## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

## FORM SD

## **Specialized Disclosure Report**

# UNIVERSAL ELECTRONICS INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

0-21044

(Commission File No.)

33-0204817 (I.R.S. Employer Identification No.)

201 E. Sandpointe Avenue, 8<sup>th</sup> Floor Santa Ana, California 92707 (Address of principal executive offices) (Zip Code)

Richard A. Firehammer, Jr. Senior Vice President, General Counsel and Secretary (714) 918-9500

(Name and telephone number, including area code, of person to contact in connection with this report)

Check the appropriate box to indicate the rule pursuant to which this form is being filed, and provide the period to which the information in this form applies:

T Rule 13p-1 under the Securities Exchange Act (17 CFR 240.13p-1) for the reporting period from January 1 to December 31, 2016.

#### Item 1.01 Conflict Minerals Disclosure and Report

#### **Conflict Minerals Disclosure**

Universal Electronics Inc. (the "*Company*," "*we*," "*us*" or "*our*") is filing this Form SD pursuant to Rule 13p-1 under the Securities Exchange Act of 1934 for the reporting period January 1, 2016 to December 31, 2016 (the "*Reporting Period*").

Rule 13p-1, through Form SD, requires the disclosure of certain information if a company manufactures or contracts to manufacture products for which certain "conflict minerals" (as defined below) are necessary to the functionality or production of such products. Form SD defines "conflict minerals" as: (i)(a) columbite-tantalite (coltan), (b) cassiterite, (c) gold and (d) wolframite, or their derivatives, which are currently limited to tantalum, tin and tungsten; or (ii) any other mineral or its derivatives determined by the U.S. Secretary of State to be financing conflict in the Democratic Republic of the Congo or an adjoining country (collectively, the "*Covered Countries*"). Our operations, including the operations of our consolidated subsidiaries, may at times manufacture, or contract to manufacture, products for which conflict minerals are necessary to the functionality or production of those products (collectively, our "products"). As required by Form SD, we have conducted a good faith reasonable country of origin inquiry ("*RCOI*") regarding the conflict minerals included in our products during the Reporting Period, which we refer to as the "*Subject Minerals*," to determine whether any of the Subject Minerals originated in the Covered Countries and/or whether any of the Subject Minerals may be from recycled or scrap sources. Where applicable, we have conducted additional due diligence regarding the sources of such Subject Minerals, are contained in our Conflict Minerals, a copy of which is filed as Exhibit 1.01 to this Form SD, and is publicly available with this Form SD at <u>www.uei.com/about/investor-relations</u> under "SEC Filings". The content on any website referred to in this Form SD is not incorporated by reference into this Form SD unless expressly noted.

#### Item 1.02 Exhibit

As specified in Section 2 of Form SD, we are hereby filing our Conflict Minerals Report as Exhibit 1.01 to this Form SD.

#### Section 2. Exhibits

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#### Item 2.01 Exhibits

The following exhibit is filed as part of this Form SD.

 Exhibit No.
 Description

 1.01
 Conflict Minerals Report of Universal Electronics Inc.

#### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the duly authorized undersigned.

### UNIVERSAL ELECTRONICS INC.

By: /s/ Bryan Hackworth

Dated: May 26, 2017

Bryan Hackworth Senior Vice President and Chief Financial Officer

## EXHIBIT INDEX

| Exhibit No. | Description  |
|-------------|--|
| 1.01        | Conflict Minerals Report of Universal Electronics Inc. |



## Universal Electronics Inc. Conflict Minerals Report For the reporting period from January 1, 2016 to December 31, 2016

This Conflict Minerals Report (this "*Report*") of Universal Electronics Inc. (the "*Company*," "*we*," "*us*" or "*our*") has been prepared pursuant to Rule 13p-1 and Form SD promulgated under the Securities Exchange Act of 1934 for the reporting period January 1, 2016 to December 31, 2016 (the "*Reporting Period*").

