
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM SD

Specialized Disclosure Report

CompoSecure, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation)

001-39687
(Commission File Number)

85-2749902
(IRS Employer Identification
No.)

309 Pierce Street
Somerset, NJ 08873
(Address of principal executive offices)

Steven J. Feder
General Counsel & Corporate Secretary
(908) 518-0500

(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, 2023.

Section 1 — CONFLICT MINERALS DISCLOSURE

Item 1.01 Conflict Minerals Disclosure and Report

This Form SD of CompoSecure, Inc. (also referred to herein as “CompoSecure,” “we,” “our”) is filed pursuant to Rule 13p-1 promulgated under the Securities Exchange Act of 1934, as amended (the “Rule”), for the reporting period January 1, 2023 to December 31, 2023.

CompoSecure has concluded in good faith that during 2023, our business manufactured products for which conflict minerals, as defined in the Rule (“Conflict Minerals”), at trace levels are necessary to their functionality or production. As required by the Rule, we conducted a reasonable country of origin inquiry (“RCOI”) regarding the source of the Conflict Minerals. CompoSecure does not have sufficient information from our suppliers or other sources at this time to conclude whether any of the Conflict Minerals originated or may have originated in the Covered Countries (as defined in the Rule) and if so, whether those Conflict Minerals are solely from recycled or scrap sources.

Description of Reasonable Country of Origin Inquiry

For 2023, CompoSecure surveyed its direct suppliers to obtain country of origin information for the Conflict Minerals in our products using the Conflict Minerals Reporting Template from the Responsible Minerals Initiative (“RMI”).

That supply chain survey requested suppliers to identify the smelters, refiners and countries of origin of the Conflict Minerals they supply to CompoSecure. We compared the smelters identified in the surveys against the lists of facilities which have received a “conformant” designation by the Responsible Minerals Assurance Process (“RMAP”) provided by the RMI. If a smelter identified by our suppliers was not listed as having received a “conformant” designation, we reviewed its website and other information in an attempt to determine country of origin information for the Conflict Minerals that it processed.

Based on the results of our inquiry, we proceeded with due diligence measures pursuant to the Rule. There is significant overlap between our RCOI efforts and the due diligence measures we performed. Both are discussed in more detail in the Conflict Minerals Report filed as Exhibit 1.01.

Conflict Minerals Disclosure

A copy of this Form SD and the Conflict Minerals Report filed as Exhibit 1.01 to this Form SD are publicly available at: <https://ir.composecure.com/esg> as well as on the SEC’s EDGAR database at www.sec.gov. The reference to CompoSecure’s website is provided for convenience only, and its contents are not incorporated by reference into this Form SD and Conflict Minerals Report nor deemed filed with the U.S. Securities and Exchange Commission.

Item 1.02 Exhibit

The Conflict Minerals Report required by Item 1.01 is filed as Exhibit 1.01 to this Form SD.

Section 2 — EXHIBITS

Item 2.01 Exhibits

The following exhibit is filed as part of this report.

[Exhibit 1.01 — Conflict Minerals Report for the period January 1 to December 31, 2023, as required by Items 1.01 and 1.02 of this Form.](#)

SIGNATURE

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 undersigned hereunto duly authorized.

By: /s/ Steven J. Feder

Name: Steven J. Feder

Title: General Counsel & Corporate Secretary

Date: May 31, 2024

CONFLICT MINERALS REPORT OF COMPOSECURE, INC.
FOR THE YEAR ENDED DECEMBER 31, 2023

Date: May 31, 2024

This Conflict Minerals Report for CompoSecure, Inc. (“CompoSecure,” “Company,” “we,” “our”) is provided in accordance with Rule 13p-1 under the Securities Exchange Act of 1934 (“Rule 13p-1”) for the reporting period from January 1 to December 31, 2023.

Conflict Minerals are defined by the Securities and Exchange Commission (“SEC”) as cassiterite, columbite-tantalite, wolframite and gold, and their derivatives, which are limited to tin, tantalum and tungsten (collectively “3TG”). During calendar year 2023, CompoSecure manufactured and contracted to manufacture products in which 3TG were necessary to the functionality or production of those products.

CompoSecure therefore conducted a “reasonable country of origin inquiry” (“RCOI”) to determine whether any of those minerals: (1) originated in the Democratic Republic of Congo, the Republic of the Congo, the Central African Republic, South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola (together, the “Covered Countries”); or (2) are from recycled or scrap sources.

A. Introduction:

CompoSecure’s Business: CompoSecure creates innovative, highly differentiated and customized financial payment card products for banks and other payment card issuers. CompoSecure’s customers consist primarily of leading international and domestic banks and other payment card issuers primarily within the United States (“U.S.”), with additional direct and indirect customers in Europe, Asia, Latin America, Canada, and the Middle East.

CompoSecure’s Products: Most of our payment card products contain dual interface functionality through incorporation of a secure chip module (“Modules”) into the body of the payment card.

CompoSecure’s Supply Chain: CompoSecure’s supply chain for Modules has several key suppliers which have product association with 3TG. CompoSecure is typically many tiers removed from smelters or refiners that would have information on mines supplying 3TG. Moreover, to the extent 3TG are present in Modules incorporated into our products, the content is at trace levels. Obtaining information regarding smelters, refiners and mine locations is challenging, including, without limitation, delayed supplier responses and incomplete or inconsistent data.

