

2009
ANNUAL
SUSTAINABILITY
REPORT



Southwire®

WE DELIVER POWER... RESPONSIBLY

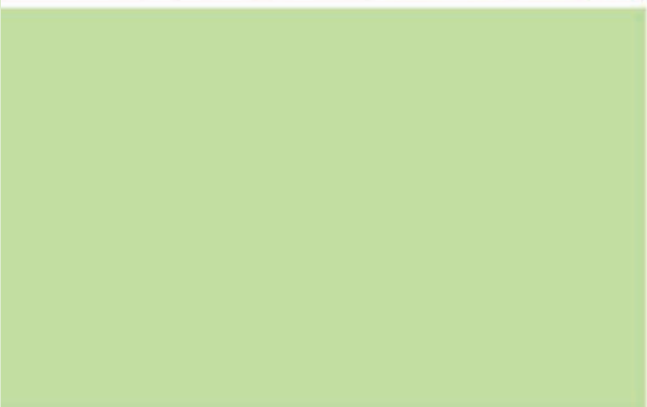
GROWING GREEN

BUILDING WORTH

DOING RIGHT

GIVING BACK

LIVING WELL



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We welcome all feedback on the information provided in this report, or on Southwire's activities in general. Please contact us at:

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 Carrollton, Georgia 30119
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About This Report

We appreciate you taking the time to review our 2009 Sustainability Report. The narratives and quantitative information in this report are intended to provide you with an overview of our **vision** for a sustainable future for our company and our stakeholders, our **commitment** to achieving this vision, the means by which we have and will continue to **engage** our stakeholders to better understand and help them achieve their sustainability goals and to share with them the progress we have made in attaining our vision, and, given the extent of our sphere of influence in the world, the **impact** we can have as we stride toward and reach our vision.

A summary of our progress is also provided on page 30 of this report. More details can be found on our website at www.southwire.com.



DEAR

Friends and Neighbors,

Last year we recast Southwire's vision using the language of sustainability, at which time we committed to achieving some stretch goals. We also said we would publicly share our progress with all our stakeholders. In this, our second annual sustainability report, we do just that.

We made some great strides in 2008. Despite the onset of a severe recession, we continued to "build worth" by making a profit, paying down debt, and building market share. We "grew green" by reducing our landfill waste from about 16,800 tons in 2007 to 11,600 tons in 2008. We "lived well" as we made significant improvements in our safety results, and our Heflin, Alabama plant was the first in our industry to be certified "VPP" by OSHA. We "gave back" as we graduated many students who otherwise might not have made it through high school from our innovative "12 for Life" operation. And we "did right" as we surveyed all employees on ethics and followed up on every concern raised. These accomplishments, and so many more, are outlined in this report.

But, our job has just begun. We modified some of our goals as we moved through the year, and we will add new ones in the future. And while we moved forward in many areas, we didn't in all. For example, though we reduced our carbon footprint in 2008, this was due to recession-driven lower demand – and our actual energy efficiency (per pound of output) deteriorated. We also learned that it will take longer than planned to establish a wildlife sanctuary at our Carrollton headquarters. With every accomplishment, there is still more to do – and we are committed to raising the bar, even if it means we don't always jump over it on the first try.

Thank you for your interest in our company and its sustained success.

Sincerely,



Stu Thorn

Southwire President and CEO



“With every accomplishment, there is still more to do – and we are committed to raising the bar, even if it means we don’t always jump over it on the first try.”

Stu Thorn, *President and CEO*



Roy Richards Sr., Founder

“I believe in doing what one man can.”

Starting from a desire to make life easier for his family, friends and neighbors, Roy Richards, Sr. founded Southwire to help bring electricity to rural Carroll County, Georgia. Through Mr. Richards’ and his family’s vision and guiding principles, we are committed to doing the job right—on every level—by attaining a sustainable future for Southwire and its stakeholders.



BUILDING WORTH Our success depends on our customers’ success. We will build worth for our shareholders, customers and other stakeholders by achieving the lowest cost, highest quality and best service in our industry. To do this, we must lead our core markets with superior products; grow steadily; spend wisely; keep debt low and protect our investments.



GROWING GREEN We will reduce our environmental footprint, even as we grow. By so doing, we not only will sustain our business, but we also will help sustain the communities in which we work and the world in which we grow.



LIVING WELL We will preserve and enhance the lives of our employees by building and sustaining a workplace that is satisfying, meaningful and fun. In doing so, we will make certain that safety and health are always top priorities and will never forget to treat each other with dignity and respect.



GIVING BACK Our neighbors depend on us, just as we depend on them. We will strive to improve the quality of life in the communities in which we work. This goes beyond providing jobs and paying taxes. It also means giving to those in need, not only with our time and talent, but also by sharing our financial resources.



DOING RIGHT We will foster a culture guided by ethical values. We will not forget to live up to those values, even when it might be difficult. And when we make mistakes, we will be transparent and responsive to our critics.

Southwire’s Vision

We will sustain our company in a fiercely competitive industry by believing in and supporting our employees who, in turn, will ensure our performance exceeds that of our competitors, by:

Management Commitment

While the goals to support our sustainability vision have been clearly defined, are measurable, and have an associated time frame to reach them, we constantly strive to devise and implement means to reach these goals by defining a strategy, developing and implementing policies and procedures, and evaluating performance. To do so requires company-wide commitment that is tightly aligned to organizational objectives—a commitment that is easy to talk about but requires a continued and disciplined effort to achieve, and will continue to distinguish Southwire considerably from our competitors.

Our management framework to support the planning, implementation and review of our sustainability program is evolving. And, while our leadership and governance has grown even stronger since last year, there remains much work to be done.



Denise Quarles, Vice President
of Environmental Affairs

“Progress requires clear priorities and a strategic focus that must be measured, monitored and communicated enterprise-wide.”

On a day-to-day basis, we continue to seek out opportunities to achieve our vision of **BUILDING WORTH, GROWING GREEN, LIVING WELL, GIVING BACK** and **DOING RIGHT** with both our internal resources and external business partners.

In 2008 and early 2009, we:

- Conducted several brainstorming sessions with stakeholders to discuss goals
- Benchmarked industry leaders and collected important data
- Aligned each goal with the appropriate personnel
- Defined boundaries and sources for each of our key metrics
- Committed more resources to working on our sustainable business practices
- Developed and documented detailed policy statements for each goal
- Launched a sustainability scorecard and reporting system
- Continued to make significant progress towards reaching our stated goals

Undoubtedly, these activities have strengthened our commitment to realizing our sustainability vision. Continued efforts are required, however, to wholly transform our organization into one that fully embraces the challenges and opportunities presented by its sustainability vision. Our unified voice will then enable us to seek, in a meaningful way, the engagement of our stakeholders in achieving our sustainability vision.

Stakeholder Engagement

Southwire's sustainability vision is built upon our commitment to several key stakeholders, including our customers, the supply chain that helps us to manufacture our products, the communities in which we work and live, and of course, our employees.

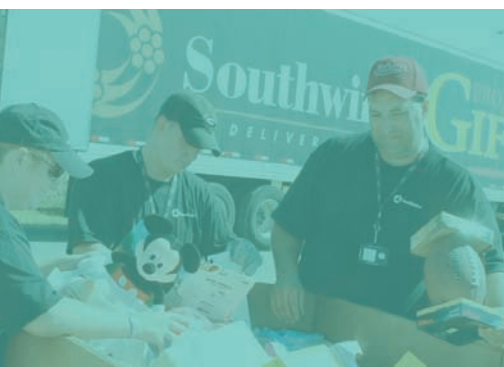
For this commitment to be genuine, however, it must be informed, based on specific needs, facts and circumstances. We are constantly seeking innovative ways to engage our stakeholders, through which we will better understand and address their needs and expectations. In addition, by being transparent about our operational practices and performance measurement systems, we can readily demonstrate our commitment to these audiences. We use a myriad of vehicles to engage our stakeholders, all with the end goal of keeping them informed and encouraging feedback.

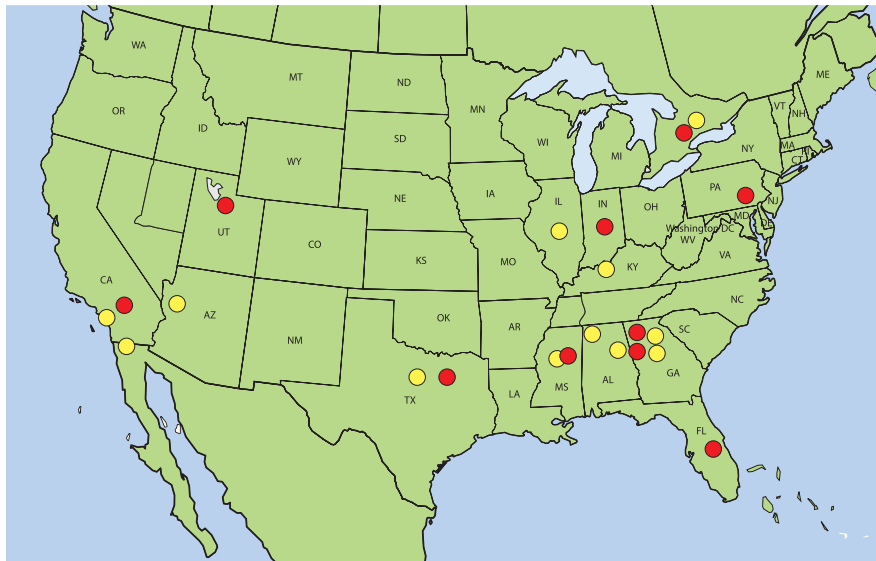
Stakeholder	Means of Engagement
Community	Dedicated Phone Lines Community Forums Press Releases Business to Business Collaboration Website
Customers	Formal/Informal Meetings Presentations Baseline Studies Surveys Operational Site Visits
Employees	Newsletters, Email Updates & Southwire TV Surveys Team Meetings Formal Grievance Policy Training
Regulators	Presentations Operational Site Visits Seminar Participation Input on Rule Development Formal Meetings
Shareholders	Quarterly Updates Presentations Committee Meetings Newsletters Website
Suppliers	Formal/Informal Meetings Surveys Collaborative Development Operational Site Visits



“We are constantly seeking ways to engage our stakeholders so we can be responsive to their needs, provide increased value through innovation, and develop partnerships that lead to competitive advantage and help deliver sustainable solutions.”