Rule 13p-1, through Form SD, requires the disclosure of certain information if a company manufactures or contracts to manufacture products for which certain "conflict minerals" (as defined below) are necessary to the functionality or production of such products. Form SD defines "conflict minerals" as: (i)(a) columbite-tantalite (coltan), (b) cassiterite, (c) gold and (d) wolframite, or their derivatives, which are currently limited to tantalum, tin and tungsten; or (ii) any other mineral or its derivatives determined by the U.S. Secretary of State to be financing conflict in the Democratic Republic of the Congo or an adjoining country (collectively, the "Covered Countries"). Our operations, including the operations of our consolidated subsidiaries, may at times manufacture, or contract to manufacture, products such as universal remote controls, sensors, integrated circuits and audio-video accessories (collectively, our "products") for which conflict minerals are necessary to the functionality or production of those products. As required by Form SD, we have conducted a good faith reasonable country of origin inquiry ("RCOP") regarding the conflict minerals included in our products during the Reporting Period, which we refer to as the "Subject Minerals," to determine whether any of the Subject Minerals originated in the Covered Countries and/or whether any of the Subject Minerals. The results of our RCOI regarding the Subject Minerals, as well as our additional due diligence regarding the sources of such Subject Minerals, are contained in this Report, which is publicly available with the related Form SD at <u>www.uei.com/about/investor-relations</u> under "SEC Filings". The content on any website referred to in this Report is not incorporated by reference into this Report unless expressly noted.

#### 1. The Company's RCOI

The Company has conducted a good faith RCOI regarding the Subject Minerals. This good faith RCOI was reasonably designed to determine whether any of the Subject Minerals originated in the Covered Countries and whether any of the Subject Minerals may be from recycled or scrap sources, in accordance with Form SD and related guidance provided by the Securities and Exchange Commission ("SEC"). The Company also exercised due diligence on the source and chain of custody of the Subject Minerals. The Company's due diligence measures have been designed to conform to the framework in the Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition, including the related supplements on gold, tin, tantalum and tungsten (the "OECD Guidelines").

The Company's global supply chain is complex. Because the Company does not purchase conflict minerals directly from mines, smelters or refiners, there are many third parties in the supply chain between the Company and the original sources of conflict minerals. As a result, the Company relies on its direct suppliers to provide information regarding the origin of any conflict minerals that are included in its products. In accordance with the OECD Guidelines and related guidance provided by the SEC, the Company works with its direct suppliers to identify, where possible, the smelters and refiners of the Subject Minerals.

In preparation for conducting our RCOI, we analyzed our entire supplier base to identify suppliers that we believed could potentially provide components or materials containing Subject Minerals that were incorporated into products that we manufactured or contracted to manufacture. As a result of this process, we identified 181 direct suppliers (collectively, the "*Covered Suppliers*") that we believed could potentially provide materials containing Subject Minerals. We sent a request to each of the Covered Suppliers to provide information regarding the presence and sourcing of conflict minerals used in the products supplied to the Company during the Reporting Period. To make these requests, we utilized the Conflict-Free Sourcing Initiative ("CFSI") Conflict Minerals Reporting Template ("CMRT"). An escalation process was initiated with Covered Suppliers who continued to be non-responsive



after the above contacts were made. For the Reporting Period, we obtained representations from Covered Suppliers representing approximately 85% of the total dollar value of our purchases from Covered Suppliers during the Reporting Period.

Using a risk-based approach, we evaluated responses from the Covered Suppliers for plausibility, consistency, and gaps both in terms of which materials were stated to contain or not contain Subject Minerals, as well as the origin of those Subject Minerals. We engaged certain Covered Suppliers, holding discussions and reviewing the results of their internal due diligence efforts, to ensure that the responses to our inquiries regarding conflict minerals were thorough and understood.

#### 2. The Company's Due Diligence Process

The Company's due diligence process is based on the OECD Guidelines. Due diligence measures undertaken by the Company during the Reporting Period included the following:

#### **Establish Strong Company Management Systems**

#### **Conflict Minerals Policy**

During the Reporting Period, we continued to communicate our conflict minerals policy ("Conflict Minerals Policy") to our supply chain. Our Conflict Minerals Policy, which is publicly available at <u>www.uei.com/corporate-responsibility/conflict-minerals</u>, affirms that the Company takes its corporate responsibility seriously and that it is the Company's goal to only use conflict minerals in its products that are sourced responsibly. Furthermore, we maintained a public email address (UEIConflictMinerals@uei.com) for general inquiries and feedback regarding our conflict minerals program.

