

2016 SUSTAINABILITY REPORT





ABOUT OUR COMPANY

G4-5, G4-6, G4-9 ▾

At Southwire Company, LLC—one of North America’s leading manufacturers of wire and cable used in the transmission and distribution of electricity—We Deliver Power...Responsibly®. We have more than 7,500 full and part-time employees who work at more than 40 locations throughout the United States, Mexico, Canada, Honduras, China, the United Kingdom and the Netherlands. With approximately \$4.6 billion in net sales in 2016, our products help provide power to millions of people around the world.

FACILITIES MAP



Southwire operates 32 plants, 10 customer service centers and several sales and support facilities across the globe that manufacture and distribute a wide range of products. Based on our market approach, the company's corporate structure now revolves around two business groups:

- Construction Systems & Solutions Group (CS&S)
- Power Systems & Solutions Group (PS&S)

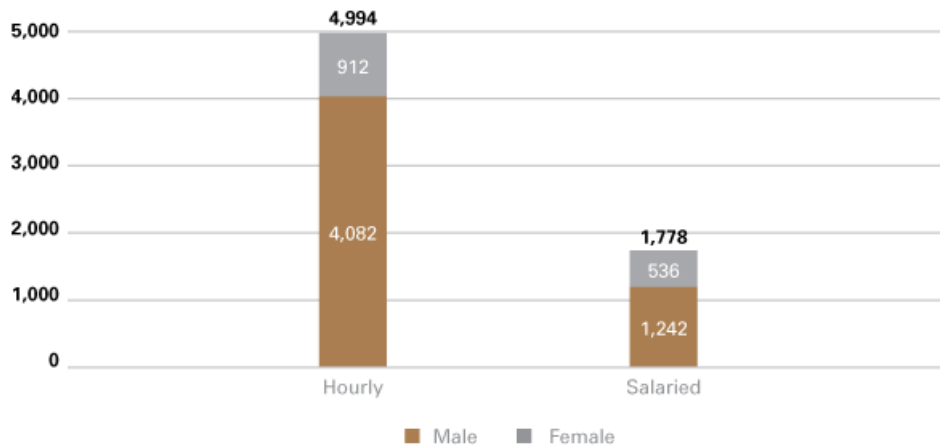
The Construction Systems & Solutions Group focuses on residential, institutional and commercial construction segments by offering products and special services with a focus on job site safety and improving installation techniques. CS&S offerings include "in stock" products, material handling resources and made to order options. Southwire's Power Systems & Solutions Group places emphasis on customers in product categories driven by a "made to order" approach, such as energy, industrial and Original Equipment Manufacturer (OEM). The Technology & Innovation page highlights Southwire's products and services for both business groups.

A strong, integrated support function backs the company's business groups, allowing Southwire to sell across product lines more effectively and maximize the value the company brings to our customers. Southwire also holds growing international presence with several sales and support offices strategically positioned to serve customers in markets all over the world.

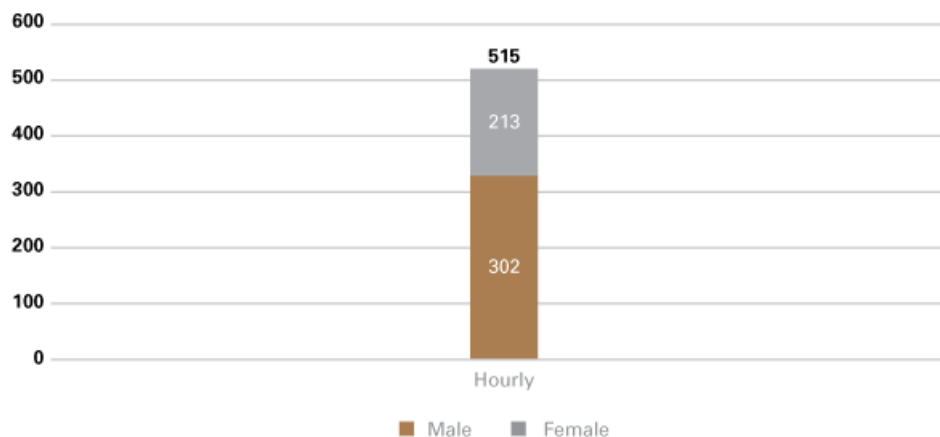
Employee Composition

The majority of Southwire's employees are full-time, hourly workers. Collective bargaining agreements covered approximately 3.1 percent of our full-time employees in 2016. All part-time employees work in the United States.

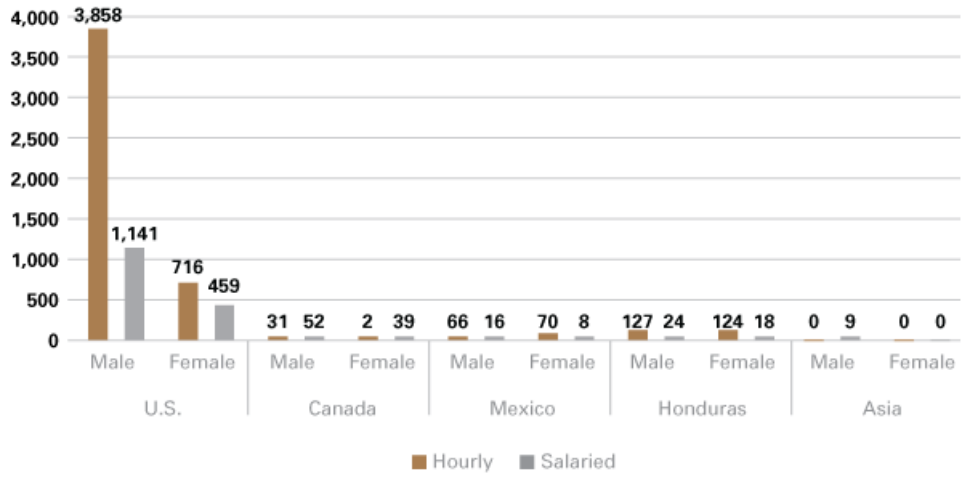
FULL-TIME EMPLOYEES



PART-TIME EMPLOYEES



REGIONAL BREAKDOWN*



*The graph above includes full-time employees only and does not include employees from the recent Sumner Manufacturing, Inc. acquisition. This is the reason for the discrepancy between the "more than 7,500" statement and the total employee count above.



ABOUT OUR **COMPANY**

ORGANIZATIONAL STRUCTURE & ACQUISITIONS

G4-13, G4-23 ▾

In 2016, Southwire reorganized into two business groups based on our approach to the market.

- Construction Systems & Solutions Group (CS&S)
- Power Systems & Solutions Group (PS&S)

These new groups build upon Southwire's strengths and provide expanded opportunities to execute our key strategic initiatives. With this new structure, Southwire has organizational support and talent in place for continued success.

Southwire's 2016 acquisitions bolstered our portfolio of innovative and sustainable products and positioned us for long-term growth. The following acquisitions strengthened our CS&S Group:

- **September 2016:** Southwire announced the acquisition of United Copper Industries, Inc. (UCI). The acquisition provides additional capacity and enhances Southwire's geographical footprint, increasing the company's ability to respond favorably to customer growth in key markets. The acquisition included a co-located wire and cable plant, copper rod mill and distribution center along with other corporate operations in Denton, Texas. Further, the United Copper acquisition helped Southwire round out our overall product offering, particularly in the area of electronic wire, lead wire and security wire, for several vertical markets including automotive, commercial security and industrial.
- **December 2016:** Southwire announced the acquisition of Sumner Manufacturing, Inc., a recognized leading manufacturer of material lifts, jack stands, welding tools, material carts and other tools and equipment for the construction market. Sumner is a key supplier to the welding and mechanical contracting industries and has a market presence in more than 50 countries around the world.



ABOUT OUR **COMPANY**

STAKEHOLDER ENGAGEMENT

G4-24, G4-25 ▾

Southwire regularly engages with the following stakeholder groups: customers, suppliers, shareholders and board members, regulators, non-governmental organizations (NGOs), community members and Southwire employees. We identify stakeholders through interviews with executive leadership, the Southwire environmental leadership committee, the sustainability committee of the Southwire board of directors, and through various other employee interviews. We select stakeholders based on their knowledge and understanding of Southwire's overall operations, industry positions, regulatory history and community involvement.

G4-26 ▾

Internal Stakeholders

Stakeholder engagement—a business imperative for Southwire—occurs in many ways. We invest in numerous mechanisms to engage our employees.

Approach	Frequency	Purpose
Employee Engagement Survey	Every 18 months	Independently administered, the results of these voluntary surveys deliver a better understanding of our employees' wants and needs, allowing periodic adjustments to management systems and approaches.
Pulse Checks	Semi-annual	Administered internally at our manufacturing and customer service center facilities, these surveys provide status updates on the four lowest-scoring categories in our most recent employee engagement survey.
Roundtable Discussions	Monthly	In 2016, Southwire introduced roundtable discussions as an opportunity for Rich Stinson to engage with employees and provide an avenue for open discussion about company successes and areas for improvement around Southwire. The discussion hosts a rotating group of 15-20 employees in various functions who meet with the CEO and other members of leadership. Feedback is gathered and discussed with senior leadership to create plans and processes for continued growth.
Town Hall Meetings	Quarterly	Our CEO conducts an in-person state of the business meeting from various Southwire locations. These videotaped meetings stream live across Southwire. The meetings provide timely information concerning the company's overall performance while affording employees the opportunity to ask questions about particular interest areas.
Operational Perfection at Southwire (OPS)	Ongoing	This program drives total employee involvement in operational excellence in manufacturing. Employees participate in team activities that engage them to identify problems and implement solutions that improve our operations.
Just Ask	24 hours a day, seven days a week	Via online access, paper drop box or call in, employees can ask questions and/or offer suggestions concerning Southwire policies, procedures or practices.

Learn more about our employee engagement programs.

External Stakeholders

Southwire's external stakeholder engagement centers on employee involvement and membership in industry organizations and associations as well as various civic, environmental, health and safety organizations across our geographic footprint. Other key external stakeholder engagement opportunities include interactions with customers, suppliers and community members.

Stakeholder Group	Approach	Frequency	Purpose
Customers	<ul style="list-style-type: none"> ● Satisfaction surveys ● User forums ● Trade shows ● Scorecard reviews ● Site visits 	Ongoing	To better align our products and services to meet customer needs.
Suppliers	<ul style="list-style-type: none"> ● Sustainability surveys ● On-site audits ● Meetings 	Ongoing	To best understand the risks and opportunities present throughout our value chain.
Communities (Carrollton, Georgia area)	Community Advisory Panel	Ongoing	Five members from a cross-section of the community gather to discuss potential partnership opportunities or issues that may pertain to Southwire and our impact on the community.
Communities (Carrollton, Georgia area)	Update meeting	Annual	Southwire's CEO hosts more than 100 community and business leaders to discuss the company's performance, future plans and community impact. This meeting enables the open exchange of questions, answers, thoughts and ideas between the community and Southwire leaders.



ABOUT OUR COMPANY

GOVERNANCE

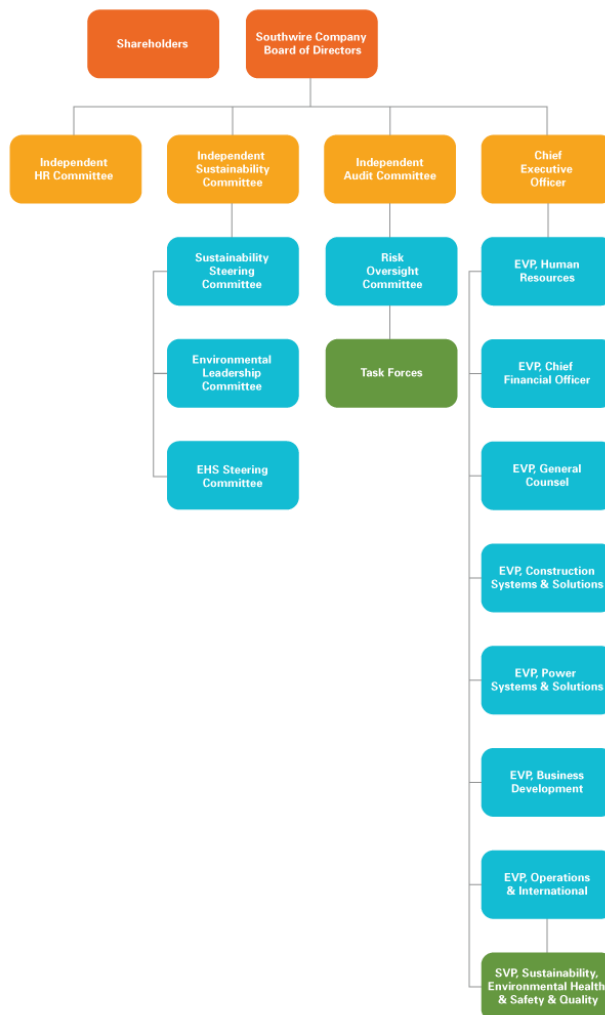
G4-7, G4-34 ▾

Governance Structure

Strong corporate governance ensures accountability and good management practices across the organization.

As a family-owned company, our shareholders consider potential reputational risk for them, their children and their grandchildren. Southwire's leadership team is committed to maintaining the highest level of financial and business integrity. Clear communication up and down the organization supports Southwire's robust governance structure.

GOVERNANCE MAP



Save

Southwire works to align our governance structure with the regulations typically imposed on publicly owned companies, incorporating a majority of independent directors on the board and requiring financial accountability. We strive to implement this model while continuing to benefit from the flexibility, confidentiality and long-term investment perspective that comes with private ownership.

Southwire's shareholders, the Richards family and board of directors determine the company's strategic direction. Our board includes 10 members: three are shareholders, one represents top management and six—a majority—serve as independent directors elected to the board by the company's shareholders. While Southwire is a family-owned company, we take pride in our independent leadership.

Committees

Our Risk Oversight Committee, with three executive sponsors, brings together 14 individuals from different functions across the company to look at risk from various perspectives. The committee meets quarterly, and information flows both up to and down from the board. Southwire forms task forces to address the greatest identified risks, such as cybersecurity or resource scarcity.

Southwire's strong internal sustainability structure and culture of accountability cascade throughout our company via tactical committees and groups. As a progressive private company, Southwire has had a Sustainability Committee of the board of directors for more than a decade. This committee regularly reviews our sustainability practices and provides guidance as needed.

In 2016, Southwire formed a Sustainability Steering Committee. Led by the chief executive officer, the team meets quarterly and is comprised of Southwire's executive leadership team members. These include the chief financial officer, general counsel and executive vice presidents of human resources and business development as well as presidents of our International, Power Systems & Solutions and Construction Systems & Solutions business groups. Other members include the senior director of sustainable growth and the senior vice president of sustainability, EHS & quality. This team sets the overall strategy for managing the company's economic, environmental and social risks and opportunities while also monitoring the progress and alignment of the various sub-committees and groups working in this area.

Southwire's Environmental Leadership Committee focuses on the company's environmental issues, while the EHS Steering Committee sets Southwire's environmental, health and safety strategy. Working teams meet monthly and regularly report their progress. Southwire's senior vice president of sustainability, EHS & quality provides quarterly updates to the Sustainability Committee and our full board of directors regarding initiatives.

Audits

External audits can assure business accountability. Southwire has a goal to assure the accuracy and integrity of financial, environmental and safety management systems by completing annual third-party financial audits every year and environmental, health and safety audits every two years. An external auditor reviews Southwire's financial statements to provide an accurate, unbiased report of the company's financial condition, helping to ensure integrity in our fiscal reporting. Because Southwire is privately owned, our financial statements are not publicly available. However, the board scrutinizes the company's financial performance carefully, with a close eye on profitability, strategy and business ethics.



ABOUT OUR COMPANY

SUSTAINABILITY GOALS

2016 Goals

In 2013, Southwire launched a set of sustainability goals to advance our environmental, social and governance performance over the long-term, taking us through year-end 2016 and beyond. The goals addressed topics identified through our first materiality assessment, and were informed by stakeholders' interests and areas where we saw the need to push our management approach further.

We have reported progress against these goals for the past several years. In this 2016 report, we provide our final updates against this set of goals. Although these are critical metrics, and we will continue to monitor and manage them internally, we will shift our reporting focus to a new, more ambitious set of sustainability goals.

2021 Goals

Our 2021 goals deepen our sustainability efforts and strengthen our management by driving us toward higher standards of excellence. In 2016, after undertaking a benchmark of best-in-class and aspirational goals across our own industry and others, Southwire leadership developed a new bold goal and supporting metrics for each of our sustainability tenets. Further, we demonstrate alignment to the UN Global Compact's Sustainable Development Goals to show how our strategic priorities support the collective efforts toward global progress.

This sustainability report includes 2016 data as the baseline for these metrics, against which we will continue to track and report progress for the next five years.

PROGRESS ON GOALS

2016 Growing Green Goals

GROWING GREEN

- Achieve zero-landfill status at all locations by YE 2017. **Progress:** 94% improvement* (1,039 tons)
- Increase energy efficiency from 2010 baseline by 10% by YE 2020. **Progress:** 8% improvement* (8.65 Adj. MMBtu/ton)
- Increase water use efficiency from 2010 baseline by 10% by YE 2020. **Progress:** 24% improvement* (205 gal/ton)
- Implement ISO 14001 or equivalent environmental management systems at locations world-wide by YE 2020. **Progress:** 31% complete (12 of 39)
- Provide customers with environmental impact data for our products through the development of Environmental Product Declarations for top 25 products in key markets by YE 2018. **Progress:** Program on hold
- Offer key customers recycling and/or like-kind exchange programs for processing end-of-life Southwire products by YE 2016. **Progress:** Strategy underway
- Publicly report sustainability data consistent with Global Reporting Initiative (GRI). **Progress:** Complete

2021 Growing Green Goals

GROWING GREEN

Achieve top decile DJSI (Dow Jones Sustainability Index) performance in operational eco-efficiency in the Electrical Components & Equipment Sector.

- Achieve zero operational waste to landfill status at all locations by year-end 2017 and maintain status with growth through 2021
- Reduce energy and GHG emissions intensity by 15% through conservation and the use of renewable energy by 2021
- Further reduce water intensity by 10% over 2016 baseline by 2021



2021 Living Well Goals

LIVING WELL

2016 Living Well Goals

LIVING WELL

- Implement a certified safety management system (OSHA Voluntary Protection Program [VPP] or Occupational Health and Safety Assessment Specification [OHSAS] 18001) at all manufacturing and warehouse locations by YE 2022. **Progress:** 38% complete (15 of 39)
- Achieve an OSHA Total Recordable Injury Rate for global operations of less than 1.0 by YE 2018. **Progress:** 1.71 in 2016 (22% improvement)
- Achieve 20% reduction in contractor injury rates by YE 2018. **Progress:** 41% reduction (1.42 in 2016)
- Improve employee health and well-being across all Southwire locations by achieving:
 - 95% voluntary participation in biometric screenings by YE 2017. **Progress:** 98% participation
 - Overall employee average rating of "B" on biometric screens by YE 2018. **Progress:** C+
 - 100% access to Healthy Choice options at all locations by YE 2017. **Progress:** 75% of locations
- Invest in the leadership skills and knowledge through the implementation of the following training and development initiatives:
 - 200 supervisors graduating from Leading in an OPS Culture by YE 2018. **Progress:** 50 graduates (no change)
 - 200 managers graduating from Southwire Management Training by YE 2018. **Progress:** 0 graduates (no change)
 - 150 senior leaders graduating from Southwire Leadership Academy by YE 2018. **Progress:** 96 graduates (270% improvement)
- Foster employee engagement through a targeted 90% voluntary participation in annual Southwire engagement survey by YE 2017. **Progress:** 89% participation
- Achieve a 40% improvement in the number of females in the workforce by YE 2017. **Progress:** 20% female
- Improve diversity within the "high potential" pool of future senior leadership by 20% by YE 2017. **Progress:** 23.5% diverse

2016 Giving Back Goals

GIVING BACK

- Advance and improve educational opportunities and outcomes by working with educational institutions to achieve the following:
 - Increase graduation rates among "at risk" teenagers through 12-for-Life® by graduating 2020 students from the program by YE 2020. **Progress:** 1,614 graduates (90% increase)
 - Expand Southwire Engineering Academy to other regional locations in North America by YE 2020. **Progress:** 1 location (no change)
 - Graduate first cohort from Southwire Sustainable Business

Achieve best-in-class safety performance at Southwire.

- OSHA Voluntary Protection Program (VPP) or equivalent certification at all sites by 2021
- Achieve 10X increase in injury-free event reporting by 2021
- Achieve 75% decrease in the total recordable injury rate by 2021



2021 Giving Back Goals

GIVING BACK

Enable and engage our workforce in building more sustainable communities.

- Environmental outreach programs in 100% of the communities in which we operate



2021 Doing Right Goals

DOING RIGHT

Ensure the highest standard of ethical business practices within all our operations.

- Achieve recognition on Ethisphere's World's Most Ethical Companies list by 2021



2021 Building Worth Goals

BUILDING WORTH

Honors MBA program by YE 2017. **Progress:** 0 cohorts (no change)

- Increase volunteerism with the communities in which we operate by achieving 50% improvement in Project Gift Blackshirt participation across Southwire by YE 2018. **Progress:** 95% improvement (878 Blackshirt volunteers)
- Ensure Southwire engages proper mix of charitable donations, community investments and commercial initiatives through annual benchmarking of existing practices. **Progress:** CECP Survey Complete
- Complete Back-to-School events at each Southwire manufacturing location by YE 2016. **Progress:** 100% of locations (24 of 24) (44% improvement)

Develop and commercialize four breakthrough solutions to customers' sustainability challenges

- \$1 billion of incremental revenue tied to these solutions. (15% of projected 2021 revenues)
- 10% of EBITDA (earnings before interest, tax, depreciation and amortization) in funnel



2016 Doing Right Goals

DOING RIGHT

- Assure the accuracy and integrity of financial, environmental and safety management systems by completing annual third-party financial audits every year and environmental, health and safety audits every two years. **Progress:** Complete
- Implement online Code of Ethics training and conduct employee survey annually for 100% of the employee population by YE 2015. **Progress:** Complete
- Develop Southwire Code of Conduct policy for suppliers and contractors by YE 2015. **Progress:** Complete
- Develop and deploy Human Trafficking and Conflict Minerals Policies by YE 2015. **Progress:** Complete

2016 Building Worth Goals

BUILDING WORTH

- Deploy the Southwire Supplier Sustainability Manual throughout the supply chain with on-site audits performance monitoring in place for 100% of key suppliers by YE 2016. **Progress:** 85% complete; 100% complete for US suppliers
- Incorporate sustainability principles (including reusability) into the research of at least 65% of all new R&D projects by YE 2016. **Progress:** 48% of Spend; 41% of Projects
- Improve customer efficiency by providing innovative products that improve productivity and reduce waste. **Progress:** Strategy underway
- Develop and implement a consistent framework that measures and improves customer experience and creates a sustainable competitive advantage by year end 2017. **Progress:** OME results implemented into 2017 strategic plan



ABOUT THIS REPORT

G4-28, G4-30, G4-33 ▾

Southwire publishes sustainability reports annually; our current sustainability report covers calendar year 2016 for all information provided. As a private company, we proudly share our sustainability journey and progress in this report, which is published in accordance with the Global Reporting Initiative's (GRI) G4 Guidelines Core option. We did not externally assure any data in this report.

G4-32 ▾

Our GRI Content Index for this 2016 sustainability report is located [here](#).

G4-29 ▾

We published our most recent report, covering calendar year 2015, in June 2016. Since launching our 2015 report, Southwire acquired United Copper Industries, Inc. (UCI) and Sumner Manufacturing, Inc. This 2016 report covers the pre-integration company, which is, therefore, consistent with the scope of our 2015 Sustainability Report.

G4-31 ▾

If you have any questions or comments about this report, please contact Jeff Herrin, Senior Vice President, Sustainability, EHS & Quality at sustainability@southwire.com.



ABOUT THIS REPORT

CEO LETTER

Dear Friends, Colleagues and Neighbors,



I'd like to take a moment to reflect on our experiences in 2016, my first year as Southwire's president and CEO. I joined Southwire, in large part, because I wanted to serve with a company that focused on the long term—one that prepared itself to be at the forefront of its industry for generations—and that's just what I have found. In that spirit, I am proud to present our 2016 sustainability report.

Similar to the reports we've launched over the past few years, this assessment dives into all areas of sustainability at Southwire and unearths our most significant impacts and opportunities. These findings detail our sustainability goals and strategies, which align with our five tenets—Growing Green, Living Well, Giving Back, Doing Right and Building Worth.

You will also see that this report has a fresh, new look! After taking the time to analyze and understand our vision and path for sustainability, we launched a revitalized set of goals in 2017, accompanied by a new, beautifully designed logo, and reorganized priorities for the next five years. We'll start reporting against the new goals in next year's report, but we want you to have an initial look at where we're headed, a direction that will lead the way to our future success.

Looking back to 2016, I'd like to highlight a few areas of significant progress:

Safety

As I always say to our employees, there is nothing more important at Southwire—no order, no job, no efficiency—than the people who work here. Throughout the year, we did a great job of putting new policies, teams and systems in place to identify hazards and mitigate risk throughout the organization, and our efforts haven't stopped. We continue to find new ways to eliminate injuries and incidents from our workplace and strive each day for best in class safety performance.

