

Dear FRIENDS AND NEIGHBORS,

Since Southwire was founded in 1950, we have been in the business of delivering power. As our company has grown, so has our commitment to corporate responsibility.

We know our success is tied directly to the success of our stakeholders. This has never been more apparent than now, while we are in the midst of a worldwide economic recession. As we fight to maintain and strengthen our position in the marketplace, we still must take care of our employees, our community and our environment.

In 2009, not only was the economy working against us, but mother nature took her best shot. Our Carrollton headquarters was hit by a record-breaking flood the U.S. Geological Survey described as epic. I was amazed by the effort, commitment and team spirit of our employees as they worked to get our factories cleaned up and operational within just a few days.

This is Southwire's third annual sustainability report. In our initial report, we shared our vision to sustain success through building worth, growing green, living well, giving back and doing right. We also identified a number of challenging, yet achievable, goals for our organization. This report reflects our commitment to openly communicate with our stakeholders about our performance.

Over the last two years, we have made great strides in achieving many of these goals. I am especially pleased that we have continued our progress toward reaching zero-landfill status. To date, we have cut our landfill disposal by 63 percent from a 2007 baseline. On the other hand, we have not been as successful reducing our water use—though we have specific plans in place to make substantial progress in 2010.

We are not perfect, but by setting goals and measuring ourselves against them, I am confident we can grow "less imperfect" every year—to the enormous benefit of our company and our stakeholders.

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



Sincerely,

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Southwire OUR BUSINESS

Southwire is North America's largest manufacturer of wire and cable used in the transmission of electricity. Our products carry electricity from the generating plant to the outlet or switch in the wall, delivering power to millions of people around the world. In fact, our wire is in one of every three new homes built in the United States.

Southwire is structured around four divisions—Energy, Electrical, OEM (Original Equipment Manufacturer) and SCR® (Southwire Continuous Rod). Each focuses on a specific group of products and customers.

ELECTRICAL—Southwire's electrical division provides innovative product and service solutions for the residential, commercial and industrial construction and retail markets throughout North America and Latin America. The breadth of products offered within the electrical division leads the industry with Romex® Type NM cables, copper and aluminum building wire including SIMpull THHN®, metal-clad (MC) cable, cord products including AIW™ Brand Cord Products, industrial power and control cables as well as the leading brand of wire and cable installation tools from MAXIS™.

ENERGY—Southwire offers a full line of low, medium and high-voltage cable products that move power from the generation source to buildings and homes. Nearly half of the country's transmission grid relies on Southwire transmission conductors. Wind and solar farms use our underground cable to deliver power from windmills and solar panels to on-site substations.

OEM—We provide wire and rod to customers who manufacture such products as automobile wiring harnesses, alternative energy systems, transformers, electric motors, HVAC equipment, appliances and industrial equipment.

SCR TECHNOLOGIES—Southwire has been a technological leader in continuous-cast copper and aluminum rod manufacturing since the 1960s. More than half of the world's continuous-casting ETP copper rod capacity uses our technology—which means that most of the world's copper wire passes through technology provided by Southwire.

OUR PERFORMANCE

2009 AT A GLANCE

Total Revenue	\$2.8 billion
Factories	16
Distribution Centers	10
Countries with Operations	3
Employees	3,800
Pounds Copper Processed	700 million
Pounds Aluminum Processed	300 million

Southwire OUR STAKEHOLDERS

Southwire's success is directly linked to the success of our stakeholders.

COMMUNITIES—Because we live here, we feel the responsibility to support our communities through financial donations and volunteer activities. In addition, we think it's important to keep the public informed of the things we are doing (both positive and negative) that may affect them.

CUSTOMERS—In this era of sustainability, our customers are becoming more interested in greening their businesses and supply chains, and we are working to support their efforts and share information and ideas.

EMPLOYEES—Our people make us special. Southwire boasts a low turnover rate, and some of our loyal employees have been with the company 20, 30 and even more than 40 years. And we proudly employ families of husbands and wives, sons and daughters.

REGULATORS—Open dialogue is critical to our success. Southwire continuously works to build equity with regulatory agencies by being proactive, transparent, responsive and forthright.

SHAREHOLDERS—The Richards family, our shareholders, understands the responsibility we have to future generations. With their commitment and support, Southwire has set challenging, meaningful goals that will help us sustain our future.

SUPPLIERS—We cannot achieve our sustainability goals without the support of our supply partners. Therefore, we are diligently working with our suppliers to get their assistance in achieving our sustainability goals and, at the same time, aiding them in their sustainability efforts.

