



2014 SUSTAINABILITY REPORT

STRONG. SUSTAINABLE. SOUTHWIRE.

In 2014, Southwire grew ever stronger, broader and ever more connected to all that surrounds us. Read our CEO letter to learn how we are *Strong. Sustainable. Southwire.*



2014 SUSTAINABILITY REPORT

ABOUT THIS REPORT

Southwire publishes sustainability reports annually; our current sustainability report covers calendar year 2014 for all information provided. As a private company, we share our sustainability journey and progress in this report, which is published in accordance with the Global Reporting Initiative (GRI) G4 Core reporting guidelines. This report has not been externally assured.

Our GRI Content Index for this 2014 sustainability report is located [here](http://southwiresustainability.com/gri-content-index/). (<http://southwiresustainability.com/gri-content-index/>) The orange flags throughout the report identify the GRI G4 Indicator being disclosed.



Southwire's most recent report, covering calendar year 2013, was published in April 2014 and is available [here](#)

(http://www.southwire.com/documents/8746_2013_SustainabilityBrochure_R2cb.pdf).

If you have any questions or comments about this report, please contact Rebecca Cranford, Senior Vice President of Sustainability, Safety and Environmental, at sustainability@southwire.com (<mailto:sustainability@southwire.com>).

Southwire Company, LLC

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2014 SUSTAINABILITY REPORT
ABOUT THIS REPORT

CEO LETTER

Dear Friends, Colleagues and Neighbors,

With great pride, we present our 2014 sustainability report highlighting a *Strong. Sustainable. Southwire.* Our theme centers on the image of an oak tree, evoking Southwire's deep roots in our communities, the strength of our company, and our expansive organizational capabilities. Our growth this past year includes an additional branch on the tree—Coleman Cable, which we acquired in February. Together with Coleman, we bring our vision of corporate sustainability to life through our five pillars—[Building Worth](http://southwiresustainability.com/building-worth/), [Growing Green](http://southwiresustainability.com/growing-green/), [Living Well](http://southwiresustainability.com/living-well/), [Giving Back](http://southwiresustainability.com/giving-back/) and [Doing Right](http://southwiresustainability.com/doing-right/).



At Southwire, we are deeply committed to sustainability, as evidenced by our 2014 progress and continued drive to take our performance to new heights. For the first time, we adhered to the Global Reporting Initiative (GRI) G4 framework and performed a materiality assessment—involving internal and external stakeholders—to unearth our most significant sustainability impacts and opportunities. The findings of the assessment inform Southwire’s sustainability goals and strategies, which align with our five pillars.

We recognize a *Strong. Sustainable. Southwire.* embodies an outstanding team of dedicated employees committed to innovation, service and performance excellence. Through their efforts, we made significant strides in furthering our sustainability initiatives. In particular:

- Our newly formed Tools and Assembled Products Division brought more than 250 new products to market.
- Three Southwire facilities achieved zero waste-to-landfill status, bringing our total to 11.
- Our OSHA total recordable injury rate for Southwire (excluding Coleman) reduced from 2.27 to 2.01, and we integrated the Coleman team into our benchmark to track future safety progress.
- Southwire’s nationally recognized 12 for Life program graduated 152 students in 2014, bringing our total to 892 since the program’s inception.
- Our employee volunteerism increased from 451 Project GIFT® “Blackshirt” volunteers in 2013, to 492 in 2014.

Southwire stands tall today; however, we know we have more work ahead to cultivate our growth. We will continue facilitating conversations, both internally and externally, as we refine our sustainability objectives and further develop our overall strategic plan. In addition, our culture of accountability will ensure adherence to those objectives and drive performance to the next level. Grounded by our five sustainability pillars, I am confident in Southwire's ability to have a greater positive impact on the world.

We are strong. We are sustainable. We are Southwire.

Sincerely,

A handwritten signature in blue ink that reads "Stu". The letters are cursive and fluid, with the "S" being particularly large and stylized.

Stu Thorn
Chief Executive Officer

Southwire Company, LLC

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2014 SUSTAINABILITY REPORT

ABOUT THIS REPORT

MATERIALITY & BOUNDARY

G4-24, G4-25 ▼

Southwire regularly engages 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 is a business imperative for Southwire and occurs in many ways. We invest in a number of mechanisms for engaging our employees:

- **Employee Engagement Survey.** Independently administered, with voluntary participation, we garner a better understanding of our employees' wants and needs, allowing periodic adjustments to management systems and approaches.
- **Quarterly Pulse Checks.** Administered internally at our manufacturing and service center facilities, these monthly check-ins provide leading indicators, in real time, of employee satisfaction and engagement.
- **Monthly [Sounding Board \(http://southwiresustainability.com/living-well/employees-sound-off-with-southwires-sounding-board/\)](http://southwiresustainability.com/living-well/employees-sound-off-with-southwires-sounding-board/) Meetings.** Randomly selected employees are invited to have dinner with Southwire executives—including our chief executive officer, chief operating officer, executive vice president of human resources and other key leaders in the organization—to discuss emerging thoughts, ideas and concerns about how the company is operating.

