



June 3, 2019

Subject: Rare Earth Elements Use at ON Semiconductor

To our Valued Customer:

ON Semiconductor is aware of the potential supply shortage of rare earth elements and their use in the production of electronic products. We understand that our customers are concerned about their exposure to the use of these elements and possible disruptions in their supply chain.

These 17 elements are not especially common, are known to exist in a limited number of geographic areas and are difficult to mine in profitable quantities. Below is a reference to the group of elements noted as rare earth:

Cerium	Dysprosium	Erbium	Europium	Gadolinium	Holmium
Lanthanum	Lutetium	Neodymium	Praseodymium	Promethium	Samarium
Scandium	Terbium	Thulium	Ytterbium	Yttrium	

ON Semiconductor does not deliberately add any rare earth elements to any of our products. There may be some trace of rare earths in certain ceramic packaging and wafer fab operations, but we do not manufacture any of the actual ceramics nor are they added intentionally.

We are concerned and aware that the use of rare earth elements in the supply chain will impact our customers and the environment through cost, shortage of materials and negative environmental impacts.

ON Semiconductor expects our suppliers to analyze their supply chain. This due diligence may include, but is not limited to, audits, confirmation, research and review sessions. Based on our knowledge as of this moment, these rare earth elements are not being used by our suppliers.

As a member of the Responsible Business Alliance (RBA) formerly Electronic Industry Citizenship Coalition, we support business initiatives such as Global e-sustainability Initiative (GeSI) and the RBA which are trying to create better conditions for controlling work standards and raw materials production.

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