Vince Kruse, Sr. VP,
Research & Development



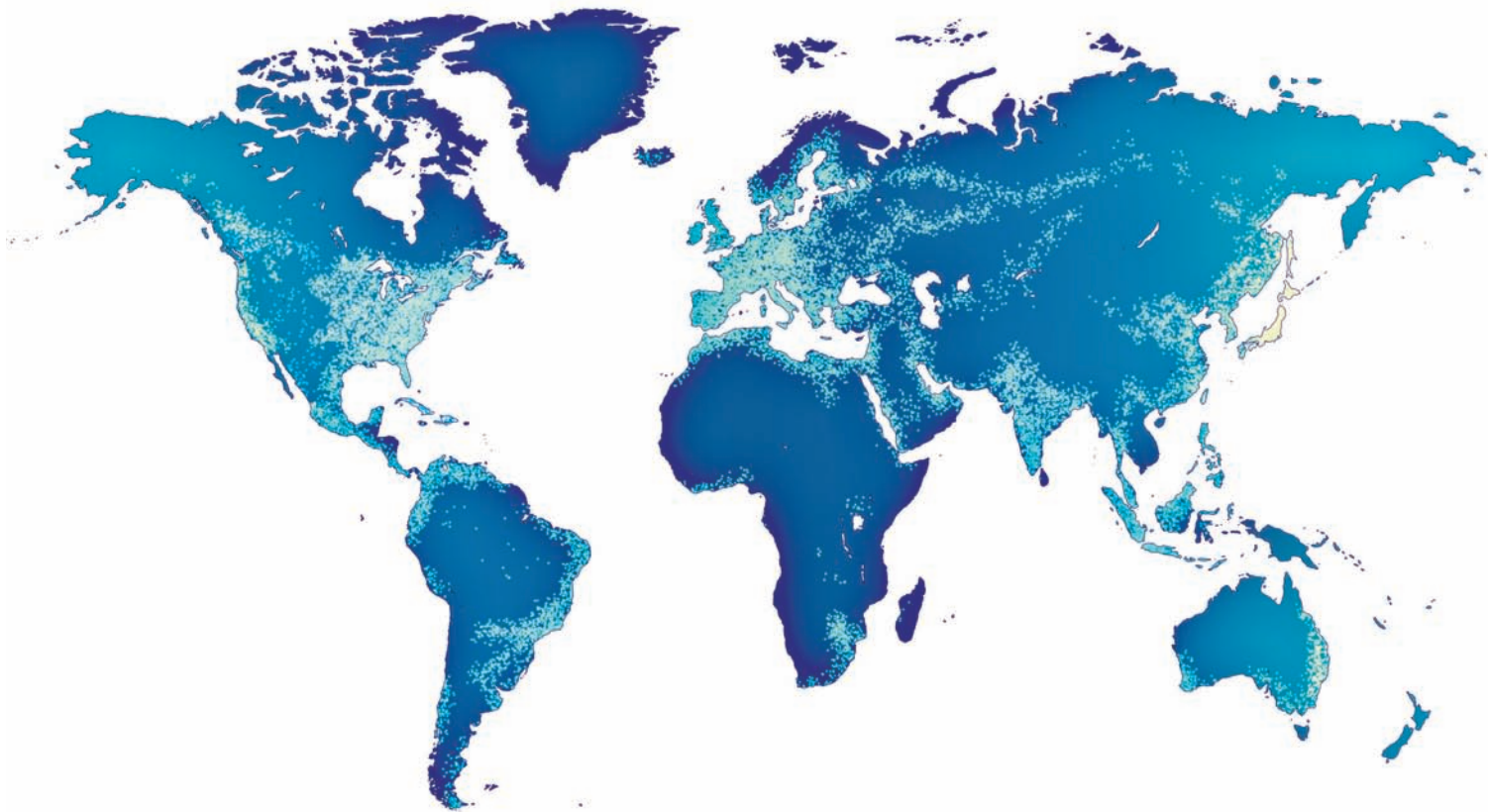


● CUSTOMER SERVICE CENTERS
● PLANTS

Map of Operations

Our Impact

Sustainability reaches beyond a company’s direct operations, employees and other immediate stakeholders to include its entire sphere of influence. For us, taking into account the vast reach of our products, this equates to a significant portion of the world. Attaining our sustainability vision will not only benefit our stakeholders and ourselves, but will have a far-reaching and extensive impact on much of the world.

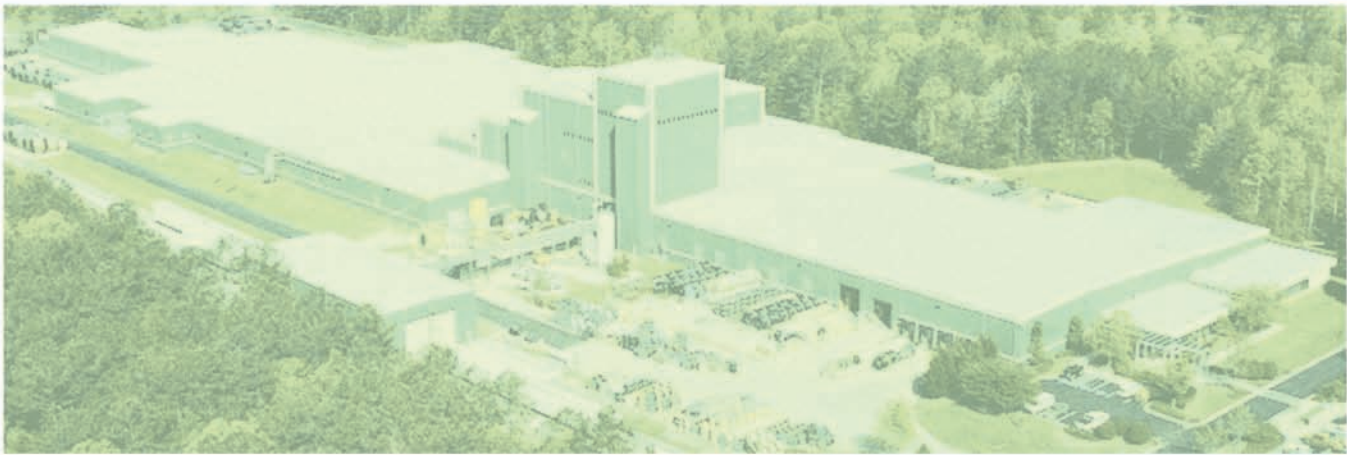


WE DELIVER POWER...RESPONSIBLY...WORLDWIDE

Collaborating for Sustainability

Success Stories for 2008 & 2009

- Partnering with Keep Carroll Beautiful and Plan B Solutions, Southwire hosted an **electronics recycling event** at our corporate campus, where we collected more than 36,000 pounds of electronics for recycling.
- During 2008, with more than 400 hours of **community service**, Forte Power Systems in Heflin, AL received Southwire's Inaugural Project GIFT Award. Some of the community events included: Cleburne County Middle School Mentoring Program, American Cancer Society Relay For Life, Nursing Home Events, American Red Cross Blood Drives, Food Drives for the HEARTS House, and toy drives for needy children.
- The Dallas CSC was the recipient of a Texas Railroad Commission grant that will enable the CSC to purchase an entirely new fleet of forklifts. The new emission-friendly forklifts will help **reduce CO₂ emissions** and get improved fuel economy, thereby reducing fuel costs due to lower consumption.



- The York CSC partnered with a pallet vendor to **reuse broken pallets** and turn them into reel cradles. As a result, the CSC reduced the frequency of dumpster pickups from four times per month to once per month.
- The Salt Lake City CSC partnered with its energy provider to **reduce natural gas usage** by installing large fans to circulate unused ceiling heat to the floor. Early 2009 indicators show about a 30% reduction over 2008 natural gas usage.
- The Toronto CSC supports a local high school co-op program, which provides high school students an exposure to working in an office environment.
- The Watkinsville Plant **donated wire** to North Oconee High School and Oconee County High School for hands-on training in their electrical wiring classes.
- The Energy CSC has never experienced a lost-time or recordable injury since opening on November 12, 2007.
- 2008 marked the third consecutive year without a recordable injury at the Orlando CSC.

- The California CSC **installed new energy efficient T5 lighting** that reduced electrical usage and cost by approximately 35% in 2008.
- In 2008, the West Georgia CSC worked diligently toward achieving **OSHA's VPP Star Site Status**, which was ultimately achieved in February 2009.