- **Just Ask.** Via on-line access, paper dropbox or call in, employees have the ability to ask questions and/or offer thoughts and suggestions concerning Southwire policies, procedures or practices, 24 hours a day, seven days a week.
- **Operational Perfection at Southwire (OPS).** This process drives total employee involvement in operational excellence in manufacturing. Through OPS, employees participate regularly in teaming activities that engage them to identify problems and implement solutions that improve our operations.

Learn more about our [employee engagement \(http://southwiresustainability.com/living-well/employee-engagement/\)](http://southwiresustainability.com/living-well/employee-engagement/) programs.

External Stakeholders

Extensive employee involvement and membership in industry organizations and associations as well as various civic, environmental, health and safety organizations across our geographic footprint are foundational to Southwire's external stakeholder engagement. Other key external stakeholder engagement opportunities include interactions with customers, suppliers and community members in the following ways:

- **Customer Engagement.** We regularly engage our customers through mechanisms such as satisfaction surveys, user forums, trade shows, scorecard reviews and site visits. These interactions help us better align our products and services to meet customer needs.
- **Supplier Relationships.** Southwire also regularly engages our suppliers through sustainability surveys, on-site audits and meetings to best understand the risks and opportunities present throughout our value chain.
- **Quarterly Community Advisory Panel.** In Carrollton, Georgia, a core manufacturing site and the location of our corporate headquarters, we have assembled a community advisory panel to gather input from key community leaders from a variety of organizations. Through this panel, we gain a better understanding of how best to partner with the local community.
- **Community Update Meeting.** Each year, Southwire's chief executive officer hosts a luncheon inviting over 100 community and business leaders in the Carrollton, Georgia area to discuss the company's performance, future plans and community impact. This meeting allows for the open exchange of questions and answers, and thoughts and ideas between community and Southwire leaders.

G4-18 ▾

In 2014, Southwire completed a materiality assessment to identify and prioritize our most significant sustainability topics. As part of this assessment, we conducted extensive industry research and a benchmarking analysis of competitors, customers, suppliers and aspirational peers. We engaged internal and external stakeholders through interviews and surveys to determine the significance of material topics and recommendations for managing sustainability. We then synthesized our findings to identify Southwire's most material sustainability topics.

As part of our stakeholder engagement for the materiality assessment, we interviewed the following groups:

Internal

- Senior Leaders (8)
- Southwire Board Sustainability Committee (4)

External

- Customers (4)
 - Community Members (5)
 - Regulator (1)
 - Industry Specialist (1)
-

Additionally, we launched two versions of a materiality survey—one for employees and the other for external stakeholders. We sent out 207 internal requests and 137 external requests. Our response rates were high—68 percent internal and 46 percent external—with responses from the following groups:

- Employees (141)
- Customers (20)
- Suppliers (36)
- Government Officials (7)

Through the materiality assessment process, we identified 22 sustainability topics for consideration. By charting their significance to internal and external stakeholders, we ultimately determined 14 of these topics to be material for Southwire. As a result of developing this report, we decided to combine the two supply chain topics—Sustainable Supply Chain and Supplier Relations—for a more holistic and effective management approach. The remaining 13 topics constitute the foundation of our 2014 sustainability report. We will continue to monitor and communicate our progress on these topics in future reporting.

G4-27 ▾

During Southwire's materiality assessment interviews, our stakeholders shared comments, feedback and insights about our business. The key topics and concerns raised by the following stakeholders included:

- **Customers.** As customers continue to place more resources in creating a sustainable supply chain, Southwire should engage and build relationships with sustainable suppliers, enact a supplier code of conduct, audit key suppliers and identify potential conflict minerals in the supply chain. Customers also would like Southwire to forge strategic partnerships with industry associations and customers to drive sustainability in the wire and cable industry.
- **Community Advisory Board.** Southwire should focus on the most challenging production issues, such as energy, water quality and water usage. The Community Advisory Board also believes Southwire's programs such as 12 for Life, the Southwire Engineering Academy (SWEA) and the Southwire Sustainable Business Honors Program strengthen the community by improving the skills and knowledge of individuals entering the local job market.
- **Industry Associations.** Southwire should analyze its environmental footprint, including supply chain, greenhouse gas emissions, water use, and energy use. Additionally, the company should continue to support its community commitment through time and talent.