Strategy

Another key highlight of the year was the introduction of our ONE Southwire approach; meaning that we act as a unified company, sharing our values, culture, commitment and processes in order to provide the best solutions for our stakeholders. As the year progressed, we restructured our business groups to better serve our markets, began the creation of standardized tool kits, looked at continued career development opportunities and made many other advancements in the spirit of our three strategic initiatives: Build Organizational Capability, Drive Operational Excellence and Accelerate Growth.

Growth Through Investment

Though we faced economic challenges in a few of our markets, we were able to make significant investments through the acquisitions of United Copper Industries, Inc. and Sumner Manufacturing, Inc. in 2016, helping us to take advantage of opportunities in one of our core business areas and further expand the footprint of one of our newer businesses. We expanded the product offering in many of our business units and continue to innovate and create game-changing solutions to better serve the needs of our customers. We also expanded our distribution footprint with the creation of the Retail East CSC, which serves the needs of retail customers like The Home Depot, Lowe's and Menards.

Inspiration Through Our Communities

As we remain steadfast in our commitment to Giving Back, we celebrated significant wins with our educational partnerships, and our now more than 800 Project GIFT Blackshirt volunteers participated in over 100 events last year. These achievements were highlighted by the milestone of now more than 1,600 12 for Life® graduates and our efforts to distribute in excess of 23,000 bags in our Back to School

giveaways across the Southwire footprint.

As we've taken meaningful steps to develop and implement our goals for the future, our accomplishments have only been possible through the relentless efforts of our Southwire people. I am extremely proud to lead this great team as we prepare for the next generation of industry-leading success.

Sincerely,

A handwritten signature in black ink that reads "Rich Stinson". The signature is written in a cursive, flowing style.

Rich Stinson



ABOUT THIS REPORT

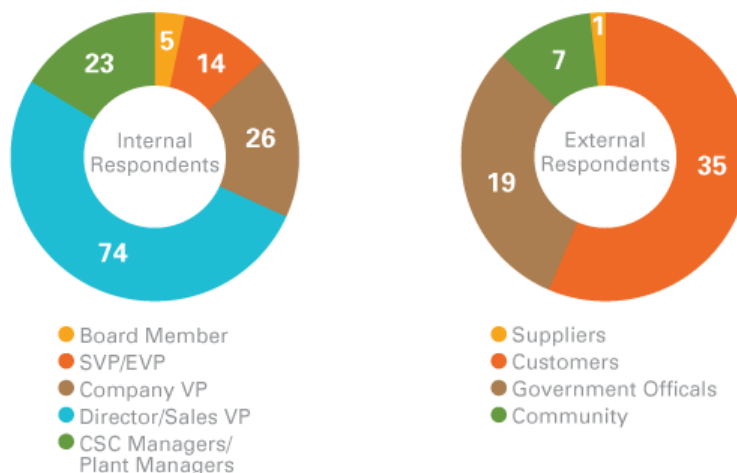
MATERIALITY

G4-18 ▾

Southwire continues to use our materiality assessment, conducted in 2014, to guide our focus on the sustainability topics most significant to our business. The assessment followed Global Reporting Initiative guidelines:

1. Identification. Industry research and a benchmarking analysis of competitors, customers, suppliers and aspirational peers identified relevant topics.
2. Prioritization.
 - a. We interviewed knowledgeable internal and external stakeholders, such as senior Southwire leadership, the sustainability committee of Southwire’s board of directors, customers, regulators, industry specialists and community members. In all, 23 stakeholders participated in interviews.
 - b. We also launched two versions of a prioritization survey—one for employees and the other for external stakeholders. We sent 207 internal requests and 137 external requests, receiving completed surveys from 69 percent and 45 percent of stakeholders, respectively. Input came from the following groups:

MATERIALITY RESPONDENTS



These interviews and surveys asked stakeholders about 22 significant topics. After synthesizing our findings, we determined 14 to be material for Southwire.

- c. Validation. Southwire’s senior leadership team and board Sustainability Committee reviewed the materiality assessment findings. After discussion of the process and results, the group confirmed the material topics.

Two of the material topics—Sustainable Supply Chain and Supplier Relations—related to our supply chain. Through the process of developing our first report addressing these topics, we decided that both were most effectively managed and reported on as “Sustainable Supply Chain.”

Since 2014, our sustainability reports have communicated our management and progress on these 13 material topics. We will continue to monitor and report on these topics until we conduct our next materiality assessment, likely in 2017–2018.

G4-19, G4-20, G4-21 ▾

We organized our sustainability topics in alignment with the five tenets of our corporate sustainability vision. The 13 material topics are shown at the top right of the matrix. Please see the Materiality Matrix below for the boundary associated with each topic.



Building Worth

1 Technology & Innovation

Investing resources in sustainable product innovation.

Boundary: Inside – Southwire; Outside – Customers

2 Product Responsibility

Prioritizing sustainable attributes in products and packaging; minimizing or eliminating the use of materials with negative health impacts and maximizing reuse of materials at end of life.

Boundary: Inside – Southwire; Outside – Customers; Contractors

3 Sustainable Supply Chain

Sustainable sourcing and the procurement of sustainable materials for Southwire's products and processes; includes communicating Southwire's sustainability goals with suppliers and setting clear expectations on sustainability performance through assessments and policies.

Boundary: Inside – Southwire; Outside – Suppliers (North America, South America and Asia)

4 Industry Partnerships

Partnering to improve access and sustainability of products and services in the industry.

Boundary: Inside – Southwire; Outside – Industry Organizations (United States); Customers

Growing Green

1 Energy Usage

Reducing energy intensity and increasing use of alternative and renewable sources.

Boundary: Inside – Southwire; Outside – Customers; Suppliers (North America, South America and Asia)

2 Waste

Reducing the amount of waste to landfill and increasing responsible waste management.

Boundary: Inside – Southwire; Outside – Customers; Contractors

3 Water Quality

Reducing the release of chemical and physical contaminants into bodies of water such as rivers, streams and lakes.

4 Environmental Remediation

Transparency and responsibility with regards to environmental remediation and maintaining remediated sites.

5 Environmental Product Declarations (EPDs)

Assessing the environmental impact of products while providing buyers/customers with an effective framework for making direct product comparisons.

6 Water Usage

Reducing the total water withdrawn and being responsible about the impact on water sources. Using recycled and lower quality water whenever possible.

7 Emissions

Reducing greenhouse gas emissions, fine particulate matter released into the air and toxic air emissions. Includes emissions as a result of transportation (of product and workforce).

8 Global Climate Change

Being an active and constructive participant on this issue, including effective pricing signals to accelerate energy efficiency improvements, renewable energy deployment, and cross-economy GHG emission reductions.

Living Well

1 Workplace Safety & Health

Providing a safe working environment for our employees and contractors through the elimination of hazards and the implementation of safety training, procedures and equipment.

Boundary: Inside – Southwire; Outside – Southwire Contractors

2 Employee Wellness

Making resources available to promote the health and well-being of employees.

Boundary: Inside – Southwire

3 Employee Engagement

Promoting a positive and unified culture by encouraging open communication, collaboration and employee ownership of initiatives and social programs.

Boundary: Inside – Southwire

4 Talent Acquisition & Development

Attracting talent through Southwire’s website, sustainability program, competitive benefits and general outreach; providing employees with opportunities to advance their skills, experience and career through training, personal development programs and plans, coaching and more.

Boundary: Inside – Southwire; Outside – Educational Institutions where Southwire has recruiting efforts

5 Inclusion

Creating an environment among Southwire’s board and employee population where individuals from diverse backgrounds (ethnic, cultural, generational, economic, etc.) feel included and comfortable expressing varied thoughts and perspectives.

Boundary: Inside – Southwire; Outside – Suppliers (United States); Educational Institutions where Southwire has diversity initiatives

Giving Back

1 Communities

Providing meaningful dialogue and engagement, employment and prosperity in the communities in which Southwire operates.

Boundary: Inside – Southwire; Outside – Municipalities where Southwire operates; Educational Institutions where Southwire has partnerships (Carroll County, Georgia and Lauderdale County, Alabama)

2 Charitable Partnerships & Donations

Leveraging Southwire’s resources and expertise to create a positive societal impact through partnerships and programs to provide education, products and services to those in need.

3 Employee Volunteerism

Fostering opportunities for Southwire employees to “give back” through community involvement, skills-based volunteerism and monetary giving/match programs, while providing a structure for measuring the ROI of these efforts.

Doing Right

1 Ethics & Transparency

Ensuring education and policies are in place to promote ethical behavior, as well as the means to safely and anonymously report transgressions; reporting company performance accurately, including challenges and opportunities for improvement.

Boundary: Inside – Southwire; Outside – General Public

G4-27 ▾

During Southwire’s materiality assessment interviews, our stakeholders shared comments, feedback and insights about our business. The list below identifies the key topics and concerns raised by stakeholders, along with links to the report pages covering our management of each topic.

Category	Topic	Stakeholders Raising These Topics
Environment	Energy Usage	Community Advisory Board, Industry Associations
	Waste	Southwire Leadership
	GHG Emissions	Industry Associations
	Water Management	Community Advisory Board, Industry Associations
Social	Employee Wellness	Southwire Leadership
	Sustainable Supply Chain	Customers, Industry Associations, Southwire Leadership
	Communities	Community Advisory Board, Industry Associations
Business Practices	Industry Partnerships	Customers
	Technology & Innovation	Southwire Leadership
	Ethics & Transparency	All Stakeholders
	Metrics	All Stakeholders

Following the materiality assessment, Southwire refined our Sustainability Scorecard goals and metrics with this feedback to help manage our material topics. We committed to developing this GRI G4 Core option report to annually share our progress in these important areas.



GROWING GREEN

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

Southwire maintains a deep commitment to growing our business in an environmentally responsible manner. We recognize that natural resources are finite and that we need to be good stewards of these resources. To this end, our core operations integrate the environmental priorities detailed in this report.

Energy Usage



Waste



In 2016, Southwire developed five new goals to enhance our sustainability performance. Our Growing Green goal and metrics include:

2021 SUSTAINABILITY GOALS & TARGETS

Achieve top decile DJSI (Dow Jones Sustainability Index) performance in operational eco-efficiency in the Electrical Components & Equipment sector.



- Reduce energy and greenhouse gas (GHG) emissions intensity by 15% through conservation and the use of renewable energy by 2021.
- Achieve zero operational waste to landfill status at all locations by year-end 2017 and maintain status with growth through 2021.
- Further reduce water intensity by 10% over 2016 baseline by 2021.

DJSI is considered the “gold standard” for corporate sustainability performance. An emphasis on operational eco-efficiency directly translates into low operating costs and sound environmental protection practices. Achieving top decile performance within the Electrical Components & Equipment sector will demonstrate Southwire’s commitment to be a leader in protecting our environment.

We will begin reporting our progress against these goals in our 2017 Sustainability Report.

2016 SUSTAINABILITY SCORECARD

Southwire’s previous sustainability goals were retired at the end of 2016. Below, we report our progress on these goals for the final time.

Goals

2016

Baseline

Implement ISO 14001 or equivalent environmental management systems at locations world-wide by YE 2020.	12/39 (31%)	0/36
Achieve zero-landfill status at all locations by YE 2017.	1,039 tons (94% improvement)*	17,017 tons
Increase energy efficiency from 2010 baseline by 10% by YE 2020.	8.65 Adj. MMBtu/ton (8% improvement)*	9.40 Adj. MMBtu/ton
Increase water use efficiency from 2010 baseline by 10% by YE 2020.	205 gal/ton (24% improvement)*	269 gal/ton
Provide customers with environmental impact data for our products through the development of Environmental Product Declarations for top 25 products in key markets by YE 2018.	Program on hold	-
Offer key customers recycling and/or like-kind exchange programs for processing end-of-life Southwire products by YE 2016.	Strategy underway	Limited customers
Publicly report sustainability data consistent with Global Reporting Initiative (GRI).	Complete	-

*From normal daily operations.



GROWING GREEN

ENERGY USAGE

Reducing energy intensity and increasing use of alternative and renewable sources

WHY MANAGING IT MATTERS

As energy prices become increasingly volatile—and climate change more of a concern—reducing our energy usage makes good business sense. For the long-term health of our business and our communities, responsible stewardship of our energy footprint remains a high priority for our shareholders and other stakeholders.

G4-DMA ▾

Our Approach

Southwire's commitment to environmental stewardship includes a focus on both energy reduction and the use of alternative sources where feasible. Being responsible energy consumers matters to us and to our customers. We regularly receive customer inquiries about our energy usage, reduction goals and efficiency improvement initiatives. We manage our energy footprint with audits, goals, governance mechanisms, policies, partnerships, internal benchmarking, specialized teams, accountability and communication.

Energy Audits

We completed energy audits at two Southwire facilities in 2016, and we will conduct assessments at an additional five to seven facilities in 2017. From these audits, we intend to build a database of potential energy-savings opportunities that can be deployed throughout the organization. Though still in the evaluation phase, one project identified in 2016 appears to have the potential to provide significant energy and cost savings at a number of locations. In addition, as we upgrade or modify equipment, we seek to utilize the most energy-efficient technology when possible.

Goal Setting

In 2010, we set a 2020 goal to achieve a 10 percent improvement in our energy efficiency over our baseline. This goal pushed our employees to look for ways to reduce energy usage, and we achieved our target in 2012. Despite minor setbacks due to supply chain adjustments and changes in product mix, Southwire set an aggressive new goal in 2016 with a corresponding new energy and greenhouse gas (GHG) emissions reduction target. We will begin reporting our progress toward our new goals in our 2017 Sustainability Report.

2021 SUSTAINABILITY GOALS & TARGETS

Achieve top decile DJSI (Dow Jones Sustainability Index) performance in operational eco-efficiency in the Electrical Components & Equipment sector.

- ➔ Reduce energy and greenhouse gas (GHG) emissions intensity by 15% through conservation and the use of renewable energy by 2021.



Our new energy and GHG reduction targets will build upon the Growing Green efforts we started in 2007. In particular, the new GHG objective moves the company toward a visible and meaningful commitment to addressing climate change.

Governance

Management of our energy use begins with our individual plants, and our EHS department manages our energy performance data. These units report to our divisional leadership, who in turn report to our executive vice president of international and operational development.

Policies

Southwire first issued its EHS Policies and Principles document in 1994. Since then, we updated the document as needed, in recognition that new issues arise over time. In this document, we state our commitment to “maximize the energy efficiency of our existing operations and save energy to the greatest feasible extent.”

Partnerships and Internal Benchmarking

We are working to further improve our energy management by engaging with an outside firm to help identify additional energy-saving opportunities across our top energy-consuming facilities. Presently, each manufacturing plant manages its energy consumption on an individual basis, making it difficult to achieve a standardized approach and quantify the impact of each facility’s separate actions.

With our planned approach, we will review consumption versus production and complete energy audits at select locations to identify potential savings opportunities for energy use, spend and GHG emissions. Further, we plan to replicate an internal benchmarking approach we used with water usage to identify best practices and encourage plants with relatively higher energy footprints to identify opportunities to reduce energy usage as well.

Energy Reduction Team

In the fall of 2015, our top operations leaders met to draw up a five-year strategic plan to increase capacity and productivity and reduce costs, energy and scrap. From this summit sprang an energy reduction team consisting of our environmental director, engineering director and three plant managers. In 2016, this team evaluated several energy consulting firms, including three pilot projects, to identify a potential partner to aid in our energy assessments. Over time, this group aims to improve energy efficiency through a combination of capital investment and updated operational practices.

Accountability and Communication

Our board receives a quarterly update on energy usage. Divisional, plant and environmental staff receive summarized company-wide and individual plant energy performance data on a periodic basis. We also keep employees up to date by posting monthly infographics on our progress on our internal Southwire News Network.

Our Performance

At Southwire, we track energy consumption as well as energy efficiency. To manage our energy usage performance, our facilities track electricity and gas, both Scope 1 and Scope 2. We restated our 2014 data to reflect post-integration Southwire.

ENERGY CONSUMPTION

G4-EN3 ▾

Metric (GJ)	2013	2014	2015	2016
Total fuel consumption from nonrenewable sources	1,438,300	1,932,500	2,155,500	2,373,204
Total fuel consumption from renewable sources	Not quantified	Not quantified	340	340
Total electricity consumption	1,774,700	1,794,200	1,746,100	1,910,279
Heating consumption	Not quantified	Not quantified	Not quantified	Not quantified
Cooling consumption	Not quantified	Not quantified	Not quantified	Not quantified
Steam consumption	Not quantified	Not quantified	Not quantified	Not quantified
Electricity sold	0	0	0	0
Heating sold	0	0	0	0
Cooling sold	0	0	0	0

Metric (GJ)	2013	2014	2015	2016
Steam sold	0	0	0	0
Total	3,213,000	3,726,700*	3,901,940	4,283,823

*Increase above 2013 usage due to acquisition of Coleman. Energy intensity actually fell during this period.

G4-EN5 ▾

Metric	2013	2014	2015	2016
Energy Intensity (MMBtu/ton)	8.45	8.75	8.69	8.65

G4-EN6 ▾

Metric	2013	2014	2015	2016	Target
% Change from 2010 Baseline (Intensity Basis)	10% reduction	7% reduction	8% reduction	8% reduction	10% reduction by 2020



GROWING GREEN WASTE

Reducing the amount of waste to landfill and increasing responsible waste

WHY MANAGING IT MATTERS

Diverting waste from landfills is a foundational piece of our environmental stewardship commitment, driving us toward more efficient and responsible production, and minimizing our footprint in our communities and around the globe.

G4-DMA ▾

Our Approach

Our Growing Green strategy to reduce our environmental footprint, even as we grow, remains as important to the collective fabric of our company as it was when we began our journey toward a more sustainable future. Our management approach utilizes goals, governance mechanisms and partnerships.

Goal Setting

Southwire's environmental practices include proactively managing operational waste. In 2007, we set an aggressive goal to send zero waste to landfill by the end of 2017. To achieve this goal, we actively identify our different waste streams, segregating valuable recyclable materials and making simple changes where possible.

Southwire revised the goal in 2016 to reflect our intention to maintain zero landfill at existing locations and work to attain zero landfill at new locations and facilities acquired in 2016 and beyond. We will begin reporting our progress toward our new goals in our 2017 Sustainability Report.

2021 SUSTAINABILITY GOALS & TARGETS

Achieve top decile DJSI (Dow Jones Sustainability Index) performance in operational eco-efficiency in the Electrical Components & Equipment sector.

- ➡ Achieve zero operational waste to landfill status at all locations by year-end 2017 and maintain status with growth through 2021.



Waste Minimization Teams

Our environmental team manages all data related to our waste streams, while our plants and division leaders are responsible for developing new strategies to minimize waste. Plants use teams, such as a Growing Green team, a Zero Landfill team, Environmental team or an OPS team, to actively look for opportunities to reduce waste at their facilities.

Partnerships

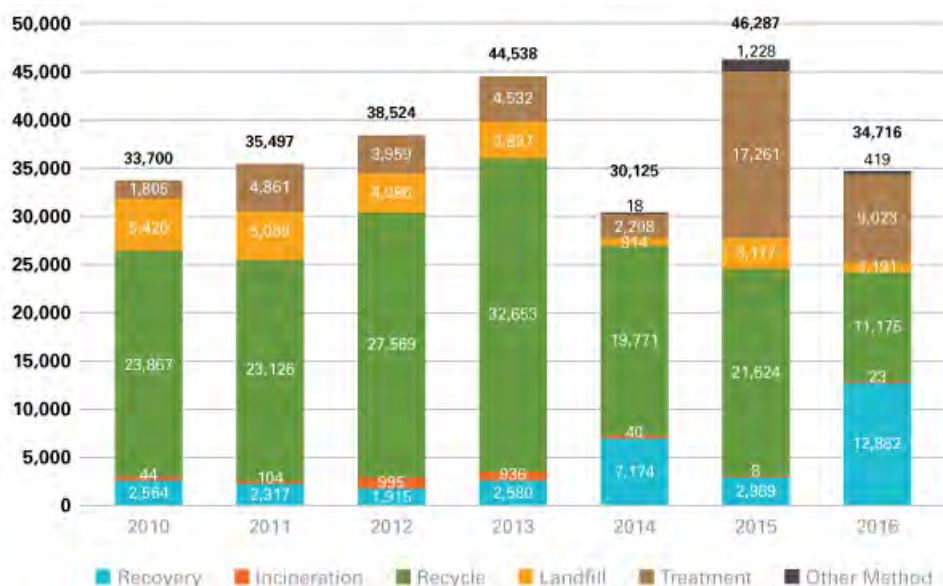
Southwire's national waste management partner helps us to better assess risks associated with waste management and suggests alternate routes for waste streams. This arrangement helps us operate more efficiently: rather than each plant managing the cost of waste, we now run our costs through a central data system. Finally, our partner helps us more accurately track monthly waste generation at our Southwire operating facilities. They provide data and progress updates for all our sites, as well as weekly feedback on any specific issues that arise.

Within our extended value chain, we evaluate packaging entering our facilities and work with suppliers to minimize those materials. Among our own products, we reduce packaging and other waste material as well. For example, our SIMpull Solutions® require zero spools, rags or added lubricant, eliminating waste at customer job sites. Additionally, we have instituted take-back programs that give credit for returned material.

Our Performance

G4-EN23 ▾

TOTAL WASTE GENERATED (TONS)



Waste Type	Hazardous	Non-Hazardous	Total
Recovery	115.6	12,767.1	12,882.7
Incineration	23.5	0	23.5
Recycle	0	11,175.3	11,175.3
Landfill	8.7	1,182.4**	1,191.1
Treatment	174.0	8,849.8	9,023.8
Other Method	1.8	417.8	419.6
Total	323.6	34,392.4	34,716

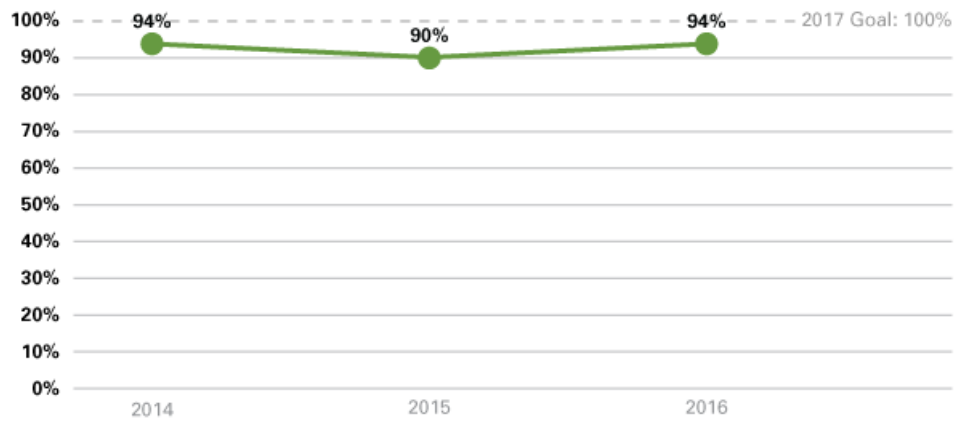
**Includes waste from soil remediation and construction debris.

G4-EN28 ▾

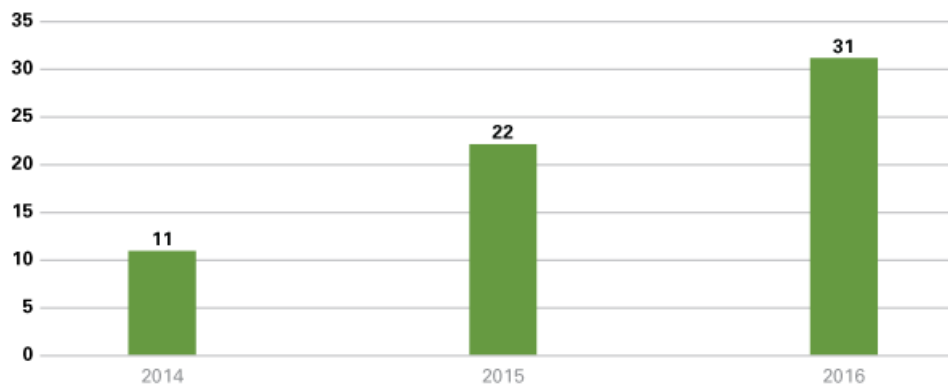
Metric	2013	2014	2015	2016
Recyclable Reels Returned***	49,710	40,711	40,481	38,833

***Includes units recycled through our reel supply partner.

WASTE TO LANDFILL % REDUCTION FROM BASELINE



FACILITIES ACHIEVING ZERO WASTE TO LANDFILL





LIVING WELL

We will preserve and enhance the lives of our employees by building 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 treat each other with dignity and respect.

At Southwire, we believe that strong, sustainable companies stem from thriving individuals. We encourage our employees to challenge themselves in their professional and personal development, and we seek to provide opportunities and resources to enable their growth.

Southwire's enduring strength comes from our people. We care for the Southwire family and, in return, they care about and create Southwire's lasting success. We identified five material topics related to Living Well; click on the links for each topic to read about Southwire's approach and 2016 performance.

[Workplace Safety & Health](#)



[Talent Acquisition & Development](#)



[Employee Engagement](#)



[Employee Wellness](#)



[Inclusion](#)



In 2016, Southwire developed five new sustainability goals. We will begin to report our progress toward these goals in our 2017 Sustainability Report. Our Living Well goal and 2021 targets are:

2021 SUSTAINABILITY GOALS & TARGETS

Achieve best in class safety performance at Southwire.

