



Section 1 – Conflict Minerals Disclosure.

Item 1.01 Conflict Minerals Disclosure and Report.

Alliance Data Systems Corporation (including its consolidated subsidiaries and variable interest entities, the "Company") is a leading global provider of data-driven marketing and loyalty solutions serving large, consumer-based businesses in a variety of industries.

BrandLoyalty Group B.V. ("BrandLoyalty"), a subsidiary of the Company, contracts to manufacture certain products used as rewards in its short-term loyalty programs. Pursuant to Rule 13p-1 of the Securities Exchange Act of 1934, as amended (the "Rule"), the Company undertook an evaluation of the products that BrandLoyalty contracted to manufacture in calendar year 2017 to ascertain whether any products contained cassiterite, columbite-tantalite, gold, wolframite, or their derivatives, which are currently limited to tin, tantalum, and tungsten (collectively, the "Conflict Minerals"), and, if so, whether Conflict Minerals were necessary to such product's functionality or production.

The Company developed a comprehensive list of products taken, or available to be taken, into inventory in 2017. With assistance from BrandLoyalty's Category Management, Sourcing, and Quality departments, the Company refined this list to products that contained Conflict Minerals and assessed whether the Conflict Minerals were necessary to the functionality or production of such products within the scope of the Rule. From this evaluation, the Company concluded that BrandLoyalty's short-term loyalty programs offered approximately 4,300 products as rewards in 2017, and that 111 of these products contained Conflict Minerals. Of these 111 products, the Company determined that BrandLoyalty contracted to manufacture 11 products where Conflict Minerals were necessary to the functionality or production of such products ("Covered Products") from five suppliers.

The Company identified tin as the only Conflict Mineral necessary to the functionality or production of the Covered Products and conducted a reasonable country of origin inquiry to ascertain whether the Conflict Minerals used in such products originated in the Democratic Republic of the Congo or an adjoining country (collectively, "Covered Countries") or was from recycled or scrap sources.

Reasonable Country of Origin Inquiry

The Company prepared and provided the five suppliers with a questionnaire based on the Conflict Minerals Reporting Template prepared by the Electronics Industry Citizenship Coalition ("EICC") and the Global eSustainability Initiative ("GeSI"), and 100% of the suppliers responded. The Company reviewed and evaluated all supplier responses and conducted follow-up inquiries as necessary to clarify and confirm all responses. Each supplier confirmed that it sources its Conflict Minerals locally, that it does not source Conflict Minerals from any of the Covered Countries, and that it prohibits its direct suppliers from sourcing Conflict Minerals from Covered Countries as well. The responses also indicated that all five suppliers used one or more of five smelters to process their Conflict Minerals. Each of the five smelters is currently classified as a conflict-free smelter with the Conflict Free Smelter Initiative sponsored by the EICC and GeSI, namely: (1) Mitsubishi Materials Corporation; (2) Yunnan Tin Company Limited; (3) Yunnan Chengfeng Nonferrous Metals Co Ltd; (4) PT Timah (Persero) Tbk Mentok; and (5) PT Timah (Persero) Tbk Kundur.

Based on this reasonable country of origin inquiry, the Company has no reason to believe that any of the Conflict Minerals necessary to the functionality or production of the products it contracted to manufacture in calendar year 2017 may have originated in the Covered Countries.

The foregoing information is publicly disclosed on the Company's website at <https://s3.us-east-2.amazonaws.com/alliance-data-adcom/Final-Conflict-Minerals-Disclosure-2018.pdf> and at [www.alliancedata.com](http://www.alliancedata.com) on the Corporate Responsibility page under the heading "Conflict Minerals Report." The information on that website is not incorporated by reference into this Form SD.

Item 1.02 Exhibit.

Not applicable.

Section 2 – Exhibits.

Item 2.01 Exhibits.

Not applicable.

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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.

Alliance Data Systems Corporation

By: /s/ Joseph L. Motes III

Date: May 24, 2018

Joseph L. Motes III

Senior Vice President,

General Counsel and Secretary