#### Internal Team to Support Supply Chain Due Diligence

The Company has established an internal team to manage conflict minerals engagement with its suppliers. The team is comprised of individuals representing the functional areas of procurement, product quality, manufacturing and compliance within each of our domestic and international business units. The Company's team of subject matter experts is responsible for reaching out to the Company's supplier base on an ongoing basis to collect information, including CMRTs, regarding the presence and sourcing of conflict minerals in products supplied to the Company.

#### Measures Taken to Strengthen Company Engagement With Suppliers

The Company continually strives to increase its supply chain transparency and identify risks within its supply chain. The Company is committed to conducting business in a socially responsible manner and is determined to partner with suppliers who are similarly committed. The Company engages in quality assessments with its suppliers on an annual basis. Through this process, the Company is able to remain engaged with its supply base from a quality and compliance perspective.

The Company also maintains its commitment to the responsible sourcing of conflict minerals through the use of specific provisions in its purchase orders. When engaging inventory suppliers who may supply us with products containing conflict minerals, we include a provision in the "terms and conditions" section of our purchase orders that requires the supplier to represent to us that all products supplied to the Company are free of conflict minerals or if the supplier is unable to make this representation that the supplier will work with the Company to be able to make this representation or obtain sourcing information to enable the Company to accurately identify the source of Subject Minerals contained in the products provided by the supplier, with the understanding that all products supplied will be free of conflict minerals. Further, suppliers are required to cooperate with the Company's periodic requests to capture information regarding the source of Subject Minerals in products provided to the Company.

#### **RCOI** Data Management

We utilize a comprehensive conflict minerals data management tool that tracks communications with direct suppliers, houses RCOI and due diligence information, automates the validation of direct supplier CMRT data received and consolidates direct supplier CMRT information for analysis and reporting. This tool has enabled us to be both more efficient and more effective in the collection of conflict minerals information from our suppliers.

#### Identify and Assess Risks in the Supply Chain

As discussed above, we are assessing our supply chain risks and are working with our suppliers in developing greater supply chain transparency. The most significant element of understanding our supply chain and making these assessments is obtaining CMRTs from our direct suppliers and analyzing these CMRT responses on both an individual and an aggregated basis.

#### Design and Implement a Strategy to Respond to Identified Risks

We are committed to maintaining high standards of corporate responsibility through our compliance with Form SD. During the Reporting Period, we worked to address any significant due diligence findings as they arose. For example, as noted above, we conducted additional due diligence for certain Covered Suppliers who provided inadequate or incomplete initial responses to the RCOI. Our risk assessment procedures will continue to evolve as circumstances warrant. See "Additional Due Diligence and Risk Mitigation" below for additional detail.

#### Carry out Independent Third-Party Audit of Supply Chain Due Diligence at Identified Points in the Supply Chain

Where possible, we have relied on third party assurances and certifications. For example, we accept as reliable any smelter that is a member of the CFSI Conflict Free Smelter program. To the extent that other audited supplier certifications are provided to us, we will consider reliance on such certifications on a case-by-case basis.

#### Report Annually on Supply Chain Due Diligence

This report and related Form SD are publicly available at <u>www.uei.com/about/investor-relations</u> under "SEC Filings" and meets the OECD recommendation to report annually on supply chain due diligence.

#### 3. Due Diligence Results

The Company manufactures products that may contain conflict minerals. Based on the information obtained pursuant to the RCOI and due diligence process described above, the Company determined that certain of the Subject Minerals were from "recycled or scrap sources" (as such term is defined in Form SD). Additionally, the Company compiled the list in Table 1 below of verified smelters that provided certain of the Subject Minerals.

