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

# FORM SD Specialized Disclosure Report

#### Eltek Ltd.

(Exact name of Registrant as specified in its charter)

#### **Israel**

(Jurisdiction of incorporation or organization)

#### 0-28884

(Commission file number)

4 Drezner Street, Sgoola Industrial Zone, P.O. Box 159, Petach Tikva 4910101, Israel (Address of principal executive offices)

#### Amnon Shemer, +972-3-9395025

(Name and telephone number 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:

X Rule 13p-1 under the Securities Exchange Act (17 CFR 240.13p-1) for the reporting period from January 1 to December 31, 2017.

# Item 1.01. Conflict Minerals Disclosure and Report

Eltek Ltd. ("Eltek", "we" or "our") has evaluated its current product lines and determined that certain products that we manufacture or contract to manufacture contain tin, tungsten, tantalum, or gold, which are defined as "Conflict Minerals" by the United States Securities and Exchange Commission, that are necessary to the functionality or production of our products. Accordingly, Eltek is filing this disclosure along with a Conflict Minerals Report to disclose the measures we have taken to determine the origin of the Conflict Minerals used in our products.

#### Conflict Minerals Disclosure

We undertook due diligence measures, including surveying our direct suppliers via an industry-standard survey template for Conflict Minerals, to try to determine the sources of these minerals, which we purchase through a complex supply chain.

Currently, we do not have sufficient information from our suppliers or other sources to determine the country of origin of the Conflict Minerals used in our products or identify the facilities used to process those Conflict Minerals. Therefore, we cannot exclude the possibility that some of these Conflict Minerals may have originated in the Democratic Republic of the Congo or an adjoining country and are not from recycled or scrap sources.

A copy of Eltek's Conflict Minerals Report for the reporting period from January 1, 2017 to December 31, 2017 is filed as Exhibit 1.01 hereto and is publicly available on our website at <a href="http://www.nisteceltek.com/investor-info/conflict-minerals-report/">http://www.nisteceltek.com/investor-info/conflict-minerals-report/</a>. The content of any website referred to in this Form SD is included for general information only and is not incorporated by reference in this Form SD.

#### Item 2.01. Exhibits

The following exhibit is filed as part of this report:

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.

#### Eltek Ltd.

By: /s/ Yitzhak Nissan

Yitzhak Nissan

Title: Chairman of the Board of Directors

and Chief Executive Officer

By: /s/ Amnon Shemer

Amnon Shemer

Title: Vice President, Finance

and Chief Financial Officer

May 29, 2018

# **Conflict Minerals Report**

#### Introduction

This is the Conflict Minerals Report for Eltek Ltd. ("Eltek", "we" or "our"), filed with the Securities and Exchange Commission ("SEC") pursuant to Rule 13p-1 (the "Rule") under the Securities Exchange Act of 1934 for the reporting period from January 1, 2017 to December 31, 2017. The Rule was adopted by the SEC to implement reporting and disclosure requirements related to Conflict Minerals as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act). The Rule imposes certain reporting obligations on SEC registrants whose manufactured products contain Conflict Minerals that are necessary to the functionality or production of their products. "Conflict Minerals" are defined as cassiterite, columbite-tantalite, gold, wolframite, and their derivatives, which are limited to tin, tantalum, tungsten, and gold ("3TG") for the purposes of this assessment.

If a registrant can establish that the Conflict Minerals in its products originated from sources other than the Democratic Republic of the Congo (DRC) or an adjoining country ("Covered Countries"), or from recycled and scrap sources, the registrant must submit a specialized disclosure report under Form SD that describes the steps that the registrant took to determine the origin of the Conflict Minerals in its products.

If a registrant has reason to believe that any of the 3TG minerals in its supply chain may have originated in the Covered Countries, or if the registrant is unable to determine the country of origin of those 3TG minerals, then the registrant must exercise due diligence on the 3TG minerals' source and chain of custody, and the registrant must annually submit a Conflict Minerals Report (a "CMR") to the SEC that includes a description of those due diligence measures.