- The 12 For Life facility achieved **zero landfill** through Southwire's reduce, reuse, recycle concept. In a six-month effort, the facility eliminated landfilled waste by working with suppliers to take back reusable materials; recycling wood waste, cardboard, plastic bottles, and other materials; and composting food waste. The remaining 2-3% of waste that is not recyclable is incinerated off site.
- Dan Mossberg, the Long Beach plant recycling coordinator, joined the California Resource Recovery Association (CRRRA), and he belongs to three technical councils: Global Recycling Council, Repair, Reuse and Resale Council, and the California Organic Recycling Council.
- David Bolan, controller for the Southwire Canada Company Stouffville Plant, serves as the chairman of the board for the local Chamber of Commerce. Also, Southwire provides meeting space for this group when required.
- Starkville employees won first place in the Salvation Army annual kettle drive, **collecting the most money** for the 2008 holiday season. The Salvation Army awarded a gold bell to the Starkville team for this accomplishment.



- In late 2008, the Kentucky Plant began researching outlets for the facility's scrap wood. In early 2009, Southwire successfully teamed with Can-Clay, a manufacturer of clay products that uses wood-fired kilns, to **recycle wood pallets and scrap** from the Kentucky Plant.
- Southwire's Reel Shop successfully **partnered with a raw material supplier to reduce waste**. Previously, reel components were shipped to Southwire individually in bulk quantity, which meant numerous boxes, cardboard, plastic and other packaging materials. By instituting a "kitting" process, all raw material components are compiled into the kit with the correct quantity required for each reel. Therefore, the only waste is from plastic wrap and plastic bands, both of which are recycled.
- Carla Estes (Kentucky Plant) was a Growing Green Tip of the Quarter winner for her suggestion to line flower beds with newspaper instead of black plastic that isn't biodegradable.
- Jose Mireles (Kingman Plant) was a Growing Green Tip of the Quarter winner for a variety of suggestions including recycling cotton gloves; installing sensors for lights; on-demand hot water in restrooms and breakrooms.
- Southwire **initiated a van pool service** for a group of Carrollton Utility Products Plant employees.

- The Indy CSC sponsored a blood drive where employees had the **opportunity to donate blood**.
- The Tecate Plant **donated toys and supplies to local orphanages** and provided employee time to perform needed repair activities.
- The Mineral Wells Plant has several employees that **serve as volunteer fireman for the municipality**. Southwire supports these employees as they attend training annually at the Texas A&M University's Fireman Training Program.



- Milton Burson (Forte Power Systems) was Southwire's 2008 Environmental Hero. Milton **championed efforts to increase recycled reels** at Forte, resulting in over \$2 million in savings over five years.
- Southwire debuted its first Growing Green mascot (Candace the Can-Do Can) to create an awareness of our efforts, and she made several special appearances at various events throughout the year.
- Southwire **developed a RideShare program** for Carrollton employees and have approximately 30 groups participating.



Jill Morgan, Director, OPS

“Sustainable results require making incremental improvements each and every day. By taking detailed measurements and keeping focus on the long-term vision we continuously Build Worth throughout our organization.”

Building Worth

The financial challenges experienced in 2008 have magnified the importance of sustainable business development. Business leaders from across industries saw a change in operating conditions on an unprecedented scale. Despite the financial realities of 2008, Southwire was able to continue its efforts to Build Worth. We attribute much of our success to managing for Operational Perfection at Southwire (OPS).

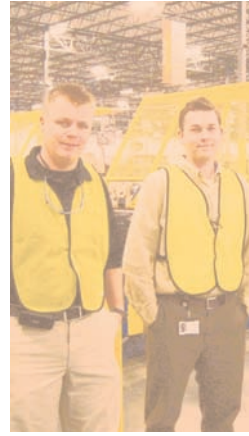
MANAGING FOR OPERATIONAL PERFECTION

OPS is a leadership directive based on the fundamental principles of lean manufacturing. Through this initiative, we relentlessly strive to drive waste out of our products, processes and procedures in every area of our business and, in doing so, Build Worth, Grow Green, Live Well, Give Back and Do Right.

OPS is not a program, a slogan nor a passing fad; OPS is a culture. It is a long-standing culture here at Southwire that will continue to improve over time. OPS is the foundation essential to achieving our long-term success as a sustainable organization.

GROWING PROFITABLE

Our commitment to managing for OPS enables us to improve efficiencies, which decreases costs, increases profits and Builds Worth. By continuing to Build Worth through managing for OPS, we will support our other important sustainability initiatives of Growing Green, Living Well, Giving Back and Doing Right.



Guyton Cochran,
Exec. VP, Chief Financial Officer

STRONG FINANCIAL CONDITION

By continuing to meet stakeholder expectations, even in these difficult times, we were able to not only navigate a trying economic environment but, through OPS, Build Worth. OPS is not a tool that is only beneficial in difficult economic times, rather, OPS is a sustainable strategy that, as the economic environment improves, will enable Southwire to grow even stronger.

LEADER IN CORE MARKETS

Southwire continues to work hard to maintain its superior reputation for product innovation, process quality, outstanding customer service and competitive pricing, all of which results in Southwire achieving a competitive advantage in the marketplace. Our reliability, for products *and* service, is unparalleled. By maintaining this competitive advantage through building trust and investing in products, processes and people, we will continue Building Worth at Southwire.

Our Goals	Our 2008 Progress
Grow profitably	Five-year moving average sales and profits grew from 1999-2003 to 2004-2008
Maintain strong financial condition	Maintained investment grade profile throughout 2008
Remain leader in core markets	Grew composite market share in 2008

Met or exceeded goals!

“Looking ahead, the future remains challenging. In this demanding environment, Building Worth becomes even more important in our communities. As we sustain our profitability, we contribute to our communities with the taxes we pay, jobs we create, and our impact in the local economies.”



Jack Carlson
Exec. VP, Pres. Electrical Division

“We continually challenge ourselves not only to comply with emerging codes and standards, but also to develop new products and solutions by relentlessly identifying and pursuing new ideas that are environmentally friendly and reduce waste, while improving our end-users’ productivity.”

Growing Green

Reduce. Reuse. Recycle. These are not just three words. It is the mission of each and every Southwire employee.

Southwire conducts its operations in a manner that consistently *conserves* resources and *minimizes* our impact on the environment. With aggressive goals for a sustainable future, we have a vision and a plan. Despite the challenges that may lie ahead, we shall continue to strive to increase our process efficiency and green-enabling technology, from first touch to last.

WHY ARE WE GROWING GREEN?

Expectations have changed. Not only ours, but also those of our customers, our communities, our suppliers and the world at large—we are all expected to do our part, both individually and collectively, to protect the environment in which we all live.

The goal of shrinking our environmental footprint remains a key focus for Southwire. In a world that is increasingly concerned with global climate change, we realize the importance of discovering new ways, and expanding upon existing ways, to reduce resource consumption and impact to the environment. And, while we are enormously proud of our success in achieving substantial reductions in 2008, we know there is more work to be done. We will remain focused and continue to look for additional opportunities to further improve.

Strong environment leadership is essential, and its growing importance is clear to our employees and shareholders. The future of Southwire depends upon our vigilance and the stewardship of our natural resources. Growing Green is not only a good thing to do for our communities, it makes good sense for our business.

GROWING GREEN— HOW ARE WE MAKING IT HAPPEN?

Environmental management will lead to sustainable business development.

Of this, we are certain. To this, we are committed.

Southwire means business. We strive to ensure close cooperation at every step in the value chain, from purchasing to manufacturing, including our relationships with suppliers, customers, business partners and communities. Through this cooperation, we strive to manage the value chain so that we have a full understanding of the limitations of the way we use and source natural resources. This will help us to:

- Eliminate waste
- Minimize our carbon footprint
- Influence our suppliers to reduce their respective carbon footprints
- Innovate green-enabling products and processes

One of our proudest achievements this past year was being awarded the *2008 Green Supplier of the Year* by one of our largest utility customers. In moving towards our Growing Green goals, we look forward to attaining many more accomplishments.

We are committed to operating our facilities in compliance with all applicable local, state and federal environmental regulations, as well as implementing more stringent internal standards, where necessary, to protect our environment. To support this effort, each facility has a designated environmental coordinator (EC) trained to implement procedures for meeting applicable regulations and requirements. These ECs are supported by environmental professionals from our Corporate Environmental Management department. In addition, in order to ensure compliance with applicable regulations, we also retain independent, third-party resources to periodically conduct compliance audits to review key internal controls.

Not only are we committed to compliance with applicable environmental regulations, but we expect each of our sites to be operated and managed in a fashion that will continue to minimize impacts associated with emissions and effluents.

GROWING GREEN WITH MEASURABLE GOALS THAT MAXIMIZE OUR VALUES.

We have set some specific goals in order to work toward our vision of Growing Green. Our goals are clearly articulated and measurable, and they have an associated time frame within which to reach them. And, at every level of the company— from the manufacturing floor to the salaried staff—we need a committed and inspired workforce, a *team* of like-minded, value-oriented, community-sensitive people to succeed in our mission. We also need collaboration with all of our stakeholders, as we come together, through our common interest in Growing Green.

Our Goals	Our 2008 Progress
Achieve zero-landfill status by 2017	Reduced landfill waste 30% from 2007 baseline
Eliminate lead additives from all Southwire wire and cable product insulation and jackets by 2010	98% complete
Reduce carbon footprint by 10% by 2010	Carbon footprint reduced 5% from 2007 baseline
Reduce water use by 15% by 2010	Water usage reduced 10% from 2007 baseline
Improve contract carrier freight fuel mileage by 10% by 2010	Fuel mileage increased 5% from 2007 baseline
Improve company fleet mileage by 25% by 2010	Mileage improved by 24% over 2005 baseline
Establish wildlife sanctuary at Carrollton headquarters by 2010	Initial planning is ongoing
Obtain regulatory approvals for site remediation at legacy locations	Remediation work substantially complete at four sites that await agency approvals, remediation criteria are being negotiated with agency at one additional site

■ Met or Exceeded Goal
 ■ Longer Term, On Target
 ■ Longer Term, Not Yet Achieved

“Our vision of a green supply chain extends beyond our own sustainable manufacturing process; joining forces with our progressive utility customers to assist in the design and specification of materials, cables and power delivery systems that reduce our combined life cycle impact.”