OUR COMMITMENT

"Over the past year, Southwire's employees have worked diligently to innovate and collaborate for sustainability. While we have had some success, we recognize that we still have a lot to learn and a long way to go. Further, achieving our goal of reducing our environmental footprint even as we grow will require continuing fresh ideas, hard work and commitment from all of our stakeholders."

— Denise Quarles
VP of Environmental Affairs

Southwire OUR 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:



• **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
WE DELIVER POWER... RESPONSIBLY

QUESTIONS? COMMENTS?

This pamphlet presents the highlights of our sustainability performance. More details can be found on our website at www.southwire.com. Also, feel free to contact us if you have comments or questions at sustainability@southwire.com.

You can also give us feedback by completing the stakeholder feedback survey at www.southwire.com/survey.



Southwire

2010
sustainability
report



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OUR LEGACY

Roy Richards, Sr. founded Southwire in 1950 with 12 employees and second-hand equipment. His goal was to deliver power to the rural South. As a visionary, he understood that his company's success

was tied to its employees and the community.

Mr. Richards knew that building a company for the future would depend on more than just making money. Successful companies needed to take care of their employees, give back to their communities, and deal fairly with customers and suppliers. His children, who now own Southwire, share that same understanding.

BUILDING WORTH



STAKEHOLDER SUCCESS

Building worth is the foundation of Sustainability at Southwire. In order for us to grow green, live well, give back, and do right, we must be profitable as a company. Southwire's success is directly linked to our stakeholders. By producing high-quality wire and cable, we contribute to the success of our customers. Likewise, purchasing goods and services helps make our supply chain partners successful. We build worth for our employees by providing competitive wages and benefits and by offering a sense of teamwork and pride in a job well done. Southwire also supports our communities through taxes, jobs and local spend. Last, but not least, we build worth for our shareholders by providing a financial return on their investment.

MARKET LEADERSHIP

Undoubtedly, 2009 was a difficult year. Overall, the worldwide economy has been in a recession, and bankruptcies, unemployment, foreclosures and consumer uncertainty are at all-time highs. The U.S. residential and commercial construction markets have been hit particularly hard, which has had a significant impact on our business. Still, Southwire was able to maintain a leadership position in our core businesses in 2009. Although we expect the economic challenges to continue in 2010, our strong financial position will carry us into the future.



GROWING GREEN

ENVIRONMENTAL STEWARDSHIP

In 2007, Southwire established several aggressive goals designed to improve our environmental performance. Since that time, we have made considerable progress toward reaching these goals. Notably, Southwire is well over half way to reaching our goal of eliminating landfill disposal by 2017.

Although much of the greenhouse gas and water use reductions were related to lower product demand in this trying economy, we made progress in identifying improvement opportunities and increasing the efficiency of our operations. Also, we have been very successful in working with our transportation partners in their efforts to improve fuel mileage.

CONTINUING IMPROVEMENT

While progress has been made, we have much work left to do to reach our reduction goals by the end of 2010.



GIVING BACK

COMMUNITY INVOLVEMENT

We not only work in our communities, but we live there as well. Employees from each of Southwire's manufacturing facilities and service centers gave back to their communities in various events during 2009. These events included back-to-school giveaways, Toys-For-Tots donations, disaster relief efforts, community clean-up and tree planting events, food and clothing drives, United Way projects, Special Olympics events, student mentoring programs, blood drives, service organization participation, Salvation Army kettle drives, youth sports team coaching, and more.

EDUCATIONAL PARTNERSHIP

Southwire and Carroll County Schools created 12 for Life® to provide at-risk students with real jobs, allowing them to earn wages and credit toward high school diplomas. In addition, students are teamed with Southwire employees to provide guidance and support through a one-on-one mentoring program. To date, 96 students have graduated from the program. Encouraged by the program's success in Georgia, Southwire teamed with the Florence City Schools to start a second 12 for Life program in Florence, AL in the summer of 2009.



LIVING WELL

WORLD-CLASS SAFETY

Southwire continued on the path toward achieving world-class safety in 2009. Our employee safety focus was exemplified by our Energy, Orlando, Indianapolis and Starkville service centers; our Flatwire, 12 For Life and Reel Shop assembly operations; our SCR warehouse and our Cofer research center, each of which achieved ZERO recordable injuries for the year. Overall, Southwire's 2009 lost work injury and illness rate was 0.25, which is 85% below the wire and cable industry average rate.