- ⊕ Achieve 10X increase in injury-free event reporting by 2021.
- ⊕ Achieve 75% decrease in the total recordable injury rate by 2021.
- ⊕ Achieve Occupational Safety and Health Administration (OSHA) Voluntary Protection Program (VPP) or equivalent certification at all sites by 2021.



Southwire's "continuum to best in class" represents a documented and soon to be auditable progression across a continuum of four cultural states: Reactive, Proactive, Systems-Based and Best in Class. As each operation progresses across the continuum, the targets will need to be met.

2016 SUSTAINABILITY SCORECARD

Our 2016 performance on our original Living Well sustainability goals is detailed below. Our 2017 report will disclose progress on our new goals listed above.

Goals	2016 Data	Baseline
Implement a certified safety management system (OSHA Voluntary Protection Program [VPP] or Occupational Health and Safety Assessment Specification [OHSAS] 18001) at all manufacturing and warehouse locations by YE 2022.	15/39 (38%)	12/36 locations
Achieve an OSHA Total Recordable Injury Rate for global operations of less than 1.0 by YE 2018.	1.71	2.20 (legacy SW)
Achieve 20% reduction in contractor injury rates by YE 2018.	1.42 (41% reduction)	2.42
<p>Improve employee health and well-being across all Southwire locations by achieving:</p> <ul style="list-style-type: none"> 95% voluntary participation in biometric screenings by YE 2017. Overall employee average rating of "B" on biometric screens by YE 2018. 100% access to Healthy Choice options at all locations by YE 2017. 	<ul style="list-style-type: none"> 98% C+ 75% 	<ul style="list-style-type: none"> 94.6 (legacy SW) C+ 51%
<p>Invest in leadership skills and knowledge through the implementation of the following training and development initiatives:</p> <ul style="list-style-type: none"> 200 supervisors graduating from Leading in an OPS Culture by YE 2018. 200 managers graduating from Southwire Management Training by YE 2018. 150 senior leaders graduating from Southwire Leadership Academy by YE 2018. 	<ul style="list-style-type: none"> 50 0 96 	<ul style="list-style-type: none"> 50 0 26
Foster employee engagement through a targeted 90% voluntary participation in annual Southwire engagement survey by YE 2017.	89%	74% (external benchmark)
Achieve a 40% improvement in the number of females in the workforce by YE 2017.	20%	21% female – Legacy SW
Improve diversity within the "high potential" pool of future senior leadership by YE 2017.	23.5%	30% (24 of 78 HP)



LIVING WELL

WORKPLACE SAFETY & HEALTH

Providing a safe working environment for our employees and contractors through the elimination of hazards and the implementation of safety training, systems and equipment

WHY MANAGING IT MATTERS

Effectively managing workplace safety and health risks and encouraging employees to take responsibility for their safety—and that of their coworkers—improves working conditions which, in turn, protects our employees' quality of life. Our employees help differentiate Southwire from the competition by ensuring we consistently deliver the best quality product to our customers in a timely manner. When our employees are safe, healthy and engaged, Southwire performs best.

G4-DMA ▾

Our Approach

Southwire manages safety as a matter of principle—the well-being of employees and contractors matters most. Workplace safety and health remain Southwire's primary concern for all our employees and contractors. In 2016, we established a goal to achieve best in class safety performance at Southwire. We use a wide range of initiatives, governance mechanisms, policies, systems and training to continually improve our safety and health performance, always with the goal of zero injuries in mind.

Southwire Continuum to Best in Class

Safety is core to Southwire's culture. To plot our path to excellence, we established the "Southwire continuum to best in class" to help our leaders move the organization along the path of safety culture and performance – from reactive to proactive, then to systems-based, and to the ultimate goal of being world class. Recognizing that each Southwire location may find itself at a different place on the continuum, this strategy offers a "meet them where they are" approach to safety planning and execution. The continuum will play a key role in future environmental, health and safety (EHS) planning processes, serving as a tool for identifying where locations need the most support and guidance. The following areas are outlined in the continuum:

- Leadership commitment;
- Responsibility and accountability;
- Organization and structure;
- Communication and training;
- Incident management;
- Hazard identification and controls;
- Work practices and behavior; and
- Measurement and monitoring.

Clearly describing excellence and accountability in each of these areas will enable leaders across the organization to continue to enhance safety performance.

Another tool we are using to drive performance is FranklinCovey's 4 Disciplines of Execution™ (4DX)—focus, leverage, engagement and accountability. 4DX provides locations that are experiencing the most injuries with a proven methodology to place a heightened focus on the critical activities and behaviors that are needed to reduce their injuries. Each facility will have its own performance targets and lead measures based on injury history and risk in areas such as ergonomics, machine guarding, employee engagement and near miss reporting. Sites may also use the continuum as a guide to build a safety culture and establish systems. Our goal is zero injuries, period.

Goals

To continue to improve our safety performance, Southwire set three aggressive long-term goals covering both employees and contractors:

- Certification of Safety Management Systems. Implement one of the following certified safety management systems at all manufacturing and warehouse locations by year-end 2022: OSHA Voluntary Protection Program (VPP), Occupational Health Safety Assessment Specification (OHSAS) 18001 (soon to become ISO 45001) or an in-country equivalent.
- Employee Safety. Achieve an OSHA Total Recordable Injury Rate for global operations of less than 1.0 by year-end 2018.
- Contractor Safety. Achieve 20 percent reduction in contractor injury rates by year-end 2018.

In 2016, we refreshed our workplace safety goal and developed three new targets for the next five years. We will begin reporting our progress in our 2017 Sustainability Report.

2021 SUSTAINABILITY GOALS & TARGETS

Achieve best in class safety performance at Southwire.

- ➞ Achieve 10X increase in injury-free event reporting by 2021.
- ➞ Achieve 75% decrease in the total recordable injury rate by 2021.
- ➞ Achieve Occupational Safety and Health Administration (OSHA) Voluntary Protection Program (VPP) or equivalent certification at all sites by 2021.



Governance

Reflecting our emphasis on governance, we hold leaders to the highest level of accountability for workplace safety and health. Responsibility starts with the Sustainability Committee of our board and our chief executive officer, and cascades down to Southwire's executive leadership team. Additionally, operations leadership and location managers participate in weekly web conferences to report their performance on workplace safety and health metrics, review safety incidents and present best practices. Our operations EHS steering committee convenes regularly to set strategies and review progress on implemented action plans at all Southwire facilities with the support and guidance of our safety teams.

Health & Safety Committees

Among our various manufacturing plants and distribution facilities, our employees actively participate on health and safety committees and teams, including emergency preparedness, ergonomics, job safety analysis, hazard recognition, incident investigation, sustainability, environmental, behavior based safety, lockout/tagout, machine guarding, first responders and steering committees.

We implemented our new key performance indicator that measures the percentage of EHS involvement for all our manufacturing and warehouse operations. This measure captures the total percentage of the workforce engaged in Safety, Health and Environmental committees, teams or other hazard identification and mitigation strategies. Establishing this new indicator allowed us to set a target of 80 percent participation for 2016. After developing a standardized approach to gathering that data, we anticipate reporting on our progress in the 2017 sustainability report. Monitoring participation rates enables us to better identify and manage opportunities for improvement.

Training

In late 2016, we kicked off a strategic learning focus on increasing organizational capability in human performance error management techniques. A team of plant health and safety professionals created a Southwire-specific training curriculum and initiated a pilot program at our Building Wire Plant in Carrollton, Georgia. This training for plant managers and supervisors focused on learning to recognize error-prone situations, which increase the risk of safety incidents and quality errors. The team will also provide coaching for supervisors and managers on how to mitigate these situations when error precursors are identified.

Policies & Compliance

A vast network of policies, starting with our EHS policy, guides our operational safety. In 2015, Southwire began integrating our EHS policies with our corporate management systems. In 2016, we developed more than 50 standardized EHS policies and program templates and created a set of minimum expectations for the locations to meet regulatory requirements and Southwire standards. In 2017, we will roll out a portion of these standards to sites each quarter, with the objective to have all standards implemented at all warehouse and

manufacturing locations by the end of the year. In 2018, we will begin auditing sites against these standards and scoring them on their performance. This more comprehensive, standardized system will support the company's One Southwire philosophy, eliminate variability and facilitate integration of new facilities and acquisitions.

Certification of Safety Management Systems

Safety management systems provide Southwire with a foundation to achieve and sustain success in workplace safety and health. Southwire committed to implementing and certifying a safety management system at each of our locations by 2021. Currently, close to 40 percent of Southwire sites meet this goal.

Within our U.S. operations, Southwire is working to certify all manufacturing and warehouse operations within the OSHA Voluntary Protection Program (VPP) which consists of: management commitment, employee involvement, hazard prevention and control and safety training. Operations outside the United States or those that primarily serve international customers will certify against the Occupational Health and Safety Assessment Specification (OHSAS) 18001 (soon to be ISO 45001) or an in-country equivalent standard, such as our Tecate, Mexico, facility, which is certified under Mexico's Secretaría del Trabajo y Previsión Social Empresa Segura program.

Contractor Safety Initiatives

Southwire holds on-site contractors to the same standards as employees and evaluates their safety performance before they arrive using our pre-qualification program. To pre-qualify, contractors must achieve a grade of either A or B for the following requirements:

- Experience modifier
- Written safety program
- Safety questionnaire
- Evaluation reports
- Drug and alcohol screening and background checks
- Training documentation

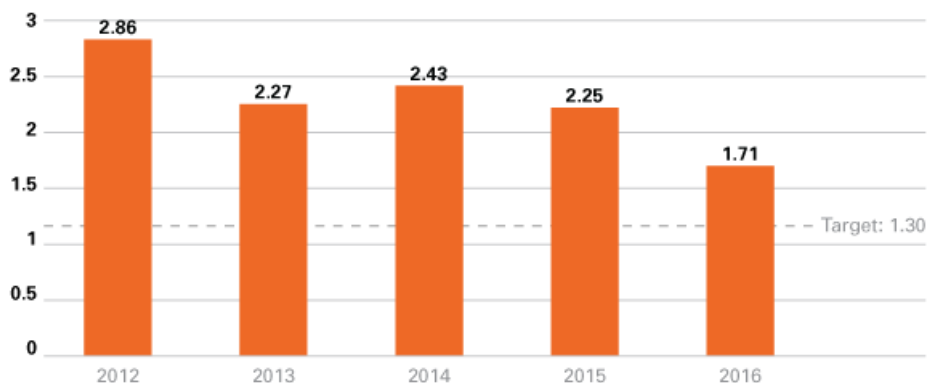
Southwire tailors these requirements to the contractor's type of work. After pre-qualification, we host contractor safety orientations to help them learn our internal environmental, health and safety requirements. We also use an electronic reporting system for contractor incident investigations and inspections.

Our Performance

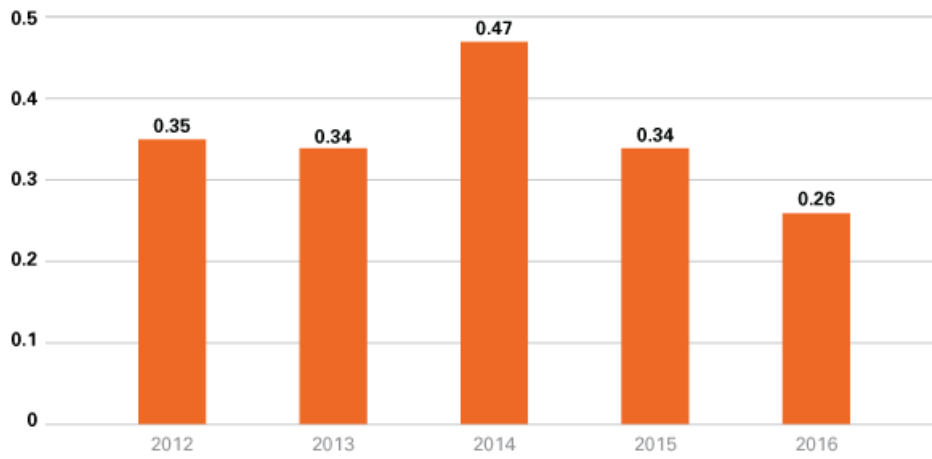
We believe in the adage, "you can't manage what you don't measure." Therefore, we track a wide variety of performance metrics related to workplace safety and health. We use leading indicator data to enable a proactive assessment of our safety performance. One focus area in our leading indicator reporting was near misses. We also track but do not publicly report OSHA citations/violations.

G4-LA6 ▾

OSHA TOTAL RECORDABLE INJURY RATE (TRIR)*

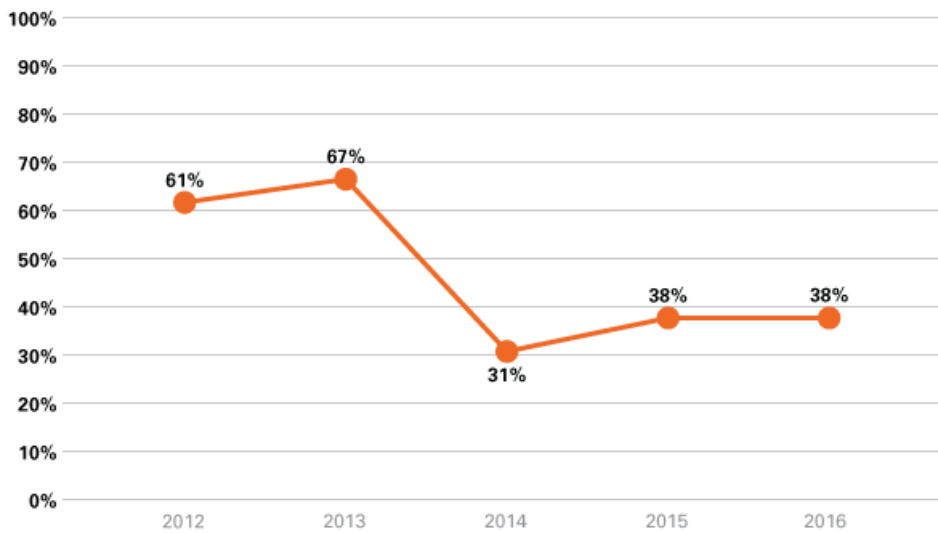


OSHA LOST WORK DAY RATE (LWDR)*



*Number of incidents (200,000)/hours worked.

VPP SITES OR EQUIVALENT**



**The percentage and number of certified sites has varied over the last several years as Southwire has closed existing facilities (some of which were certified), started up greenfield sites and grown through acquisition. As an example, Southwire's 2014 acquisition of Coleman Cable increased the total number of sites, resulting in a significant decrease in the percentage of VPP or equivalent certified sites.

G4-LA7 ▾

Southwire tracks occupational illnesses in our EHS data management system. Our corporate EHS department monitors this data, and we have found no discernable trend in occupational illness. Should any trend in occupational illness arise, we will manage it through our existing risk mitigation processes.

G4-LA8 ▾

Southwire operates two union-represented facilities, and Section 17 of the collective bargaining agreement covers safety and health. The provisions of the agreement stipulate that the company will make reasonable provisions for the safety and health of our employees, an employee from each shift will be trained in first aid response, the company will furnish all safety personal protective equipment required by state and federal law, and Southwire will provide employees with a safety shoe allowance. Further, the contract stipulates that Southwire management will meet with the union safety committee on a monthly basis and correct any safety violations. In addition, the agreement outlines that Southwire and the union mutually support participation in OSHA VPP and actively participate in all safety programs connected to VPP implementation.



LIVING WELL

TALENT ACQUISITION & DEVELOPMENT

Attracting talent through Southwire's website, sustainability program, competitive benefits and general outreach; providing employees with opportunities to advance their skills, experience and career through training, personal development programs and plans, coaching and more

G4-DMA ▾

WHY MANAGING IT MATTERS

Experts estimate that the United States may soon have a personnel deficit of 20 million. For Southwire to attract and retain employees and develop leaders to continue our prominent role in the market, we must leverage technology, give employees experiences they would not receive elsewhere and help employees connect to our culture.

Our Approach

Talent Acquisition

Southwire's current recruiting process seeks to strengthen our talent acquisition and track the status of recruits through weekly reporting. These formal programs provide a consistent recruiting platform throughout Southwire. We now process professional openings in a consistent, structured manner, supported by a recruiting and applicant tracking system that follows applications and key metrics such as:

- Time to hire
- Candidate diversity
- Total cost of recruitment for open positions
- External offers accepted versus rejected
- The number of positions filled internally versus externally

We also track turnover rates and conduct exit interviews to determine the reasons employees leave and the consequent cost of employee turnover for the organization.

Leveraging technology for professional recruiting became a key objective in 2015. In 2016, Southwire implemented its Human Capital Management system, which includes recruiting and applicant tracking software. In the future, social media recruitment and branding campaigns will become recruiting platforms for attracting candidates to Southwire.

Southwire continued to enhance our college recruiting and college relations programs in 2016. Southwire Professional Staffing continued its participation in the Georgia Association of College and Employers (GACE). Additionally, college-recruiting activities continued at Georgia Tech, Kennesaw State University, North Carolina A&T State University, Auburn University, Purdue University, University of West Georgia, Mercer University, Mississippi State University, University of Georgia, Indiana University of Pennsylvania, Clemson University, Georgia State University, University of Alabama and the University of Mississippi.

Southwire enhanced and continued to grow the Engineering Co-op program, which has been implemented in the Construction Systems & Solutions Group and Corporate Logistics group. The program expanded from six co-op students to 25. Our Corporate Accounting and Finance department continued the Finance Rotational Program to recruit entry-level graduating students. In 2016, our Human Resources department launched a rotational program to build its pool of potential Human Resources Managers.

Partnerships previously developed with Georgia Tech's Office of Minority Educational Development (OMED), Auburn University's 100 Women Strong, North Carolina A&T State University's Engineering School and the University of West Georgia (where we sponsor the Southwire Sustainable Business Honors Program) continue to strengthen Southwire's branding and community relations in a mutually beneficial manner. For example, some Southwire Sustainable Business Honors Program students intern at Southwire, providing us with an emerging talent pipeline.

Our other educational recruitment programs include the Southwire Engineering Academy and the 12 for Life[®] program. Southwire actively works with students in these programs to increase their familiarity with a variety of working environments, while affording Southwire opportunities to train and develop a potential source of future leaders and technical ability ready for immediate professional assignments with limited on-the-job training after graduation. To learn more about these two programs, visit our Communities page.

Talent Development

As part of our overall talent management programs, we enhanced our talent acquisition management and development through our new Human Capital Management partnership with SAP SuccessFactors.

Performance Acceleration

As Baby Boomers leave the workforce, both Generation X and Millennials will need to take leadership positions—Millennials at a younger age than previous generations of leaders. In the past, leaders spent time learning on the job; in the future, employees will need to learn more quickly before taking leadership roles.

External research indicates that engaging in coaching conversations and developing corrective actions are more effective than ratings systems. Building from our previous implementation of Performance Acceleration, a framework for informal and formal feedback between managers and employees, we continued to train managers in this way. Additionally, we are now tracking objectives and performance coaching conversations in SuccessFactors.

The Coaching Guide acts as a catalyst to the Performance Acceleration process by helping employees better understand their personal strengths and gaps to close. The process focuses on the Essences of Southwire—leadership skills and attributes unique to the Southwire culture—and articulates the specific implications these leadership traits have for fostering our culture and driving high performance. We also developed a performance guide for managers that illuminates how certain behaviors, competencies, and creating a “line of sight” for employees to connect to Southwire's vision and strategy contribute to our company's success. As part of the rollout, Southwire completed training across the organization.

Executive Leadership Assessments

In 2014, we administered executive leadership assessments that included personalized growth plans to one-third of the executive leadership team. In 2015, we assessed an additional third of the executive leadership team, but we put this program on hold in 2015 while we launched our Performance Acceleration program. In 2016, we resumed our executive leadership assessments and will complete them in 2017.

Southwire Leadership Academy

Our leadership academy augments and develops leadership traits, enhances succession management planning and grooms individuals through a production management approach. Southwire aspires to graduate 150 senior leaders by the end of 2018. To date, the program has 96 graduates.

Emotional Intelligence

The body of work surrounding emotional intelligence suggests that it accounts for approximately two-thirds of a person's success in a leadership role. To assess and build the emotional intelligence of Southwire's future leaders, our Leadership Academy includes RocheMartin's Emotional Capital Assessment. To build these key competencies, the weeklong academy includes group exercises to build participants' awareness and acceptance. After the event, Southwire provides one-on-one coaching to participants to help them learn their emotional intelligence strengths and opportunities for development as they grow in their leadership competencies.

Alumni Experience

Taking place approximately six months after the week-long Southwire Leadership Academy, the Alumni Experience is designed to immerse Southwire's future leaders in a “Day in the Life of the CEO.” Using real examples of a CEO's life and the challenges of running a business with competing and sometimes conflicting priorities, attendees gain an understanding of what it means to lead an organization with the size and complexity of Southwire. The program emphasizes Southwire's distinguishing characteristics as an organization: driving for results, creating a caring culture and investing in the communities in which it operates. The Alumni Experience encapsulates building these traits as fundamental to the success of the organization's leadership.

Training

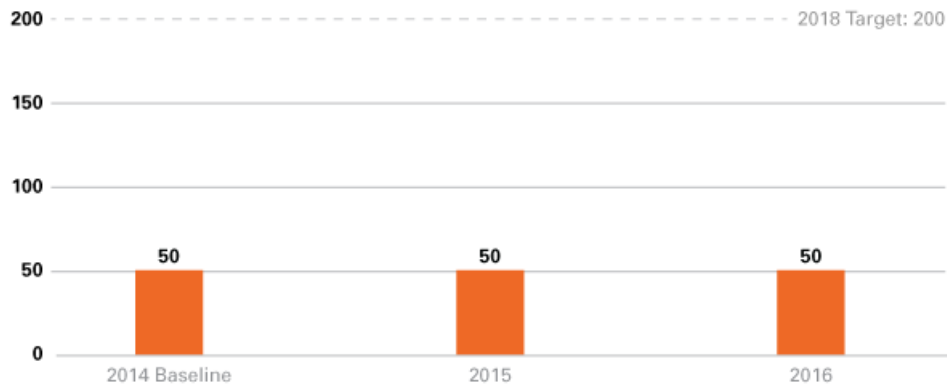
Southwire offers a series of professional skills development courses through our web-based learning management system (LMS). This system enables us to better track, trend and analyze utilization. In 2016, the LMS was upgraded as part of our implementation of SuccessFactors.

To train hourly employees for new opportunities, we analyzed various positions, created a list of required competencies and matched employees based on their skill set and role.

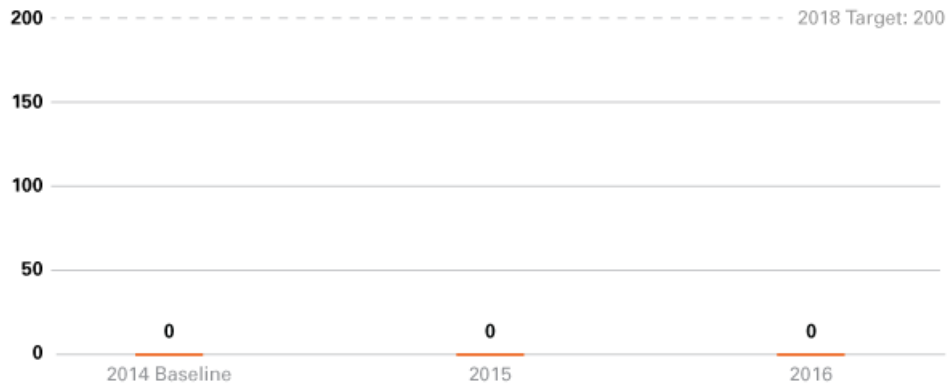
Our Performance

G4-LA10 ▾

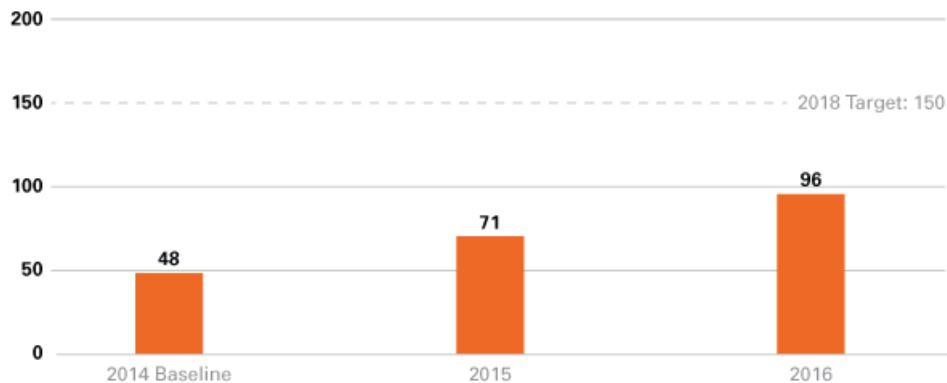
LEADING IN OPS CULTURE GRADUATES



MANAGEMENT TRAINING GRADUATES



LEADERSHIP ACADEMY GRADUATES



G4-LA11 ▾

2015

In 2015, 21% of Southwire's salaried managers participated in the voluntary performance acceleration program, falling short of our goal of 25 percent.

2016

In 2016, 100% of our leaders participated in the performance acceleration program. This will continue to be rolled out to the organization through 2018.



LIVING WELL

EMPLOYEE ENGAGEMENT

Promoting a positive and unified culture by encouraging open communication, collaboration and employee ownership of initiatives and social programs

WHY MANAGING IT MATTERS

Engaging employees creates a win-win situation for Southwire: employees feel connection to and meaning in their work, which drives our financial bottom line through increased productivity and initiative.

