Suppliers to Philips Ultrasound, LLC

Date: April 15th, 2025

Re: Philips Ultrasound Manufacturing Operations Transition and related SAP System Change for which your company's collaboration is essential

Dear Supplier,

This letter is to inform you that, in line with Philips' desire to bring innovation closer to our largest customer base and strengthen our future competitive position, the Ultrasound business has taken the strategic decision to transition manufacturing operations activities currently based in Bothell, WA. to the Ultrasound site located in Reedsville, PA. This transition is planned to occur in stages over the next 2 years, with some products completing the transfer earlier than others.

The manufacturing facility in Bothell is using a different SAP system from the system used in Reedsville, PA, so during this transition, you will now be receiving purchase orders from two Philips Ultrasound company codes.

The existing open purchase orders you have with the Philips Ultrasound Bothell site will not be impacted with this change, unless you are contacted by the Ultrasound Buyer. The Buyer will notify you if any existing purchase orders require a change. If you have questions, please reach out to your Philips Operational Buyer.

New purchase orders placed out of the Ultrasound Reedsville site will have a number of changes. This letter is to inform you of how these changes affects your organization.

1. **New Supplier Numbers and New PO Layout**

   Please find attached in examples of the new PO layout for the Standard (addendum A), Repair (addendum B) and Return (addendum C) PO output, including the new company code and "invoice to" number assigned to the Reedsville site in the new system. Please note again this change is only for the Ultrasound Reedsville, PA site purchase orders and there is no change for the purchase orders that are existing from the Bothell site or you may continue to receive from the Ultrasound, Bothell site.

2. **Changes to E-mail and Physical Mail Addresses for Invoices against the Reedsville, PA Purchase Orders: (again, ONLY for Purchase Orders issued from Reedsville, PA)**

   • **If Physically Mailing the Invoice:** (always include both the PO box and street address)

   Invoice to: 168135

   Philips North America

   PO Box 1299, 4602 21st Street

   Long Island City, New York 11101

   United States

   • **If E-Mailing (Philips preferred):**

   Invoice.NAM@philips.com

   Reference Philips FunLoc 168135

Please note: The Invoice ID for Philips Ultrasound Reedsville is changing to 168135 for only the purchase orders from Reedsville, PA site. There is no change on purchase orders you receive from the Bothell Ultrasound sites.

Attached in Addendum D is instructions for what to include on invoice submissions to facilitate the processing at Philips with no delays.

3. **Unit of Measure Changes**

   There will be some unit of measure changes when we go to the new system.

   Example: EA (each) will now be PC (piece) on purchase orders, etc.

4. **Quantity and Date Format** For all European suppliers, the PO's will be output using European number and date format.

5. **Nocturne**

   If you are on our inventory managed inventory program, forecasts may show erratic behavior during the transition period. If in doubt, contact your Operational Buyer. The contact data for the Buyer can also be found on the purchase order for the respective part.

What should you do now?

• Make sure you have set up or modified customer numbers for the Reedsville site in preparation for the change in invoice address.

• Watch for communication from the Philips Ultrasound Operation Buyers on potential purchase order changes that may be required.

• Inform us immediately, should you foresee any difficulties with the above-mentioned changes. Should you have any questions concerning this topic, please do not hesitate to contact your Philips Operational Buyer or me.

Thank you in advance for your cooperation in supporting Philips Ultrasound with this first stage in our Manufacturing Site and related SAP ERP transition.

Best regards,

Ben Stover
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