

SEMILEDS CORP

FORM SD (Specialized Disclosure Report)

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

FORM SD

SPECIALIZED DISCLOSURE REPORT

SemiLEDs Corporation

(Exact name of the registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-34992
(Commission
File Number)

20-2735523
(IRS Employer
Identification No.)

**3F, No. 11 Ke Jung Rd., Chu-Nan Site,
Hsinchu Science Park, Chu-Nan 350,
Miao-Li County, Taiwan, R.O.C.**
(Address of principal executive offices)

350
(Zip Code)

Christopher Lee
Chief Financial Officer
+886-37-586788

(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

SemiLEDs develops and manufactures light emitting diode (“LED”) chips and LED components primarily for general lighting applications, including street lights and commercial, industrial and residential lighting, along with specialty industrial applications such as ultraviolet (“UV”) curing, medical/cosmetic, counterfeit detection, horticulture, architectural lighting and entertainment lighting. SemiLEDs sells blue, white, green and UV LED chips. Our majority owned subsidiary, Ning Xiang Technology Co., Ltd., manufactures and sells lighting fixtures and systems for general lighting applications, consisting primarily of LED luminaries and LED retrofits.

This Specialized Disclosure Form (“Form SD”) and the associated Conflict Minerals Report (see Exhibit 1.01 to this Form SD) are being posted to the publicly available Internet site on the Company’s website at www.semileds.com upon the filing of this Form SD.

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

Exhibit 1.01 — Conflict Minerals Report as required by Items 1.01 and 1.02 of this Form.

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.

SEMILEDS CORPORATION

By: /s/ Christopher Lee Dated: May 31, 2017
Name: Christopher Lee
Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
1.01	Conflict Minerals Report of SemiLEDs Corporation in Accordance with Rule 13p-1 under the Securities and Exchange Act of 1934

Conflict Minerals Report of SemiLEDs Corporation in Accordance with Rule 13p-1 under the Securities and Exchange Act of 1934

This is the Conflict Minerals Report of SemiLEDs Corporation (“SemiLEDs,” or “we,” or “our,” or the “Company”) for the calendar year 2016 in accordance with Rule 13p-1 (“Rule 13p-1”) under the Securities and Exchange Act of 1934 (the “1934 Act”). Please refer to Rule 13p-1, Form SD and 1934 Act Release No. 34-67716 for definitions of terms used in this Report, unless otherwise defined herein.

There are two groups of SemiLEDs products that appear to contain necessary columbite-tantalite (coltan), cassiterite, wolframite, and their derivatives, which are limited to tin, tantalum and tungsten, and gold (“3TG”). First, we manufacture and sell light emitting diode (“LED”) chips and LED components (collectively, “LED Products”), which are used primarily for general lighting applications, including street lights and commercial, industrial and residential lighting, and specialty industrial applications, such as ultraviolet curing of polymers, LED light therapy in medical/cosmetic applications, counterfeit detection, LED lighting for horticulture applications, architectural lighting and entertainment lighting. Second, our majority owned subsidiary, Ning Xiang Technology Co., Ltd., manufactures and sells lighting fixtures and systems for general lighting applications (“Lighting Products”), consisting primarily of LED luminaries and LED retrofits.

Due Diligence (Instructions 1.01(c)(1))

Overview : As described above, it appears that our LED Products and Lighting Products likely include necessary 3TG that are necessary to their functionality, e.g. , gold in our LED chips and LED components, and gold and tin in some of the assembly materials and components for the Lighting Products. Consequently, we designed and implemented a due diligence exercise that covered these items (the “In-Scope Products”).

For calendar year 2016, due diligence exercise for the In-Scope Products encompassed:

- a reasonable country of origin inquiry (“RCOI”) regarding the conflict minerals in the In-Scope Products that was reasonably designed to determine whether any of the conflict minerals originated in the Democratic Republic of Congo or an adjoining country (“Covered Country”) or are from recycled or scrap sources; and
- measures to exercise due diligence on the source and chain of custody of those conflict minerals.

To oversee our due diligence exercise, we established an internal working group, comprising representatives from relevant SemiLEDs functions such as procurement, quality control, finance and legal/compliance. Working group members have expertise with regard to the In-Scope Products and materials and components used for them.