Charlie Murrah
Exec. VP, Pres. Energy Division

TOXIC RELEASE INVENTORY

The Environmental Protection Agency (US EPA) requires industrial facilities that manufacture, process, or otherwise use certain chemicals to report their releases and off-site transfers on an annual basis on a Toxic Release Inventory (TRI) report. For 2008, Southwire's total reportable quantities for all chemicals combined for all of our U.S. manufacturing plants were just under 200,000 pounds. While this may seem like a lot, Southwire is proud to report that 2008 reportable quantities were well below those levels reported for 2006 (more than 780,000 pounds) and 2007 (over 480,000 pounds). In fact, Southwire reported TRI releases and off-site transfers of approximately 10 million pounds in 1999.

Our success in reducing TRI reportable quantities is primarily the result of two factors: (1) Southwire's increased recycling efforts as we work toward our goal of eliminating landfill disposal, and (2) reformulation of many of our insulating compounds to remove lead.



2008 Company-Wide TRI Releases

TRI Chemical	On-Site Releases		Transfers Off-Site		Totals (lb)
	To Air (lb)	To Surface Water (lb)	Managed Off-Site (lb)	Disposed to Landfill (lb)	
Antimony Compounds	71	12	24,118	29,281	53,482
Chromium	1.5	0.6	0.9	0.1	3.1
Copper/Copper Compounds	4,849	294	1,678	97,811	104,632
Di(2-ethylhexyl) Phthalate	144	0	0	7,245	7,389
Dioxin & Dioxin-Like Compounds	0.0097	0	0	0.0005	0.0102
Lead/Lead Compounds	303	7.4	13,808	165	14,283
Manganese	11	15	5	6	37
Zinc Compounds	12	49	12,393	7,594	20,048
Totals	5,391	379	52,003	142,102	199,875

Growing green is in the details.

REDUCING OUR ENVIRONMENTAL FOOTPRINT

In last years sustainability report, we discussed current baselines and goals. Since then, we have gathered a lot of data, created benchmarks, developed teams and implemented innovative processes. Now we are beginning to receive the data to measure our success in attaining our goals. While much progress has been made, including more clearly defining some of our goals, there is still much to be done. Below is a summary of our efforts and progress to date.

AIR CARBON FOOTPRINT

We recognize our impact on climate change through energy consumption and greenhouse gas emissions from operations. In 2008, our overall carbon footprint was less than 2007. While we did execute several energy efficiency improvements during 2008, this reduction in our carbon footprint was primarily due to reduced production volumes. In fact, our carbon footprint actually increased slightly over 2007 when normalized for production.

Currently, to better understand our energy usage and how we may go about reducing it, we have undertaken a major initiative by investing in energy audits. In addition, through analysis conducted by teams in a number of internal focus groups, we have also identified significant, new opportunities that we will continue to explore in 2009.

CONTRACT CARRIERS

Contract carriers play a vital role in our business, but they also contribute to air pollution. So, the better fuel mileage that they get, the better for all. So far, our contract carriers have increased their fuel mileage by 5% from our 2007 baseline, and we will continue to work with them to achieve further increases.

COMPANY FLEET

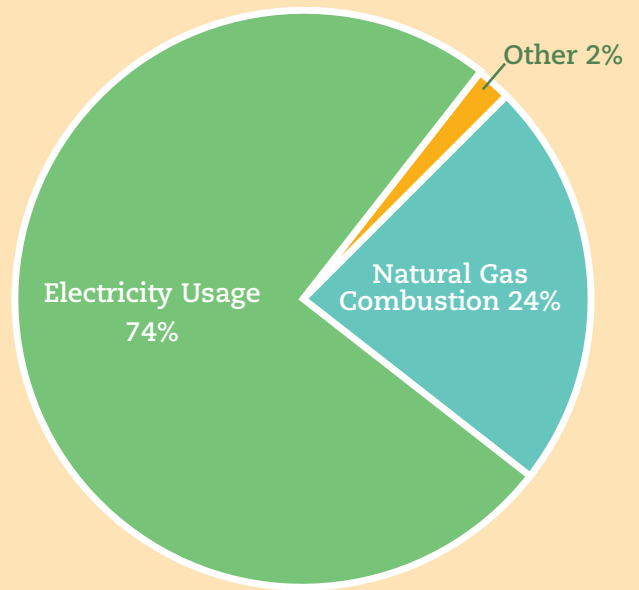
Hybrid vehicles, once a scarce breed, made their way into Southwire's company fleet starting in 2006, and now make up more than 42% of our fleet of cars and light trucks. Using this green-enabling technology allows us to reduce fuel consumption, air pollution and greenhouse gas emissions—the formal "triple threat" has become three opportunities-in-one!

With our new hybrids, we have:

- Increased our fleet fuel efficiency by over 24%
- Cut our annual gasoline consumption by 16%
- Reduced our greenhouse gas emissions by 117 metric tons of CO₂

But there's more—in 2008, we committed to replacing *all* of our remaining non-hybrid staff vehicles by December 2010, purchasing *only* hybrid vehicles that meet or exceed US EPA's low-emission-vehicle standards and have received US EPA air pollution and greenhouse gas scores of eight or higher.

2008 Company-Wide Greenhouse Gas Emissions
(Tons CO₂ Equivalents)



2008 Greenhouse Gas Emissions: APPROXIMATELY 336,600 TONS

1. Emissions are reported in carbon dioxide equivalents.
2. Emissions from electricity usage for US facilities were calculated based on US EPA eGRID emission factors in accordance with the GHG Protocol. Emissions from each facility were based on the eGRID Subregion emission factor in which the facility is located.
3. Emissions from electricity usage for facilities located in Mexico were calculated based on factors from the Electricity Outlooks published by Mexico's Ministry of Energy as provided in the Climate Registry General Reporting Protocol (March 2008).
4. Emissions from electricity usage for facilities located in Canada were calculated based on factors from Environment Canada, National Inventory Report, 1990-2005: Greenhouse Gas Sources and Sinks in Canada (April 2007), as provided in the Climate Registry General Reporting Protocol (March 2008).
5. US EPA AP-42 factors were used to calculate GHG emissions from combustion sources.
6. Emissions from transportation-related activities are not included.
7. Emissions from waste management activities and other indirect sources are not included.
8. Estimates were made where actual data were not available.

WATER

The achievements we made last year were not really due to the introduction of any new green technology, but rather resulted from us paying closer attention to the details associated with:

- Improved metering
- Reduced water losses
- Increased water reuse
- Process improvements

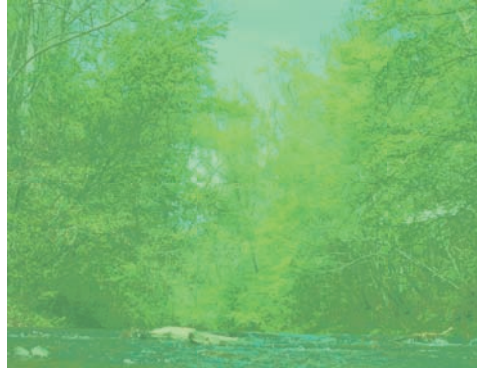
The primary use of water at our facilities is to cool our heat generating processes. The simple measure of improved metering has made our people much more aware and sensitive to water usage patterns in our operations. Each of our processes has been examined for water use efficiency and measures taken to better conserve, wherever possible. Points of water losses have been identified and steps taken to eliminate these losses. Leaks have been repaired and evaporative losses reduced. We have increased the number of cycles water is reused prior to discharge. And process improvements have contributed greatly to our water conservation program.

Last year, Southwire announced its own water conservation goal of reducing the amount of water we consume by 15% by 2010. Today, we are pleased to report back to you that we are on-pace to achieve that objective.



Norman Adkins
Sr. VP, Pres. OEM Division

“By working closely with customers, we ensure our products add value– not just in their supply chain, but also in their efforts to become more sustainable. But, greener products are only part of the equation. We also offer packaging that is environmentally friendly, allowing Southwire and our customers to divert more materials from landfills and creating sustainable solutions for everyone.”



WASTE

“Zero Landfill” is an aggressive goal that creates both challenges and opportunities. We are still seeking ways to get there, but setting such a goal shows our level of commitment. We know it is possible. Other companies have set such goals and some have successfully achieved them. We see them as benchmarks and look to learn from them about credible solutions and how they may be relevant to our operations.

While it is challenging to find a disposal alternative to landfills for some of the industrial waste that Southwire produces, we are continually looking for the very best options. Nothing, however, beats eliminating or reusing what ends up as waste—excess packaging is just one example—so that it stays out of the landfill.

Our recycling program supports the full array of our operations, from administrative office waste to industrial waste generated by our facilities. All of our facilities have designated areas, signage and dedicated resources responsible for championing the cause, including locating some recycling bins in our employee parking lots to encourage employees to recycle items from home. But, zero means zero—and everything counts. So, while we have made progress, the system still needs work.

