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

FORM SD
Specialized Disclosure Report

McDermott International, Inc.
(Exact name of registrant as specified in its charter)

REPUBLIC OF PANAMA
(State or other jurisdiction
of incorporation)

757 N. Eldridge Parkway
Houston, Texas
(Address of principal executive offices)

001-08430
(Commission
File Number)

77079
(Zip Code)

72-0593134
(IRS Employer
Identification No.)

John M. Freeman, 281-870-5697
(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:

Section 1 – Conflict Minerals Disclosure

Item 1.01 Conflict Minerals Disclosure and Report

Conflict Minerals Disclosure


Item 1.02 Exhibit.

We have included the Conflict Minerals Report as Exhibit 1.01 to this Form SD.

Section 2 – Exhibits

Item 2.01 Exhibits

Exhibit Index

Exhibit 1.01 – Conflict Minerals Report.
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.

McDermott International, Inc.

By: /s/ John M. Freeman

John M. Freeman
Executive Vice President, Chief Legal Officer
and Corporate Secretary

Date: May 31, 2019
1. **Introduction**

This Conflict Minerals Report (this “Report”) of McDermott International, Inc. (together with its consolidated subsidiaries, “McDermott,” “we” or “us”) has been prepared pursuant to Rule 13p-1 promulgated by the U.S. Securities and Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934, as amended (together with Form SD adopted by the SEC pursuant to its Release No. 34-67716, the “Conflict Minerals Rule”), for the reporting period January 1, 2018 to December 31, 2018 (the “Reporting Period”). The Conflict Minerals Rule addresses disclosure of certain information when an SEC registrant manufactures or contracts to manufacture products and any one or more of the minerals specified in the Conflict Minerals Rule are necessary to the functionality or production of those products. The specified minerals are gold, as well as columbite-tantalite (coltan), cassiterite and wolframite and their respective derivatives tantalum, tin and tungsten (collectively, the “Covered Minerals”). The “Covered Countries” for the purposes of the Conflict Minerals Rule are the Democratic Republic of the Congo, the Republic of the Congo, the Central African Republic, South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola.

During the Reporting Period, McDermott manufactured, or contracted to manufacture, for customers Covered Projects (as defined in Section 3 below) for which Covered Minerals were or may have been necessary to their functionality or production.

2. **Company Overview**

During the Reporting Period, McDermott provided fully integrated engineering, procurement, construction and installation (“EPCI”) and technology solutions to the energy industry for offshore, subsea, power, liquefied natural gas (“LNG”) and downstream energy projects worldwide.

3. **Description of Projects Covered by this Report**

This Report relates to McDermott projects: (1) for which Covered Minerals were or may have been necessary to the functionality or production; (2) that were manufactured, or contracted to be manufactured, for customers by McDermott; and (3) for which the manufacture was completed during the Reporting Period. These projects (the “Covered Projects”) include the following:

- offshore oil and gas platforms, including piles, modules, living quarters, wellhead decks, production decks, deck upgrades and jackets as well as modules for integration into onshore plants and systems;
- onshore LNG process plants and regasification terminals, oil and gas field developments, terminals, processing plants, petrochemical facilities, storage facilities and specialty steel plate structures, including installation and commissioning of mechanical equipment, piping systems, electrical and instrumentation works;
• subsea installations, including modules, manifolds, support frames, pipeline end terminals (PLETs) and pipeline end manifolds (PLEMs);
• subsea pipelines and cables, including reeled and traditional laid in various diameters, lengths, materials, insulations and coatings; and
• onshore atmospheric storage tanks, high pressure storage tanks, low temperature and cryogenic storage tanks and water storage tanks.

4. Reasonable Country of Origin Inquiry and Due Diligence Efforts

We conducted, in good faith, a reasonable country of origin inquiry ("RCOI") that we believe was reasonably designed to determine whether any of the Covered Minerals that were necessary to the functionality or production of the Covered Projects originated in any of the Covered Countries and whether any of such Covered Minerals may have been from recycled or scrap sources.