- **Southwire Leadership.** The executive team and committees identified waste as the most significant environmental issue for the company. Additional topics raised included product innovation, employee health and well-being, and the need to strengthen supply chain management.
- **All stakeholders** mentioned that Southwire needs to be more transparent about the work the company is doing and the environmental, social and governance metrics the company tracks.

Through this stakeholder engagement process, Southwire has developed and refined our Sustainability Scorecard with goals and metrics to help manage our material topics, and committed to developing this GRI G4 Core report to share our progress in these important areas.

G4-19, G4-20, G4-21 ▾

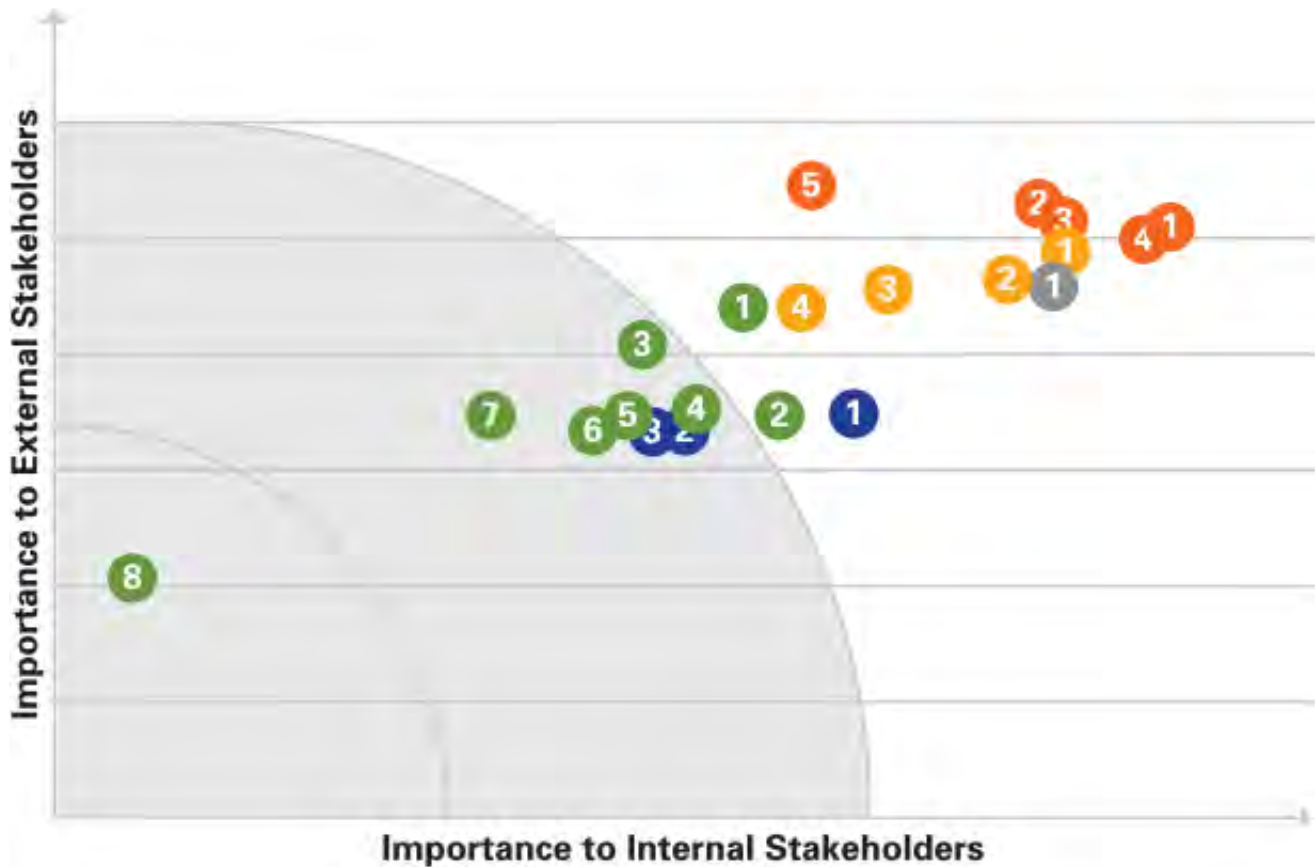
Boundary

In conjunction with our materiality assessment and guidance provided by the Global Reporting Initiative (GRI) G4 framework, we have considered the boundary for each material topic and determined whether our impact lies primarily inside or outside of the company. Unless noted, “Inside” refers to all entities within our pre-integration* Southwire operations and “Outside” refers to pre-integration external stakeholders, as we are not yet able to provide integrated data tracking for our recently acquired Coleman operations. Please see the Materiality Matrix below for the boundary associated with each material topic.

