

BENCHMARK ELECTRONICS INC
Form SD
May 30, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM SD

Specialized Disclosure Report

BENCHMARK ELECTRONICS, INC.

(Exact name of registrant as specified in its charter)

Texas

(State or other jurisdiction of
incorporation or organization)

1-10560

(Commission File Number)

74-2211011

(IRS Employer Identification No.)

3000 Technology Drive, Angleton, Texas 77515

(Address of principal executive offices) (Zip Code)

Scott R. Peterson, (979) 849-6550

Vice President, General Counsel

(Name and telephone number, including area code, of the 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:

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

Section 1 - Conflict Minerals Disclosure

Item 1.01 Conflict Minerals Disclosure and Report

Reasonable Country of Origin Inquiry.

Benchmark Electronics, Inc. (the “*Company*,” “*we*,” “*us*,” or “*our*”) conducted a Reasonable Country of Origin Inquiry (“*RCO*”) in reliance upon:

- Release No. 34-67716 issued by the Securities and Exchange Commission (“*SEC*”) August 22, 2012 (the “*Final Release*”),
- the Frequently Asked Questions regarding Conflict Minerals issued by the Staff of the SEC on May 30, 2013 and April 7, 2014, and
- various statements issued April 29, 2014 by the SEC’s Director of the Division of Corporation Finance, April 7, 2017 by the SEC’s Acting Chairman and April 7, 2017 by the SEC’s Division of Corporation Finance (collectively the “*Interim Guidance*”).

Unless otherwise defined herein, terms used in this Report have the same meaning found in SEC Rule 13p-1, the Final Release, Form SD and the Interim Guidance.

We are a worldwide provider of integrated electronics manufacturing services (“*EMS*”), engineering and design services, and precision machining services to original equipment manufacturers (“*OEMs*”). The OEM segments we serve include industrial controls, aerospace and defense, telecommunications, computers and related products for business enterprises, medical devices, and test and instrumentation.

We manufacture or contract to manufacture products on behalf of our customers containing Necessary Conflict Minerals. We primarily purchase component parts used in our manufacturing services through direct suppliers or authorized distributors from around the world. These component parts are typically finished goods or manufactured materials. We generally do not procure raw ore or unrefined Conflict Minerals, and therefore we do not have direct relationships with mines or smelters of Conflict Minerals found in our customers’ products. These mines or smelters are several distribution levels removed from us in the supply chain; therefore, we must rely on the many direct suppliers, supply-chain intermediaries and industry initiatives for information on these mines or smelters. Further, the OEM typically specifies the components and materials required to manufacture their products, as well as the particular component and material suppliers. As a result, we typically have little or no control over the selection of these components, materials and suppliers. In these cases, we must rely on our customers and their selected suppliers for

Conflict Minerals information.

For products manufactured during the reporting year, we performed an RCOI on our Necessary Conflict Minerals. Our RCOI utilized a risk-based approach to solicit Conflict Minerals information from 365 of our suppliers and targeting more than 80% of our components and materials purchases during the reporting year. We requested Conflict Minerals information from these suppliers via the Electronic Industry Citizenship Coalition and Global e-Sustainability Initiative (“*EICC/GeSI*”) Conflict-Free Sourcing Initiative (“*CFSI*”) Conflict Minerals Reporting Template (“*CMRT*”). We reviewed and analyzed all CMRTs received, including many with missing or incomplete information, errors, or containing inaccuracies or implausible information. We made multiple contact attempts with non-responsive suppliers, as well as requests for revised responses where appropriate. We ultimately received responses from approximately 92% of our targeted supplier group (representing approximately 79% of our reporting year component procurement expenditures). Many of these suppliers provide “company-level” CMRT responses that include Conflict Mineral information for all supplier products sold during the reporting year, even though we purchased only a limited subset of such supplier products. We also utilized a third-party provider to assist us in the data collection effort, review, verification and follow-up contact.

Based on our RCOI, we were unable to ascertain with certainty the source and custody of all Necessary Conflict Minerals. 98% of responding suppliers reported that Conflict Minerals either were not present, not sourced from Covered Countries, or were sourced from smelters or refiners certified by CFSI or listed by other organizations as being conflict free. Although a number of responding suppliers dealt with non-certified smelters known to source Conflict Minerals from the Covered Countries, we cannot determine with certainty whether such Conflict Minerals

were actually incorporated into our products or whether they directly or indirectly financed or benefitted armed groups in the Covered Countries. The balance of responding suppliers were incomplete in their data gathering.

The Company's Form SD is publicly posted in its Sustainability pages of the Corporate section at <http://www.bench.com>. The content of any referenced website is not incorporated by reference into and should not be considered part of this Form SD.

Relying on the Interim Guidance referred to above, the Company has chosen not to file, as an exhibit to this Form SD, the Conflict Minerals Report otherwise required by Item 1.01(c).

Item 1.02 Exhibit

None.

Section 2 – Exhibits

Item 2.01 - Exhibits

None.

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.

BENCHMARK ELECTRONICS, INC.	
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By: <u>/s/ Donald F. Adam</u>	Date: May 30, 2017
Donald F. Adam	
Chief Financial Officer	