G4-DMA ▾

Our Approach

Southwire's approach to employee engagement intertwines with talent development. By offering unique professional development opportunities, employees enhance their skills, increase their comfort taking risks and heighten levels of engagement. In this section, we explain Southwire's approach to monitoring, managing and responding to engagement scores. For more on how we encourage engagement through development, read about our Talent Acquisition and Development.

Engagement Survey

To identify areas of strength and opportunities to improve engagement, Southwire partners with a third party to conduct an employee engagement survey every 18 months. We provide this anonymous, online survey to all full-time Southwire employees. Based on the results of this assessment, the company's leaders create goals and plans to sustain success in areas of high achievement and to develop stronger engagement in those categories which have been identified for improvement. Read more about how we respond to the results of our employee engagement surveys in our highlight story.

Southwire's goal is an employee engagement score of 75 percent favorable or higher, which indicates high employee engagement according to survey creator PwC. We also carefully monitor the number of voluntary survey responses we receive to offer insight into the robustness of our engagement. Our target participation rate is 90 percent. See Our Performance below for our scores.

Pulse Checks

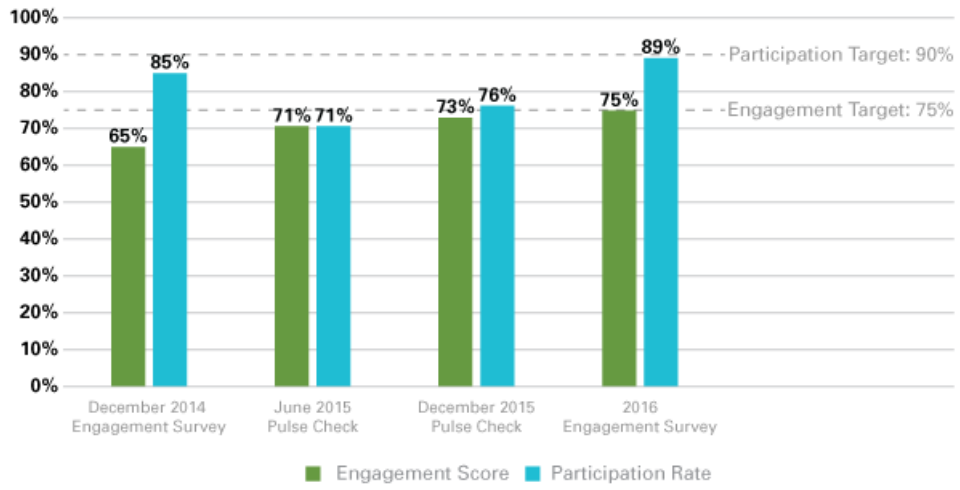
Between formal engagement surveys, we complete Pulse Checks approximately every six months to measure progress in categories with our lowest scores. In 2016, we tracked areas of focus from the 2014 survey to determine if initiatives put in place were successful. In each of the areas of communication, vision and strategies, and decision making, we made substantial progress in the results. In response to the 2016 survey, we will focus on key areas of technology, process improvements and information sharing to help translate our high engagement to better business results.

We started the process of revamping our approach to Pulse Checks and will be implementing them in the first quarter of 2017. We share our results via electronic Pulse Check Boards in each of our facilities.

Our Performance

INDICATORS ▾

EMPLOYEE ENGAGEMENT SURVEY





LIVING WELL

EMPLOYEE WELLNESS

Making resources available to promote the health and well-being of employees

WHY MANAGING IT MATTERS

Our greatest asset is the Southwire family, and we can proudly say that multiple generations work for us. Our heritage as a family-owned company inspires us to treat our employees like family and contribute to their physical and emotional well-being. Healthy workers are essential to maintaining our competitive advantage and an attractive culture.

G4-DMA ▾

Our Approach

The well-being of Southwire employees is a top priority. Positively influencing their emotional, physical and financial health requires a comprehensive approach. Therefore, we have implemented several robust initiatives.

Southwire Total Rewards

Southwire provides a broad and connected approach that promotes employees' physical, emotional and financial well-being. Southwire Total Rewards offers an extensive range of rewards to support diverse family needs and structures, extending into our inclusivity strategy of providing choices.

To arrive at this comprehensive offering, we began by asking how we could connect Southwire families to these rewards and how we could garner action to maximize them. Rather than simply listing all the benefits, we connected an action for employees. For example, rather than simply offering medical benefits, Southwire encourages "Focusing on my Health." Instead of paying for time off, Southwire promotes "Living my Life." Join us on the journey of how we are engaging Southwire families with their Total Rewards and continuing these conversations for years to come.

Governance

We connect employee well-being with leadership at the highest level: our senior director of Living Well reports to our executive vice president of human resources, who reports directly to our chief executive officer. For more on our Southwire's governance structure, click [here](#).

We relaunched our health committees to further assist employees in integrating healthy practices into their lives. In 2016, 22 committees remained active. These committees learned about our three newest additions in 2016: Employee Assistance Programs, Quit for Life[®] and LiveHealth Online. See below how results from our Living Well Team Challenge were used to engage our Greater Southwire Teams (facilities outside the Carrollton, Georgia, area).

Employee Engagement

In 2016, we conducted our annual biometric screenings with a 98 percent participation rate and screened 5,373 employees. Southwire prioritizes weight management and limiting tobacco use to improve employees' physical health. On February 1, 2016 Southwire launched Quit for Life to assist employees in their effort to stop smoking. With this implementation, as well as turning Legacy Coleman facilities

into Tobacco Free campuses, we have seen our employee tobacco use rate decrease from 22.5 percent to 17.7 percent. With respect to weight management, our numbers remain constant. Approximately 80 percent of Southwire employees have borderline or high-risk BMI compared to a 69 percent national average.

Our Greater Southwire Locations share the burden as their BMI and Waist Circumference scores are approximately 3 percent higher risk than those in the Carrollton area. To engage Greater Southwire, Living Well Teams were tasked with generating ideas to get their facilities healthy. Seven teams were awarded \$500 to enact their ideas, such as facility yoga classes, step challenges, group tennis lessons, holiday weight loss challenges and even a food logging challenge. Each team held successful events and supported their fellow employees by increasing employee engagement and making Living Well a priority.

On-Site Support

Research shows the importance of making health easy for employees by creating a health-oriented environment. Southwire gives employees the opportunity to make healthy choices through:

- **Tobacco-free Policies.** All Southwire locations prohibit smoking and other use of tobacco on Southwire property.
- **Medical Facilities.** In the Carrollton, Georgia, area, home to approximately 40 percent of our workforce, we offer an on-site medical center and pharmacy that has operated for more than 20 years. Our services are comprehensive and cost-effective.
- **Nutrition Programs.** Southwire presents nutritious options in our on-site cafeteria and vending. We list healthful vending options at a reduced price to encourage their consumption; track healthy purchases to better understand and accommodate employee preferences; and offer payroll deduction at vending locations to improve access.
- **Exercise Programs.** We have on-site fitness centers or, in some cases where such centers are not established, provide fitness club membership stipends. Aside from exercise equipment, our state-of-the-art fitness center in Carrollton also coordinates group fitness and education classes, team sports and company athletic leagues. Intramurals include volleyball, softball, basketball, flag football and more. We track employee participation to better understand the effectiveness of our efforts to engage employees in physical fitness. We also held three youth sports camps over the summer; baseball (50 participants), basketball (34 participants) and soccer (40 participants), as well as a “KidFit” exercise class (20 participants) to engage our employees’ children and keep them moving while on summer break.
- **Weight Loss Programs.** Studies indicate that even moderate weight loss can make a positive impact in an individual’s personal health. As a highly competitive employee population, challenges and competitions greatly motivate our employees. To this end, we run group and individual weight loss challenges and provide rewards such as Fitbit activity trackers or, in the case of our Lose to Cruise program, free cruise vacations to successful participants. Other programs include New Year, New You, New Wardrobe, which offers winners gift cards to their favorite retail outlets and Viva Las Vegas, which affords the winner a free trip to Las Vegas, the Grand Canyon or other pre-selected locations. Our most recent challenge was “The Whole You” challenge where an employee could win a prize worth \$2,500 from the “bucket” of their choice (bonus, vacation, home gym, etc.)
- **Living Well Lottery.** This program rewards employees who proactively work to integrate healthy habits into their lifestyle. Employees who have a BMI below 30 and do not use tobacco enter into a lottery, the winners of which receive free health care for a year.

Our Performance

INDICATORS ▾

To achieve our goals related to employee well-being and health, we track the following data against our long-term goals.

Metric	2014 Baseline	2015	2016	Target
% voluntary participation in biometric screenings	95%	98%	98%	95% (2017)
Overall employee average rating on biometric screens (against 4 measures)	B-	C+	C+	B (2018)
% access to healthy choice options at all locations	51%	78%	70%	100% (2018)
% participation in Total Rewards enrollment	N/A	99.9%	N/A	100%

Fitness Center Usage

Our facilities’ employee utilization rate for 2016 was 32 percent, with some variation by season. This utilization rate does not include the 438 retirees, spouses, and dependents that also joined us in 2016.

Weight Loss Programs

In 2016, we held the largest weight loss challenge in Southwire history called “The Whole You Challenge.”. This challenge had 1,054 participants who cumulatively lost 7,503 pounds.



LIVING WELL

INCLUSION

Creating an environment among Southwire's board and employee population where individuals from diverse backgrounds (ethnic, cultural, generational, economic, etc.) feel included and comfortable expressing varied thoughts and perspectives

WHY MANAGING IT MATTERS

Promoting a culture of inclusivity for diverse individuals benefits both our business and our employees. As an employer searching for top talent, and as a responsible supplier, Southwire maintains a strong commitment to ensuring our workforce continues to reflect our complex and evolving world.

G4-DMA ▾

Our Approach

Southwire, like other companies across the country, is planning for major demographic and social changes over the coming years. We hope to attract and retain the top talent in our industry by promoting a culture that values varied thoughts and perspectives.

Diversity extends beyond physical characteristics to include diversity of thought and perspective, which promotes a more innovative and creative environment. At Southwire, we believe an inclusive culture enables talent to flourish and encourages our employees to reach their highest potential. We believe that if we strive for inclusion, diversity will naturally follow. Weaving employees into our community, regardless of their background, demonstrates to all potential candidates that they have a home at Southwire. Simply stated, Southwire wants employees to feel empowered, see diversity and experience inclusivity.

Southwire continues to develop and deploy tools and resources to connect employees with new perspectives. Whether it is through Southwire's Project Gift[®] activities, the 12 For Life[®] mentorship program, attending employee resource group functions, or being part of a Sounding Board which connects employees with executive management, we continue to build programs that span a wide spectrum for greater impact.

Governance

In 2016, we created a new senior leadership role responsible for building a comprehensive diversity and inclusivity strategy for the entire organization. We also began expanding our foundation for awareness by establishing three new employee resource groups, composed of employees from various business areas, with each having its own executive sponsor. We now have four groups building objectives to create awareness and a more inclusive workplace for women, people of color and a multi-generational workforce in both manufacturing and corporate environments. An Inclusivity Council was formed, including members of the employee resource groups, to provide input directly to the Executive Leadership Team with quarterly meetings. We also conducted an executive workshop focused on unconscious bias.

Data Monitoring and Reporting

We report diversity measurements along with national benchmarks quarterly to Southwire's board of directors and senior leadership. To objectively determine the inclusivity of Southwire's culture, we track a variety of metrics.

Our employee engagement survey, which measures the Southwire employee experience, enables us to track inclusion. For example, we ascertain whether there are differences in how various demographics respond to the questions and whether the experience aligns with Southwire's values.

Our quarterly Human Capital Dashboard measures average years of service, percentage of female employees, average age, percentage of minorities, biometric grades and turnover of high potential employees.

Our Performance

G4-LA12 ▾

Looking ahead, Southwire aims to increase inclusion in various ways. In 2014, we developed the following inclusion goals.

Metric	2015	2016
<ul style="list-style-type: none">• Achieve a 40% improvement in the number of females in the workforce by year-end 2017.• Improve diversity within the "high potential" pool of future leadership by 20% by year-end 2017.	<ul style="list-style-type: none">• 22% female (5% improvement)• 30% diversity (0% improvement)	<ul style="list-style-type: none">• 20%• 23.5%



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 by sharing our financial resources, but also by sharing our time and talent.

Southwire focuses on creating shared value—enhancing our competitiveness while enhancing the economic and social conditions in the communities where we operate. Through Giving Back opportunities, Southwire seeks to positively affect the communities where we operate; to give time and talent above and beyond financial contributions; and to benefit our customers' communities where we can. As community partners, we aim to better the quality of life in the communities where we operate. In doing so, we also build goodwill.

Communities



In 2016, Southwire developed five new goals to further improve our sustainability performance. Our Giving Back goal and 2021 target are:

2021 SUSTAINABILITY GOALS & TARGETS

Enable and engage our workforce in building more sustainable communities.

➔ Launch environmental outreach programs in 100% of the communities in which we operate.



Today, limited community involvement exists in the areas of environmental stewardship and awareness. A signature program, with supporting strategy and timeline, will be developed to accomplish the following: engage employees at work and within the community; target areas of community impact; and integrate environmental stewardship into our interactions with the community.

We will begin reporting our progress toward our 2021 goals in our 2017 Sustainability Report.

Current Programs

12 for Life®

This award-winning cooperative education program for at-risk students combines traditional classroom instruction with jobs inside our manufacturing plant. By providing students with classroom teaching, on-the-job training, key work/life skills, mentoring and employment opportunities, Southwire helps participants stay in school, graduate and become successful, productive members of the workforce and society. Learn more on our Communities page.

Project GIFT® (Giving Inspiration for Tomorrow)

Southwire's employee volunteer program, Project GIFT, celebrated its 11th anniversary in October 2016. This program, a registered 501(c)(3), serves as the umbrella program for many of Southwire's charitable- and service-related initiatives, such as Toys for Tots and Back to School.

Southwire has 26 Giving Back coordinators who volunteer to lead and organize events across our locations in addition to their full-time role. These passionate coordinators make it possible for Southwire employees to engage in Project GIFT.

Employees become "Blackshirts"—named for the coveted shirts they earn—by volunteering in two or more community service events per year. Southwire aims to increase volunteerism in the communities where we operate by achieving 50 percent improvement in Project GIFT Blackshirt participation across Southwire by year-end 2018. To that end, in 2016 Southwire launched the Project GIFT app to connect our volunteers and engage others to get involved in our efforts of improving our communities. As a result, 878 Project GIFT Blackshirts volunteered 10,139 hours across our communities, exceeding our goal well in advance of our projected target.

Toys for Tots

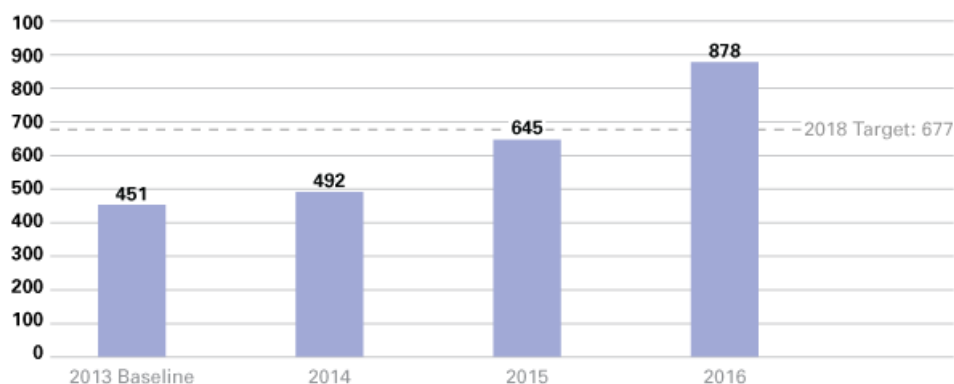
Through the program, we collected approximately 5,000 toys through events in our West Georgia and East Alabama communities.

Back to School

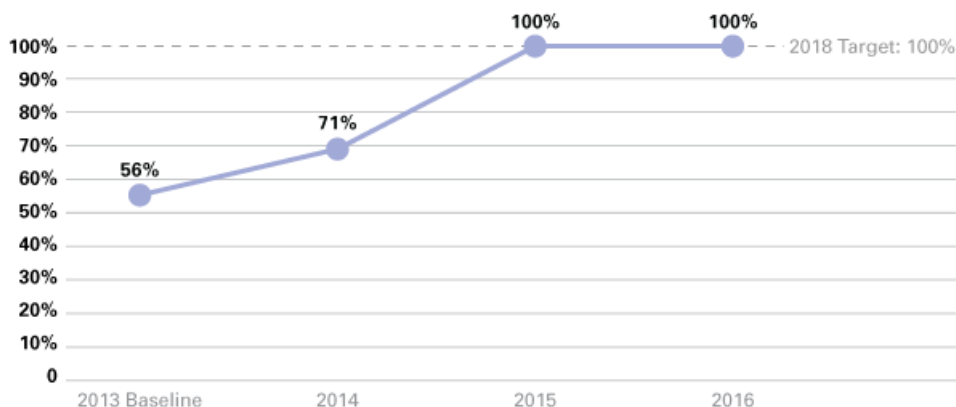
We maintained our goal of hosting Back to School events in our communities, with all 26 Southwire communities participating. Together, we distributed more than 23,000 bags of school supplies. Additionally, some locations provided free eye and allergy screenings and haircuts

G4-S01 ▾

PROJECT GIFT® BLACKSHIRT VOLUNTEERS



SOUTHWIRE LOCATIONS COMPLETING BACK-TO-SCHOOL EVENTS



Read more about Southwire's Giving Back programs here.

2016 SUSTAINABILITY SCORECARD

Our progress toward our existing Giving Back goals is listed below.

Goals	2016	Baseline
<p>Advance and improve educational opportunities and outcomes by working with educational institutions to achieve the following:</p> <ul style="list-style-type: none"> • Increase graduation rates among “at risk” teenagers through 12 for Life® by graduating 2020 students from the program by YE 2020. • Expand Southwire Engineering Academy to other regional locations in North America by YE 2020. • Graduate first cohort from Southwire Sustainable Business Honors MBA program by YE 2017. 	<ul style="list-style-type: none"> • 1,614 • 1 • 0 	<ul style="list-style-type: none"> • 851 • 1 • 0
<p>Increase volunteerism with the communities in which we operate by achieving 50% improvement in Project GIFT® Blackshirt participation across Southwire by year-end 2018.</p>	878 Blackshirts (95% improvement)	451 Blackshirts
<p>Ensure Southwire engages proper mix of charitable donations, community investments and commercial initiatives through annual benchmarking of existing practices.</p>	CECP Survey Complete	CECP Benchmark
<p>Complete Back-to-School events at each Southwire manufacturing location by year-end 2016.</p>	24/24 locations (100%)	14/25 locations (56%)



GIVING BACK

COMMUNITIES

Providing meaningful dialogue and engagement, employment and prosperity in the communities in which Southwire operates

WHY MANAGING IT MATTERS

Southwire's success relies on thriving communities, so we listen to, learn from and collaborate with the communities in which we operate.

G4-DMA ▾

Our Approach

Southwire engages with and supports our local communities in a variety of ways. We strategically focus our community efforts on supporting educational opportunities. By providing educational opportunities, Southwire enhances employment prospects for community residents while identifying a future talent pool for our company.

Education Programs

12 for Life®

Prior to 2007, the opening year of our 12 for Life program, Carroll County's graduation rate hovered at 64 percent, meaning one student in three starting the first grade that year would not graduate. Since Southwire's employment opportunities require candidates with diplomas or GEDs, Southwire devised strategies to reverse this trend by collaborating with Carroll County Schools. This partnership spawned our award-winning 12 for Life program.

This program serves the community by providing opportunity, education and employment for at-risk youth. It emphasizes that education opens doors to success. The program combines traditional classroom instruction with jobs inside a modified Southwire manufacturing environment. Students earn wages for their work and, most importantly, learn skills they will need after graduation. Southwire's goal is to increase graduation rates among at-risk teenagers through 12 for Life by graduating 2020 students from the program by year-end 2020.

Since the program's inception, our partnership expanded to include the Florence City Schools in Alabama. In January 2015, the Council for Leaders in Alabama Schools named the 12 For Life program of Florence City Schools a Banner School. The state of Georgia and the White House also adopted 12 for Life as a model for increasing graduation rates.

Southwire Engineering Academy (SWEA)

Southwire aims to increase the number of students pursuing degrees in science, technology, engineering and math (STEM). SWEA, a partnership between Southwire and Carrollton High School, focuses on STEM subjects and provides hands-on experience for students to work with our teams on value-added problem-solving projects, data analysis, value stream mapping and more. We aspire to expand the Southwire Engineering Academy to other regional locations in North America by the end of 2020.

Southwire Center for Manufacturing Excellence and Skilled for Life

The Southwire Center for Manufacturing Excellence at West Georgia Technical College imparts manufacturing and maintenance skills to students and serves as the inspiration for Southwire's Skilled for Life program in our Machine Services Group (MSG). Through the Skilled for Life program, students work for MSG and gain invaluable industry experience. The Southwire Center for Manufacturing Excellence also helps some participants attain their GED to work for our company.

Southwire Sustainable Business Honors Program

The Southwire Sustainable Business Honors Program, a partnership with the University of West Georgia, seeks to boost the number of candidates with sustainability backgrounds for high-level executive positions. The academic portion of the program combines business and sustainability learning. In just four years, participants can obtain bachelor's and master's degrees in business administration, along with a certificate of sustainability. Additionally, to provide hands-on experience, Southwire pairs participants with product managers and division presidents through internships or special projects.

Southwire contributes approximately \$1.1 million to the partnership, supplemented by up to 40 percent of Southwire program management's time (during the heart of the semester). In 2016, the first student graduated from the program, and we aspire to graduate the remainder of the first cohort by the end of 2017.

Community Outreach

Southwire fosters dialogue with the community through our Community Advisory Panel. This panel includes five members from a cross-section of the Carrollton community who gather to discuss a variety of issues—particularly environmental ones—that may pertain to Southwire and our effect on the community.

Goal Setting

We see additional strategic opportunity for Southwire and our employees in developing a signature environmental program. Today, there is limited engagement and awareness about environmental issues facing communities where Southwire operates. We aim to engage employees at work and in our communities, target areas of community impact and integrate environmental stewardship into our interactions in the community.

In 2016, we set a new goal for community involvement. We will begin reporting progress on this goal in our 2017 sustainability report.

2021 SUSTAINABILITY GOALS & TARGETS

Enable and engage our workforce in building more sustainable communities.

- ➡ Launch environmental outreach programs in 100% of the communities in which we operate.