MATERIALITY MATRIX

Material Topics

We have organized our 13 material topics, shown at the top right of the matrix, in alignment with the five pillars of our corporate sustainability vision.



Building Worth

1 Technology & Innovation

Investing resources in sustainable product innovation.

Boundary: Inside – Southwire (Post-Integration**); 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 employees with safety education and equipment, as well as safe working conditions.

Boundary: Inside – Southwire (Post-Integration**); 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 (Post-Integration**)

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, development programs, development plans, coaching and more.

Boundary: Inside – Southwire (Post-Integration**); Outside – Educational Institutions where Southwire has recruiting efforts

5 Diversity

Promoting diversity (ethnic, cultural, generational, etc.) in Southwire's board of directors, suppliers and employee population.

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 (Post-Integration**); Outside – General Public

*Pre-Integration reflects Southwire data and information prior to the integration of Coleman Cable operations.

**Post-Integration reflects Southwire data and information including the newly acquired Coleman Cable operations.

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2014 SUSTAINABILITY REPORT

GRI CONTENT INDEX

The disclosures for our 2014 Sustainability Report are listed below.

GENERAL STANDARD DISCLOSURES

GRI Indicator	Description	Location
G4-1	Statement from the most senior decision-maker of the organization	CEO Letter
G4-3	Name of the organization	Southwire Company LLC
G4-4	Primary brands, products, and services	About Our Company, Technology & Innovation
G4-5	Location of the organization's headquarters	Carrollton, Georgia
G4-6	Countries where the organization operates	Southwire operates in five (5) countries: United States, Canada, Mexico, Honduras and China.
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 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 number of employees by employment contract and gender	Employee Composition
G4-11	Percentage of total employees covered by collective bargaining agreements	Employee Composition
G4-12	Organization's supply chain	Sustainable Supply Chain
G4-13	Changes in organization's size, structure, ownership or its supply chain	Coleman Acquisition
G4-14	Precautionary approach to risk management	Southwire does not address the precautionary principle.
G4-15	Externally developed charters, principles or initiatives to which the organization subscribes	None
G4-16	Membership in associations or organizations	Industry Partnerships
G4-17	Entities included in the organization reports	Southwire is a private company. We do not report publicly our financial statements, nor the entities within our operational control.
G4-18	Reporting principles for defining report content	Materiality & Boundary
G4-19	Material aspects identified in defining report content	Materiality & Boundary
G4-20	Material aspects within the organization	Materiality & Boundary
G4-21	Material aspects outside the organization	Materiality & Boundary
G4-22	Restatements of information provided in earlier reports	None

G4-23	Significant changes from previous reporting periods in scope and aspect boundaries	Coleman Acquisition
G4-24	Stakeholder groups engaged by the organization	Materiality & Boundary
G4-25	Identification and selection of stakeholders to engage	Materiality & Boundary
G4-26	Organization's approach to stakeholder engagement	Materiality & Boundary
G4-27	Key topics and concerns raised during stakeholder engagements	Materiality & Boundary
G4-28	Reporting period	About This Report
G4-29	Date of the last report	This is our first report in accordance with the Global Reporting Initiative. Past annual sustainability reports (dated 2007 to 2013) are available in Report Downloads .
G4-30	Reporting cycle	Annual
G4-31	Contact point for questions regarding the report	Rebecca Cranford, Senior Vice President, Sustainability, Safety and Environmental, Contact Us
G4-32	GRI Content Index	G4 Core
G4-33	External assurance	No data in this report have been externally assured.
G4-34	Governance structure	Governance
G4-56	Organization's values, principles, standards and norms of behavior	Ethics & Transparency

