
Somerset, NJ 08873

Dear Valued Customer:

As you are aware, the coronavirus (COVID-19) has spread to many countries around the world and the World Health Organization (WHO) has declared the virus a global health emergency. Our immediate thoughts are with those who are immediately impacted while we are taking all precautions to safeguard the health, safety and wellbeing of our employees, customers and business partners. As per March 2, none of our employees have been reported infected by the virus.

Given the ongoing situation, the full impact remains unclear. In case the delivery of products gets impacted, leading to suspension or delay, our Sales teams will contact you. The virus outbreak, and the corresponding closures, slowdown and travel bans are beyond our control. We therefore have no option but to treat it as a force majeure event.

The effects of COVID-19 (coronavirus) on our supply chain are increasingly intensifying and in addition to restrictions in the supply situation, are leading to considerable additional costs in our logistics chain.

As a result of this situation, we are experiencing higher than normal charges for delivery, making it necessary for us to charge a temporary increase of 3% on all LED electronics (including Emergency products), and Lamp electronics (Magnetic and Electronic ballasts).

This increase will be applied to all new orders placed from April 1st, 2020 onwards or for future-dated shipments on orders placed in the month of March. Any existing open project quotes or special price agreements will also be subject to the new price schedule. Updated price schedules will be available in electronic format on or before March 20, 2020.

We continue to monitor and assess the situation in real time, but unfortunately, we do not yet know how long this temporary increase will remain. We will continue to update you as events unfold and the situation changes.

Please note that special quantities above the forecast given by you as well as special requests regarding delivery dates have to be evaluated separately.

We ask for your understanding for these temporary measures and hope for an easing of the delivery situation and costs soon, in the benefit of all of us.

Thank you for your understanding.

Best regards,

A handwritten signature in black ink, appearing to read 'Damian Gardley'.

Damian Gardley  
Head of Sales OEM