CompoSecure’s Conflict Minerals Policy: CompoSecure has established a statement on conflict minerals that applies to all CompoSecure suppliers (“Conflict Minerals Policy”). It is available on our website (<https://ir.composecure.com/esg>). CompoSecure is committed to responsible sourcing of 3TG using the Organization for Economic Cooperation and Development (“OECD”) guidance, so as not to support conflict or human rights abuses in the Covered Countries, while avoiding de facto embargoes. Our Conflict Minerals Policy forms the basis for our conflict minerals program, and its requirements are communicated to our suppliers.

B. Description of RCOI:

RCOI Elements: The elements of CompoSecure’s RCOI are identification and prioritization of suppliers, supplier data collection and an assessment of supplier data to determine whether further due diligence is required.

Prioritized Supplier Inquiry: In view of our supply chain, CompoSecure determined that a reasonably designed and good faith inquiry should focus on higher priority and relevant suppliers consistent with RMI’s Five Practical Steps to Support SEC Conflict Minerals Disclosure. Key CompoSecure personnel identified products containing 3TG necessary to the functionality or production of our products (“Necessary 3TG”) and then identified the suppliers of those products or of the components used in those products. CompoSecure determined that our products incorporating Modules may contain Necessary 3TG, in the form of trace amounts of gold.

Data Collection: Once the suppliers (“Supplier Group”) were identified as set forth above, CompoSecure requested that each supplier in the Supplier Group provide information about the Necessary 3TG in their products or components based on each such supplier’s responses to the industry standard RMI Conflict Minerals Reporting Template (“CMRT”). This request was made using email. Additionally, e-mail reminders were sent to those in the Supplier Group who had not responded.

Data Validation: There were two suppliers in the Supplier Group for calendar 2023, and we received responses from both suppliers. CompoSecure conducted data validation on submitted CMRTs and retained submitted CMRTs for recordkeeping purposes. The goal of data validation is to increase the completeness and accuracy of the submissions and to identify any contradictory responses in the CMRT.

C. Due Diligence:

CompoSecure designed our overall Conflict Minerals procedures in conformity with the five step framework contained in the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition*, and the supplements on tin, tantalum, tungsten and gold. The principal features responding to each of the five steps are outlined below:

1. Establish strong company management systems. CompoSecure does this by:

- Creating an internal conflict minerals review and reporting program;
- Publishing our Conflict Minerals Policy at <https://ir.composecure.com/esg>;
- Utilizing the Conflict Minerals Reporting Template developed by the Responsible Minerals Initiative to identify smelters and refiners in the supply chain;
- Having a cross-functional conflict minerals steering committee, with representatives from our legal, production and supply chain functions to provide oversight to our conflict minerals program;
- Requesting our Supplier Group to conduct the necessary due diligence and provide us with proper verification of the country of origin and source of the materials used in the Modules they supply to us; and
- Supporting initiatives to verify smelters and refiners that are conflict-free and expecting our suppliers to utilize any such conflict-free smelter/refiner programs that are available.

2. Identify and assess risk in the supply chain. CompoSecure does this by:

- Surveying suppliers of products and components of products that CompoSecure identified that had the potential to contain Conflict Minerals;
- Reviewing supplier CMRT submissions to identify possible mineral sources, as well as to review for any errors and omissions; and
- Evaluating smelter information provided by Suppliers against data from the Responsible Minerals Initiative.

3. Design and implement a strategy to respond to identified risks. CompoSecure does this by emphasizing to our suppliers CompoSecure’s Conflict Minerals Policy expectation that our suppliers source materials from suppliers who also source responsibly.

4. Carry Out Independent Third-Party Audit of Smelter/Refiner’s Due Diligence Practices. CompoSecure is several steps away in the supply chain from smelters and refiners that process the Conflict Minerals used in the Modules incorporated in our products, does not have any direct relationships with such smelters or refiners and did not obtain from a third party or perform ourselves a direct audit of smelters and refiners within our supply chain. Instead, we relied on conflict-free designations based on the activities of other organizations such as the RMI (through the RMAP).

5. Report on supply chain due diligence. CompoSecure does this by filing this Form SD and Conflict Minerals Report with the Securities and Exchange Commission and making that filing available on our website.

D. Future Due Diligence Measures:

During the 2024 calendar year, we expect to continue to engage in the activities described above, including efforts to resolve any inconsistencies and incomplete responses in the reports submitted by our Supplier Group. We plan to continue to request that our Supplier Group use the RMI Conflict Minerals Reporting Template.

E. Conclusion:

Based on our RCOI, CompoSecure was unable to effectively determine if any of the smelters, which provided material to suppliers for use in the Modules incorporated in our products during calendar 2023, were present in conflict zones. CompoSecure expects to continue to work with suppliers to give preference to suppliers (and their downstream smelters) who do not utilize Conflict Minerals originating from Covered Countries.

Cautionary Statement about Forward-Looking Statements

Certain statements in this report may be “forward-looking” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended. The words “believe,” “estimate,” “project,” “expect,” “anticipate,” “plan,” “intend,” “foresee,” “should,” “would,” “could,” “guides,” “provides guidance,” “provides outlook” or other similar expressions are intended to identify forward-looking statements, which are not historical in nature. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us and other information currently available. Such forward-looking statements, because they relate to future events, are by their very nature subject to many important risks and uncertainties that could cause actual results or other events to differ materially from those contemplated. We caution and advise readers not to place undue reliance on forward-looking statements, which speak only as of the date hereof. These statements are based on assumptions that may not be realized and involve risks and uncertainties that could cause actual results or other events to differ materially from the expectations and beliefs contained herein. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.