SPECIFIC STANDARD DISCLOSURES

GRI Aspect	Material Topic	GRI Indicator	Description	Location
Economic Performance	Industry Partnerships	G4-DMA	Management approach	Industry Partnerships
Economic Performance	Industry Partnerships	G4-EC1	Direct economic value generated and distributed	We measure success of industry partnerships through product revenue and EBITDA but, as a privately held company, do not disclose this information.
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
Energy	Energy Usage	G4-DMA	Management approach	Energy Usage
Energy	Energy Usage	G4-EN3	Energy consumption within the organization	Energy Usage ; Energy consumption includes operating pre-integration Southwire facilities only, 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
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Energy	Energy Usage	G4-EN6	Reduction of energy consumption	Energy Usage
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Emissions	Sustainable Supply Chain	G4-DMA	Management approach	Sustainable Supply Chain
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Emissions	Sustainable Supply Chain	G4-EN19	Reduction of greenhouse gas (GHG) emissions	Sustainable Supply Chain
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Effluents and Waste	Waste	G4-DMA	Management approach	Waste
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Effluents and Waste	Waste	G4-EN23	Total weight of waste by type and disposal method	Waste
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Effluents and Waste	Ethics & Transparency	G4-DMA	Management approach	Ethics & Transparency
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Effluents and Waste	Ethics & Transparency	G4-EN24	Total number and volume of significant spills	Ethics & Transparency
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Products and Services	Product Responsibility, Sustainable Supply Chain	G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Product Responsibility , Sustainable Supply Chain
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Products and Services	Product Responsibility	G4-EN28	Percentage of products sold and their packaging materials that are reclaimed, by category	Product Responsibility
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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	Talent	G4-LA11	Percentage of employees	Talent Acquisition &

Education	Acquisition & Development		receiving regular performance and career development reviews, by gender and by employee category	Development
Diversity and Equal Opportunity	Diversity	G4-DMA	Management approach	Diversity
Diversity and Equal Opportunity	Diversity	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	Diversity
	Employee Engagement	G4-DMA	Management approach	Employee Engagement
	Employee Engagement	Indicator	Voluntary participation rate in employee engagement survey	Employee Engagement
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 and Service Labeling	Product Responsibility	G4-DMA	Management approach	Product Responsibility
Product and Service Labeling	Product Responsibility	G4-PR5	Results of surveys measuring customer satisfaction	Product Responsibility

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2014 SUSTAINABILITY REPORT

PERFORMANCE DASHBOARD

**OUR NEWLY FORMED
TOOLS AND ASSEMBLED PRODUCTS DIVISION**
BROUGHT MORE THAN

250  products
to market
in 2014.

SOUTHWIRE INCORPORATED
**SUSTAINABILITY PRINCIPLES
(INCLUDING REUSABILITY)**
INTO THE RESEARCH OF

51%  of all new R&D projects in 2014.

IN 2014, SOUTHWIRE AUDITED

20%  **OF THE SUPPLIERS**
in our supplier sustainability program.

Resulting from a partnership with
CELANESE CORPORATION,
THE C⁷™ OVERHEAD CONDUCTOR
offers unprecedented heat
resistance and an expected
40-PLUS  **YEAR SERVICE LIFE.**


Southwire has reduced
**ENERGY
INTENSITY** **8%** 
FROM OUR 2010 BASELINE

SOUTHWIRE **HAS 11**
**ZERO-WASTE-TO-LANDFILL
FACILITIES,** 
including 3 new facilities in 2014.

**OUR 2014 OSHA
TOTAL RECORDABLE INJURY RATE**
for Southwire (excluding Coleman)
improved to
 **2.01**

**48 SENIOR
LEADERS**
have graduated from the
 **SOUTHWIRE
LEADERSHIP ACADEMY**

POST-INTEGRATION SOUTHWIRE ACHIEVED
A VOLUNTARY PARTICIPATION RATE OF
85% 
in our employee
engagement survey

95% 
of Southwire employees
PARTICIPATE IN
BIOMETRIC SCREENINGS IN 2014

SOUTHWIRE'S
2014 workforce comprised
21% 
FEMALES

152 STUDENTS GRADUATED
FROM SOUTHWIRE'S
 **12 FOR LIFE
PROGRAM IN 2014,**
bringing the total to 892
students since the program
started 8 years ago



SALARIED EMPLOYEES COMPLETED

AN ETHICS SURVEY

in 2014

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2014 SUSTAINABILITY REPORT

ABOUT OUR COMPANY

G4-9 ▼

At Southwire Company, LLC, *We Deliver Power...Responsibly*. Headquartered in Carrollton, Georgia, we are North America's leading manufacturer of wire and cable used in the transmission and distribution of electricity, with \$5.4 billion in net sales for 2014. Our products help provide power to millions of people around the world. In 2014, Southwire acquired Coleman Cable; the integration of Coleman into the Southwire organization will be completed by the end of 2015.