As permitted by the Rule and the SEC, this report has not been subject to an independent private sector audit.

#### 1. Company Overview

We were incorporated under the laws of the State of Israel in 1970. Following our initial public offering in January 1997, our ordinary shares were listed on the NASDAQ Stock Market (symbol: ELTK) and are presently listed on the NASDAQ Capital Market. We develop, manufacture, market and sell printed circuit boards ("PCBs"), including high density interconnect multi-layered and flex-rigid boards for electronic devices. Our principal customers include manufacturers of medical equipment, defense and aerospace equipment, industrial equipment, and telecom and networking equipment, as well as contract electronic manufacturers. In December 2016 we sold all our shares of Kubatronik Leiterplatten GmbH in Germany. We have production facilities in Israel and marketing subsidiaries in the United States and Germany.

### 2. Products Overview

We manufacture and supply technologically advanced custom-made circuitry solutions for use in sophisticated and compact electronic products. We provide specialized services and are a solution provider in the PCB business, mainly in Israel, Europe, North America, and Asia. PCBs are platforms that conduct an electric current among active and passive microelectronics components, microprocessors, memories, resistors and capacitors and are integral parts of the products produced by high-technology industries. Our focus is on short run quick-turnaround, prototype, pre-production and low to medium volume runs of high-end PCB products for high growth, advanced electronics applications, mainly flex-rigid PCBs. Our products often require the use of tin and gold.

# 3. Supply Chain Overview

Our supply chain is complex. There are multiple tiers between our company and the sources of the 3TG minerals. Accordingly, we rely on our direct suppliers to provide information on the origin of the 3TG minerals contained in components that are included in our products.

# 4. Reasonable Country of Origin Inquiry (RCOI)

During the year ended December 31, 2017, we conducted a Reasonable Country of Origin Inquiry ("RCOI") to determine whether any of the necessary 3TG minerals originated in Covered Countries and found that the 3TG minerals can be found in our products and are necessary to the functionality or production of those products. Therefore, we are subject to the reporting obligations of the Rule.

We do not have a direct relationship with 3TG minerals' smelters or refiners ("SORs"). Rather, our manufacturing process is significantly removed from the mining, smelting and refining of 3TG minerals and there are many third parties in the supply chain between the original sources of 3TG minerals and the ultimate manufacture of our products. Therefore, tracing these minerals to their sources is a challenge that requires us to rely on direct suppliers in our efforts to achieve supply chain transparency, including obtaining information regarding the origin of the 3TG minerals. Using our supply chain due diligence processes, we hope to further develop transparency into our supply chain by continuing our outreach efforts. These efforts are not intended to eliminate sourcing from the DRC, but to engage in the responsible sourcing of Conflict Minerals, where possible.

The methods we used to try to determine the origin of 3TG minerals in our products included:

- We identified five suppliers that their products may contain 3TG that are "necessary to the production or functionality of the products", as defined by the Rule. Out of which, we received responses from 4 suppliers, constituting 80% response rate.
- We solicited information from these suppliers using the most up to date 3TG minerals Reporting Template ("CMRT") 5.01 and above, an industry-standard template for

- conflict mineral reporting developed by the Responsible Minerals Initiative (RMI), formerly the CFSI.
- We reviewed the responses we received and followed up on inconsistent, incomplete, and inaccurate responses, and we sent reminders to suppliers who did not respond to our requests for information.
- We documented the Countries of Origin information received from our suppliers and compared the SORs identified in the surveys against the lists of facilities that have received a conflict free designation by the RMI.

Currently, we do not have sufficient information from our suppliers to determine the complete list of countries of origin of the 3TG minerals used in our products or the facilities used to process those 3TG minerals. Based on this result, we conducted due diligence activities as described in this CMR.