CHALLENGES

- Finding an outlet source for our recyclable materials while at the same time balancing the economics (for example, it’s \$50/ton to place waste in a landfill versus almost \$200/ton to send to a waste-to-energy facility)
- Working with the supply base on greener alternatives
- Finding secure outlets for inert materials like used furnace brick and wastewater treatment sludges

OPPORTUNITIES

- Innovative new technology that offers our customers the same solution but with more environmentally friendly products and packaging
- Cost savings
- Show commitment to environmental sustainability
- Improve reputation (market image)

While accountability ultimately rests with each facility to put appropriate systems in place to ensure that Southwire’s environmental mission is achieved, we centrally manage our air, water and waste-reduction programs from our headquarters in Georgia so we can track the progress monthly on a corporate scorecard. This also helps with internal benchmarking as we make a conscious choice, each and every day, to Grow Green by way of the products we make, processes we innovate, and people we train.



GROWING GREEN BY FIXING OUR PAST MISTAKES

Unfortunately, some of Southwire's prior use of then-accepted industry practices resulted in site conditions that triggered the need for clean-up and remediation. Because our communities, friends and neighbors are very important to us, we think it is not only important to correct any past impacts, but also to inform others of our progress in remediating these situations. Here is what we are doing at our legacy sites:

COPPER DIVISION SOUTHWIRE (CDS) — CARROLLTON, GEORGIA

Southwire's operations in Carrollton included a secondary copper smelter from 1971 until 2000, when the smelter was closed. Southwire continues to work with the Georgia Environmental Protection Division to finalize plans for remediating the former CDS site.

In addition, the US EPA recognizes secondary copper smelters as significant sources of dioxin, and there has been some local concern about Southwire's past dioxin emissions. In response to the concern, Southwire has taken many actions and continues to monitor new research on dioxin, as well as Carroll County health statistics. Southwire will continue to share new and important findings with our employees and our neighbors.

WYRE WYND — JEWETT CITY, CONNECTICUT

Southwire has submitted its action plan for this former manufacturing facility and is awaiting regulatory approval. The US EPA and the Connecticut Department of Environmental Protection have recently directed Southwire to conduct an ecological screening assessment to determine if Southwire's facility might have had an impact on the local ecosystem. Planning for this work is underway.

GASTON COPPER RECYCLING CORPORATION — GASTON, SOUTH CAROLINA

Gaston Copper Recycling Corporation is a former copper smelter. The remediation plan approved by the US EPA and the South Carolina Department of Health and Environmental Control has been implemented, and operation and monitoring of the remediation components is ongoing.

NSA — HAWESVILLE, KENTUCKY

Southwire operated NSA as a primary aluminum smelter from 1969 until its sale in 2001. Construction has been completed on the remediation plan approved by the US EPA and the Kentucky Department of Environmental Protection. Operation and monitoring of the remediation components is ongoing.

SOUTHWIRE INTERNATIONAL CORPORATION — PUERTO RICO

Southwire International Corporation has worked with the US EPA and Puerto Rico Environmental Quality Board under a consent order to clean up this former manufacturing site. The US EPA recently determined that all actions required under the consent order have been completed. Southwire is planning some final grading at the site and assessing its options for possible future uses of the site.

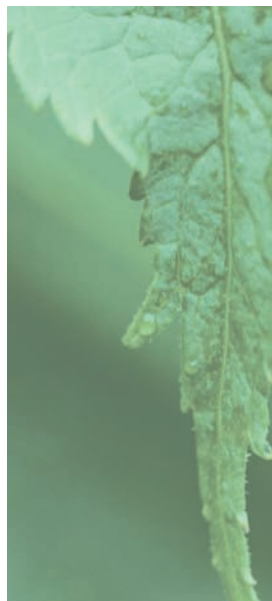
PRODUCT INNOVATION & STEWARDSHIP

To be successful tomorrow, we cannot just look at what is working today. We must constantly be looking for new and better products and processes, and invest in the on-going training of our employees. To do so, we must understand the lifecycle impact of our products on the environment, and find innovative ways to reduce the negative and promote the positive effects. This extends to our supply chain and distributors, who we have encouraged to follow our lead.

That being said, existing solutions have the opportunity to flourish and expand. With close attention to detail at every level of our organization, existing solutions, like recycling, can have a very positive impact, with everyone being encouraged to play a role in Growing Green.

GROWING GREEN requires making incremental improvements each and every day, taking detailed measurements and keeping focus on the long-term vision. While we still have a long way to go to reach our goals, we continue to achieve many significant improvements. We aim to be the best, not only in the wire and cable industry, but to be a world-class business.

To be successful tomorrow, we cannot just look at what is working today. We must constantly be looking for new and better products and processes, and invest in the on-going training of our employees.

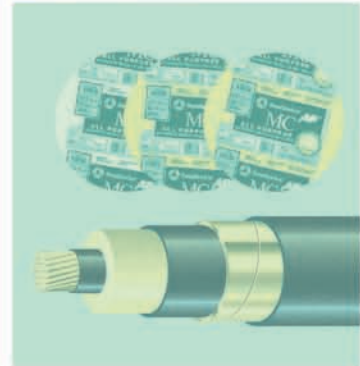


Innovating for Sustainability

Success Stories for 2008 & 2009

ELECTRICAL DIVISION

The Electrical Division's SIMpull THHN® cable is a new type of building wire that does not require the addition of lubricant when pulled through conduit. No additional plastic buckets or bottles of lube and no "extra" cardboard are needed to cover or protect surfaces from dripping messy lubricants. Southwire recently enhanced the unique benefits of this product by combining a patent pending factory installed pulling device (SIMpull Head™) with cut-to-length, parallel reels of color conductors. This further *reduces waste and makes life easier* for contractors who pull it.



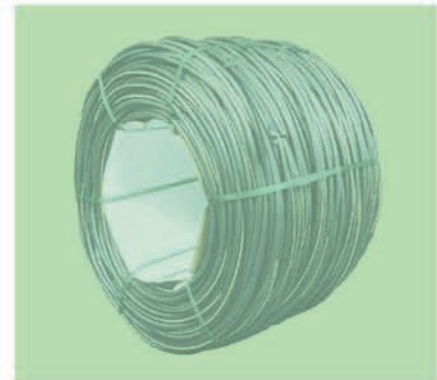
ELECTRICAL DIVISION

MC^{AP}® cable is another patented electrical wire and cable invention from Southwire's Electrical Division. "All Purpose" Type MC cable replaces both circuit size AC and standard MC cable products. MC^{AP}® uses fewer petroleum-based polymers than standard copper MC cables and *requires less parts and pieces to install*.

Finding ways to make our electrical products more environmentally friendly is not new to Southwire. Several years ago we introduced SOLONON®, a low-smoke, non-halogen, industrial power cable that offered a *new level of safety and reliability* for industrial applications. And, just this year, Southwire introduced the first no lead medium voltage product (EnviroTECT™), the first in a full line of environmentally friendly industrial medium voltage cables.

ENERGY DIVISION

The Energy Division offers its customers programs such as EnviroCoil® (reel-less packaging) to help *eliminate waste and encourage material reuse*. Because traditional reels are heavy and space consuming, many installers typically prefer to carry full reels and set aside partial reels for scrap recovery. Using EnviroCoil®, which is much lighter and takes up less room on the truck, the installers use up the remaining cable on the coil instead of setting it aside. Our customers have reported scrap reductions on the order of 8-12%.



OEM DIVISION

Southwire offers many products for use in *renewable or alternative energy distribution*, including our OEM Division's photovoltaic wire used in solar power applications.





ENERGY DIVISION

The Energy Division's HS285® cable is engineered to have more strength and provide more available line capacity than standard cable. HS285® is designed to be strung tighter, thus giving more room to sag while still staying within clearance limits. By reducing sag transmission lines can be re-conducted using existing towers, **reducing raw materials and lowering cost** for steel and concrete.

Typical underground cable can be accidentally damaged by homeowners during sprinkler system installation, landscaping activities, fence installation, etc. Damaged cable can corrode and fail, which leads to power failure in homes and extra cost, labor, and materials to identify and correct the problem. To prevent damage, many utilities install underground cable in conduit, which increases cost and consumes resources. Southwire's Energy Division offers SureSeal® products that are **self-repairing and can prevent failures** and eliminate the need for costly, resource consuming repairs.

“Southwire’s culture of innovation grows even more important as our customers are changing the way power is produced and delivered and changing the way they measure environmental impact. Such paradigm shifts have always created the biggest challenges and lead to our most dynamic product innovations.”

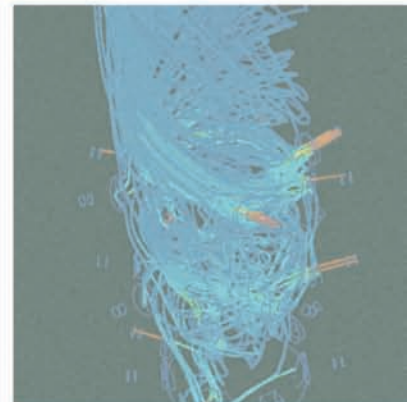
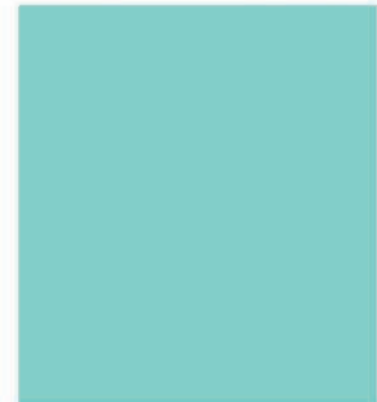
–Carol Godfrey, VP,
Energy Division Marketing



SCR DIVISION

SCR has developed a vortex burner system to **enhance shaft furnace design and efficiency**. SCR utilized computer modeling to evaluate the flow of gases within a furnace and determine the optimum location and position for each burner. Gases form a vortex pattern in the furnace and improve melting efficiency. In one application, a 3% savings of fuel consumption was achieved employing only one row of the vortex burner system.