We commenced our RCOI process by determining, based on an annual review and analysis of our supplier base, specific suppliers that we determined might have provided materials or components containing Covered Minerals necessary to the functionality or production of the Covered Projects (the “In-scope Suppliers”). The In-scope Suppliers were requested to provide information regarding the presence and sourcing of Covered Minerals used in the materials supplied to McDermott. Information was collected and stored using an online platform provided by a third-party vendor, Source Intelligence. This supplier engagement consisted of the following steps:

• Upon identifying In-scope Suppliers, an introductory communication was issued by McDermott to the In-scope Suppliers describing the compliance requirements, introducing them to Source Intelligence and requesting their cooperation in providing the requested information;
• Source Intelligence issued communications to the In-scope Suppliers, providing further information on the compliance requirements and information on how to access the online platform and requesting completion of the Conflict-Free Sourcing Initiative’s Conflict Minerals Reporting Template (the “CMR Template”);
• In-scope Suppliers who remained non-responsive during the Reporting Period were contacted by Source Intelligence via telephone and offered additional assistance, including but not limited to, further information about the Conflict Minerals Rule, an explanation of why the information was being collected, a review of how the information would be used and clarification regarding how the information needed could be provided; and
• If, after the above-described efforts, a given supplier still did not register with the system or provide the information requested, an escalation process was initiated. Specifically, McDermott contacted these suppliers by email to request their participation in the program and Source Intelligence followed up with an email in a timely manner. Up to nine reminder emails were issued to each non-responsive In-scope Supplier, further requesting completion of the CMR Template.
Approximately 22% of the In-scope Suppliers responded to our requests. Of those responsive In-scope Suppliers, approximately 30% responded that Covered Minerals were contained within the products or materials they provided to McDermott. Based on the information we obtained in the RCOI process, we believe that certain of the Covered Projects may contain Covered Minerals originating from the Covered Countries. Accordingly, we undertook due diligence efforts to determine the source and chain of custody of such Covered Minerals.

McDermott exercised due diligence on the source and chain of custody of the Covered Minerals contained in the Covered Projects. McDermott’s due diligence measures were designed based on the framework in the *Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High Risk Areas: Second Edition*, including the related supplements on gold, tin, tantalum and tungsten (the “OECD Guidance”).

McDermott’s due diligence measures included the following:

- Utilized an internal, cross-functional team to support supply chain due diligence.
- Undertook actions, including the engagement of a third-party vendor, Source Intelligence, to increase transparency over the supply chain.
- Applied internal measures to strengthen engagement with suppliers, including through contractual representations from suppliers that they do not procure Covered Minerals from the Covered Countries.
- Requested that suppliers complete a questionnaire on the CMR Template to identify Covered Minerals smelters or refiners and associated countries of origin.
- Identified smelters or refiners in the supply chain, to the extent practicable, based on information provided by suppliers.
- Evaluated supplier responses for plausibility and consistency, by cross-referencing against other supplier responses and publicly available information concerning smelters or refiners identified.
- Reported findings of the RCOI and due diligence processes to senior management.

5. **Determination**

Many of McDermott’s In-scope Suppliers provided responses with smelter or refiner facilities information based on a company or divisional level, rather than a product-level specific to the materials and components we use. As such, and based on the limitations discussed in Section 4 above, McDermott does not have sufficient information to determine all of the facilities used to process Covered Minerals necessary to the functionality or production of the products or the countries of origin of those Covered Minerals.
Our efforts to determine the mine or location of origin of the necessary Conflict Minerals with the greatest possible specificity are set forth in Section 4 above.

With respect to Covered Projects, because McDermott is a downstream user of Covered Minerals, we rely on the representations and information provided by its In-scope Suppliers. As a result, incomplete or inaccurate information provided by the In-scope Suppliers could affect the accuracy or completeness of the information set forth above or other information contained in this Conflict Minerals Report.

6. Steps to Mitigate Risks Relating to Covered Minerals
McDermott intends to continue improving its supply chain due diligence efforts via the following measures, in an effort to mitigate the risk that any Covered Minerals necessary to the functionality or production of products manufactured, or contracted to be manufactured, for customers by McDermott benefit armed groups in any of the Covered Countries:

• Continue to assess the presence of Covered Minerals in its supply chain.
• Continue to communicate expectations with regard to supplier performance, transparency and sourcing.
• Attempt to increase the response rate from our suppliers in our RCOI and due diligence processes, and work with our responding suppliers to improve the content of their responses, including reporting at a product-specific level.
• Continue to compare RCOI results to information collected via independent conflict free smelter validation programs such as the Conflict Free Sourcing Initiative’s Conflict Free Smelter Program.
• Educate suppliers about Covered Minerals and the importance of obtaining information about the source of any used in our products.

The foregoing statements made in this Section 6 are forward-looking statements and, as such, are subject to the cautionary statements and disclaimers set forth under the caption “Cautionary Statement Concerning Forward-Looking Statements” in Item 1 of Part 1 of our Annual Report on Form 10-K for the year ended December 31, 2018.