Although the Company obtained information regarding the smelters used by the Covered Suppliers to process certain conflict minerals during the Reporting Period, as well as the countries of origin for such conflict minerals, in a number of cases the Covered Suppliers provided conflict mineral information at a company-wide level, rather than with respect to the specific products supplied to the Company. As a result, in these cases we were unable to conclude whether conflict minerals from smelters listed by these Covered Suppliers were actually used in the Company's products and thus have not included these smelters in the list in Table 1, nor have we included country of origin information provided by these particular Covered Suppliers in the country of origin information below Table 1. As discussed above, we are assessing our supply chain risks and are working with our suppliers in developing greater supply chain transparency.

| Metal               | Smelter Name                                      |
|---------------------|---|
| Columbite-Tantalite | Changsha South Tantalum Niobium Co., Ltd.         |
| (Coltan/Tantalum)   | Conghua Tantalum and Niobium Smeltry              |
|                     | D Block Metals, LLC                               |
|                     | Duoluoshan  |
|                     | Exotech Inc.                                      |
|                     | F&X Electro-Materials Ltd.                        |
|                     | Global Advanced Metals Aizu                       |
|                     | Global Advanced Metals Boyertown                  |
|                     | Guangdong Zhiyuan New Material Co., Ltd.          |
|                     | H.C. Starck Co., Ltd.                             |
|                     | H.C. Starck GmbH Laufenburg                       |
|                     | H.C. Starck Hermsdorf GmbH                        |
|                     | H.C. Starck Inc.                                  |
|                     | H.C. Starck Ltd.                                  |
|                     | H.C. Starck Smelting GmbH & Co. KG                |
|                     | H.C. Starck Tantalum and Niobium GmbH             |
|                     | Hengyang King Xing Lifeng New Materials Co., Ltd. |
|                     | Hi-Temp Specialty Metals, Inc.                    |
|                     | JiuJiang JinXin Nonferrous Metals Co., Ltd.       |
|                     | Jiujiang Tanbre Co., Ltd.                         |
|                     | KEMET Blue Metals                                 |
|                     | KEMET Blue Powder                                 |
|                     | King-Tan Tantalum Industry Ltd.                   |
|                     | LSM Brasil S.A.                                   |
|                     | Metallurgical Products India Pvt., Ltd.           |
|                     | Mineração Taboca S.A.                             |
|                     | Mitsui Mining and Smelting Co., Ltd.              |
|                     | Ningxia Orient Tantalum Industry Co., Ltd.        |
|                     | Plansee SE Liezen                                 |
|                     | Plansee SE Reutte                                 |
|                     | QuantumClean                                      |
|                     | RFH Tantalum Smeltry Co., Ltd.                    |
|                     | Solikamsk Magnesium Works OAO                     |
|                     | Taki Chemical Co., Ltd.                           |
|                     | Telex Metals                                      |
|                     | Ulba Metallurgical Plant JSC                      |
|                     | Yichun Jin Yang Rare Metal Co., Ltd.              |
|                     | Zhuzhou Cemented Carbide Group Co., Ltd.          |