#### 5. Design of Our Due Diligence

Based on the findings of our RCOI, we designed our due-diligence process based on the Organization for Economic Co-operation and Development's ("OECD") as described in their publication OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas Third Edition, OECD Publishing, Paris ("OECD Guidance") and the related supplements for gold, tin, tantalum and tungsten.

#### **6.** Due Diligence Performance

The design of the due diligence processes conforms substantially to the OECD Guidance as it relates to "downstream" companies. The due diligence processes are described below under sub-headings corresponding to the five-step framework of the OECD Guidance.

#### 6.1 Establish Strong Company Management Systems

- We established a system of controls and transparency over the mineral supply chain, using the CMRT to collect information from our suppliers. Since we rely on in-scope suppliers that rely on their upstream suppliers, we concluded that the most accurate and efficient method for obtaining SOR data is through collecting suppliers' information using the CMRT.
- Our Conflict Minerals Policy outlines our commitment to responsible sourcing and our requirements from our supply chain. We are committed to ethical practices and compliance with all applicable laws and regulations. We are committed to working with our customers and suppliers to responsibly source the materials and components we use in manufacturing our customers' products that may contain these minerals. Our Policy is available on our website at <a href="http://www.nisteceltek.com/wp-content/uploads/2016/11/Conflict-Minerals-Policy.pdf">http://www.nisteceltek.com/wp-content/uploads/2016/11/Conflict-Minerals-Policy.pdf</a>
- We established a team with cross functional members and senior executives from various departments, such as procurement, process engineering, IT and finance;
- We communicated our expectations to our direct suppliers concerning performance, transparency and sourcing of materials and components containing Conflict Minerals;

- We incorporated Conflict Minerals requirements to our purchase orders with relevant suppliers;
- We retain relevant documentation for five years.

#### 6.2 *Identify and assess risks in the supply chain*

Due to our size, the breadth and complexity of our products and the constant evolution of our supply chain, it is difficult to identify actors downstream from our direct suppliers.

We identified five suppliers whose products may contain 3TG minerals. We surveyed these suppliers in order to identify the source of the 3TG minerals contained in the products they supply us. This was done in order to identify the SORs that process the 3TG minerals and the country of origin of those 3TG minerals. The survey was conducted by utilizing the CMRT. We received responses from four of the suppliers (80%).

We compared SORs identified by the supply chain survey against the list of facilities that have received a "conflict free" designation by programs such as the RMI.

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

Our risk mitigation efforts during 2017 included the following:

- Contacting direct suppliers that did not respond or whose responses were identified as
  incomplete, inconsistent or inaccurate in order to obtain complete and accurate
  required information, sometimes requiring multiple telephone and/or email contacts
  to further the data collection process.
- Establishing a Conflict Minerals team headed by the CFO to assess identified risks and to determine follow up actions. We report the findings of the supply chain risk assessment to our senior management.

#### 6.4 Carry out independent third-party audit of smelter/refiner's due diligence practices

We do not have a direct relationship with 3TG SORs, nor do we perform direct audits of the other entities in our supply chain. Therefore, our direct and/or upstream suppliers are in a better position to identify SORs within the supply chain. As a result, our due diligence efforts rely on cross-industry initiatives such as those led by the RMI.

In our due diligence process, we utilize the CMRT designed by the RMI.

# 6.5 Report Annually on Supply Chain Due Diligence

In addition to our ongoing communications with our customers who are engaged in their own RCOI and due diligence processes, we currently, subject to SEC guidelines, report annually on our supply chain due diligence through a Form SD. Our reports on Form SD are filed with the SEC and publicly available on our website at <a href="http://www.nisteceltek.com/investor-">http://www.nisteceltek.com/investor-</a>

<u>info/corporate-profile/</u> and meet the OECD guidelines that recommend we report annually on our supply chain due diligence.

#### 7. **Results of assessment**

We contacted suppliers, which are the direct suppliers for our products that are within the scope of the RCOI. We received responses from four such suppliers (80%) as of the date of publication of this report.

