November 7, 2018

Dolby Laboratories is committed to the highest standards of social, ethical, and environmental conduct. We expect the companies we do business with to share our commitment. Well-managed businesses have strong social and environmental programs and healthy supplier relationships. We believe that Dolby and our suppliers are at our best when we each act ethically in support of long-term, mutually beneficial objectives.

Dolby's commitment to these high standards includes avoiding the use of conflict minerals that finance or benefit armed groups. In certain countries, the extraction of conflict minerals has financed armed groups engaged in civil war, resulting in serious social and environmental abuses. In July 2010, the US Congress passed legislation requiring the US Securities and Exchange Commission (SEC) to adopt rules mandating US publicly traded companies to disclose their use of conflict minerals. The SEC defines "conflict minerals" as cassiterite, columbite-tantalite, gold, wolframite, or their derivatives (specifically, tin, tantalum, and tungsten), or any other minerals or their derivatives determined by the US Secretary of State to be financing conflict in the Democratic Republic of the Congo (DRC) or adjoining countries (covered countries).

Dolby does not directly purchase or source the raw metals used in our products. For this reason, tracing the path of minerals throughout our supply chain is a complex process. We also do not have complete visibility into the sources of all component minerals. However, we actively engage with our suppliers to promote responsible sourcing practices, and we conduct due diligence that is aligned with the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas to determine whether the materials provided by our suppliers contain conflict minerals mined from the covered countries.

By "responsible sourcing practices," we mean that Dolby suppliers should conduct their own due diligence to determine (1) whether the products they supply to Dolby contain these minerals, (2) whether these minerals are sourced from the covered countries, and (3) whether their sources of these minerals finance or benefit armed groups in the covered countries. Dolby suppliers should avoid sources that benefit armed groups and should seek conflict-free sources for these materials. Our suppliers may take the following actions to establish their compliance with the SEC rule:

- Publish a corporate policy that addresses compliance with conflict mineral regulations, such as by placing a link on the supplier's public website
- Work with suppliers within their own supply chain to determine the source or country of origin for the specified minerals
- Provide Dolby the necessary declarations and information needed to demonstrate their own due diligence
• Procure materials from socially responsible suppliers

Dolby’s suppliers are expected to use conflict-free sources on conflict minerals. Dolby’s suppliers are also expected to provide a Conflict Minerals Reporting Template (CMRT) annually. Dolby’s Procurement Director will review our relationship with suppliers who fail to meet these conditions to determine whether Dolby will continue to purchase materials from these suppliers.

Dolby supports the work of the Responsible Minerals Initiative (RMI) whose mission is to “provide companies with tools and resources to make sourcing decisions that improve regulatory compliance and support responsible sourcing from conflict-affected and high-risk areas”. We also seek to promote responsible social and environmental practices in the mining of metals used in electronic products. We believe it is our responsibility to raise awareness on the issue of minerals that fund armed conflict and to encourage accountability within our own supply chain.

Dolby’s most recent Conflict Minerals SEC filing is available here.