ORGANIZATIONAL PROFILE – SOUTHWIRE COMPANY, LLC

Total Number of Employees	6,739
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Total Number of Operations	<ul style="list-style-type: none">● 52 Total● 32 Manufacturing Plants● 11 Service Centers● 9 Administrative Offices
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Net Sales	\$5.4 billion
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G4-5, G4-6 ▼

LOCATIONS



Administrative Offices



Manufacturing Plants



Service Centers



Corporate Headquarters



Our combined company offers a full line of products to meet a wide range of needs in various markets. Our corporate structure centers around distinct business segments—Electrical, Energy, Industrial, OEM, Tools & Assembled Products and Engineered Products & International.

Electrical Division

We offer a wide variety of wire and cable solutions for the residential, commercial and institutional construction markets. These include building wire, metal clad cable, flexible cord, electronic and security cable, flexible metallic or liquid tight nonmetallic conduit and telephone power cable. In addition, we provide a number of other products used by electrical contractors, such as cable pulling tools, SIMpull Head[®] pulling grips and more.

Energy Division

Our products such as overhead conductors, substation cables and insulated products for primary and secondary distribution serve the power distribution industry. Innovative products include SureSeal[®] self-healing cable, Proof Positive[®] theft deterrent cables, HS285[®] high-temperature/low-sag transmission cable, C⁷[™] Overhead Conductor, Intelligent Grid Sensors, SAG10[®] Software, VR²[®] vibration resistant conductor, HTS Triax[®] superconducting cable, SIMpull[®] Cable-in-Conduit, DensFlex[™] MV cable, and PowerGlide[®] MV and 600V cables.

Industrial Division

We offer products that support a broad range of applications in industries such as power generation, wastewater treatment, petrochemical, mining, transportation, automotive, refineries, liquefied natural gas terminals and institutional campuses such as hospitals and universities. Our industrial products include medium voltage power cable, tray cable, armored cable, mining cable and transit cable.

OEM Division

Original equipment manufacturers use our wire, aluminum rod and copper rod in the manufacture of their own products. The OEM group serves customers in various markets, such as electrical motors, lighting assemblies, household appliances, automotive wiring harnesses, HVAC equipment and alternative energy.

Tools & Assembled Products Division

In 2014, we created this division to support customers across the company's various business units. With a broad offering of contractor equipment, hand tools and test and measurement devices, Southwire supports both contractors' and electricians' needs. Since 2013, we have brought over 250 products to market under three main brands: Southwire (our professional/trade brand); Woods[®] (our consumer products brand); and Moonrays[®] (our outdoor products brand). Southwire obtained the Woods and Moonrays brands through the Coleman acquisition.

Engineered Products & International Division

SCR[®] Technologies, Watteredge and TRC (Technology Research, LLC) comprise our Engineered Products Division.

- SCR Technologies has designed and developed state-of-the-art systems that produce high-quality copper and aluminum rod with lower operating costs, higher reliability and simplified operations as well as aluminum ultrasonic degassing systems. Today, more than half of the world's continuous-casting electrolytic tough pitch (ETP) copper rod capacity use SCR technology.
- Watteredge designs and manufactures flexible high amperage electrical cable, bus bars and other custom fabricated products for industrial applications.
- TRC specializes in high IP-content electrical system components that monitor, detect, interpret, actuate and communicate the status of electrical circuits for both the commercial and military markets.

A variety of industries including mining, oil and gas, industrial and commercial construction, transmission, distribution and renewable energy use our leading-edge products around the world.

To learn more about each of Southwire's divisions, click [here](http://www.southwire.com/ourcompany/divisions.htm).
(<http://www.southwire.com/ourcompany/divisions.htm>)

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2014 SUSTAINABILITY REPORT
ABOUT OUR COMPANY

COLEMAN ACQUISITION

G4-13, G4-23 ▼

In 2014, Southwire acquired Waukegan, Illinois-based Coleman Cable, making Coleman a part of the Southwire family. We are sharing our strong and sustainable practices with Coleman as we continue to integrate our operations and procedures across the company.

As a result of acquiring Coleman, Southwire added nine manufacturing and distribution facilities to our Electrical, OEM, Industrial, Tools and Assembled Products and Engineered Products Divisions, contributing to Southwire's legacy of strength and growth. Our new manufacturing locations include: Waukegan, Illinois; Pleasant Prairie, Wisconsin; Bremen and Lafayette, Indiana; Hayesville, North Carolina; El Paso, Texas; Avon Lake, Ohio; Clearwater, Florida; and San Pedro Sula, Honduras.

The addition of Coleman Cable makes Southwire even stronger by expanding our offerings of products and services and forming a more robust platform for enhanced product innovation.

Since the integration is not yet complete, the scope of this report represents Southwire prior to the Coleman acquisition, unless otherwise specified. We include historical data where it is readily available and considered accurate and up to date.