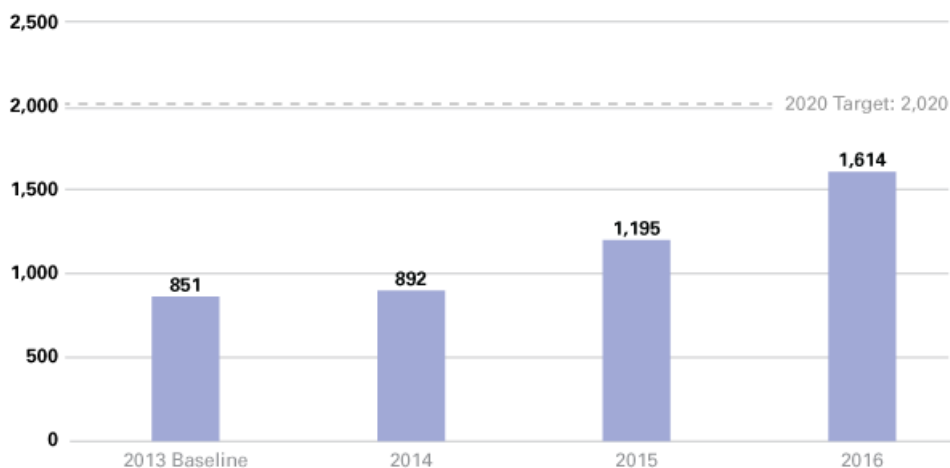


Our Performance

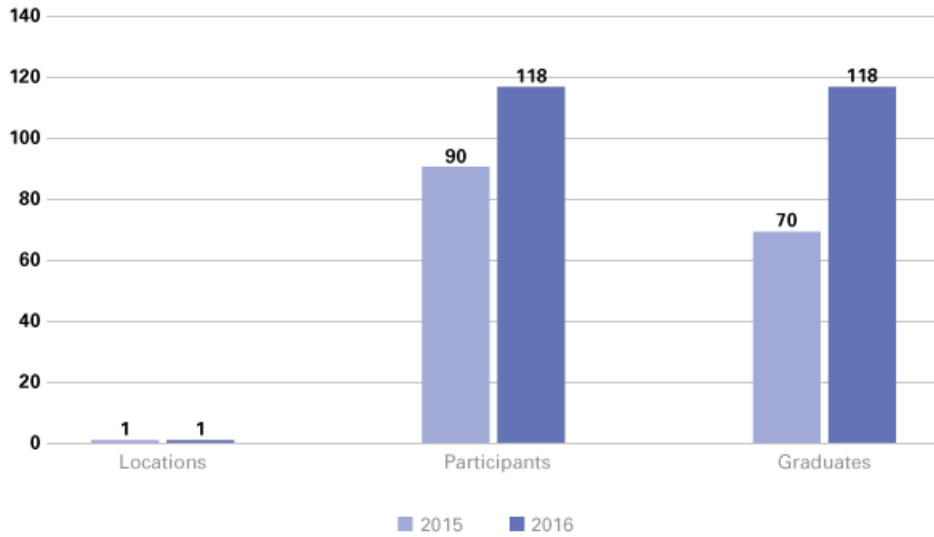
G4-EC8 ▾

Southwire aims to advance and improve educational opportunities and outcomes by working with various state and local educational institutions to achieve the following:

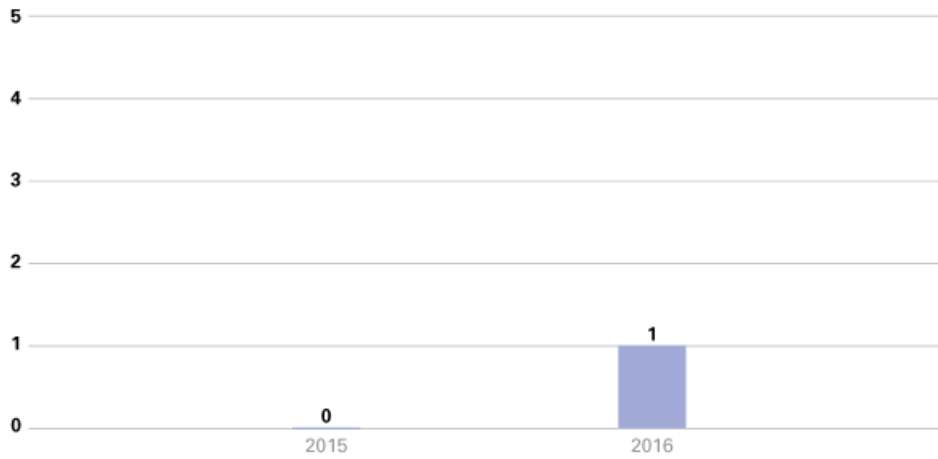
12 FOR LIFE GRADUATES



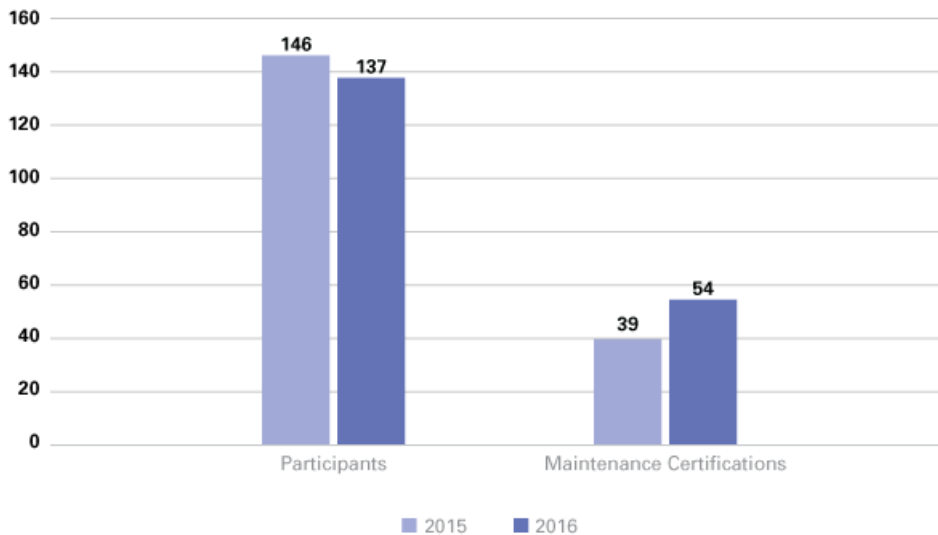
SOUTHWIRE ENGINEERING ACADEMY



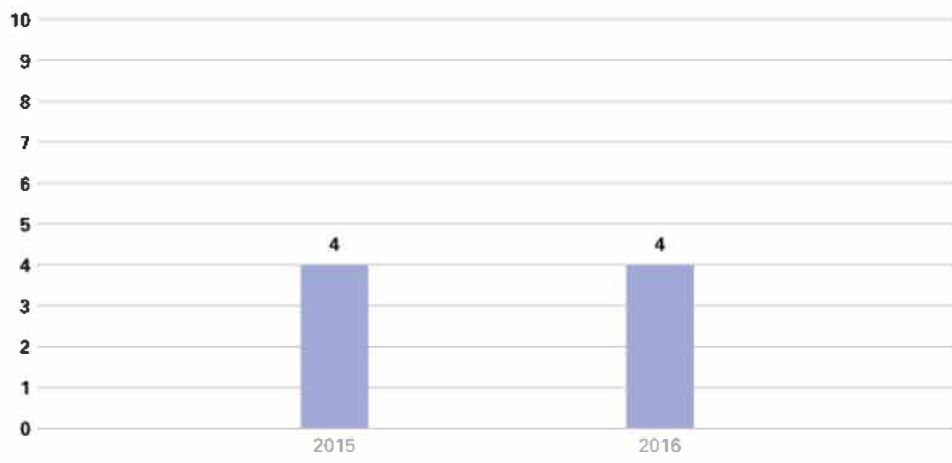
SOUTHWIRE SUSTAINABLE BUSINESS HONORS PROGRAM GRADUATES



SOUTHWIRE CENTER FOR MANUFACTURING EXCELLENCE



SKILLED FOR LIFE PARTICIPANTS





DOING RIGHT

We 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 ensure Southwire's financial health and longevity, we foster our commitment to ethical business practices. Doing Right underpins every aspect of our company. Southwire upholds our obligation to operate responsibly while maintaining our excellent reputation with our customers, suppliers, regulators and the communities that we serve. Through our culture, we expect our employees to live this approach daily.

Ethics & Transparency



In 2016, we developed five new sustainability goals. Southwire will begin to report our progress toward these goals in our 2017 Sustainability Report. Our Doing Right goal and 2021 target are:

2021 SUSTAINABILITY GOALS & TARGETS

Ensure the highest standard of ethical business practices within all our operations.



➔ Achieve recognition on Ethisphere's World's Most Ethical Companies list by 2021.

Ethisphere provides an independently vetted, objective measurement of corporate social responsibility and business ethics. Benchmarking against the World's Most Ethical Companies will inspire and inform advancement in Southwire's business practices.

SUSTAINABILITY SCORECARD

In 2016, we retired the sustainability goals listed below.

Goals	2016	Baseline
Assure the accuracy and integrity of financial, environmental and safety management systems by completing annual third-party financial audits and environmental, health and safety audits every two years.	Complete	Annual
Implement on-line Code of Ethics training and conduct an employee survey annually for 100% of the employee population by YE 2015.	Complete	Annual
Develop Southwire Code of Conduct policy for suppliers and contractors by YE 2015.	Complete	None

Goals	2016	Baseline
Develop and deploy Human Trafficking and Conflict Minerals Policies by YE 2015.	Complete	None



DOING RIGHT

ETHICS & TRANSPARENCY

Ensuring education and policies are in place to promote ethical behavior, as well as the means to safely and anonymously report transgressions; reporting company performance accurately, including challenges and opportunities for improvement

WHY MANAGING IT MATTERS

Ethics and transparency are the foundation of our strong, sustainable company. Customers compare suppliers according to their own standards or compliance requirements. By operating in an ethical, transparent manner, we earn our license to operate and minimize risk to our company's reputation.

G4-DMA ▾

Our Approach

Southwire monitors and mitigates risks—both within our business and beyond our operations—by providing robust ethics training to employees, engaging suppliers and adhering to and creating policies to support standards. Our leadership espouses the highest levels of integrity, and employees follow their example. Read about Southwire's strong governance structure and practices.

G4-56 ▾

We demonstrate our commitment to ethical business practices by publishing and providing all employees with an uncompromising ethics statement. During new hire orientation, we introduce our code of ethics, entitled "Do the Right Thing," through a 10-minute introduction video from our chief executive officer.

Ethics Training

At Southwire, we strive to go beyond compliance requirements. During our ethics refresher meeting, we share examples of practices that technically comply with the law but do not live up to our values or the spirit of the law. We emphasize that these scenarios conflict with our culture and can undermine our stakeholders' positive view of Southwire.

Prior to 2016, all salaried employees participated in a review course every two years to keep our ethical practices at the forefront of their professional lives as well as introduce them to compliance topics, such as bribery and anti-trust. Beginning in 2016, all employees, both salaried and hourly, receive comprehensive annual ethics training.

We firmly reject any corrupt business activity and take measures to ensure our business activities advance internationally without ethics incidents. Southwire provides anti-corruption training to a significant number of executives and other salaried employees based outside the U.S. (particularly beyond North America). Further, we require mandatory training for all employees who travel abroad for business purposes to prepare them for encounters with corrupt activities. We conduct training in our employees' native language to guarantee clarity. This training includes safety protocols which, combined with our travel policies and procedures, allows us to track the locations of our employees as they travel and, if necessary, to swiftly extract an employee in the case of an in-country emergency.

Reporting Ethics Concerns

In the first quarter of 2016, Southwire completed implementation of an online Code of Ethics training and conducted an employee survey of 100 percent of the employee population. In the annual ethics survey, all salaried individuals indicate if they or anyone they know has violated ethics requirements or laws. Employees and stakeholders can report any ethics concerns to our legal department via hotline or email. All indications of ethics violations are thoroughly investigated. We have few incidents, violations or litigation.

Goal Setting

In 2016, we set a new goal related to ethics and transparency. Southwire finds it important to have an independently vetted, objective measurement of corporate responsibility and business ethics. Benchmarking against the World's Most Ethical Companies will inspire and inform advancement in our business practices. We will begin reporting progress on this goal in our 2017 sustainability report.



2021 SUSTAINABILITY GOALS & TARGETS

Ensure the highest standard of ethical business practices within all our operations.

🕒 Achieve recognition on Ethisphere's World's Most Ethical Companies list by 2021.

Supply Chain Policies

To demonstrate our commitment to ethical business along our supply chain, Southwire enforces our conflict minerals and human trafficking policies as well as a full supplier code of conduct. Southwire makes these policies publicly available on our corporate website.

Transparency

For greater transparency, we publish our annual sustainability report and engage our stakeholders in a variety of ways, such as through our Community Advisory Panel in Carrollton, Georgia. This panel gathers to discuss any issues that may pertain to Southwire and our impact on the community. Through our ethics and transparency, we are strengthening our business while Doing Right.

Our Performance

G4-EN24 ▾

Transparency

In the infrequent case of a spill or other release to the environment, Southwire notifies the appropriate regulatory authorities and informs leadership via text and email as soon as possible, as well as its board of directors at regular board meetings. For any high-visibility events, we inform the public via local press releases. For more information on our number and volume of letters as well as other regulatory actions in 2016, [click here](#).



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.

Southwire is growing our business in a strong, sustainable manner. We deliver unparalleled innovative products and services, a practice that enables our company to flourish. We seek to reach our greatest potential by continually evolving to match our customers' needs and goals.

Southwire's effort to grow responsibly creates shared value by benefitting all of our stakeholders. To continue our legacy of Building Worth, Southwire focuses on the following material topics, each detailed in this report:

Technology & Innovation



Product Responsibility



Sustainable Supply Chain



Industry Partnerships



In 2016, Southwire developed five new sustainability goals, which we will report on starting in our 2017 Sustainability Report. Our Building Worth goal and metrics are:

2021 SUSTAINABILITY GOALS & TARGETS

Develop and commercialize four breakthrough solutions to customers' sustainability challenges.

- ⊕ 10% of EBITDA (earnings before interest, taxes, depreciation and amortization) in the funnel.
- ⊕ \$1 billion of incremental revenue tied to these solutions (15% of projected 2021 revenues).



Our success is ultimately driven by how well we solve our customers' needs. Sustainability is a major issue, both for companies and individuals, as we work within the constraints of the planet's limited natural resources. And, as part of the broader supply of materials to buildings and energy infrastructure, it is important that we focus on how our customers use our products and how we can jointly benefit society.

SUSTAINABILITY SCORECARD

Progress on our previous Building Worth sustainability goals is shown below.

Goals	2016	Baseline
Deploy the Southwire Supplier Sustainability Manual throughout the supply chain with on-site audits performance monitoring in place for 100% of key suppliers by YE 2016.	22/26 85% (100% for US suppliers)	0/25
Incorporate sustainability principles (including reusability) into the research of at least 65% of all new R&D projects by YE 2016.	48% of Spend; 41% of Projects	52% of Projects (2014)
Improve customer efficiency by providing innovative products that improve productivity and reduce waste.	Strategy underway	
Develop and implement a consistent framework that measures and improves customer experience and creates a sustainable competitive advantage by YE 2017.	OEM results implemented into 2017 strategic plan	



BUILDING WORTH

TECHNOLOGY & INNOVATION

Investing resources in sustainable product innovation

WHY MANAGING IT MATTERS

Our success is ultimately driven by how well we solve our customers' needs. Sustainability is a major issue both for companies and individuals as we work within the constraints of the planet's limited natural resources. And, as part of the broader supply of materials to buildings and energy infrastructure, we must focus on how our customers use our products and how we can jointly benefit society.

G4-DMA ▾

Our investment in and response to innovation opportunities differentiates us among our industry peers. Southwire is proud of the advancements we pursue each year to transform our research and experience into products and solutions on the leading edge of sustainability, safety, satisfaction and efficiency.

We stay abreast of evolving industry standards and requirements, and innovate in advance of pending changes. We also listen to and observe our customers and product end users to identify innovation opportunities. Through extensive firsthand research, Southwire takes a comprehensive approach to understanding our customers' needs and behaviors. We closely examine the entire product life-cycle, paying special attention to the product's design, installation methods and use. We strive to make the customer experience seamless, so we integrate our solutions as much as possible—thereby enhancing customer productivity and ensuring the highest standards of user safety.

Goals
Southwire's Sustainability Scorecard includes goals that directly connect innovation to customer experience. One goal is to improve customer efficiency by providing innovative products that improve productivity and reduce waste, leading to cost savings and enhanced profitability.

Southwire set an aggressive new goal in 2016 with corresponding innovation targets. We will begin reporting our progress toward our new goals in our 2017 Sustainability Report.

2021 SUSTAINABILITY GOALS & TARGETS

Develop and commercialize four breakthrough solutions to customers' sustainability challenges.

- ⊕ 10% of EBITDA (earnings before interest, taxes, depreciation and amortization) in the funnel.
- ⊕ \$1 billion of incremental revenue tied to these solutions (15% of projected 2021 revenues).



Research & Development

Our strength in technology and innovation stems from our dedication to Research and Development (R&D). Southwire grounds its culture in its rich history and tradition of cultivating new ideas and creating customer solutions, and it remains an integral part of our collective fabric today. The Southwire Cofer Technology Center houses our world-class R&D team, which communicates with each business unit to learn what solutions to pursue to solve our customers' most pressing problems. Our business groups communicate the desired solutions based on insights gained from observing and experiencing customers' use of our products.

Innovation differentiates Southwire in the marketplace, and we include environmental considerations into our product development approach. We examine six sustainability criteria as we consider each new product effort.

After a performance evaluation by the respective division president, a Specifications Committee formally manages the approval and launch of product innovations, ensuring the product can be manufactured and its performance consistency maintained. Staffed by Manufacturing, Marketing and R&D, the team manages the long-term integrity of any product innovation as it moves from development to full-scale production.

Southwire's innovation is a successful interweaving of the product managers' understanding of customers' needs and R&D's conquering the science necessary to implement a product design that satisfies those needs.

G4-4 ▾

2016 Innovation Highlights

To best serve customers' needs, in 2016 Southwire reorganized into business groups based on our approach to the market: Power Systems & Solutions Group (PS&S) and Construction Systems & Solutions Group (CS&S). These groups were created to build from the strengths of Southwire's decentralized commercial business, fostering creativity and providing market-driven solutions to deliver value to our end users. At the same time, the groups created a centralized structure for our commitment to customers.

To support the success of these business groups, Southwire is investing in technologies to maintain and govern best business practices for marketing assets in supporting product management. These technologies allow us to be more efficient and make it easier for customers to do business with us. This is a scalable and sustainable method to support future growth.

Also, sustaining future growth is the company's focus on our brand. The Southwire brand, along with individual product brands, is our promise to our customer. In 2016, a companywide branding style guide was established to be governed, managed and maintained by marketing teams across all business units. The guidelines also address all acquired brands as they fold into the Southwire branding structure.

Power Systems & Solutions Group (PS&S)

Southwire's Power Systems & Solutions Group is composed of the Energy business unit, the Industrial business unit and the OEM business unit. The PS&S Group is dedicated to working with customers to provide innovative products, solutions and services that not only meet, but exceed our customer's expectations, with a foundation in R&D and engineering expertise that is unparalleled in the industry. Collectively, the PS&S Group realized numerous developments in 2016:

- We unveiled a Customer Experience Center at the Huntersville Plant in Huntersville, North Carolina. The updated lobby allows visitors to journey through our company history with a focus on medium, high and extra-high voltage products.
- SOLONONplus™ low smoke, non-halogen cross linked polyolefin cable (LSZH XLPO) was engineered as a solution for the transit and railway markets, offering a fire resistant, low smoke product to the transportation industry.
- We announced the launch of Super Sunlight Resistant – SSR™ PV cable, developed in response to customer needs for enhanced UV protection on photovoltaic (PV) wire slated for above ground solar installations. Extensive laboratory testing on the product has proven its longevity for color retention as well as superseding elevated tensile and elongation trials.
- For the Factory Automation market, Southwire expanded our existing product offerings including machine tray cable, control cable and power cable.
- We introduced two new innovative cable designs for access lift manufacturers. Our EV 40 amp and 80 amp charging cables have seen substantial growth in 2016.
- We introduced EPDM-insulated products into the truck market, allowing for cost savings and efficiencies.
- Lastly, we developed a circuit sized automotive aluminum wire for Japanese OEMs.

Construction Systems & Solutions Group (CS&S)

Southwire's Construction Systems & Solutions Group is composed of the Electrical business unit and the Tools & Assembled Products business unit. These business units are composed of the following business segments: Electrical Wire and Cable for Electrical Distributors, Contractors, DIYers and Retail Outlets, and Tools & Assembled Products—which also includes Contractor Equipment. The CS&S Group is focused on creating innovative products that help end users of our products and services save time, increase efficiency and, most importantly, increase safety on the jobsite.

In 2016, we developed and launched several innovative, award-winning products:

- The Tappan™ Fire Alarm Cable in a SIMpull® CoilPAK™ Wire Payoff earned a 2016 NECA Showstopper Award. Due to the marriage of the SIMpull® NoLube® wire jacket and innovative CoilPAK™ design, physical effort associated with material handling, pulling wire out of the package and through conduit has been reduced. The durable, fully-encased package also helps eliminate broken spools and protects the wire, which is manufactured in accordance with stringent fire safety codes and regulations.
- The TechnicianPro™ Bluetooth CAT IV Multimeter also won the NECA Showstopper 2016 award. This 600V waterproof multimeter was designed for electricians who work in commercial settings and includes desirable features such as Bluetooth® technology, TrueRMS, Low-Z for eliminating false readings from ghost voltage, a powerful built-in worklight, fully backlit controls and displays and magnetic hanging straps.
- The MC-PCS Duo™ Cable—a 2015 NECA Showstopper winner—won the *Electrical Construction & Maintenance* magazine's Product of the Year 2016 Award. This product, specifically designed for use with energy efficient LED lighting, combines power conductors and 0-10 volt dimming control conductors into one cable, reducing labor and installation costs. MC-PCS Duo™ cable also features circuit identification printed directly on the armor, eliminating any confusion about the cable construction under the armor.

Other notable products include the SIMpull™ Reel and SIMpull™ Flange. Although the SIMpull™ Reel launched in 2015, contractors continued to adopt this innovation, increasing from 380 SIMpull™ Reel payoffs leased in 2015 to 530 in 2016. Building on the success of the SIMpull™ Reel, we developed the SIMpull™ Flange in 2016 to be used with smaller wooden reels. The SIMpull™ Flange's shaftless design safely allows one person to turn a wooden reel up to 34 inches and 2000 pounds on a flat level floor. This design is a time saving, field-installable solution that removes the need to handle heavy jack stands. Each flange rotates independently and allows free movement of loaded wooden reels. The SIMpull™ Flange is reusable in the field and can be installed on multiple reels throughout the jobsite.

The Tools & Assembled Products business unit forms an integral part of Southwire's value-added solutions model for our customers. Building on our powerful wire and cable product and market position, the Tools & Assembled Products business unit integrates high margin adjacent products into more efficient solutions for Southwire's customers. Innovation and quality define the core of our next generation products and solutions, which take shape based on constant customer interactions at the new Thorn Customer Solutions Center. We utilize a continuous improvement quality process to identify opportunities for product improvements and implement changes. For example, the TechnicianPRO™ Smart Multimeter includes fully backlit controls—an industry first in this category—allowing our customers to use this multimeter in near dark conditions and thereby enhancing safety on the jobsite. NECA awarded Southwire the 2016 NECA Showstopper Award for TechnicianPRO™.

SCR® designs and manufactures systems that produce copper and aluminum rod for customers around the world. Currently, SCR has more than 100 systems operating in 36 different countries. Its product offering in the aluminum market includes the Ultra-D™ degasser and Ultra-G™ grain refiner. In 2016, SCR gained traction in the aluminum degassing market with the installation of four Ultra-D™ systems at companies with varying manufacturing processes that include continuous cast rod, twin roll casting and DC casting. Further development of Ultra-G™ aluminum grain refiner continues with the installation and continuous operation of a unit at Southwire's Kentucky Plant, which has resulted in significant savings in production cost while maintaining product quality.

Our Performance

G4-EC8 ▾

We share our advances through the Southwire network, newsletters, digital or industry trade press releases, our internal email, advertisements, universities and trade shows. We also share them with our industry partners, such as the National Electrical Contractors Association (NECA).

Metrics	2015	2016
Active patents	322	Over 375
Patents acquired during year	20	Over 20

Innovation Awards

SIMPull™ Reel system.

- Grand Prize Winner, 2015/16 MAX Awards, which honor the biggest innovations in the state of Georgia across all industries
- Product of the Year, *Electrical Construction & Maintenance* magazine

MC-PCS Duo™ Cable. 2015 NECA Showstopper Award

EZ-In™ Mini-split Cable. Innovation Award at the 2015 Air-Conditioning, Heating and Refrigeration (AHR) Exposition

EZ-In™ Mini-split Cable. Ranked #2 by Contracting Business (Dec. 2015), Favorite Products of 2015

MaintenancePRO™ Data Logging Digital Multimeter. Showstopper award at 2015 NECA show for our 15190T

MC-PCS Duo™ Cable. Product of the Year 2016, *Electrical Construction & Maintenance* magazine. **Tappan™ Fire Alarm Cable in a SIMpull® CoilPAK™ Wire Payoff.** 2016 NECA Showstopper **TechnicianPro™ Bluetooth CAT IV Multimeter.** 2016 NECA Showstopper

ACLHS Adjustable Can Light Hole Saw. Pro Tool Innovation Award, www.ProToolReviews.com

CT90 Heavy Duty Cable Tie. Pro Tool Innovation Award, www.ProToolReviews.com

FTSP45-75NCT 75' SIMpull™ Non-Conductive Fish Tape. Pro Tool Innovation Award, www.ProToolReviews.com

MPSCP 8" Linesman Multi-Tool Plier. Pro Tool Innovation Award, www.ProToolReviews.com

40150N Advanced Dual Range NCV 12-1000V & 100-1000V AC. Pro Tool Innovation Award, www.ProToolReviews.com

40150N Advanced Dual Range NCV 12-1000V & 100-1000V AC. Tools In Action Award, www.ToolsInAction.com



BUILDING **WORTH**

PRODUCT RESPONSIBILITY

Prioritizing sustainable attributes in products and packaging; minimizing or eliminating the use of materials with negative health impacts and maximizing reuse of materials at end of life

WHY MANAGING IT MATTERS

Innovating and manufacturing sustainable products provides better value to our customers by minimizing harmful materials, reducing or eliminating waste at the job site and decreasing installation-related injuries and illnesses. This gives Southwire a competitive advantage.

G4-DMA ▾

Our Approach

Southwire takes pride in continually improving the value our products deliver to our customers. We know that value is about delivering more; we design our products to be safer for users—both during installation and for the people who work and live in the finished buildings—better for our planet and more cost-effective for our customers.

Product responsibility drives much of Southwire's innovation, and many of the innovations that we brought to market in 2016 align with our product responsibility objectives to:

- Prioritize sustainable attributes, including safety, in products and packaging;
- Minimize or eliminate the use of materials with negative health impacts; and
- Reuse materials at the end of a product's useful life.

Prioritizing Sustainable Attributes

Southwire set a goal to incorporate sustainability principles, such as reusability, into at least 65 percent of all new research and development (R&D) projects by year-end 2016. When designing new products, we consider our six sustainability criteria:

1. Minimizing the amount of resource materials, including those that impact our carbon footprint;
2. Minimizing or avoiding the use of hazardous materials;
3. Using as much recycled material as possible;
4. Minimizing environmental impact during use phase of product;
5. Making our products for renewables as cost-effective as we can; and
6. Developing products with a smaller carbon footprint.

Each division has a development team tasked with integrating these sustainability criteria into our new products. During development, we test the products' sustainability and capacity for responsible performance at our world-class Cofer Technology Center. Additional personnel from our environmental, legal, marketing and sourcing departments scrutinize various aspects of the product and packaging prior to public release.