| Metal             | Smelter Name   |
|-------------------|--|
| Cassiterite (Tin) | Alpha  |
|                   | China Tin Group Co., Ltd.  |
|                   | CNMC (Guangxi) PGMA Co., Ltd.  |
|                   | Cooperativa Metalurgica de Rondonia Ltda.  |
|                   | CV Ayi Jaya  |
|                   | CV Gita Pesona   |
|                   | CV Serumpun Sebalai<br>CV United Smelting  |
|                   | CV Venus Inti Perkasa  |
|                   | Dowa   |
|                   | Elmet S.L.U.   |
|                   | EM Vinto   |
|                   | Estanho de Rondônia S.A.   |
|                   | Fenix Metals   |
|                   | Gejiu Kai Meng Industry and Trade LLC  |
|                   | Gejiu Non-Ferrous Metal Processing Co., Ltd.   |
|                   | Gejiu Zili Mining And Metallurgy Co., Ltd.   |
|                   | HuiChang Hill Tin Industry Co., Ltd.   |
|                   | Huichang Jinshunda Tin Co., Ltd.   |
|                   | Jiangxi Ketai Advanced Material Co., Ltd.  |
|                   | Magnu's Minerais Metais e Ligas Ltda.<br>Malaysia Smelting Corporation (MSC)               |
|                   | Melt Metais e Ligas S.A.   |
|                   | Metallic Resources, Inc.   |
|                   | Metallo-Chimique N.V.  |
|                   | Mineração Taboca S.A.  |
|                   | Minsur   |
|                   | Mitsubishi Materials Corporation   |
|                   | Nankang Nanshan Tin Manufactory Co., Ltd.  |
|                   | O.M. Manufacturing (Thailand) Co., Ltd.  |
|                   | O.M. Manufacturing Philippines, Inc.   |
|                   | Operaciones Metalurgical S.A.  |
|                   | PT Aries Kencana Sejahtera   |
|                   | PT Artha Cipta Langgeng<br>PT ATD Makmur Mandiri Jaya                                      |
|                   | PT Babel Inti Perkasa  |
|                   | PT Bangka Prima Tin  |
|                   | PT Bangka Tin Industry   |
|                   | PT Belitung Industri Sejahtera   |
|                   | PT Bukit Timah   |
|                   | PT Cipta Persada Mulia   |
|                   | PT DS Jaya Abadi   |
|                   | PT Eunindo Usaha Mandiri   |
|                   | PT Inti Stania Prima   |
|                   | PT Justindo  |
|                   | PT Karimun Mining  |
|                   | PT Menara Cipta Mulia<br>PT Mitra Stania Prima   |
|                   | PT Panca Mega Persada  |
|                   | PT Prima Timah Utama   |
|                   | PT Refined Bangka Tin  |
|                   | PT Sariwiguna Binasentosa  |
|                   | PT Stanindo Inti Perkasa   |
|                   | PT Sumber Jaya Indah   |
|                   | PT Timah (Persero) Tbk Kundur  |
|                   | PT Timah (Persero) Tbk Mentok  |
|                   | PT Tinindo Inter Nusa  |
|                   | PT Wahana Perkit Jaya  |
|                   | Resind Indústria e Comércio Ltda.  |
|                   | Rui Da Hung  |
|                   | Soft Metais Ltda.  |
|                   | Thaisarco  |
|                   | VQB Mineral and Trading Group JSC  |
|                   | White Solder Metalurgia e Mineração Ltda.<br>Yunnan Chengfeng Non-ferrous Metals Co., Ltd. |
|                   | Yunnan Tin Company Limited   |
|                   | Fundari Tiri Company Emiricu   |