SCR offers a twin fork shaft furnace loading system designed to improve shaft furnace fuel efficiency. The retractable twin fork system can scatter the copper cathodes charged to the furnace providing even cathode distribution and **improving fuel efficiency** as much as 16%. This system can also reduce copper block and refractory damage by minimizing the impact of the charge materials against the furnace walls.





Mike Wiggins
Exec, VP, Human Resources

“Our people make Southwire special, and the safety and wellness of our employees and their families are critical to Southwire’s success.”

Living Well

FAMILY VALUES

It’s not a political statement—it’s who we are. We are a family. The Southwire family. We’re family owned and operated. Owned by descendants of our founder, Roy Richards, Sr., and operated by members of our employee family—generations of husbands and wives, sons and daughters, who have shown their loyalty and have grown up with Southwire throughout their careers, some 10, 20, 30, and even more than 40 years. That kind of loyalty is reciprocated—we *genuinely* care about our Southwire family’s well-being.

Living Well goes beyond wages and benefits. Safety is a primary concern as we strive to create safe environments in which our employees may thrive. And, there’s nothing to debate about health and wellness here at Southwire—we make it a part of our everyday lives, and offer a helping hand to our fellow employees, just as we continue to focus on training and educational programs to keep our employees knowledgeable and motivated. Most of all, we love what we do. At Southwire, we recognize the importance of *enjoying* our work as we come together to deliver the very best products and services.

DIVERSE THINKING

Without the increasing diversity that has become a model at Southwire, we would not have the richness of ideas, innovation, and talent that we have come to count on as part of our family.

It starts at the top. Southwire’s Board of Directors is made up of three shareholders, one member of top management, and six outside directors, each bringing a unique background, focus, and perspective. Southwire’s future will be built upon

an ever-increasing diverse workforce who will bring fresh thinking to build upon the wealth of experience of our staff. We strive every day to have each person treated with the same respect and dignity. Our employees are encouraged to raise questions, seek answers and feel empowered to design their own careers at Southwire. We are also endeavoring to increase our diversity by increasing the percentage of goods and services purchased from minority- and women-owned businesses.

BUILDING WORLD-CLASS SAFETY

Safety is the foundation for everything we do at Southwire. It is the #1 Core Principal under our Operational Perfection at Southwire (OPS). *Avoiding injuries will always come above everything else.*

Emphasis is placed on the fact that safety is everyone’s responsibility at Southwire. Nothing will come before the safety of our employees and our working environments. This is key in Southwire’s sustainability. We recognize our employees to be our greatest assets.

Safety

OPERATIONAL PERFECTION @ SOUTHWIRE #1 Core Principle is SAFETY!

Avoiding injuries will always come above everything else. Our goal is zero accidents and zero injuries.

We will achieve this with:

- Total employee involvement
- Fix problems once and for all
- Orderliness

Safety is everyone's responsibility.

Our safety record continued its impressive run last year, allowing us to state that we have been consistently well below the wire and cable industry average for the past five years. Last year's lost work injury and illness rate for the wire and cable industry was 1.6 accidents per million hours worked. Southwire's 2008 rate was 0.16. Comparatively, we are 90 percent below our industry peers.

Likewise, our rate of recordable injury and illnesses as defined by the U.S. Occupational Safety and Health Administration (OSHA) was 3.31, 43 percent below the wire and cable industry average of 5.8.

These impressive 2008 company-wide safety numbers reflect the diligence and dedication that our individual facilities have toward safety.

- Six of our customer service centers worked injury-free.
- Five of our manufacturing locations had a recordable injury and illness rate less than 2.
- Twenty of our Southwire locations went the entire year without any lost work injury and illnesses by our employees.

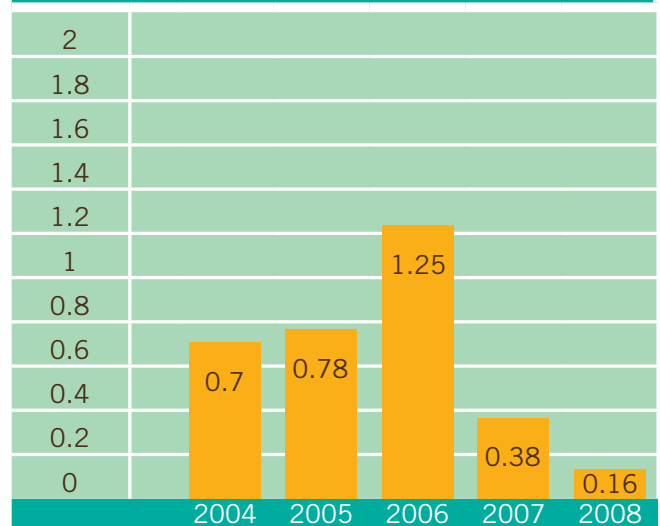
As such, to continually improve and sustain our safety record, we must continually challenge ourselves. We, in fact, have challenged ourselves to be world-class. We define world-class safety by having a two or less recordable injury and illness rate and a zero lost work injury and illness rate. We have set a performance goal to achieve this by 2012 and maintain it into the future.

So, how do we plan on getting there?

We strongly believe that behavioral based safety (BBS) is and has been instrumental in reducing our lost work and recordable injury and illnesses amongst our employees.

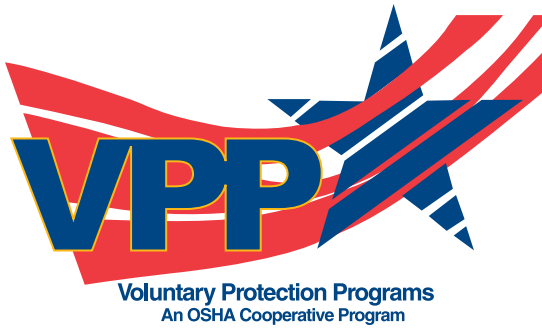
BBS starts by analyzing the interactions between people's behavior and their working environment to identify the combinations of unsafe conditions, unsafe acts and the unsafe behaviors that lead to the unsafe outcomes. Once these have been identified, corrective measures are put in place to correct the unsafe conditions, and employees are coached on how to change their unsafe acts or behaviors. Our goal is to have a BBS program in place in all designated facilities by the end of 2009.

Lost Work Injury & Illness Rate (Industry Average 1.6)



Recordable Injury & Illness Rate (Industry Average 5.8)





We are also committed to the four safety management principles of the OSHA Voluntary Protection Program (VPP), which are management leadership and employee involvement, work site analysis, hazard prevention and control, and safety and health training.

OSHA's VPP recognizes employers and employees with exemplary occupational safety and health programs. Four of Southwire's locations have achieved VPP Star status. They are Forte Power Systems in Heflin, Alabama; West Georgia Customer Service Center in Villa Rica, Georgia; Southwire Carrollton Building Wire Plant in Carrollton, Georgia; and Energy Customer Service Center in Villa Rica, Georgia.

Our goal is to implement the VPP management principles and achieve Star certification at all designated manufacturing facilities and customer service centers by 2012.

A HEALTHY OUTLOOK

Living Well also means ensuring that our employees have a healthy environment to do their best work.

We are on pace to complete industrial hygiene audits of all of our facilities by the end of 2009. We promise to address any problems that may be revealed in the best way we can, and we will make those audit results available to any employee at that facility who would like to see it.

Living Well also means staying fit and healthy. We want our employees and their dependents to receive the best care possible if they're sick. But more importantly, we also want to get out in front of the curve and focus on the 'health' part of 'health care' through our commitment to wellness. Getting and staying fit will help employees and their families stay healthy and productive—good for them and good for us.



“The responsibility for safety extends to each and every Southwire employee. As Southwire business people and as a cherished family, we are responsible and accountable for our own safety and the safety for those around us.” —Kimberly Watson, Director, Safety





As we focus on prevention as a way to decrease the need for treatment, we are now using dollars once spent on outpatient treatment to fund physicals, mammograms, and other procedures designed to detect medical conditions *before* they become health issues—and at *no charge* to employees through Southwire’s Family Medical Center in Carrollton and through special arrangements with medical facilities near the company’s other locations.

Living Well at Southwire means thriving in the family, the workplace, and the community.

Our Goals	Our 2008 Progress
Improve employee and leadership diversity	30 of 63 managerial hires in 2008 were females or minorities (improved 5% over 2007)
Achieve world-class lost work injury & illness rate performance by 2012	2008 LWC actual = 0.16 (improved 58% over 2007)
Achieve world-class recordable injury & illness rate performance by 2012	2008 recordable = 3.31 (improved 18% over 2007)
Establish “behavioral-based safety” program in all factories and warehouses by 2009	92% complete
Complete industrial hygiene audit of all factories & warehouses by 2009	100% complete
Achieve OSHA VPP certification in all US factories & warehouses by 2012	18% complete
Increase percentage of goods and services from minority and women owned businesses	13% improvement over 2007
Ensure 50% of employees and their families are current on their recommended preventive health screenings	Achieved 83% participation in 2008

Met or Exceeded Goal
 Longer Term, On Target
 Longer Term, Not Yet Achieved



Kelley Park
VP, Employee/Community Relations

“We at Southwire proudly give back by supporting fellow employees in need through our Power Fund, offering financial support to worthy causes through our Donations Committee, equipping at-risk students with life skills through our 12 for Life program, and so much more. We do this, not because we have to, but because it’s what caring people at a responsible company do.”

