



**COMPX INTERNATIONAL INC. AUDIT COMMITTEE
PROCEDURES REGARDING ACCOUNTING COMPLAINTS OR CONCERNS**

Amended and Restated on February 22, 2012

(Updated December 1, 2018 to reflect new anonymous reporting service provider)

I. Responsibility of Audit Committee for Accounting Complaints or Concerns

The Audit Committee (the “*Audit Committee*”) of the Board of Directors of CompX International Inc. has established the following procedures to receive, retain, investigate and respond to complaints or concerns of employees, stockholders and others regarding accounting, internal accounting controls and auditing matters (“*Accounting Complaints or Concerns*”). These procedures apply to CompX International Inc. and each of its subsidiaries (collectively referred to herein as the “*Company*” or “*CompX*”).

II. Procedures for Receiving Accounting Complaints or Concerns

A. Accounting Complaints or Concerns related to the Company may be reported to the Company as follows:

- via telephone using the Company’s third-party compliance reporting line operated by NAVEX Global’s EthicsPoint by calling 844-611-4137 (toll free) in the US or Canada; or
- via the Internet by going to www.compx.ethicspoint.com; or
- in writing to the attention of the General Counsel, CompX International Inc., Three Lincoln Center, 5430 LBJ Freeway, Suite 1700, Dallas, Texas 75240, with a copy to the Chief Financial Officer at the same address; or
- orally or in writing to any officer of the Company.

B. **The Company strongly encourages anyone with an Accounting Complaint or Concern to promptly report such Accounting Complaint or Concern directly to the Company, using one of the methods outlined above.** The individual reporting an Accounting Complaint or Concern as described above may, but is not required to, do so confidentially and anonymously. All such Accounting Complaints or Concerns will be investigated and kept confidential to the extent feasible, subject to applicable law. Information contained in an Accounting Complaint or Concern may be summarized, abstracted and aggregated for purposes of analysis and investigation.

III. Procedures for Investigating Accounting Complaints or Concerns

The Chairman of the Audit Committee shall be notified directly by EthicsPoint whenever an Accounting Complaint or Concern related to the Company (or an updated status thereof) is directed to EthicsPoint, either via telephone or via the Internet. The General Counsel, the Chief Financial Officer and the Chief Accounting Officer of the Company (or the persons performing such functions) shall receive simultaneous notice from EthicsPoint of each such Accounting Complaint or Concern (or an updated status thereof). Any officer of the Company other than the General Counsel receiving an Accounting Complaint or Concern shall promptly forward to (in the case of a written Accounting Complaint or Concern) or inform (in the case of an orally-communicated Accounting Complaint or Concern) the General Counsel of the Company. The General Counsel of the Company shall promptly forward to or inform, as applicable, the Chairman of the Audit Committee each Accounting Complaint or Concern related to the Company (or an updated status thereof) that is received directly by the Company or one of its officers.

The Company, led by the office of the General Counsel, will investigate each Accounting Complaint or Concern related to the Company. The Company will report the results of the investigation to the Audit Committee. Upon completion of the investigation, the Company shall take such corrective action that it deems appropriate. Upon completion of the investigation, the Company also will report to the Chairman of the Audit Committee, the General Counsel, the Chief Financial Officer and the Chief Accounting Officer (or the persons performing such functions) of any intermediate or ultimate parent company that is subject to a separate set of procedures regarding accounting



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complaints or concerns the results of the investigation of, and the corrective action taken with respect to, an Accounting Complaint or Concern related to the Company.

If an employee reporting an Accounting Complaint or Concern under these procedures is not satisfied with the action taken by the Company, the employee may indicate such dissatisfaction to the Chairman of the Audit Committee by either (i) contacting EthicsPoint (either via telephone or via the Internet as described above) or (ii) writing to the Chairman of the Audit Committee at: CompX International Inc., Attention: The Audit Committee Chairman, Three Lincoln Center, 5430 LBJ Freeway, Suite 1700, Dallas, Texas 75240. The Company will promptly forward to the Chairman of the Audit Committee (and simultaneously to the General Counsel, the Chief Financial Officer and the Chief Accounting Officer (or the persons performing such functions)) any such correspondence received by the Company. The Audit Committee in its discretion may assist with or take control of the investigation of, and the determination of corrective action with respect to, any Accounting Complaint or Concern and may retain outside counsel, auditors or other advisors in connection therewith.

IV. Procedures for Record Retention; Attorney-Client Privilege

The Company, through the office of the General Counsel, will retain for a period of seven years (or otherwise as required under the Company's record retention policies in effect from time to time) all records relating to any Accounting Complaint or Concern and to the investigation and resolution thereof. All such records are confidential to the Company and are protected by attorney-client privilege and/or the attorney work product doctrine. Such records will be considered privileged and confidential.

V. Non-Retaliation

The Company prohibits retaliation of any kind against individuals who have made good faith reports of Accounting Complaints or Concerns under these procedures. No action will be taken or threatened against employees who submit such complaints unless (i) the complaint was made with the knowledge that it was false or with willful disregard for its truth or accuracy, or (ii) the employee was involved in the improper activity.

VI. Publication

The Company will cause these procedures to be communicated to all employees and to be posted on the Company's corporate website.

**AMENDED AND RESTATED BY THE AUDIT
COMMITTEE OF COMPX INTERNATIONAL INC.
ON FEBRUARY 22, 2012.
(UPDATED DECEMBER 1, 2018)**

/s/ Jane R. Grimm
Jane R. Grimm, Secretary