| Metal | Smelter Name  |
|-------|---|
| Gold  | Aida Chemical Industries Co., Ltd.  |
|       | Al Etihad Gold Refinery DMCC  |
|       | Allgemeine Gold-und Silberscheideanstalt A.G.                                   |
|       | Almalyk Mining and Metallurgical Complex (AMMC)                                 |
|       | AngloGold Ashanti Córrego do Sítio Mineração                                    |
|       | Argor-Heraeus S.A.  |
|       | Asahi Pretec Corp.<br>Asahi Refining Canada Ltd.                                |
|       | Asahi Refining USA Inc.   |
|       | Asaka Riken Co., Ltd.   |
|       | Atasay Kuyumculuk Sanayi Ve Ticaret A.S.  |
|       | Aurubis AG  |
|       | Bangko Sentral ng Pilipinas (Central Bank of the Philippines)                   |
|       | Boliden AB  |
|       | C. Hafner GmbH + Co. KG   |
|       | Caridad   |
|       | CCR Refinery - Glencore Canada Corporation                                      |
|       | Chimet S.p.A.   |
|       | Chugai Mining   |
|       | Daejin Indus Co., Ltd.  |
|       | Daye Non-Ferrous Metals Mining Ltd.<br>DODUCO GmbH                              |
|       | DODUCU GmbH<br>Dowa   |
|       | Do Sung Corporation   |
|       | Eco-System Recycling Co., Ltd.  |
|       | Elemetal Refining, LLC  |
|       | Gansu Seemine Material Hi-Tech Co., Ltd.  |
|       | Great Wall Precious Metals Co., Ltd. of CBPM                                    |
|       | Guangdong Jinding Gold Limited  |
|       | Heimerle + Meule GmbH   |
|       | Heraeus Metals Hong Kong Ltd.   |
|       | Heraeus Precious Metals GmbH & Co. KG   |
|       | Hunan Chenzhou Mining Co., Ltd.   |
|       | Ishifuku Metal Industry Co., Ltd.   |
|       | Istanbul Gold Refinery  |
|       | Japan Mint  |
|       | Jiangxi Copper Co., Ltd.<br>JSC Ekaterinburg Non-Ferrous Metal Processing Plant |
|       | JSC Uralelectromed  |
|       | JX Nippon Mining & Metals Co., Ltd.   |
|       | Kazzinc   |
|       | Kennecott Utah Copper LLC   |
|       | Kojima Chemicals Co. Ltd.   |
|       | Kyrgyzaltyn JSC   |
|       | Lingbao Jinyuan Tonghui Refinery Co., Ltd.                                      |
|       | LS-NIKKO Copper Inc.  |
|       | Luoyang Zijin Yinhui Gold Refinery Co., Ltd.                                    |
|       | Materion  |
|       | Matsuda Sangyo Co., Ltd.  |
|       | Metalor Technologies (Hong Kong) Ltd.   |
|       | Metalor Technologies (Singapore) Pte., Ltd.                                     |
|       | Metalor Technologies (Suzhou) Ltd.  |
|       | Metalor Technologies S.A.<br>Metalor USA Refining Corporation                   |
|       | Metalúrgica Met-Mex Peñoles S.A. De C.V.  |
|       | Mitsubishi Materials Corporation  |
|       | Mitsui Mining and Smelting Co., Ltd.  |
|       | Moscow Special Alloys Processing Plant  |
|       | Nadir Metal Rafineri San. Ve Tic. A.Ş.  |
|       | Navoi Mining and Matallurgical Combinat   |
|       | Nihon Material Co., Ltd.  |
|       | Ohura Precious Metal Industry Co., Ltd.   |
|       | OJSC Novosibirsk Refinery   |
|       | PAMP S.A.   |
|       | Penglai Penggang Gold Industry Co., Ltd.  |
|       | Prioksky Plant of Non-Ferrous Metals  |
|       | PT Aneka Tambang (Persero) Tbk  |