ENRICHING THROUGH DIVERSITY

People are what make Southwire a success. Period. Southwire is committed to creating a diverse team and promoting a culture in which all employees are treated with respect and dignity. By increasing the diversity of our leadership and workforce, Southwire is able to draw on the fresh ideas, talent and unique perspectives of all the resources on our team.

At the same time, Southwire is striving to increase our purchases from minority- and women-owned supply partners.



DOING RIGHT

REGULATORY INCIDENTS

Although Southwire strives for 100% compliance, we do make mistakes. On these occasions, we notify the appropriate regulatory agencies. In addition, we take the extra step and inform the public through our website and news releases. Southwire aims to conduct business in an ethical, transparent and sustainable manner.

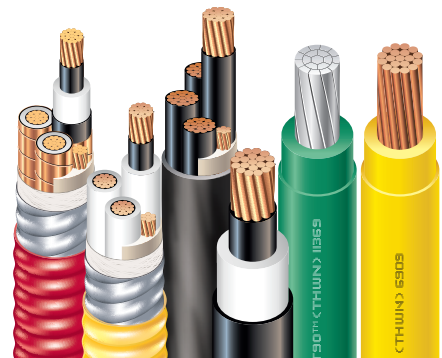
EMPLOYEE FEEDBACK

Southwire provides employees with the opportunity to ask questions and offer comments to corporate leadership. Employees are able to submit inquiries via e-mail (anonymously if preferred). These questions and comments are forwarded to the appropriate departments for answers or appropriate action.

Employees who provide their names receive answers directly. General questions regarding company-wide issues are included in daily Southwire Source e-mails, SCTV and our Inside Southwire newsletter.

Starting in the late 1960s and early 1970s, society became increasingly aware of the need to protect the environment. As new laws and regulations were passed, Southwire worked to achieve and maintain compliance. Over the past decade, people have begun to think more about future generations. Like many other companies, we at Southwire have had to change our culture and behavior to focus on being "sustainable" instead of just in compliance. Mr. Richards, who often spoke of "doing what one man can," continues to inspire us by proving that one man (and one company) can, indeed, build a lasting, far-reaching legacy.

OUR GOALS	2009 STATUS
Grow profitably	Five-year moving average sales and profits grew from 2000-2004 to 2005-2009
Maintain a strong financial condition	Maintained investment grade profile throughout 2009
Remain a leader in core markets	Grew composite market share in 2009



OUR GOALS	2009 STATUS
Achieve zero-landfill status by 2017	Reduced landfill waste 63% from 2007 baseline
Eliminate lead additives from wire and cable product insulation and jackets by 2010	98% complete
Reduce carbon footprint by 10% by 2010	Carbon footprint reduced 14% from 2007 baseline
Reduce water use by 15% by 2010	Water use reduced 10% from 2007 baseline
Improve contract carrier freight fuel mileage by 10% by 2010	Fuel mileage improved 9% from 2007 baseline
Improve company fleet mileage by 25% by 2010	Mileage improved 25% over 2005 baseline
Establish wildlife sanctuary at Carrollton headquarters by 2010	Completion of this goal by target date is unlikely
Obtain regulatory approvals for site remediation at legacy locations	Remediation work substantially completed at four sites that await agency approvals, remediation criteria in development process at one remaining site

OUR GOALS	2009 STATUS
Graduate 175 students from 12 for Life® by the end of 2012	96 students graduated since 2007 start of program
Annually increase community involvement through Project GIFT*	Number of employees participating on Southwire's Project GIFT team increased by 40% in 2009

*indicates revised goal.



OUR GOALS	2009 STATUS
Improve employee and leadership diversity	35% of managerial hires in 2009 were females or minorities (down from nearly 48% in 2008)
Achieve world-class lost work injury & illness rate (0) performance by 2012	2009 LWC actual = 0.25
Achieve world-class recordable injury & illness rate (2.0) performance by 2012	2009 recordable = 2.75
Establish "behavioral-based safety" program in all factories & warehouses by 2009	96% complete (100% completion delayed by late 2008 acquisition)
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	20% improvement over 2008
Ensure that employees and their families exceed the national average rates for mammography and colonoscopy screenings.*	On target to exceed national average

*indicates revised goal.

OUR GOALS	2009 STATUS
Train all management employees in ethics program every two years	All departments trained in 2009
Survey all management employees on ethics at least once a year	All management employees surveyed in 2009
Achieve unqualified outside audit opinion on annual financial results	Achieved in 2009
Board notification and follow-up on all raised ethics concerns*	All concerns communicated in 2009
Notify community of any regulatory actions or reportable incidents	Details regarding all regulatory actions (10 in 2009) posted on our website

*indicates revised goal.