We designed our due diligence exercise to conform to the Organization for Economic Co-Operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“OECD Guidance”), an internationally recognized due diligence framework. In accordance with the OECD Guidance, SemiLEDs’ due diligence exercise included: 1) making Company Conflict Minerals Policy publicly available and disseminating to relevant suppliers of SemiLEDs’ products; 2) review and assessment of risk in the supply chain; 3) a strategy to identify and respond to risks in the supply chain; 4) raise awareness of conflict minerals issues and the policy within our Company through annual update training; 5) prepare periodic reports to our management and Board of Directors, and 6) encouraging our suppliers to purchase materials from audited smelters that have been validated as conflict-free under the Conflict-Free Sourcing Initiative’s Conflict Free Smelter Program (“CFSP”).

Work with Suppliers : We rely on our direct suppliers to provide information on the origin of the 3TG contained in materials and components supplied to us, including items with 3TG that are supplied to our direct suppliers from their lower tier suppliers. We adopted an approach to survey our supply chain based on the nature of materials and components we use in the In-Scope Products, which indicate that those materials and components are most likely to contain 3TG. Following this approach, we developed a list of targeted suppliers and conduct a RCOI survey on these suppliers using the standard EICC-GeSI Conflict Minerals Reporting Template (the “Template”). We prioritized the list of targeted suppliers based on the risk of having conflict minerals in the products supplied to us, considering factors such as our annual spend with the suppliers. We prioritized suppliers who failed to provide a response or provided an insufficient response as high-risk suppliers for outreach and follow-up communications to enhance awareness of conflict minerals issues.

We received responses from approximately 97% of the suppliers surveyed. Some of our suppliers did not complete the Template, but provided signed declarations confirming that products they supplied to the Company do not contain 3TG that originated in a Covered Country. The smelter facilities identified by our suppliers are not located in Covered Countries and many were identified as being conflict-free (we verified these facilities against the EICC-GeSI conflict-free smelter compliant list). However, some suppliers, particularly suppliers of assembly materials and components for the Lighting Products, were unable to identify the smelters that represented the source of 3TG that went into the materials and components supplied to us or whether the 3TG were from recycled or scrap sources. A small portion of our suppliers were also unable to identify with reasonable certainty the country of origin of the 3TG used in the In-Scope Products.

Steps to Be Taken to Mitigate Risk: We have communicated to our suppliers our commitment to source 3TG in a manner that does not, directly or indirectly, benefit armed groups in the Covered Country, and we will consider alternative arrangements with other suppliers who are unable to cooperate in our due diligence efforts. We will continue to follow up with the unresponsive suppliers. We will also continue to monitor, adapt, and modify our due diligence exercise to conform to the recognized industry best practices to improve the due diligence exercise conducted to identify and mitigate the risk that the necessary conflict minerals in In-Scope Products could directly or indirectly benefit or finance armed groups in the covered countries.

Product Description and Related Matters (Instructions 1.01(c)(2))

Description of the In-Scope Products : The In-Scope Products are the LED Products and the Lighting Products, which are described above.

Facilities Used to Process Necessary Conflict Minerals in the In-Scope Products : While SemiLEDs has conducted a thorough due diligence and worked closely with the suppliers to survey the supply chain (as described above), we were not able to identify with reasonable certainty facilities used to process necessary conflict minerals in the In-Scope Products. Where suppliers identified facilities used to process the necessary conflict minerals, such facilities were not located in the Covered Countries. Many were identified as being part of the CFSP.

Information About Country of Origin of Necessary Conflict Minerals Used in the In-Scope Products : While SemiLEDs has conducted a thorough due diligence and worked closely with the suppliers to survey the supply chain (as described above), we were not able to determine with reasonable certainty the country of origin of 3TGs used in the In-Scope Products.

Information About Efforts to Determine Mine or Location of Origin : The description of our due diligence exercise set forth above under the heading “Due Diligence” covers SemiLEDs efforts to determine the mine or location of origin with the greatest possible specificity.

Forward Looking Statements

This report contains statements that may constitute “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact could be deemed forward-looking, including, but not limited to, statements concerning the steps that we intend to take to identify and mitigate the risk in our supply chain and our ability to implement improvements in our conflict minerals due diligence exercise. These forward-looking statements are based on current expectations, management’s beliefs and current trends and involve risks and uncertainties that may cause actual results to differ materially from those contained in the forward-looking statements. SemiLEDs’ Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”) and other SemiLEDs filings with the SEC (which you may obtain for free at the SEC’s website at <http://www.sec.gov>) discuss some of the important risks and other factors. SemiLEDs undertakes no intent or obligation to publicly update or revise any of these forward looking statements, whether as a result of new information, future events or otherwise, except as required by law.