Giving Back

Not only do we work in our communities, we live there too. Therefore, we are serious about being a responsible corporate citizen. We demonstrated that responsibility through community service by giving back through numerous projects in 2008. A few of these activities are highlighted below:

PROJECT GIFT (GIVING INSPIRATION FOR TOMORROW)

BACK-TO-SCHOOL – Some of our manufacturing facilities and our Carrollton, GA corporate office sponsored Back-to-School giveaway events. Together with local sponsors, Southwire provided nearly 5,000 students with school supplies and backpacks.

TOYS FOR TOTS® – Southwire volunteers in Carrollton collected well over 6,000 toys for needy children. In addition, many Southwire employees donated their time to help package toys.

DISASTER RELIEF – A team of Project GIFT Blackshirts participated in several events. Following Hurricane Ike, volunteers collected two truckloads of disaster relief supplies and distributed them in Bacliff and San Leon, Texas, two towns hit hard by the storm.

OTHER ACTIVITIES – Project GIFT volunteers assisted with a variety of other activities, including Special Olympics track meets, dinners sponsored by the local Council on Aging, the Carroll Youth Meth Summit, beautification efforts and others.

12 FOR LIFE®

Almost one-third of first graders in Carroll County, GA will not graduate from high school. Hoping to impact that number, Southwire and Carroll County Schools created 12 for Life, an innovative partnership that places at-risk students into real jobs at a Southwire plant designed for high school students, allowing them to earn wages, gain credit toward a diploma, and acquire real-world job experience. Students are teamed with Southwire employees who share experience and offer guidance through a one-on-one mentoring program. 12 for Life graduated 28 students in 2008, bringing the two-year total to 42 graduates. Another 51 students have now graduated in 2009 bringing our total to 93. The 12 for Life plant hosted The Georgia Partnership for Excellence in Education’s annual bus tour of sites across the state. The program also continues to gain interest from state and national education and business officials. Encouraged by the program’s success in Georgia, Southwire teamed with Florence City Schools to start a second 12 for Life program in Florence, AL in August 2009.



COMMUNITY DAY

Southwire's annual Community Day raised nearly \$7,000 for the Boys and Girls Clubs of Carroll County. The company matched that amount for a total donation of just under \$14,000. Southwire committed to a donation of \$30,000 over three years and served on the founding committee of the Boys and Girls Clubs of Carroll County.

ELECTRONICS RECYCLING

Partnering with Keep Carroll Beautiful and Plan B Solutions, Southwire hosted two electronics recycling events. Combined, we collected more than 36,000 pounds of electronic waste for recycling.

KENTUCKY COMMONWEALTH CLEAN-UP WEEK

This annual event promoted by the State of Kentucky encourages communities and businesses to adopt a highway, river bank or an area that has been neglected as their clean-up project. As participants in this event, the Kentucky Plant Recycle Committee members adopted the entry road into the plant, Highway 271, as their cleanup project. The committee members spent the morning picking up litter alongside the roadway and collected 33 bags of trash, ranging from plastic bottles to tires.

RANCHO CUCAMONGA FAMILY RESOURCE CENTER

The employees of the California CSC sponsored a food drive and toy drive for the Rancho Cucamonga Family Resource Center, a non-profit organization that provides food, clothing, housing assistance, and counseling for needy families in the community.

UNITED WAY

The Stouffville plant in Canada has a long history of supporting its local United Way through the Days of Caring projects, which allow our employees to give their time and talent directly to the member agencies. In May, nine Stouffville employees spent a day working at the Sandgate Women's



shelter doing yard work, electrical repairs, and washing eaves, troughs and siding. In June, we sent two volunteers to repair a roof at the Family Services building. Southwire supplied the shingles for the project. Family Services provides affordable counseling to families in need. In October, Southwire sent seven volunteers to paint and sort food at the York Region Food Network in time for it's Thanksgiving Opening. In December, we held a toy and food drive. These items were donated to the Rose of Sharon shelter that provides shelter and counseling to teenage unwed mothers.

PROJECT AIM

Starkville, MS employees participated in Project AIM (Achievement Involving Mentoring) in 2008. The goal of Project AIM is to provide 4th-8th grade students with mentors from the community to improve academic performance, encourage positive attitudes about school, and guide developing social skills.

OARC (OCONEE AREA RESOURCE COUNCIL)

The Watkinsville, GA Plant provided donations to support drug-free programs in schools such as Say Boo to Drugs, Red Ribbon Week, Responsible Alcohol Sales, After Prom (a safe entertaining program for students), Education and Prevention Programs, etc.

COMMUNITY CLEANUP

The Tecate Mexico Plant sponsored the planting of palm trees and clean-up of local parks and schools for the City of Tecate. In addition, plant employee volunteers donated their time to clean the local river of trash and debris.

Our Goals	Our 2008 Progress
Graduate 175 students from 12 for Life by the end of 2012	93 graduated from 2007 start of program through June 2009
Annually increase number of our employees involved in the community	Number of participants increased by 11%, and the average hours per person increased by 25% in 2008
<div style="display: flex; justify-content: space-around; align-items: center;"> ■ Met or Exceeded Goal ■ Longer Term, On Target ■ Longer Term, Not Yet Achieved </div>	

COMMUNITY INVOLVEMENT

We continue to be involved in various civic activities within the community. Southwire employees are involved in various community organizations such as rotary clubs, Lions clubs, Kiwanis clubs, Chambers of Commerce, Boys and Girls clubs, Optimist clubs, and other organizations.

FINANCIAL CONTRIBUTIONS

Southwire's Donations Committee provides financial support to organizations in the community. We were pleased to support the following organizations and programs in 2008: Alzheimer's Association, American Cancer Society, Athens-Oconee Junior Woman's Club, Boy Scouts, Boys and Girls Club, Camp Smile-A-Mile, Clay County Ministerial Alliance Food Pantry, Cleburne Baptist Association, Cleburne County Middle School, Cleburne County High School, Colham Ferry Elementary School, Father's Child Ministries, Flora Academic Foundation, Flora CUSD #35, Flora Industrial Commission, Jobs for Illinois Graduates (JILG) program, Flora Police Department/Shop with a Cop, Flora Elks Club, Flora Rotary Club, golf tournament to support housing for disabled adults, Greater Starkville Adopt-A-Family program, Habitat for Humanity, Hancock County Museum, Hancock County Care and Share Christmas Program, Hancock County Veterans, Hancock County Rescue Squad, Hancock County Board of Education, Heartland Villa, HEARTS House, Heflin PARD, Help Office, Hendricks County Sheriff Department, Hospice Care, Kentucky Housing Repair Affair, Kingman District Elementary Schools, local boys and girls sports teams, local high schools, March of Dimes, Mohave County Fair, music scholarship fund, NRECA International Foundation, Oconee Area Resource Council, Oconee County High School Band, Oconee Veterans Memorial Foundation, Ranburne High School, Rancho Nazareth San Juan Bosco & Luz Encendida Orphanage, Randolph County Elementary School, Relay for Life, Robotics Clubs, Salvation Army, Shriner's Childrens Hospital, Stouffville Hospital, Stouffville Santa Claus parade, Stouffville Strawberry Festival, Terry Fox Run for Cancer, Todd Bates Football Skills Camp, Toys for Tots, United Way, Wendell Foster Center for Developmental Disabilities, White Plains Elementary School, and many others.



“Southwire’s sustainability commitment is supported by codes and policies that apply to all its operations”

— Floyd Smith, Chief Legal Officer



Doing Right is our commitment.

Southwire is committed to Doing Right. This commitment recognizes that we need our stakeholders’ continuing respect and support to operate and grow.

The ethical values we have come from the top-down, as well as from the bottom-up. Our leadership establishes expectations and accountability, but we also must engage every stakeholder to get them to support these shared values, which ultimately will contribute to the sustainability and success of our company.

Skillful, ethical governance ensures that our leadership’s expectations and commitments are implemented and fulfilled. It also guides and even defines the responsibilities of all roles of our company—from the board of directors to every Southwire employee.

Good governance has at its core trust and transparency. In order to earn that trust and exhibit that transparency, there must be strict accountability built into our values, practices and procedures. This is true at all levels of products and services, and is key to our sustainability into the future. We stake our company’s reputation on our integrity of purpose, action, and mission.

DOING RIGHT MEANS SETTING GOALS, ALONG WITH MAINTAINING A SCORECARD TO KEEP AN ACCURATE ACCOUNTING OF OUR PROGRESS:

Our commitment to good governance extends not only to the big issues, but also right down to the details. Some examples of our commitment are:

- Making corporate announcements available via our website on a regular and timely basis

- Publishing annual sustainability reports
- Establishing Southwire University, a corporate learning program started last year. Although still in its infancy, it promises to ensure the continued professional development of our employees.
- Making policy documents for each sustainability goal available that define each goal and describe how it is measured and tracked. For example, if employees want to know what we mean by greenhouse gas emissions or water use, they can read the appropriate document online (internal view only).
- Setting up a board committee to meet periodically to address sustainability issues. Our Sustainability Committee meets quarterly to review scorecard status.
- Contracting with independent third-parties to conduct external compliance audits for financial and environmental affairs

DOING RIGHT REQUIRES TRANSPARENCY

Creating a corporate culture, where transparency and responsiveness are highly encouraged, and not feared, is Southwire’s mantra. We are committed to operating with transparency in every aspect of our business.