Due to the success of the SIMpull™ Reel, we developed the SIMpull™ Flange in 2016 to be used with smaller wooden reels. The SIMpull™ Flange is reusable in the field and can be installed on multiple reels throughout the jobsite. Its shaftless design safely allows one person to turn a wooden reel up to 34 inches and 2000 pounds on a flat level floor. This design is a time-saving, field-installable solution that removes the need to handle heavy jack stands. Each flange rotates independently, and allows free movement of the loaded wooden reels.

Another product which exemplifies Southwire's commitment to product responsibility is the Tappan™ Fire Alarm Cable in a SIMpull® CoilPAK™ Wire Payoff. Due to the marriage of the SIMpull® NoLube® wire jacket and innovative SIMpull® CoilPAK™ wire payoff design, physical effort associated with material handling, pulling wire out of the package, and through conduit has been reduced. The durable fully encased package also helps eliminate broken spools and protects the wire, which is manufactured in accordance with the most crucial fire safety codes and regulations.

Minimizing Materials with Negative Health Impacts

While most of Southwire's business is in North America, we do provide products to offshore customers and serve customers that sell into overseas markets. Therefore, we monitor market trends and requirements globally. To maximize our potential customer base, reduce inventory and be ever-better stewards of the environment, we are working with our suppliers to eliminate chemicals of concern identified in European Union REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulation and the European Union directive for the Restriction of Hazardous Substances (RoHS).

We plan to develop insulating compound alternatives to better manage the content of our products in response to our customers' perception of the end user effects. We continue to increase in-house formulation and compounding capability and invest in the necessary equipment needed to meet this goal.

Reusing Materials at End of Life

The Southwire Tools & Assembled Products Business Unit participates in Extended Producer Responsibility (EPR) programs across North America. These programs seek to identify environmental costs and impacts that arise throughout a product's life-cycle. Together with these programs, our Tools & Assembled Products Business unit developed products and packaging more compatibly designed for collection and recycling. The Product Care Association, call2recycle.org and several other organizations collaborate with us to help manage the life-cycles of retail tools, lighting, timer, packaging and lawn and garden products.

Building on our EPR program experience, we plan to launch internal compliance with the Waste Electrical and Electronic Equipment Directive (WEEE), a European end-of-life regulation. WEEE encourages the collection, treatment, recycling and recovery of electrical and electronic equipment waste. This falls in line with our longstanding tradition of going beyond regulatory requirements. The WEEE Directive will primarily influence our Tools & Assembled Products operations.

For utilities ordering materials with wood or steel reels, we established a return program. Through this program, customers have 12 months to return the reel for credit, creating an opportunity for shared financial and environmental benefits between Southwire and our customers. After the customer returns the reels, we refurbish them through a partnering vendor and ship them with new product. To see this program's performance, see G4-EN28 below.

Our senior vice presidents of R&D and sustainability, EHS & quality ensure that product responsibility continually progresses. They update our chief executive officer every two months on the status of our current goals. We assess our product responsibility performance through consumer feedback and satisfaction, as well as sales results. We also publish progress on our sustainability goals every quarter.

To ensure the quality, integrity and transparency of our product responsibility, we committed to producing EPDs for 25 products in key markets by year-end 2018. Due to lack of customer push, this effort is on hold as we review other potential environmental and/or health declarations that may be more in line with customer needs.

Our Performance

G4-EN27 ▾

Metrics		2014	2015	2016	2016
Percent of projects incorporating sustainability principles	% of Projects	51%	46%	41%	65% (Target)
	% of Spend	52%	80%	48%	

G4-EN28 ▾

Metrics	2013	2014	2015	2016
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**Recyclable Reel Program
(Energy Division): Recyclable
Wooden and Steel Reels
Returned***

49,710

40,711

40,481

38,833

*Includes units recycled through our reel supply partner



BUILDING WORTH

SUSTAINABLE SUPPLY CHAIN

Sustainable sourcing and the procurement of sustainable materials for Southwire's products and processes; includes communicating Southwire's sustainability goals with suppliers and setting clear expectations on sustainability performance through assessments and policies

WHY MANAGING IT MATTERS

Focusing on sustainable supply chain management aligns with our ethical values and business goals. Additionally, customers look favorably upon supply chains that are transparent, well managed and without ethical incidents.

G4-12 ▾

Extensive vertical integration of our supply chain limits complexity and helps us guarantee a stable and steady source of inputs for our operations. Additionally, this enables Southwire to apply our sustainable business practices directly to processes that might otherwise fall outside our sphere of immediate influence.

Southwire relies on three main groups for a strong, adaptable supply chain: raw materials providers, logistics and contractors. The primary raw materials in our supply chain include metals, such as copper and aluminum, and a wide array of compounds used to insulate and jacket our wire and cable (such as PVC, XLPE, rubber and CPE). Most of these materials are sourced from suppliers in North America, South America and China.

G4-DMA ▾

Our Approach

Mitigating our negative impacts and maximizing our positive impacts extends beyond Southwire's direct operations. We influence the sustainable business practices of our suppliers so that every input to Southwire products is made with similar values on which we built our family-owned business.

Governance

Southwire's executive vice president of distribution, sourcing and manufacturing strategy oversees our supply chain sustainability. Southwire also evaluates our Strategic Sourcing Department on the sustainability of our supply chain.

Strategic Sourcing and Logistics

Logistics are the most complex and extensive aspect of our supply chain. Effectively managing this complexity drives down costs for our customers and reduces our environmental impact. To the extent practicable, we strategically source raw materials closer to the appropriate manufacturing plant to limit distance traveled, and we use intermodal transport whenever possible.

We encourage our carrier contractors to participate in the EPA's Smart Way Program in alignment with our fuel efficiency expectations. This program creates a win-win-win outcome: our carriers save on fuel costs, our logistics expenditure declines and the environment benefits from diminished carbon intensity. Carrier membership is dependent upon improvement from baseline statistics in various categories. To see our performance on the topic, see G4-EN19 below.

Supplier Relations

Southwire recognizes the critical role suppliers play in our ability to deliver reliable value to customers. We select our suppliers based on their reputation and demonstrated service, quality, innovative technology and price. To ensure our operations proceed without disruption, we work to uphold preferred status with our suppliers by maintaining steady demand.

We collaborate extensively with the suppliers of our most significant inputs—copper and aluminum—to identify potential risks and opportunities. For example, we participate in the Copper Club, hold a series of meetings with the American Copper Council, attend the Center for Copper and Mining Studies (CESCO) annual conference and meet with metals suppliers throughout the year.

Supplier Sustainability Program

Along with our supplier relations initiatives, we actively manage our Supplier Sustainability Program, which includes 26 critical suppliers based on volume of spend, criticality and risk. Located in North America (22 suppliers) and China (4 suppliers), these suppliers accounted for 58 percent of raw material spend (excluding metals) and 22 percent of trading goods spend in 2016.

To further enhance and develop our sustainability program, we identified an additional 23 raw material key suppliers scheduled for audit in 2017–18. These Phase II suppliers, along with the original raw material suppliers, account for a total of 80 percent of the raw material spend (excluding metals).

Through our Supplier Sustainability Program, we:

- Request participants submit environmental, social and governance information annually;
- Ensure all participants complete an annual sustainability survey; and
- Conduct an on-site audit of participants' environmental, social, governance and quality management systems.

The Southwire Supplier Sustainability Manual details our expectations with respect to quality, environmental, social and governance practices in our supply chain. Since the program's inception, we distributed the manual to 100 percent of suppliers in the Supplier Sustainability Program. Companies acknowledge they have read the manual prior to or concurrent with Southwire's on-site audits. To communicate further our commitment to responsible procurement, as part of the Southwire Sustainability Program, Southwire completed a Supplier Code of Conduct, which is provided as part of the program.

Several years ago, Southwire set a goal to deploy the Southwire Supplier Sustainability Manual throughout the supply chain with on-site audits and performance monitoring in place for 100 percent of key suppliers by year-end 2016, which we successfully accomplished. We are now increasing our reach to an additional 23 suppliers, with a stated goal of Phase II audit completion by the end of calendar year 2018. We report our progress on this goal and other metrics below.

Human Rights Policies

Southwire's human trafficking and conflict mineral policies align with our focus on supply chain sustainability. These policies demonstrate to our stakeholders that we actively address these pressing social issues, and we associate with organizations that share our concern. Southwire also requires all suppliers to complete a self-assessment outlining whether their materials comply with human trafficking laws and conflict minerals reporting templates, if applicable.

Supplier Diversity

We consider supplier diversity an important aspect of a sustainable supply chain. Operating under Southwire's Strategic Sourcing Department, our Supplier Diversity program ensures that Southwire identifies:

- Qualified small businesses and those owned and operated by minorities, females or veterans in our strategic sourcing and procurement processes; and
- Opportunities to foster the development and advancement of diverse businesses, when and where practicable.

Through the Georgia Minority Supplier Development Council (GMSDC), Southwire has access to the national database of certified minority suppliers. In addition to being a member of the GMSDC, Southwire will become a Corporate Member of the Greater Women's Business Council, which is the regional affiliate of the Women's Business Enterprise National Council (WBENC). Our affiliation with these diverse business groups will help us encourage and support our current qualified suppliers to obtain their minority certifications.

Some of our larger customers, particularly utilities, have their own supplier diversity goals. To help them attain those goals, we commit to collaborating with diverse businesses and continually assess our progress. We report our expenditures monthly or quarterly to our top utility customers. In addition, Southwire is developing a Supplier Diversity webpage that will include quarterly spend results and highlight our diverse business partners.

2016 Accomplishments

To enhance our focus on supplier diversity within the Strategic Sourcing department, we actively promoted the capabilities of diverse suppliers. We created an internal database organized by product category, and encouraged buyers to include these suppliers in their Request for Quotes regardless of the dollar value. Through this effort, we added 73 diverse businesses to our list of approved suppliers in

2016. We will track the volume of requests from buyers to identify the category of diverse business needed. We will also review bids submitted to diverse suppliers and the results to determine areas where these suppliers provide the most value.

We identified three internal supplier diversity champions, one within Sourcing and two in other functional areas of the organization, who excelled in their efforts to engage diverse business owners. Including personnel in other business groups expands the ownership of reaching diversity targets beyond the Strategic Sourcing group.

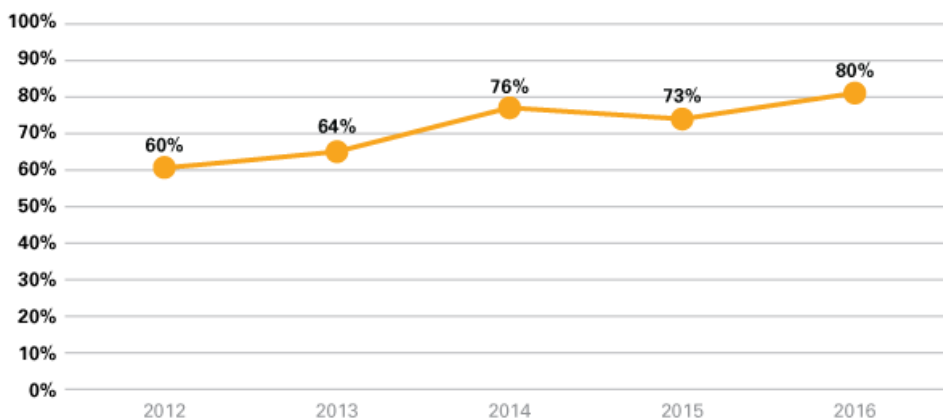
To increase our presence in an underserved business category, Southwire was featured on a panel at a procurement event aimed at LGBT (lesbian, gay, bisexual and transgender) business owners. Through collaboration with our customers, Southwire partnered with a small business for an installation project. As a result, we increased spend with certified HUB-Zone (Historically Underutilized Business Zones) businesses by \$1 million over 2015.

Our Performance

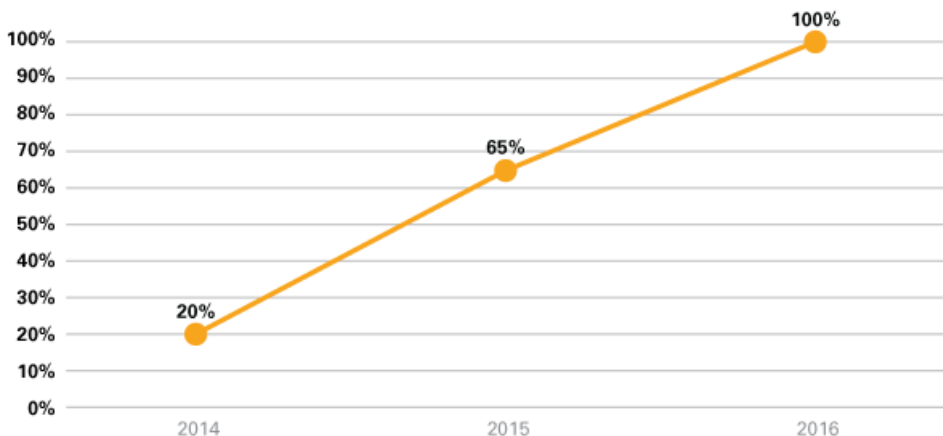
INDICATORS ▾

By the end of 2016, Southwire completed audits at 100 percent of our 22 key raw material suppliers. The new target is to audit 100 percent of the suppliers identified for the second tier of the Sustainability Program by the end of 2018.

FREIGHT SPEND WITH SMART WAY CARRIERS



SUPPLIER SUSTAINABILITY PROGRAM AUDITS COMPLETED



Metric	2017	2018 Completion Target
Supplier Sustainability Program audits completed Phase II Suppliers	50%	100%

SUPPLIER DIVERSITY

Metric	2014	2015	2016	2016 Target
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Average dollars spent on diverse suppliers (millions)	\$94	\$129	\$137	\$135.5
Increase dollars spent on diverse suppliers by 5% year over year	37% YOY increase	6% YOY increase	6% YOY increase	
Diverse businesses as percent of supplier base	10%	11%	12%	

G4-EN19 ▾

LOGISTICS

Metric	2012	2013	2014	2015	2016 Target
Freight Spend with Smart Way Carriers	60%	64%	76%	73%	80%



BUILDING WORTH

INDUSTRY PARTNERSHIPS

Partnering to improve access and sustainability of products and services in the industry

WHY MANAGING IT MATTERS

Industry partnerships provide us an opportunity to stay at the forefront of an evolving market and advance our entire industry.

G4-DMA ▾

Our Approach

Southwire strongly supports and participates in industry associations that champion our key customers' needs. Our partnerships enable us to improve access and sustainability of products and services in the industry by:

- Giving a voice to customers;
- Increasing awareness of our sustainable innovations;
- Assuring product safety and sustainability; and
- Sharing our expertise with policy makers.

Southwire also uses our associations with industry organizations as opportunities for Giving Back to budding apprentices.

G4-16 ▾

Our engineers and leaders work to maintain and create our industry partnerships. As we engage our customers and other industry interest groups through these associations, we request feedback on our products' performance and identify needs or gaps around products or services that may or may not exist. For example, Southwire has been training apprentices through its partnerships with the electrical training ALLIANCE (ETA), National Electrical Contractors Association (NECA) and Independent Electrical Contractors (IEC). In 2016, Southwire trained 1200 apprentices—1160 through ETA and 40 through IEC. Through these alliances, which provide access to young, less experienced electricians, Southwire will continue to create a sustainable workforce by fostering the success of the next generation of contractors.

In 2016, we proudly participated in the following organizations:

Organization

Aluminum Association

Southwire's Role

- Health and Safety Committee
- Building and Construction Committee

American National Standards Institute (ANSI)

- Past Chairman of ANSI C119 on high temperature operation of conductor connectors

Organization	Southwire's Role
ASTM International	<ul style="list-style-type: none"> ● Past Chairman of B01 Committee on Conductors ● Advise on standards creation for bare wire products in North America
Canadian Standards Association	<ul style="list-style-type: none"> ● Participate in standards development for utility wire & cable products in Canada
Continental Automated Buildings Association (CABA)	<ul style="list-style-type: none"> ● Platinum Board Member
Copper Club	<ul style="list-style-type: none"> ● Board of Directors
Copper Development Association	<ul style="list-style-type: none"> ● Board of Directors ● Past Wire and Cable Section Chair
Council for Harmonization of Electrotechnical Standardization of the Nations of the Americas (CANENA)	<ul style="list-style-type: none"> ● Past President ● THSC 20, Building Wire and Cable ● THSC 20, Wire and Cable Test Methods ● CSA ● Type MC
Electrical Manufacturers' Club	<ul style="list-style-type: none"> ● Board of Directors
Electrical Training ALLIANCE (ETA) (previously called NJATC)	<ul style="list-style-type: none"> ● Platinum Training Partner
Electro Federation Canada	<ul style="list-style-type: none"> ● Board of Directors
EMerge Alliance	<ul style="list-style-type: none"> ● Help develop standards leading to the rapid adoption of DC power distribution in commercial buildings
Independent Electrical Contractors (IEC)	<ul style="list-style-type: none"> ● Platinum Level Sponsor
Institute of Electrical and Electronics Engineers (IEEE)	<ul style="list-style-type: none"> ● Flexible Cord and Electrical Vehicle Committee ● UL STP 62 Committee ● Industrial Ethernet Committee
IEEE Industry Applications Society (IEEE/IAS)	<ul style="list-style-type: none"> ● Petroleum and Chemical Industry Committee (PCIC)
IEEE Power and Energy Society (IEEE/PES)	<ul style="list-style-type: none"> ● Overhead lines Committee, multiple working groups ● Substations Committee, multiple working groups ● Contribute to the development of wire and cable system design for overhead lines and substations ● Member of the Long Range Planning Board (LRP)
Industry Data Exchange Association, Inc. (IDEA)	<ul style="list-style-type: none"> ● Chairman of the Board of Directors
Insulated Cable Engineers Association (ICEA)	<ul style="list-style-type: none"> ● President ● North American cable manufacturers association writing standards for utility cable systems

Organization	Southwire's Role
Insulated Conductors Committee (ICC)	<ul style="list-style-type: none"> • Committee Members
International Association of Electrical Inspectors (IAEI)	<ul style="list-style-type: none"> • Code Panelist for IAEI Section Meetings
International Cablemakers Federation	<ul style="list-style-type: none"> • Vice President and Board of Directors
International Council on Large Electric Systems (CIGRE)	<ul style="list-style-type: none"> • Past Convener of B2.04 WG on High Temperature Operation of Conductors • Contributing Editor to the CIGRE international Overhead Lines book • Participate in multiple overhead and underground working groups developing recommended International Grid design practices
National Armored Cable Manufacturer's Association	<ul style="list-style-type: none"> • Association Chair
National Electrical Contractors Association (NECA)	<ul style="list-style-type: none"> • Premier Partner
National Electric Energy Testing Research and Applications Center	<ul style="list-style-type: none"> • Founding Member • Serve on both the Advisory Committee and Board • Advise and drive testing, research and development of application guides for utility power systems
National Electrical Manufacturers Association (NEMA)	<ul style="list-style-type: none"> • Board of Directors • Executive Committee • Codes and Standards Officer/Past Chair
National Fire Protection Association (NFPA)	<ul style="list-style-type: none"> • NEC Code Making Panel Panelist • Fire Protection Research Foundation
North American Association of Utility Distributors (NAAUD)	<ul style="list-style-type: none"> • Past Chairman – Supplier Advisory Council • Develop relationships between utility distributors and manufacturers
Northwest Public Power Association (NWPPA)	<ul style="list-style-type: none"> • Share current event topics relevant to public power entities in the Northwest
Plastic Pipe Institute (PPI)	<ul style="list-style-type: none"> • Share industry best practices related to the plastics industry • Participate in standards development for conduit and underground task groups for conduit
Rocky Mountain Electrical League (RMEL)	<ul style="list-style-type: none"> • Share current event topics relevant to the utility industry
Society of Automotive Engineers (SAE) International	<ul style="list-style-type: none"> • Cable Standards Committee • ISO TC22 SC3 WG4 USAG Automotive Electrical Cables Committee
Technical Subcommittee on Specialized Wiring Systems – C231 (ICCM06)	<ul style="list-style-type: none"> • CEC Task group on Application of Rule 4-006
UL	<ul style="list-style-type: none"> • FUS Council • Standards Technical Panels (STP)

Organization	Southwire's Role
Utility Purchasing Management Group (UPMG)	<ul style="list-style-type: none"> • Supplier Advisory Board Member • Share best supply channel practices pertaining to the utility industry
Utility Supply Management Association (USMA)	<ul style="list-style-type: none"> • Supplier Advisory Board Member • Share best supply channel practices pertaining to the utility industry
Wire Association International (WAI)	<ul style="list-style-type: none"> • Board of Directors • Executive Committee Member • Vice Chair of the Membership Committee • Member of the Education Committee • Member of the Membership Committee • Previous WAI President, WAI First Vice President, Finance Committee Chairman

G4-PR5 ▾

Giving a Voice to Customers

Southwire aims to develop and implement a consistent framework that measures and improves customer experience and creates a sustainable competitive advantage by year-end 2017. Our OEM business unit piloted the process in 2016, launching a Voice of the Customer survey—a survey that measures customers' needs. They continue to measure customer satisfaction with periodic transactional surveys. Listening to customers helps us maintain industry leadership.

Southwire works alongside our peers, customers and industry partners to provide application expertise for new products, or standard products that require some knowledge or training for optimal use. Southwire makes available a Customer Support Center hotline that handles questions, technical requests and customer service resources. Southwire also provides easy-to-use mobile apps with which users can design wire and cable applications and installations.

Increasing Awareness of Our Sustainable Innovations

Southwire's solutions can simplify contractors' lives by minimizing jobsite hazards, redistributing labor hours to get to the next job faster and increasing profits. As such, industry partnerships offer a venue to share our safe and sustainable innovations with end users. In 2016, Southwire constructed the Thorn Customer Solutions Center. This state-of-the-art facility showcases our Contractor Solutions product portfolio and provides education and hands-on training for contractors, channel associates, and industry training partners. At more than 18,000 square feet, the Thorn Customer Solutions Center includes classrooms, demonstration jobsite environments and conference rooms. Southwire aims to train as many as 150 contractors by the end of 2017.

Sharing Our Expertise with Policy Makers

Few are more familiar with the impacts of wire and cable products than Southwire. It is our responsibility to share our knowledge and expertise in the development of new industry policies and standards. Our partnerships improve our ability to connect with the industry's decision-makers.

For Southwire's significant contributions to the electrical industry, it received the Independent Electrical Contractors 2016 Industry Achievement Award. The IEC National Industry Recognition Committee evaluates the scope of each nominee's contributions to the electrical industry and/or IEC. Nominees can only be IEC industry partners that have made outstanding contributions to the electrical industry.

Southwire's customers benefit from our involvement in policy discussions; our knowledge of pending code changes enables us to swiftly alter any soon-to-be non-compliant products. By anticipating these changes, we allot ourselves ample time to implement the appropriate changes to product components or construction. This enables Southwire to supply products to our customers without the interruption or risk of non-compliant or outdated products.

Assuring Product Safety and Sustainability

While our status as an industry leader pushes us to rigorously test our products internally, our industry affiliations help us add an extra layer of assurance to the development of new products—a reflection of our fundamental commitment to safety and quality. When we innovate, we fully understand how our products perform because we test products in partnership with certification companies such as UL. This type of collaboration helps us ensure our products are safe before introducing them to the market.

Giving Back to the Community

Industry partnerships also offer Southwire the opportunity to give back to the community. Through our affiliations with these organizations, we donate time, products, personnel for training and demonstrations and our expertise.

We often donate the supplies for continuing education and training events we host with our industry partners such as the IEC, NECA and JATC. For example, we provide supplies for “wire-offs”—events in which electricians compete to wire systems.

Contractors often have continuing education requirements. To help contractors remain certified, Southwire works in conjunction with our industry partners to host events that count toward those requirements. We also donate employee hours to train contractors through product demonstrations.

Our Performance

G4-EC1 ▾

Rather than setting a specific goal or target, customer and market needs dictate where and when Southwire engages in industry partnerships. When we do engage in these partnerships, we measure success by tracking product revenue and EBITDA but, as a privately held company, choose not to share this information publicly.



SOUTHWIRE HIGHLIGHTS STORIES

12 for Life Drives Leadership

Supervisors at Southwire's MC Cable Plant in Carrollton, Georgia, simultaneously ensure that employees work in the safest conditions while producing a high-quality product. One of Southwire's newest supervisors at that plant, Ashley Jordan, began as a student in the 12 for Life program.

"I had a child in high school," Jordan said. "I wanted to drop out, but I learned about the 12 for Life program. It gave me hope for a future."

Jordan began 12 for Life in 2007 and graduated in 2009. Her experience soon led to an internship at Southwire; after working for one year, she joined the company full-time.

In 2013, Jordan decided to further her career and applied for a supervisor position. The applicant pool of approximately 30 narrowed after the first round of interviews. The remaining applicants took a supervisor test to measure the skills needed to perform well as a supervisor, and Jordan participated in an additional interview with the plant manager. Shortly thereafter, Jordan learned that she earned the job.

"Supervisors must possess great leadership qualities," said Candice Winters, the plant's human resources manager. "They are our front line leadership and have a huge impact in everything that happens on the floor – from safety and quality to maintaining a positive work environment."

Supervisors are the front line coaches, and they are responsible for a group of employees. These men and women continually conduct huddles and employee evaluations for optimum success within their shift. At the end of their shift, they review the area for housekeeping to ensure that employees are working in a safe and clean environment.