As mentioned above, we do not have a direct relationship with 3TG SORS, nor do we perform direct audits of the other entities in our supply chain. Accordingly, we can only provide reasonable, not absolute, assurance regarding the source and chain of custody of the necessary Conflict Minerals, since the information comes from direct and secondary suppliers. Further, the information gathered from our suppliers is not obtained on a continuous, real-time basis.

Based on the information obtained pursuant to the good faith RCOI and due diligence processes described above, for the reporting period, we do not have sufficient information with respect to the Conflict Minerals to determine the country of origin of all of the subject minerals we use to manufacture the subject products and thus are unable to determine whether any of the subject minerals originated in the covered countries and, if so, whether the subject minerals were from recycled or scrap sources.

Despite our efforts to follow up with certain suppliers, we did not receive responses from all the suppliers we approached, and the suppliers who responded showed varying degrees of cooperation with our inquiries. In addition, we encountered the following challenges in obtaining and analyzing the responses we received:

- We are dependent on information received from our direct suppliers to conduct our good faith RCOI process;
- We have suppliers with differing levels of resources and sophistication, and most of them are not subject to the Rule;
- The information our suppliers provided was sometimes incomplete and required significant follow-up;
- Most of the responses we received were at company level and not specific to the materials and components we use in the our products
- Our ability to influence cooperation from certain suppliers was limited when we were multiple tiers away from the SORs in the supply chain.

As a result, we have not been able to identify all of the SORs from which our suppliers sourced the Conflict Minerals.

Based on the information obtained pursuant to our good faith RCOI and due diligence process, attached as Exhibit A is a list of the known SORs for the 3TG utilized in our products.

### 8. Future steps

We will continue working with our global supply chain to maintain our risk mitigation process associated with 3TG minerals from Covered Countries and assure compliance with international regulations.

## Cautionary Statement about Forward-Looking Statements

Statements in this Conflict Minerals Report, which express a belief, expectation or intention, as well as those that are not historical fact, are forward-looking statements. These forward-looking statements are subject to various risks, uncertainties and assumptions, including, among other things, our customers' requirements to use certain suppliers, our suppliers' responsiveness and cooperation with our due diligence efforts, our ability to implement improvements in our Conflict Minerals program and our ability to identify and mitigate related risks in our supply chain. If one or more of these or other risks materialize, actual results may vary materially from those expressed. For a more complete discussion of these and other risk factors, see our other filings with the SEC, including our Annual Report on Form 20-F for the year ended December 31, 2017. We caution that undue reliance should not be placed on these forward-looking statements, which speak only as of the date of this report, and we undertake no obligation to update or revise any forward-looking statement, except to the extent required by applicable law.

# Exhibit A SOR List

Metal	Smelter Name	Smelter Country
Gold	Metalor Switzerland	SWITZERLAND
Gold	Metalor Technologies (Hong Kong) Ltd.	CHINA
Gold	Metalor Technologies (Singapore) Pte., Ltd.	SINGAPORE
Gold	Metalor Technologies (Suzhou) Ltd.	CHINA
Gold	Metalor Technologies S.A.	SWITZERLAND
		UNITED STATES OF
Gold	Metalor USA Refining Corporation	AMERICA
Gold	SEMPSA Joyería Platería S.A.	SPAIN
	Umicore S.A. Business Unit Precious Metals	
Gold	Refining	BELGIUM
Tin	Funsur Smelter	PERU
Tin	Malaysia Smelting Corporation (MSC)	MALAYSIA
Tin	Metallo-Chimique N.V.	BELGIUM
Tin	Mineracao Taboca S.A.	BRAZIL
Tin	PT Sukses Inti Makmur	INDONESIA
Tin	PT Tommy Utama	INDONESIA
		TAIWAN, PROVINCE
Tin	Rui Da Hung	OF CHINA
Tin	Yunnan Chengfeng Non-ferrous Metals Co., Ltd.	CHINA