Employees are encouraged to pass on any information about possible ethical violations through our *Just Ask* program. All questions, concerns, and suggestions are all read and answered by top management. Additionally, we survey all management employees on ethics at least once a year.

Financial transparency is key as well. To this end, we have an unqualified outside audit opinion on our annual financial results, even though, as a private company, this is not required.

DOING RIGHT MEANS ADDRESSING REGULATORY COMPLIANCE ISSUES WHERE THEY EXIST, HEAD-ON

While Southwire is committed to maintaining the highest standards of financial and business integrity, we are not perfect. But, we're trying to make a difference every day. In keeping with our commitment to be transparent in our activities, here is a list of Southwire's 2008 regulatory compliance issues:

REPORTABLE RELEASES

Southwire reported two incidents that were both related to dry weather discharges into a creek at Southwire's Carrollton, GA building wire plant:

- August 2008—Process water leak due to damaged water pipe (100 gallons discharged)—\$4,000 fine.
- November 2008—Process water leak due to flexible hose failure (5000 gallons discharged)—\$4,000 fine.

LETTERS OF NONCOMPLIANCE (LON) & NOTICES OF VIOLATION (NOV)

- February 2008—At Carrollton, GA, a LON was received for pressure drop readings outside acceptable range. No penalty.

- July 2008—At Heflin, AL, a NOV was issued for X-ray unit serial number that did not match permit; paperwork has been updated. No penalty.
- An older NOV, dating back to February 2006—At Hawesville, KY, several items that were not in compliance with requirements of the Clean Air Act have now been resolved, and a settlement was reached with both the US EPA and the State of Kentucky for a total fine of \$337,500.

As with any mistake, we not only work hard to resolve regulatory compliance issues as quickly as possible, but we also carefully analyze these issues to see what lessons we can learn and what corrections need to be made to ensure that they do not happen again.

DOING RIGHT IS A DRIVING FORCE BEHIND OUR SUSTAINABILITY EFFORTS

We place the highest values on ethics, integrity, transparency and accountability across all platforms. We are guided by these principles with every decision we make.

Our Goals	Our 2008 Progress
Training all management employees in ethics program every two years	Training conducted for 2 departments in 2008; Remaining departments will be trained in 2009
Survey all management employees on ethics at least once a year	All management employees surveyed in 2008
Achieve unqualified outside audit opinion on annual financial results	Achieved in 2008
Board notification and follow-up on all ethics concerns raised under Just Ask and hotline programs	All concerns communicated in 2008
Notify community of any regulatory actions or reportable incidents	Details regarding all regulatory actions, posted on our website
Met or exceeded goals!	



Southwire's Sustainability Scorecard



Our Goals		For Details See...
BUILDING WORTH	Grow profitably	page 9
	Maintain strong financial condition	page 9
	Remain leader in core markets	page 9
GROWING GREEN	Achieve zero landfill status by 2017	page 11
	Eliminate lead additives from all Southwire wire & cable product insulation & jackets by 2010	page 11
	Reduce carbon footprint by 10% by 2010	page 11
	Reduce water use by 15% by 2010	page 11
	Improve contract carrier freight fuel mileage 10% by 2010 (top 20 carriers)	page 11
	Improve company fleet mileage by 25% by 2010	page 11
	Establish wildlife sanctuary at Carrollton headquarters by 2010	page 11
	Obtain regulatory approvals for site remediation at legacy locations by 2010	page 11
LIVING WELL	Improve employee and leadership diversity	page 23
	Achieve world-class lost work injury & illness rate performance by 2012	page 23
	Achieve world-class recordable injury & illness rate performance by 2012	page 23
	Establish "behavioral-based safety" program in all factories and warehouses by 2009	page 23
	Complete industrial hygiene audit of all factories & warehouses by 2009	page 23
	Achieve OSHA VPP certification in all US factories & warehouses by 2012	page 23
	Increase percentage of goods and services from minority and women owned businesses	page 23
Ensure 50% of employees and their families are current on their recommended preventive health screenings	page 23	
GIVING BACK	Graduate 175 students from 12 for Life by the end of 2012	page 26
	Annually increase number of our employees involved in the community	page 26
DOING RIGHT	Training all management employees in ethics program every two years	page 29
	Survey all management employees on ethics at least once a year	page 29
	Achieve unqualified outside audit opinion on annual financial results	page 29
	Board notification and follow-up on all ethics concerns raised under Just Ask and hotline programs	page 29
	Notify community of any regulatory actions or reportable incidents	page 29

Met or Exceeded Goal
 Longer Term, On Target
 Longer Term, Not Yet Achieved

More on the Web.

Our sustainability website provides more information about our policies and practices. www.southwire.com

Southwire
WE DELIVER POWER... RESPONSIBLY

Home Employees Our Company News & Media Product Catalog Technical Support Ordering

Do It Yourself
Residential
Commercial
Institutional
Industrial
Transmission
Energy Distribution
OEM
SCR Technologies
Canada
Latino América

WE DELIVER POWER
BUILDING WORTH

WE DELIVER POWER
DOING RIGHT

WE DELIVER POWER
GROWING GREEN

WE DELIVER POWER
LIVING WELL

WE DELIVER POWER
GIVING BACK

We plan to sustain our success for future generations by building worth, growing green, living well, giving back and doing right.
Click on the surrounding seals for more information about our sustainability efforts.

Feedback

Welcome to Southwire Innovation **Sustainability** Value Contact Us

Recent News → Southwire Enhances Presence in OEM Market with Cabletech Acquisition

Automotive Wiring
Let Southwire Get You Running

HV Solutions
High Voltage Solutions from Southwire

MEGA MC™
Feeder Size Mega MC™ Cables Available in both Copper and Aluminum Sizes 8 AWG - 900 kcmil

HS285
HS285 Strong Conductor - Right Down to the Core

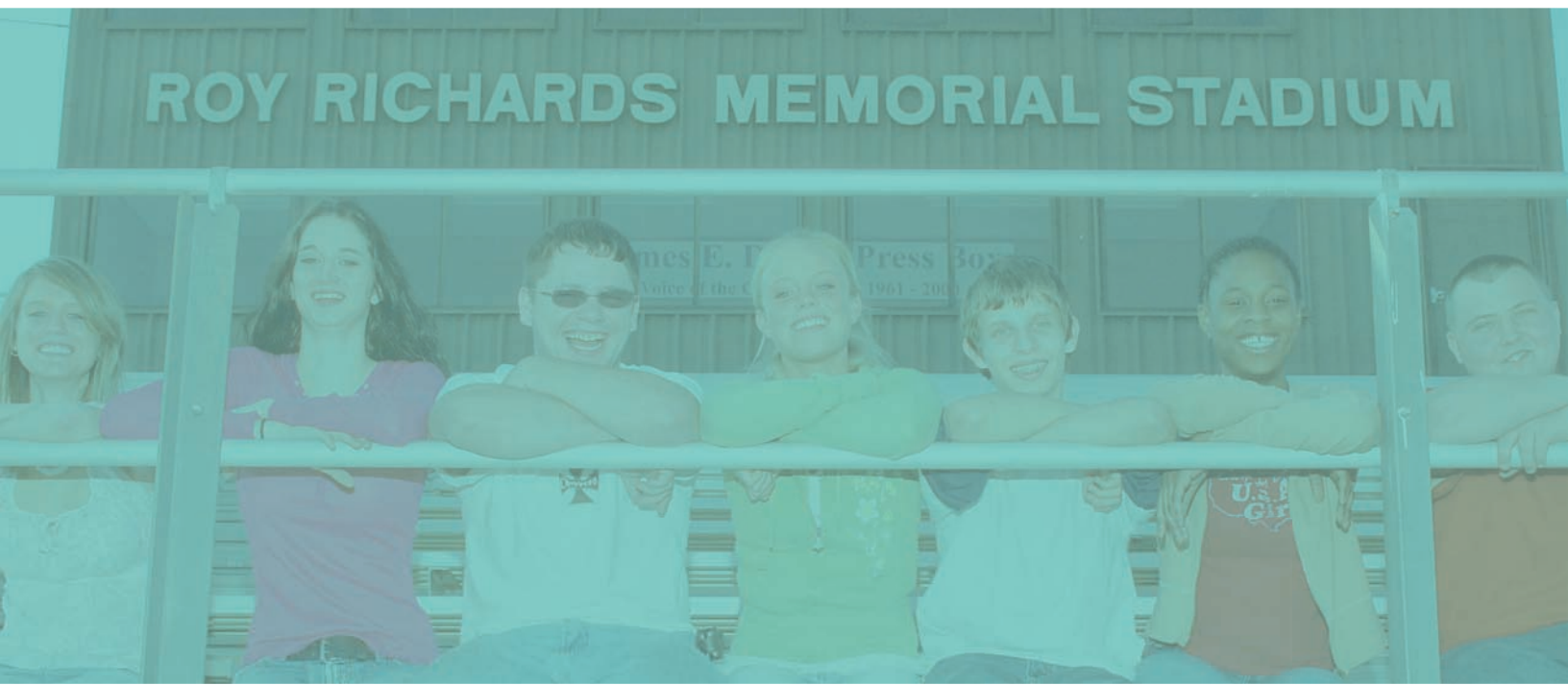
PV Wire
Bare or Tinned Stranded Copper Conductors

Sustainability Home Page



We welcome all feedback on the information provided in this report, or on Southwire's activities in general. Please contact us at:

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