| Metal                 | Smelter Name  |
|-----------------------|---|
| Gold (continued)      | PX Précinox S.A.  |
|                       | Rand Refinery (Pty) Ltd.  |
|                       | Republic Metals Corporation   |
|                       | Royal Canadian Mint   |
|                       | Samduck Precious Metals   |
|                       | Schone Edelmetaal B.V.  |
|                       | SEMPSA Joyería Platería S.A.  |
|                       | Shandong Tiancheng Biological Gold Industrial Co., Ltd.   |
|                       | Shandong Zhaojin Gold & Silver Refinery Co., Ltd.<br>SOE Shyolkovsky Factory of Secondary Precious Metals |
|                       | Solar Applied Materials Technology Corp.  |
|                       | Sumitomo Metal Mining Co., Ltd.   |
|                       | Tanaka Kikinzoku Kogyo K.K.   |
|                       | The Refinery of Shandong Gold Mining Co., Ltd.  |
|                       | Tokuriki Honten Co., Ltd.   |
|                       | Tongling Nonferrous Metals Group Co., Ltd.  |
|                       | Torecom   |
|                       | Umicore Brasil Ltda.  |
|                       | Umicore Precious Metals Thailand  |
|                       | Umicore S.A. Business Unit Precious Metals Refining   |
|                       | United Precious Metal Refining, Inc.  |
|                       | Valcambi S.A.   |
|                       | Western Australian Mint trading as The Perth Mint   |
|                       | Yamamoto Precious Metal Co., Ltd.   |
|                       | Yokohama Metal Co., Ltd.  |
|                       | Yunnan Copper Industry Co., Ltd.  |
|                       | Zhongyuan Gold Smelter of Zhongjin Gold Corporation   |
|                       | Zijin Mining Group Co., Ltd. Gold Refinery  |
| Wolframite (Tungsten) | A.L.M.T. TUNGSTEN Corp.   |
|                       | Asia Tungsten Products Vietnam Ltd.   |
|                       | Chenzhou Diamond Tungsten Products Co., Ltd.  |
|                       | Chongyi Zhangyuan Tungsten Co., Ltd.  |
|                       | Dayu Weiliang Tungsten Co., Ltd.  |
|                       | Fujian Jinxin Tungsten Co., Ltd.  |
|                       | Ganzhou Huaxing Tungsten Products Co., Ltd.<br>Ganzhou Jiangwu Ferrotungsten Co., Ltd.                    |
|                       | Ganzhou Seadragon W & Mo Co., Ltd.  |
|                       | Global Tungsten & Powders Corp.   |
|                       | Guangdong Xianglu Tungsten Co., Ltd.  |
|                       | H.C. Starck Smelting GmbH & Co. KG  |
|                       | H.C. Starck Tungsten GmbH   |
|                       | Hunan Chenzhou Mining Co., Ltd.   |
|                       | Hunan Chuangda Vanadium Tungsten Co., Ltd.Wuji  |
|                       | Hunan Chunchang Nonferrous Metals Co., Ltd.   |
|                       | Hydrometallurg, JSC   |
|                       | Japan New Metals Co., Ltd.  |
|                       | Jiangwu H.C. Starck Tungsten Products Co., Ltd.   |
|                       | Jiangxi Gan Bei Tungsten Co., Ltd.  |
|                       | Jiangxi Minmetals Gao'an Non-ferrous Metals Co., Ltd.   |
|                       | Jiangxi Tonggu Non-ferrous Metallurgical & Chemical Co., Ltd.   |
|                       | Jiangxi Xinsheng Tungsten Industry Co., Ltd.  |
|                       | Jiangxi Yaosheng Tungsten Co., Ltd.<br>Kennametal Fallon  |
|                       | Kennametal Fallon<br>Kennametal Huntsville  |
|                       | Malipo Haiyu Tungsten Co., Ltd.   |
|                       | Niagara Refining LLC  |
|                       | Nui Phao H.C. Starck Tungsten Chemicals Manufacturing LLC   |
|                       | Tejing (Vietnam) Tungsten Co., Ltd.   |
|                       | Vietnam Youngsun Tungsten Industry Co., Ltd.  |
|                       | Wolfram Bergbau und Hütten AG   |
|                       | Xiamen Tungsten (H.C.) Co., Ltd.  |
|                       | Xiamen Tungsten Co., Ltd.   |
|                       | Xinhai Rendan Shaoguan Tungsten Co., Ltd.   |
|                       | **  |

Based on the information obtained pursuant to the RCOI and due diligence process described above, the Company does not have sufficient information, with respect to the Subject Minerals, to determine the country of origin of all such Subject Minerals; however, based on the information that has been obtained, the Company has reasonably determined that countries of origin of the Subject Minerals include the following countries: Argentina, Australia, Austria, Azerbaijan, Bolivia, Brazil, Burkina Faso, Burundi, Canada, Chile, China, Democratic Republic of the Congo, Dominican Republic, Ecuador, Ethiopia, Germany, Ghana, Guinea, Guyana, India, Indonesia, Japan, Kazakhstan, Liberia, Malaysia, Mauritania, Mozambique, Namibia, Nigeria, Peru, Poland, Portugal, Russia, Rwanda, Sierra Leone, South Africa, Spain, Switzerland, Taiwan, Tanzania, Thailand, the United States and Zimbabwe.

#### 4. Additional Due Diligence and Risk Mitigation

The Company expects to continually improve its supply chain due diligence efforts to mitigate the risk that the necessary Subject Minerals in its products benefit armed groups in the Covered Countries. Such measures include, but are not limited to:

- assessing the presence of conflict minerals in its supply chain;
- clearly communicating expectations with regard to supplier performance, transparency and sourcing;
- providing internal and external education programs about the Company's responsible sourcing efforts and programs;
- increasing the quality of information in responses for the RCOI process;
- embedding the RCOI process into the Company's compliance processes such as the onboarding of new suppliers and quality reviews of existing suppliers; and
- continuing to compare RCOI results to information collected via independent conflict free smelter validation programs such as the CFSI Conflict Free Smelter program.