This position has opened the door for many other career opportunities. Jordan plans to eventually become a manager, and she will always remember her experience at 12 for Life and the program's impact on the lives of local students.

"During my early high school years, I was about to give up," Jordan said. "I was a young mom with no plans, no goals and no foreseeable future ahead of me. Through Southwire, 12 for Life and the vision of Stu Thorn and so many others at Southwire with the same passion to provide opportunities for people like me, I have developed a really strong drive for success."





SOUTHWIRE HIGHLIGHTS STORIES

A New PV Wire Product Rises over the Horizon

In October 2016, Southwire announced the launch of Super Sunlight Resistant – SSR™ Photovoltaic (PV) cable providing enhanced jacket protection on above-ground solar installations.

With a strong commitment to innovation and sustainability, Southwire answers customers' needs for enhanced UV protection on Photovoltaic (PV) wire slated for solar installations above ground. Southwire's new Super Sunlight Resistant – SSR™ Photovoltaic (PV) cable provides a solution for the ever-present solar rays aging jackets on exposed above ground solar cables.

"As a leading manufacturer in the Solar PV market, we are excited to introduce a new super sunlight resistant (SSR) family of products," said Doug Ramsey, senior vice president of industrial sales. "Customers have asked for PV products that maintain their color under the harsh sunlight and UV environment, and our SSR cable answers this request."

Understanding the challenges faced with harsh solar conditions, Southwire sought to help improve the longevity of jacket color on cable used in solar farms. The company's engineers developed a solution to prolong and maximize sunlight resistance.

"It's critical that we listen and act on our customers' wants and desires to deliver the top-quality products they have come to expect from Southwire," said Tim Piper, senior director of industrial business. "We're committed to building on Southwire's legacy of providing innovative, problem-solving products to our customers."

Extensive laboratory testing on the SSR product has proven its longevity for color retention as well as superseding elevated tensile and elongation trials.





SOUTHWIRE HIGHLIGHTS

STORIES

ACSS Installation in South Africa

ESKOM, the national utility for the Republic of South Africa, completed the first installation of aluminum conductor, steel supported (ACSS) conductor on the African continent in November 2016. The application is a new line, and the land owner did not want to allow a wider right-of-way. The new line would only fit in the existing right-of-way if the construction of the cable was designed to limit sway from winds, preventing the line from crossing into the neighboring transmission line. Southwire was pleased to offer a line that meets this need.

Southwire's 795 kcmil Tern/ACSS proved to have the right combination of high capacity and low blow-out. Southwire also provided the line hardware and training for the installation contractor. The conductor installed with no problems. ESKOM provided very positive feedback, and they are considering Southwire's ACSS and C7 overhead conductor options for future construction.



Special thanks to Paul Springer, Carolina Valencia and Thomas Wilki for their efforts on this project.

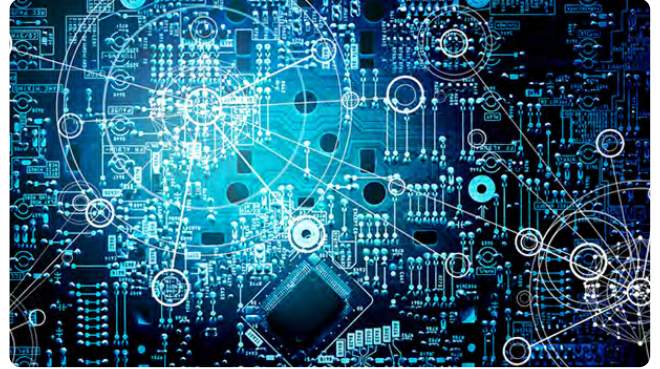


SOUTHWIRE HIGHLIGHTS STORIES

Aeries™ BIM Electrical Software: The New Name for Efficient Electrical Design and Installation

Revolutionary BIM software helps to drastically improve productivity and profitability for electrical design and construction

Contractors and electrical engineers are always looking for ways to improve productivity and profitability, especially when it comes to developing a construction workflow for electrical systems. While most contractors and engineers are familiar with Building Information Modeling (BIM), they also know there isn't a truly efficient electrical-only aspect of it. Until now. Aeries™ BIM Electrical Software from Southwire is a new application for use with Autodesk® and Revit® software as well as other leading industry platforms that breaks new ground for efficiency in electrical design.



What is Aeries™ Software?

Aeries™ Software is a comprehensive and fully-integrated electrical design and construction system that delivers streamlined automation to every step of the installation process. It enhances productivity during the pre-construction design phase, streamlines design team collaboration, and eliminates wasted time and materials on the jobsite.

Aeries™ Software can also provide a major jump forward for building information modeling by filling the gaps between cable raceway physical design, cable takeoffs, the feeder schedule, the installation planning process, and ultimately through all required procurement steps.

Aeries™ Software connects the knowledge of the electrical engineer with the knowhow of the electrical contractor.

Aeries™ Software: One unique name that two groups will grow to love.

Aeries™ Software which can interface with most leading design applications, addresses three primary groups within today's installation processes:

- **Electrical Engineers.** Aeries™ Software helps electrical engineers deliver consistent data, equipment schedules, feeder schedules, and 3D raceway models that include cable routing with all information in one single source data base. It automatically routes raceway and wire and cable, with accurate sizes and lengths, saving time and helping to avoid calculation errors and duplicate data entries from occurring in the database. The automatic cable routing process also complies with all National Electrical Code (NEC) electrical raceway fill rules and regulations.
- **Electrical Contractors.** Aeries™ Software makes the process more efficient, productive, accurate and safer for the contractor. The software delivers current product data sheets and automates bills of material, estimates and the electrical design plan, all which help to avoid inaccuracies and mistakes and keeps the job on schedule. This BIM solution automates all planning, tracking, estimating, and all other procurement essentials. This gives an accurate visual view of the installation progress. Aeries™ Software can provide an accurate as-built representation as the major project progresses. Any design changes are done once and reflected automatically throughout the model. This helps eliminate project delays and keeps the job on schedule.

Aeries™ Software: The necessary solution for the growing demand for BIM technology in commercial and industrial construction.

The adoption of BIM is a growing trend in construction, as contractors, engineers and commercial builders look for ways to streamline the construction workflow. Aeries™ Software is a unique BIM solution that is specifically and purposefully built for electrical design and planning. Meaning, with this solution, Southwire customers can be on the leading edge of their industry when it comes to being more efficient and productive on jobsites during both the planning and installation stages.



SOUTHWIRE HIGHLIGHTS

STORIES

Auditing for a Safer Supply Chain

Southwire relies upon an uninterrupted supply of high-quality raw materials to continually meet our customers' demands for superior wire and cable. To ensure a dependable supply of raw materials, Southwire has developed and implemented a Supplier Sustainability Program, which includes audits of our key raw material suppliers (excluding metals). While these supplier audits cover many aspects of the customer-supplier relationship, no aspect is more important than environmental, health and safety (EHS) performance.

A great number of Southwire's suppliers have a deep commitment to environmental, health and safety compliance and a strong EHS culture within their respective organizations. Many are ISO 14001 and OHSAS 18001 certified, while some would even be considered "world class" in their respective industries.

Even though the supplier audit program is relatively new, it has already produced important findings that will help our business partners further improve safety within their facilities and the communities in which they operate, making them more sustainable partners for Southwire. Southwire has asked all suppliers participating in the audit process to take action to address these findings and report corrective actions on all EHS recommendations.

In the first year of our audit program, Southwire has helped identify opportunities to reduce the risk of potential explosion hazards from electrical arc flashes within supplier facilities and possible sources for combustible dust explosions, and also recommended improved handling practices for hazardous chemicals.

"We have learned so much from these audits already," offered Gary Hubbard, a Divisional EHS Manager at Southwire. "It's not just about identifying improvement opportunities for our suppliers. Our team has walked away with some best practices that will improve our EHS performance as well."





SOUTHWIRE HIGHLIGHTS STORIES

Building and Growing Through Employee Engagement

Southwire communicates openly and effectively with its employees—especially during challenging times. In 2014, Southwire acquired Coleman Cable, which represented the largest acquisition in the company's history and formally created a new organization. This led to an integration and consolidation process that reduced the workforce by 11 percent.

Throughout this period of tremendous change, Southwire remained committed to its promise of measuring employee engagement. “This was the exact right time to ask our workforce questions surrounding job satisfaction. We proceeded with the employee engagement survey,” said Kathleen Edge, executive vice president of human resources. “Business decisions needed to be made to invest in the long-term sustainability of the company. We did everything with openness and transparency.”





SOUTHWIRE HIGHLIGHTS
STORIES

Disaster Relief in Baton Rouge

In August of 2016, Louisiana was hit with record flooding, in what the National Weather Service called a “once-in-1000-year event”. Nearly 150,000 homes were damaged. In the midst of disaster, Southwire’s Project GIFT stepped up to make a difference, as multiple locations participated in collection drives for victims of the flooding in Louisiana. Thanks to the efforts of employees in Bremen, El Paso, Mineral Wells, Starkville and Carrollton, as well as an incredible response from the surrounding communities, seven tractor trailers were filled with supplies and sent to aid flood victims in Baton Rouge.

On August 27, more than 20 Blackshirt volunteers arrived in Baton Rouge to distribute the collected supplies to flood victims. After two days of distribution, the Blackshirts understood how it felt to truly make a difference. Several volunteers shared their experiences below:



Strategic Buyer: “I was so proud to be a Blackshirt,” they said. “To be there and see the impact we had was life changing: the magnitude of supplies we were able to offer, the hundreds of people in need, being able to fulfill those needs and the appreciation that each person had touched my heart. I was mainly helping with the baby items, so I got to speak to the moms that were affected by the flood. There was one young lady with two small children who had lost everything. After I asked her what size diapers she needed, she broke down in tears, thanking us for all we were doing. Being a mom, I could only imagine what she was going through, and it was amazing to be part of making a difference for that young lady and so many other people.”

Safety Specialist: “It’s something that you really have to be involved in to really get the feel for when someone’s going through. You see these people in need, and you’re able to make a difference. It really makes you feel good about your company, about yourself and about your country. I’ve worn a military uniform, and it always gives me great pride. Wearing my Blackshirt on that day, I had a lot of pride, and distributing supplies to those in need really shows what a Blackshirt represents.”

Utilities Manager: “Working for a team like Southwire gave me a sense of pride. Helping so many people was inspiring. As we were working, we were all getting tired, but seeing the smiles on the faces of the hundreds of people through the pain and hardship they were facing kept us going. I am grateful to work for a company that helps so many people in different communities.”

Project GIFT Director: “We went to spread the word about disaster relief, so we drove into Baton Rouge. As we drove into a neighborhood, I was instantly taken aback by the devastation. I saw a man shoveling debris in what used to be his front yard, so I stopped and talked to him. He had lived in his house for 30 years, and right in front of him, it was destroyed. He said he awoke to the sound of water flooding into his house, and all he had time to do was save his dogs, his car and himself. We asked him how we could help, and he didn’t ask for a single thing. He simply told us to get it to those that needed it. It was amazing to me that, despite the devastation that he endured, he was so positive. He came to speak to all of our Blackshirts, and it really put into perspective what people were going through. We donated him a cooler full of bottled water and ice, but he never once asked for anything. I was touched by the strength that Bobby had, and I was proud to be a Blackshirt.”

Human Resources Executive: “Seeing, personally, the impact Southwire has on communities was inspiring. Emotionally, I don’t think I was prepared for the response we got, but it was remarkable to see the selflessness in the community. There was one woman we met who hadn’t been affected by the flood, but she drove by a couple who had lost everything. They had no car, so the woman picked them up, drove them to our distribution drive and waited in line for two hours to get them some supplies. Being there to witness the strength the community had was a privilege, and after Sunday, I can honestly say I’ve earned my Blackshirt.”



SOUTHWIRE HIGHLIGHTS
STORIES

Employees Sound Off with Southwire's Sounding Board

Ask employees of any company what makes a business successful and nearly all will likely mention good communication. That communication can take many forms—newsletters, email digests, blogs and town hall meetings. While Southwire uses each of these, we also encourage meetings that facilitate open dialogue between employees and senior management.

Created more than a decade ago, Southwire's Sounding Board allows machine operators and supervisors to meet directly with senior management, including president and chief executive officer Stu Thorn. Over a meal, they talk about family, personal interests and recent news. They also discuss what is happening on the production floor and how Southwire is doing financially.



"The Sounding Board truly exemplifies our open-door policy," said Kelley Park, vice president of human resources. "Employees have a direct line to senior management that allows them to make suggestions, ask questions and get updates about how we're doing as a business and where we stand in our markets."

At the same time, manufacturing leadership hears from the front line about challenges and opportunities and receives suggestions for improvement. Sounding Board also provides an excellent means of managing rumors and ensuring accurate communication.

Rich Carr, vice president of manufacturing and one of the newest members of the company's management team, echoed that thought. "The Sounding Boards allow employees a seat at the table with key management," said Carr, who is responsible for Southwire's OEM manufacturing operations. "They also give management an opportunity to speak to rumors and present a more positive message."

As the company has grown, so has the Sounding Board concept, reaching plants across the company. Local managers sit down regularly with employees to discuss local issues over lunch or dinner.

For Carr, the Sounding Boards' two-way dialogue provides better feedback than other communication options. "They are interactive and collaborative," he said, adding that the group discussions also increase accountability on management's part. "We have to follow through with some ideas," Carr said. "This has to happen all the way down the management chain. We need to have a servant leader mentality if we truly want to have engaged employees."



SOUTHWIRE HIGHLIGHTS STORIES

Going Above and Beyond: Hurricane Matthew

As Hurricane Matthew wreaked havoc along the Southeastern coastline, the Energy manufacturing, logistics and sales teams worked tirelessly to restore power to those affected by the storm. These relentless efforts have been recognized and praised by several customers including ESI Energy Services Inc., General Power Corporation (GPC) and Duke Energy. While GPC applauded our partnership, claiming that Southwire is in fact a part of the power company because of the value we provide, Duke Energy praised our teams' hard work and level of commitment.

Special thanks to Stuart Campbell, Jennifer Floyd, Tina Loveless, Tim Poore, Matt Street and Jay Stewart along with members of Energy's manufacturing and logistics teams who put in countless hours of hard work to provide power to those affected by Hurricane Matthew.

Because of the track of the storm, the number of Southwire customers impacted was unprecedented. Many areas are still in damage assessment mode and will continue to place large orders in the near future. These teams will continue to provide support until all power is restored.





SOUTHWIRE HIGHLIGHTS

STORIES

I Pity the SPOOL™

Southwire's *SIMpull* CoilPAK has introduced packaging innovations that have eliminated the need for conventional reels. The no-lube wire contained in a sturdy, lightweight, molded package with an easy-to-carry handle makes pulling wire seem effortless. Jay Steinkoetter, an electrical contractor in Missouri said, "It feeds itself with the *SIMpull* jacket and eliminates the need for lube and the mess that entails. This creates the added benefit of pulling past existing wire."

"The *SIMpull* CoilPAK payoff changes the way electrical contractors install branch-circuit wiring by eliminating the need for heavy, cumbersome spools," said Tim Barden, general manager, contractor equipment, Southwire. "The CoilPAK payoff uses an inertia-free pulling design, making the wire much easier to push and pull. CoilPAKs can be used with Southwire's *SIMpull* circuit management system."

After using *SIMpull* CoilPAK payoffs, Curtis Oubre, an electrical contractor, confidently says, "At the end of the day, I'm not dead tired. I'll still have the energy left to do the things I like to do... I can work nine hours a day here, and I have no issues with that last hour being unproductive. I'm just as strong at the end of the day as I was at the beginning of the day with these CoilPAKs."

The CoilPAK payoffs can be stacked on the floor, on a *SIMpull* hand truck or dolly, in a *SIMpull* barrel or on the patent-pending CoilPAK Stack. The multi-functionality of this product reduces install time, labor and material waste on the job site. Contractors and electricians can now simplify a once-daunting process to make multiple pulls from a single reel. In fact, one reel can accommodate up to five pulls. Each of these segments can be pulled in sequence without setting up additional reels, and reels can be labeled to identify each pull.

With reduced cost, reduced labor and innovative packaging, the *SIMpull* CoilPAK pities the spool.





SOUTHWIRE HIGHLIGHTS STORIES

Industrial Wins Living Well Fitness Grant

In the spirit of Living Well, Southwire awarded a grant of \$500 to the Industrial business unit for their step challenge contest idea. The grant will be used for prizes to motivate Industrial employees to walk more. A step competition is in the works where steps will be measured by Fitbits, smart phones or pedometers. Contest creators Garri Luker and Ann Kittle will manage the challenge.

Photo: Chris Marlow, Ann Kittle, Garri Luker and Jeff Herrin plan to step up to the challenge!





SOUTHWIRE HIGHLIGHTS
STORIES

Keeping Our Contractors Safe

Contractor safety is extremely important to our entire Southwire family, and we spend a great deal of time and resources on our comprehensive Contractor Safety program. Our system for monitoring and improving contractor safety has been modeled after the OSHA VPP Health & Safety Management System—Element of Management Leadership & Employee Involvement of Contract Employees.

Southwire wanted a comprehensive, sustainable system to support answering the following question: When selecting on-site contractors/subcontractors, how does the site evaluate the contractors' safety and health management system and performance (including rates)?



SOUTHWIRE CONTRACTOR SAFETY SCORECARD

Southwire uses a third-party vendor to assist us in the safety prequalification of our high-risk contractors working on-site. We use the new Southwire contractor scorecard shown below.

Safety Element	Current	New
Experience Modification Rate	5	5
RAVS Safety Programs	50	30
Safety Grade	45	25
Evaluation Report	–	10
Drug/Alcohol & Background Checks	–	15
TRAVS	–	15
Insurance	–	0

Some highlights from Southwire's contractor safety scorecard include:

- Requiring contractors to submit their Experience Modification Rating (EMR) and awarding them the full five points if it is <1.
- Scoring contractors on the safety programs that they should have in place based on the work type they identified in a required and extensive questionnaire.
- Scoring contractors on that questionnaire by awarding points for certain questions, such as whether or not their TRIR is below their NAICS code industry average or if they have received any safety or environmental citation or violations.
- Scoring contractors on whether or not they perform drug/alcohol and criminal background checks on their employees and the safety training documentation for their work type.

Southwire uses all of this information to calculate a safety dashboard score for each contractor. Contractors with a safety score of A or B may work with Southwire; our Sourcing department tracks and utilizes this score. If the contractor has a score of C or F, they must put other measures into place before a Southwire site can use them; however, Southwire prefers not to use them or to place them on a safety

improvement plan.

In our continuous process improvement efforts, Southwire introduced on-site evaluations to the scoring system, providing a running average of all evaluations submitted for a period of 12 months. As a contractor completes a project, a Southwire project manager completes a contractor evaluation report on how safely they performed the work—this goes beyond pre-qualification to show how safely contractors work on-site. Moreover, we have implemented incident reporting to their grade as well.

With such strong safety emphasis, training and requirements imposed on our contractors and in using the third-party vendor to assist, review and verify documents submitted by our contractors, Southwire's average contractor TRIR for 2014 is 1.84 which is low compared to our industry peers.



SOUTHWIRE HIGHLIGHTS

STORIES

MC-PCS Duo™ Cable Named EC&M Magazine Product of the Year Finalist

This year, our new MC-PCS Duo™ Cable was awarded Product of the Year finalist in the wire and cable category by the judges at EC&M magazine, our seventh victory in the past 10 years.

“We are honored to have our MC-PCS Duo™ Cable product recognized by those who judge products in the electrical industry” said Roy Jackson, Director of MC, Flex and Liquidtight. “Product innovation is nothing new to us here at Southwire and this recognition signifies we are doing the right things when we develop our new products.”

The new MC-PCS Duo™ Cable is ideal for use with LED or fluorescent dimming controls and SMART buildings. It combines power conductors along with control and signal cables under one armor. This combination can save time and money on the jobsite by helping reduce installation costs. MC-PCS Duo™ Cable also helps decrease the likelihood of damage and eliminate callbacks and repairs.

MC-PCS Duo™ Cable provides complete circuit identification directly on the aluminum or steel armor or PVC jacket, identifying the cable as type MC-PCS as well as conductor gauges and colors. The cable is compliant with UL 1569 and NEC articles 330 and 725.

Vote Now!

As a finalist, the new MC-PCS Duo™ Cable will now compete for the overall Product of the Year award. All 39 product category winners will be included in an online readers' poll on the EC&M magazine website. This poll will be open to all EC&M magazine subscribers and will determine the 2016 Product of the Year Platinum, Gold (1st runner-up), and Silver (2nd runner-up) winners. The winners will be announced both online and in the August 2016 issue of EC&M magazine. Be sure to vote for MC-PCS Duo™ Cable by clicking [here!](#)

For more information about MC-PCS Duo™ Cable, check out our YouTube channel and mcpcsduo.southwire.com.





SOUTHWIRE HIGHLIGHTS STORIES

New School Year – New SWEA Project

A new school year means a new group of Southwire Engineering Academy (SWEA) students. This year, under the direction of Yuhsin Hawig, the SWEA students will be divided into two teams to work on projects to correct or improve current operations.

Team A, coached by Lucian Munteanu and Jay Nix, will develop, test and evaluate methods of improving the audio visual communication tools utilized during plant tours to enhance the overall customer experience.

Team B, coached by Dave Knoll and Casey Spradlin, will design and build a field accessible application which will safely provide mobile access to necessary High Voltage safety documents.





SOUTHWIRE HIGHLIGHTS STORIES

Partnering for Growth with Jess Diaz Trucking

To better serve a large utility customer located in the western region of the United States, Southwire needed to provide additional product transportation and logistics capabilities in California. Consistent with our ongoing commitment to strengthen the sustainability of our supply chain, we sought out qualified diverse suppliers located in the area who could help us meet this challenge.

Jess Diaz Trucking Inc. (JDT) is a family-owned and operated Certified Minority Business that annually ranks among Hispanic Business Magazine's 500 largest Hispanic-owned companies. JDT has provided customers with reliable, on-time transportation services since 1976. Their mission: to safely and successfully transport goods through strong teamwork with a friendly attitude and a helpful approach.



Dimas Diaz Sr. now runs the company with a team that includes his wife Lili, sons and daughters Julie, Michelle, Dimas Jr., Matthew, and Andrew, and two dedicated employees, Carmen and Francene, who each have been with JDT for over 20 years. They all hold dear the work ethic passed down from "Grandpa" Jess. From one truck Jess Diaz Trucking currently has almost 100 tractors and over 200 trailers in operation daily. With JDT's reputation of reliability that number will continue to grow.

Southwire's relationship with JDT has also contributed to this growth. In the early stages of this partnership, JDT started delivering a few loads per week for Southwire, but in 2014 that business has grown and now services over 10 truckloads per day. Today, Southwire has increased our spend to a level five times greater than the amount it was when the relationship began in 2012—a strong testament to the relationship that has been cultivated between our respective organizations. We look forward to many more years of successful partnership.



SOUTHWIRE HIGHLIGHTS STORIES

SIMpull Reel™ Earns MAX Award

In February 2016, Southwire's SIMpull Reel™ Manueverable Payoff System earned the top honor at the Marketing Awards for Excellence (MAX) Awards. The MAX Awards recognize the most innovative products in the states, which are supported by creative marketing and poised for commercial success. The award was presented by the Atlanta Business Chronicle and Georgia State University's J. Mack Robinson College of Business.

"I'm tremendously proud of the teamwork and entrepreneurial spirit that went into this product," said Norman Adkins, executive vice president, Construction Systems & Solutions Group (CS&S). "This recognition epitomizes the focus that we have toward our end users and our goal of making their lives easier."

The MAX Awards is evaluated on three main points of criteria—Innovation, Marketing Support and Marketplace Success—and judged by a group of Atlanta's top marketing executives known as the Georgia State Marketing RoundTable. Southwire was able to prove the innovative genius that is the SIMpull Reel™ Manueverable Payoff System by presenting research that it alleviates numerous pain points. The SIMpull Reel payoff lowers material costs, reduces strain on the workforce, increases safety, is an environmentally friendly alternative to traditional reels, and makes the jobsite more efficient.

The market support came in a unique format. Rather than launching a fully integrated marketing campaign, the sales team was trained in the benefits of the SIMpull Reel payoff. They were provided detailed sales sheets which highlighted the features, benefits, and savings so that interested contractors would be assisted effectively. The SIMpull Reel payoff was first shown to contractors at the National Electrical Contractors Association (NECA) trade show, then a print ad was launched in *Electrical Contractor Magazine*. These audiences were approximately 6,500 and 80,000, respectively.

This method of market leverage has proven to be very profitable and given both Southwire and our end users a distinct competitive edge.





SOUTHWIRE HIGHLIGHTS STORIES

Southwire Honored with A liated Distributors' Giving Back Award

Southwire was recently honored with A liated Distributors' (A-D) Giving Back Award for our contributions and commitment to the 12 for

Life® program. A-D held a dinner and awards ceremony on September 13, 2016 at the Gaylord Hotel in Dallas, Texas, hosting approximately 1,000 attendees. The award was presented by Bill Weisburg, Chairman & CEO of A-D to Southwire's Chuck Eddy, OEM VP Sales, HVAC.

Thanks to all Southwire employees who help to make this program a success.





SOUTHWIRE HIGHLIGHTS
STORIES

Southwire Leadership Academy Fosters Emerging Leaders

Southwire's sustainable vision reaches to the very core of its people, their talent and their potential to succeed in the future. As the company continues to grow, we aim to further enhance the skills of the existing workforce and help foster and develop newly acquired talent.