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2014 SUSTAINABILITY REPORT ABOUT OUR COMPANY

GOVERNANCE

G4-34 ▾

The strength of Southwire's governance underlies our belief that business ethics start at the top. Southwire's leadership is committed to maintaining the highest level of financial and business integrity.

Our board of directors comprises 10 members, only three of whom are shareholders. One board member represents top management, with the remaining six board members—a majority—serving as independent directors elected to the board by the company's shareholders, the Richards family.

Financial statements also can assure business accountability. 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. Southwire's accounting staff takes considerable time and effort to ensure the company financial statements are accurate, timely and concise. An external auditor also 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.

Southwire aims to build standards of board independence and financial accountability modeled on those of publicly owned companies. We strive to accomplish this goal while continuing to benefit from the flexibility and confidentiality that come with private ownership.

The Sustainability Committee of the board of directors regularly reviews our sustainability practices and provides guidance as needed. Our senior vice president of sustainability, safety and environmental updates the Sustainability Committee and our full board of directors regarding initiatives and progress.

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2014 SUSTAINABILITY REPORT
ABOUT OUR COMPANY

EMPLOYEE COMPOSITION

G4-10, G4-11 ▾

As of year-end 2014, Southwire employed approximately 6,800 people in the United States, Canada, Mexico, Honduras and Asia. This total includes all post-integration operations. Additionally, 4.62% of our full-time employees are covered by collective bargaining agreements.

Employee Type	Hourly	Salaried	Total
Full-Time Employees	4,621	1,608	6,229
Male	3,768	1,109	
Female	853	499	
Part-Time Employees-All in US	510	0	510
Male	286	0	
Female	224	0	
Region Breakdown	Hourly	Salaried	Total
United States	4,723	1,458	6,181
Male	3,825	1,020	
Female	898	438	
Canada	33	75	108

Male	31	45	
Female	2	30	
Mexico	82	9	91
Male	46	7	
Female	36	2	
Honduras	293	50	343
Male	152	29	
Female	141	21	
Asia	0	16	16
Male		8	
Female		8	
Grand Total PT & FT	5,131	1,608	6,739

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2014 SUSTAINABILITY REPORT

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 strong and sustainable by growing our business value. At Southwire, we understand that delivering the most innovative products and services at the highest quality enables our company to flourish. We aim to cultivate our past growth and build the strongest company possible by evolving our business to match our customers' needs and goals.

Southwire's focus on Building Worth for all stakeholders drives our employees' actions and underlies our strength as an organization. To continue our legacy of Building Worth, Southwire focuses on the following material topics, each of which is detailed in this report:

- **Technology & Innovation.** (<http://southwiresustainability.com/building-worth/technology-innovation/>) Investing resources in sustainable product innovation.
- **Product Responsibility.** (<http://southwiresustainability.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.
- **Sustainable Supply Chain.** (<http://southwiresustainability.com/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.
- **Industry Partnerships.** (<http://southwiresustainability.com/building-worth/industry-partnerships/>) Partnering to improve access and sustainability of products and services in the industry.



SUSTAINABILITY SCORECARD

Southwire has the following sustainability goals for Building Worth, highlighted in our Sustainability Scorecard:

Goals	2014 Status	Baseline
Deploy the Southwire Supplier Sustainability Manual throughout the supply chain with on-site audits and performance monitoring in place for 100% of key suppliers by year-end 2016.	20% (audits) completed	0/25
Incorporate sustainability principles (including reusability) into the research of at least 65% of all new R&D projects by year-end 2016.	51%	51% 2014 year end
Improve customer efficiency by providing innovative products that improve productivity and reduce waste.	Strategy underway	N/A
Develop and implement a consistent framework that measures and improves customer experience and creates a sustainable competitive advantage by year-end 2017.	Team formed	N/A

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2014 SUSTAINABILITY REPORT **BUILDING WORTH**

TECHNOLOGY & INNOVATION

Investing resources in sustainable product innovation.

G4-DMA ▾

Our Approach

At Southwire, our innovations are integral to delivering value to our customers and ensuring our sustained success as a company. Through extensive firsthand research, we take a comprehensive approach to understanding our customers' needs and behaviors. We closely examine the entire product lifecycle, paying special attention to how the product is designed and how it will be used. 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.

Southwire's Sustainability Scorecard includes goals directly connected to our customers. One goal is to improve customer effectiveness by providing innovative products that improve productivity and reduce waste, leading to cost savings and enhanced economics. We are currently developing our strategy to accomplish this goal. Another goal is to develop and implement a consistent framework that measures and improves customer experience and creates a sustainable competitive advantage by year-end 2017. Technology and innovation are an important part of that process, and we have established a working team to achieve this goal.