Through the company's Management Succession and Development plan, Southwire's talent management team met with senior leadership in each division to identify key leadership functions that require a sustainable pipeline of talent for the future, and to recognize individuals who have shown the potential to advance into those roles.

Those selected as key talent were then matched with the five Essences of Southwire, a group of leadership attributes created by our board of directors and chief executive officer to outline the identity that defines and differentiates Southwire leadership from other organizations.

"These are the traits that make Southwire different," said Bryan Preston, vice president of talent management. "We want our leaders to do these things, so we need to figure out where the gaps exist, where we want to be and where we are."

From this assessment, Southwire identified some common areas for acceleration, and the talent management team began to organize the Southwire Leadership Academy, a full week of internal development for company vice presidents. The 2014 curriculum focused on five key development opportunities. Key content highlights from the event included participation in the Herrmann Brain Dominance Instrument® (HBDI) assessment; a one-day concise messaging exercise; business and collaboration strategy panels; an emotional capital workshop; and a change management simulation.

The HBDI assessment, intended to provide perspective on individual thinking and communication preferences, leverages the connection between rationale and performance as related to the "whole brain" approach.

"For me, one key takeaway from the event related to our HBDI profiles. Understanding your personal thinking preferences enables you to optimize your ability to adapt your thinking, decision making or communication style to a given situation," said Kelly Hanson, vice president of marketing for Southwire's Energy Division. "As leaders, it is important to understand your preferences so you can customize your management style to each individual."

Participants were also provided the opportunity to engage with Southwire's chairman of the board and company shareholder, Roy Richards Jr., as well as Southwire's president and chief executive officer Stu Thorn.

"It says a lot about Southwire, our senior executives and Roy to make a week-long commitment to develop this group," said Jason Powell, vice president of finance. "As leaders, we are typically not used to investing in ourselves, but Southwire is very serious about building talent. Through events like the Leadership Academy, we're being provided with the tools in the tool box to improve ourselves and develop future leaders."

Moving forward, the intent for the Southwire Leadership Academy is to cultivate potential leaders at many levels within the organization as well as provide continuing opportunities for former participants.

"We want our participants to understand that they are special to Southwire and integral to our overall success as a business, but also that they maintain a high level of responsibility," said Preston. "We'll continue to develop those who attend the Leadership Academy at our Alumni Experience, which will be a much higher level of collaboration and teamwork in a much shorter period of time."



The Alumni Experience includes an assignment referred to as “CEO for the Day,” in which participants are asked to create a plan to achieve a high-level company goal and present that plan to a mock board of directors within a limited timeframe. As in an actual CEO environment, participants are faced with unexpected circumstances throughout the exercise in which they must learn to adapt to succeed.

“There is a genuine desire by the company to invest in the people, and I feel fortunate to be a part of that,” said Brad Tuggle, vice president of finance for Southwire’s Industrial Division. “The more equipped your people are to make decisions, the better off your company will be in the long-term, and I believe we have that at Southwire.”



SOUTHWIRE HIGHLIGHTS STORIES

Southwire Sustainability Recognized

Southwire's Sustainability efforts were highlighted in the December issue of *Wire Journal International*. The article featured an interview with Becky Cranford and pro led Southwire's Sustainability Scorecard.

Congratulations to Becky Cranford and all Southwire employees for their efforts to promote sustainability. Special thanks to Ashley Bush, Kelly Hanson and Mark Lancaster who helped make this possible.





SOUTHWIRE HIGHLIGHTS
STORIES

Southwire Wins at 2016 PPI Annual Meeting

At this year's Plastic Pipe Institute Annual Meeting in Hilton Head Island, there were over 330 attendees representing resin manufacturers, equipment manufacturers and pipe producers from various HDPE markets such as Building & Construction, Electrical Conduit, Corrugated, Energy Piping and Municipal & Industrial.

As members of the Conduit Division, our team took home the following awards at the Plastic Pipe Institute Annual Meeting:

- Member of the Year – Randy Kummer
- Project of the Year – Toyota Motor Manufacturing Kentucky, Inc. Georgetown, KY Land II Gas to Energy Project
- Appreciation for Service and Leadership as Chair of CD Division – Michael Tribble



Chief Engineer, Randy Kummer says, "As part of the Plastic Pipe Institute we have an opportunity or platform to indirectly harmonize standards where opportunities arise. Within PPI we are an active participant on the core tech team for the Conduit division. As part of the team we can address and resolve old issues/concerns with all standards bodies, be it UL, NEMA, CSA, and ASTM. The core tech team is comprised of individuals with decades of industry technical knowledge and expertise."

These awards are special because they were voted on by our conduit industry peers representing pipe producers, equipment manufacturers, and resin suppliers.

Michael Perry, Product Manager says "To know this award is voted on by industry peers, it makes it that much more of an honor to win project of the year. This is the third year in a row Southwire has won this award. I believe that speaks volumes about how Southwire's focus on finding solutions for our customers are changing the way people view underground installations. By using SIMpull Cable-in-Conduit, complex, costly and time consuming underground installations are now being installed quicker, cheaper and more safely than ever before."

We've been a member of this industry conference for the last 5 years. Through the Plastic Pipe Conference, we have had the opportunity to build relationships within this industry, identify new resin suppliers, discover new equipment technology along with shape our diversification plans for the future.



SOUTHWIRE HIGHLIGHTS
STORIES

Speaking Out to Achieve Safer Industry Practices

One of Southwire's top priorities is partnering to create safer working conditions. As a responsible corporate citizen, we take great pride in sharing our knowledge and experience with other companies. In 2014, the Occupational Safety & Health Administration (OSHA) asked Southwire to mentor other companies regarding best practices. Kimberly Watson, Southwire's director of safety, leads our partnership with OSHA and demonstrates remarkable leadership through her role on the Region IV Voluntary Protection Program Participants Association (VPPPA) board of directors.

Over the past two years, Watson has committed to help educate our nation's leaders on the benefits that the Voluntary Protection Program (VPP) offers companies like Southwire. Some of these benefits include:

- Injury and illness rates at VPP sites that, on average, are 50 percent below industry norms;
- Increased morale, a feeling of ownership among employees and an improved relationship between labor and management at the worksite;
- Greater savings for employers as workers' compensation premiums and other costs improve due to fewer injuries and illnesses;
- Reduced compensation costs, absenteeism and insurance premiums along with increased productivity, making VPP sites more competitive;
- VPP sites that are dedicated to safety and health outreach, improving the health and well-being of their communities; and
- Sharing examples of proven ways to protect workers in their industries as input into OSHA's standard-setting process.

During several educational outreach trips to Capitol Hill, Watson personally spoke with at least 50 members of Congress and their staff about the cooperative approach between labor, management and OSHA that fosters the exchange of ideas and best practices which, in turn, leads to creating robust safety and health cultures. Watson speaks about the steps taken to achieve 11 VPP Star sites at Southwire, as well as Southwire's goal for all of our U.S. manufacturing and warehouse locations to become VPP Star sites by 2022. Watson plans to make more trips to Congress in 2015 and encourages other companies to do the same when given the opportunity.

For more information on VPPPA/VPP, visit: www.vpppa.org/ and www.osha.gov/dcsp/vpp/all_about_vpp.html





SOUTHWIRE HIGHLIGHTS

STORIES

Tappan™ Fire Alarm Cable Now Available in SIMpull® CoiPAK™ Wire Payoffs and SIMpull Barrel™ Cable Drums!

Manufactured in accordance to crucial fire safety regulations, Tappan™ Fire Alarm Cables provide solutions for the most critical of applications. And now it is available to you in two innovative package

solutions: The SIMpull® CoiPAK™ Wire Payoffs and SIMpull BARREL™ Cable Drums.

The SIMpull® CoiPAK™ is another example of how Southwire designs with its customers in mind. "Southwire capitalized on its innovative package design by developing a container that helps increase both safety and productivity," stated Andy Pluister, the Vice President of Portable Cord and Electronic Wire. "Southwire will continue to engineer

innovations which make the SIMpull® products the safest, fastest, and most efficient on the market."

Attending the ISC West Show on April 5th through 7th, you'll have an opportunity to get a hands-on demonstration of just how innovative our packaging solutions for fire alarm cable is. Come visit us at Booth 23117 and see these solutions first-hand!

For more information, visit lowvolt.southwire.com





SOUTHWIRE HIGHLIGHTS STORIES

Zero Waste to Landfill in Starkville

Southwire strives to conserve resources and we view conservation as an important element of our sustainability vision. When we established our original sustainability goals in 2007, we set out to achieve zero waste to landfill at our facilities by 2017. At the Southwire Starkville Plant and neighboring Power Cable Customer Service Center (PCCSC) in Starkville, Mississippi, this vision inspired the slogan “Landfill Free by 2017.” In Starkville, the Growing Green Team emerged from the Waste Minimization Team to not only reduce waste, but also to better reduce, reuse, recycle. In 2011, the team identified scrap wood as a major contributor to the landfill and forged synergistic partnerships with suppliers for better reuse of wooden reels and pallets; additionally, Southwire engaged a reliable processor to grind scrap wood for use as boiler fuel.



During 2012, Southwire increased emphasis on educating employees to better sort materials and, thus, increase their recyclability. The array of products made and shipped from Starkville generates a variety of plastics and other materials to recycle. Reuse is preferred over waste-to-energy (WTE) as a landfill avoidance method, and Starkville emphasized reducing landfill waste to control the cost of WTE as well as good stewardship of resources. Employees made great efforts to properly sort and recycle and, as efforts to divert material to the landfill increased, our motto transitioned to “Zero Landfill by 2015.” After being poised for months to “flip the WTE switch,” Starkville achieved Zero Landfill status at the end of 2013 and maintained this status through 2014, well ahead of goal.

In 2013, the Mississippi Department of Environmental Quality (MDEQ) recognized the Southwire Starkville Plant and PCCSC as enHance (Envision Heightened Awareness Nurturing Conservation & Environmental Excellence) Stewards, for progress made in recycling and reducing waste while maintaining compliance and production growth. The Mississippi Recycling Coalition honored the Southwire Starkville Plant and PCCSC with the Environmental Hero Award as the Business and Industry Recycler of the Year 2014. Our vision is far reaching to continuously improve our stewardship of air, soil and water resources to better serve our stakeholders and our planet.



SOUTHWIRE HIGHLIGHTS STORIES

“On the Money” Bends with the BENDstation™ Pro workstation

Southwire Tools and Assembled Products provide our customers with efficiency, safety and reliability from the start of a project through completion. In 2014, Southwire was pleased to release the BENDstation™ Pro workstation, a revolutionary new approach to bending conduit. The BENDstation™ Pro workstation allows for simple, quick and accurate measurements to improve productivity while lowering job site fatigue and lessening injuries.

Ray Miller, one of our valued customers, used Southwire’s BENDstation™ Pro workstation in the development of a medical center in Pennsylvania. The room where Miller focused his attention contained a linear accelerator to treat cancer patients. With 3- to 7-foot thick concrete walls, ceiling and floor in the room, an accurate bender is very important when “roughing.” As he explained, “Having a bender like this has been a huge help.” Miller experienced more accurate “on the money” bends as well as savings in time and labor—and less strain on his body. The measurements were perfect, and it was more accurate than a hand bender. Miller was very pleased that the work he did was correct the first time—he didn’t have to change anything. “Productive. That would be one word to sum up this tool.”



Electrical Construction & Maintenance Magazine (EC&M) shares Miller’s appreciation for the BENDstation™ Pro. Named Product of the Year in the category of Tools (Power and Equipment) by EC&M Magazine, the BENDstation™ Pro workstation was voted on by a panel of judges who represent electrical professionals from the engineering, contracting and plant facilities maintenance industries. Miller’s feedback and the EC&M award underscore Southwire’s continued commitment to serving our customers and introducing innovative new solutions to the market.



SOUTHWIRE HIGHLIGHTS

PERFORMANCE DASHBOARD


Southwire achieved our GOAL OF IMPLEMENTING **CODE OF ETHICS** TRAINING FOR **100%** OF OUR EMPLOYEES



In 2016, Southwire's CUSTOMERS RETURNED **38,833** RECYCLABLE REELS



SOUTHWIRE HAS REDUCED ENERGY INTENSITY 8.0% FROM OUR 2010 BASELINE



IN 2016, SOUTHWIRE ACHIEVED **94%** OF LOCATIONS ZERO-WASTE-TO-LANDFILL



15 OF 39 LOCATIONS HAVE **OSHA VPP** or equivalent certifications



THE SOUTHWIRE LEADERSHIP ACADEMY has graduated **96 SENIOR LEADERS** THROUGH 2016



In 2016, Southwire reached our target **ENGAGEMENT SCORE OF 75%**



98% of Southwire employees PARTICIPATED IN BIOMETRIC SCREENINGS IN 2016



SOUTHWIRE'S 2016 workforce comprised 20% FEMALES



878 

SOUTHWIRE EMPLOYEES
VOLUNTEERED AS

Project GIFT™ “Blackshirts” in 2016

IN 2016, SOUTHWIRE
received the IEC’s

INDUSTRY
ACHIEVEMENT
AWARD 

 48%

OF ALL NEW R&D
PROJECT SPEND IN 2016
incorporated sustainability principles

THROUGH 2016, SOUTHWIRE

AUDITED
100% 

of the suppliers in our
SUPPLIER SUSTAINABILITY PROGRAM

 1,200

APPRENTICES
WERE TRAINED THROUGH
SOUTHWIRE’S ALLIANCES WITH
ETA AND IEC IN 2016

DIVERSE BUSINESSES
make up approximately

12% 
OF SOUTHWIRE’S
SUPPLIER BASE

Southwire has more than

375 
ACTIVE
PATENTS

Both TechnicianPro™ Bluetooth Cat IV
Multimeter and the Tappan™ Fire Alarm
Cable in a SIMpull® CoilPAK™ Wire Payoff

WON THE 2016
NECA SHOWSTOPPER
AWARD 



ABOUT THIS REPORT

GRI CONTENT INDEX

The disclosures for our 2016 Sustainability Report are listed below.

GENERAL STANDARD DISCLOSURES

GRI Indicator	Description	Location
Strategy and Analysis		
G4-1	Statement from the most senior decision-maker of the organization about relevance of sustainability to the organization and the organization's strategy for addressing sustainability	CEO Letter
Organizational Profile		
G4-3	Name of the organization	Southwire Company LLC
G4-4	Primary brands, products and services	Technology & Innovation
G4-5	Location of organization's headquarters	Carrollton, Georgia
G4-6	Number of countries where the organization operates, and names of countries with significant operations or that are specifically relevant to the sustainability topics covered in the report	About Our Company
G4-7	Nature of ownership and legal form	Southwire Company, LLC, a Delaware limited liability company, is the primary operating entity in the Southwire group of companies, which includes both domestic and international companies. It is the heir to the 60-year-old Southwire legacy of responsible and sustainable business practices.
G4-8	Markets served	About Our Company
G4-9	Scale of the reporting organization	About Our Company; To maintain the confidentiality afforded a private company, Southwire chooses not to publicly report total capitalization or quantity of products and services provided.
G4-10	Total workforce by employment type, employment contract and region, broken down by gender	About Our Company
G4-11	Percentage of total employees covered by collective bargaining agreements	About Our Company
G4-12	Description of the organization's supply chain	Sustainable Supply Chain
G4-13	Significant changes during the reporting period regarding organization's size, structure, ownership or supply chain	Acquisitions
G4-14	Whether and how the precautionary approach or principle is addressed by the organization	Southwire does not address the precautionary principle.
G4-15	Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or endorses	None
G4-16	Memberships in associations and/or national/international advocacy organizations	Industry Partnerships
Identified Material Aspects and Boundaries		
G4-17	Entities included in the organization consolidated financial and nonfinancial reports	As a private company, Southwire does not disclose publicly our financial statements, nor the entities within our operational control.

G4-18	Process for defining report content	Materiality
G4-19	Material aspects identified in the process for defining report content	Materiality
G4-20	For each material aspect, the aspect boundary within the organization	Materiality
G4-21	For each material aspect, the aspect boundary outside the organization	Materiality
G4-22	Explanation of the effect of and reasons for any restatements of information provided in earlier reports	None
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	Organizational Structure & Acquisitions

Stakeholder Engagement

G4-24	List of stakeholder groups engaged by the organization	Stakeholder Engagement
G4-25	The basis for identification and selection of stakeholders with whom to engage	Stakeholder Engagement
G4-26	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	Stakeholder Engagement
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns	Stakeholder Engagement

Report Profile

G4-28	Reporting period	About This Report
G4-29	Date of most recent previous report	About This Report: This is our third report in accordance with the Global Reporting Initiative. Past annual sustainability reports (dated 2007 to 2015) are available in Report Downloads.
G4-30	Reporting cycle	Annual
G4-31	Contact point for questions regarding the report or its contents	Jeff Herrin, Senior Vice President, Sustainability, EHS & Quality
G4-32	'In accordance' option and GRI Content Index	G4 Core
G4-33	Policy and current practice with regard to seeking external assurance for the report	No data in this report have been externally assured.

Governance

G4-34	Governance structure of organization, including committees of the highest governance body	Governance
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Ethics and Integrity

G4-56	The organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	Ethics & Transparency
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SPECIFIC STANDARD DISCLOSURES

GRI Aspect	Material Topic	GRI Indicator	Description	Location
Economic				
Economic Performance	Industry Partnerships	G4-DMA	Management approach	Industry Partnerships
Economic Performance	Industry Partnerships	G4-EC1	Direct economic value generated and distributed	Industry Partnerships
Indirect Economic Impacts	Technology & Innovation	G4-DMA	Management approach	Technology & Innovation
Indirect Economic Impacts	Technology & Innovation, Communities	G4-EC8	Significant indirect economic impacts, including the extent of impacts	Technology & Innovation, Communities

Environmental				
Energy	Energy Usage	G4-DMA	Management Approach	Energy Usage
Energy	Energy Usage	G4-EN3	Energy consumption within the organization.	Energy Usage: Information obtained from utility bills (not verified by outside party), estimates used where data unavailable; Energy consumption calculated based on 1,025 Btu/cf natural gas (2013 average per US Energy Administration), 91,420 Btu/gal propane (Alternative Fuels Data Center, 2014), 1,054.2 Joules/Btu, 3.6 MJ/KWh
Energy	Energy Usage	G4-EN5	Energy Intensity	Energy Usage: Energy Intensity was calculated based on MMBtu per ton of production where: Electricity = MWh x 3.412 MMBtu/MWh x (source-site factor); Gas = MMcf 1025 MMBtu/cf x (source-site factor), for electricity and natural gas consumed inside the organization
Energy	Energy Usage	G4-EN6	Reduction of energy consumption	Energy Usage
Emissions	Sustainable Supply Chain	G4-DMA	Management approach	Sustainable Supply Chain
Emissions	Sustainable Supply Chain	G4-EN19	Reduction of greenhouse gas (GHG) emissions	Sustainable Supply Chain
Effluents and Waste	Waste	G4-DMA	Management approach	Waste
Effluents and Waste	Waste	G4-EN23	Total weight of waste by type and disposal method	Waste
Effluents and Waste	Ethics & Transparency	G4-DMA	Management approach	Ethics & Transparency
Effluents and Waste	Ethics & Transparency	G4-EN24	Total number and volume of significant spills	Ethics & Transparency
Products and Services	Product Responsibility	G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Product Responsibility
Products and Services	Product Responsibility, Waste	G4-EN28	Percentage of products sold and their packaging materials that are reclaimed, by category	Product Responsibility, Waste
	Sustainable Supply Chain	Indicators	Percentage of key suppliers with environmental, social, governance and quality management systems audited by Southwire	Sustainable Supply Chain
Labor Practices and Decent Work				
Occupational Health and Safety	Employee Wellness	G4-DMA	Management Approach	Employee Wellness
Occupational Health and Safety	Employee Wellness	G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Employee Wellness
Occupational Health and Safety	Workplace Safety & Health	G4-DMA	Management approach	Workplace Safety & Health
Occupational Health and Safety	Workplace Safety & Health	G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, absenteeism, and total number of work-related fatalities, by region and by gender.	Workplace Safety & Health
Occupational Health and Safety	Workplace Safety & Health	G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	Workplace Safety & Health
Occupational Health and Safety	Workplace Safety & Health	G4-LA8	Health and safety topics covered in formal agreements with trade unions	Workplace Safety & Health

Training and Education	Talent Acquisition & Development	G4-DMA	Management approach	Talent Acquisition & Development
Training and Education	Talent Acquisition & Development	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Talent Acquisition & Development
Training and Education	Talent Acquisition & Development	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Talent Acquisition & Development
Diversity and Equal Opportunity	Inclusion	G4-DMA	Management approach	Inclusion
Diversity and Equal Opportunity	Inclusion	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Inclusion
	Employee Engagement	G4-DMA	Management approach	Employee Engagement
	Employee Engagement	Indicators	Voluntary participation rate in employee engagement survey	Employee Engagement
	Employee Wellness	Indicators	Percent voluntary participation in biometric screenings, overall employee average biometric grade, and percent of locations with Healthy Choice options	Employee Wellness
Society ▼				
Local Communities	Communities	G4-DMA	Management approach	Communities
Local Communities	Communities	G4-S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Giving Back
Product Responsibility ▼				
Product and Service Labeling	Industry Partnerships	G4-DMA	Management approach	Industry Partnerships
Product and Service Labeling	Industry Partnerships	G4-PR5	Results of surveys measuring customer satisfaction	Industry Partnerships



ABOUT THIS REPORT

UNGC INDEX

In June 2017, Southwire became a signatory to the UN Global Compact, demonstrating our commitment to supporting the Ten Principles on human rights, labor, environment and anti-corruption. Further, we commit to making the UN Global Compact and its principles part of the strategy, culture and daily operations of our company.

Principle	Principle Description	Location
Human Rights		
1	Businesses should support and respect the protection of internationally proclaimed human rights	<p>Policies</p> <ul style="list-style-type: none"> • Conflict Minerals • Human Trafficking • California Human Trafficking in the Supply Chain Disclosure • Standards of Business Ethics and Conduct • Global Supplier Sustainability Manual <p>Implementation</p> <ul style="list-style-type: none"> • Ethics & Transparency: Supply Chain Policies • Sustainable Supply Chain: Supplier Sustainability Program • Sustainable Supply Chain: Human Rights Policies
2	Businesses should make sure they are not complicit in human rights abuses	<p>Policies</p> <ul style="list-style-type: none"> • Conflict Minerals • Human Trafficking • California Human Trafficking in the Supply Chain Disclosure • Global Supplier Sustainability Manual <p>Implementation</p> <ul style="list-style-type: none"> • Ethics & Transparency: Supply Chain Policies • Sustainable Supply Chain: Supplier Sustainability Program • Sustainable Supply Chain: Human Rights Policies
Labor Standards		
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	<p>Policies</p> <ul style="list-style-type: none"> • Standards of Business Ethics and Conduct <p>Implementation</p> <ul style="list-style-type: none"> • About Our Company: Employee Composition

Principle	Principle Description	Location
4	Businesses should uphold the elimination of all forms of forced and compulsory labor	<p>Policies</p> <ul style="list-style-type: none"> • Human Trafficking • California Human Trafficking in the Supply Chain Disclosure • Standards of Business Ethics and Conduct • Global Supplier Sustainability Manual <p>Implementation</p> <ul style="list-style-type: none"> • Ethics & Transparency: Supply Chain Policies • Sustainable Supply Chain: Supplier Sustainability Program • Sustainable Supply Chain: Human Rights Policies
5	Businesses should uphold the effective abolition of child labor	<p>Policies</p> <ul style="list-style-type: none"> • Human Trafficking • Global Supplier Sustainability Manual <p>Implementation</p> <ul style="list-style-type: none"> • Ethics & Transparency: Supply Chain Policies • Sustainable Supply Chain: Supplier Sustainability Program • Sustainable Supply Chain: Human Rights Policies
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation	<p>Policies</p> <ul style="list-style-type: none"> • Standards of Business Ethics and Conduct • Global Supplier Sustainability Manual <p>Implementation</p> <ul style="list-style-type: none"> • Talent Acquisition & Development Inclusion • Sustainable Supply Chain: Supplier Diversity
Environment		
7	Businesses should support a precautionary approach to environmental challenges	<p>Policies</p> <ul style="list-style-type: none"> • EHS Policy and Principles • Standards of Business Ethics and Conduct • Global Supplier Sustainability Manual <p>Implementation</p> <ul style="list-style-type: none"> • Stakeholder Engagement • Governance • Growing Green • Giving Back

Principle	Principle Description	Location
8	Businesses should undertake initiatives to promote greater environmental responsibility	<p>Policies</p> <ul style="list-style-type: none"> • EHS Policy and Principles • Standards of Business Ethics and Conduct • Global Supplier Sustainability Manual <p>Implementation</p> <ul style="list-style-type: none"> • Stakeholder Engagement • Governance: Audits • Sustainability Goals • Growing Green • Giving Back • Building Worth
9	Businesses should encourage the development and diffusion of environmentally friendly technologies	<p>Implementation</p> <ul style="list-style-type: none"> • Growing Green • Building Worth

Anti-Corruption

10	Businesses should work against corruption in all its forms, including extortion and bribery	<p>Policies</p> <ul style="list-style-type: none"> • Standards of Business Ethics and Conduct <p>Implementation</p> <ul style="list-style-type: none"> • Governance • Ethics & Transparency • Sustainable Supply Chain
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