G4-4, G4-EC8 ▾

Our Performance

Customer labor efficiency, reduced user injury rates and Southwire's financial results demonstrate our performance in delivering new technology and innovations to customers. We also measure return on investment for our innovations. Since Southwire is a private company, we do not disclose the metrics associated with our Technology & Innovation impacts.

Research and Development

Our strength in technology and innovation stems from our dedication to Research and Development. Our culture and tradition of cultivating new ideas is grounded in our rich history and it remains a part of our collective fabric today. Southwire's innovation differentiates us in the marketplace, and we weave environmental considerations into our approach. We examine six sustainability criteria as we consider new products:

- Minimize the amount of resource materials, including those that impact our carbon footprint;
- Minimize or avoid the use of hazardous materials;
- Use as much recycled material as possible;
- Minimize environmental impact during use phase of product;
- Make our products for renewables as cost-effective as we can; and
- Develop products with a smaller carbon footprint.

To manage the approval and launch of new innovations, we gather our Specification Committee. Led by our Research and Development team, leaders from across the company convene to discuss and approve new product specifications prior to product approval and launch. This committee evaluates how the product moves from development to manufacturing to sales and distribution, uncovering any potential flaws prior to full-scale production.

Electrical Division

Our [SIMpull Solutions®](http://www.simpullolutions.com) (<http://www.simpullolutions.com>) services best exemplify our product innovation in the Electrical Division. Our SIM Technology products produce a variety of benefits for our customers, including:

- Elimination of the cost, mess and need to dispose of added lubricants, since they are “No Lube®” –installed without the use of lubrication at the job site.
- Reduction in labor on certain wire and cable installations as well as the time needed to install the cable by eliminating the use of a pulling lubricant during installation. By reducing the pulling effort, customers can improve safety for those individuals at the job site.
- Less confusion and higher productivity. Our SIMpull® feeder wire solutions are color-coded to identify specific circuits, minimizing costly installation errors and making the entire process safer.

In 2014, Southwire introduced the SIMpull® CoilPAK™ Mini Wire Payoff. Designed to easily fit into work vans and truck bodies, it eliminates the need for 500-foot spools by providing the required circuit wire in an ergonomically designed, easy-to-use package that weighs less than 25 pounds. This alternative to bulky, awkward spools reduces potential injuries associated with heavy lifting on the job site. Furthermore, the SIMpull CoilPAK Mini prevents broken flanges, tangled wire and over-rotation of reels. The built-in handle allows for easy job site maneuverability and the fully encased, durable, recycled plastic packaging protects the wire, giving the contractor multiple pulling options. The CoilPAK Mini features NoLube® SIMpull THHN® circuit wire, providing a solution contractors prefer when it comes to cleanup. Most importantly, the SIMpull CoilPAK Mini Wire Payoff requires less energy to transport and install the wire. The SIMpull CoilPAK Mini Wire Payoff's innovative technology makes pulling wire easy and efficient.

Energy Division

Our Energy Division supports the utility industry with innovative products and solutions, such as Southwire's new Intelligent Grid monitoring technologies that provide wide-area situational awareness of a utility's power system. Monitoring critical components and actual environmental conditions along the line allows utilities to increase capacity, improve reliability and optimize generation to reduce carbon emissions. In 2014, we introduced our [C⁷™ Overhead Conductor](http://www.southwire.com/transmission/c7.htm) (<http://www.southwire.com/transmission/c7.htm>) that uses an innovative stranded carbon-fiber reinforced thermoplastic core to carry more power while sagging less than conventional conductors. This allows utilities to meet increasing power demands using their existing tower structures, thereby greatly reducing the resource requirements and environmental impact that would otherwise be required to build new lines.

Southwire's Energy Division commits to innovating solutions that meet our customers' needs and evolve with the industry's changing demands. In 2014, we released an upgrade to our [SAG10®](http://www.sag10.com) (<http://www.sag10.com>) software which, along with substantial upgrades to our mechanical test capabilities, provides utility engineers the tools and conductor models needed to ensure their lines meet demanding regulatory requirements. Our focus on innovative solutions ensures our utility customers have a partner in sustainable grid design and operation.

In addition to [SAG10](http://www.sag10.com) (<http://www.sag10.com>) software and [C⁷ Overhead Conductor](http://www.southwire.com/transmission/c7.htm) (<http://www.southwire.com/transmission/c7.htm>) our Energy Division expanded Southwire's game-changing [Proof Positive®](http://www.southwire.com/distribution/ProofPositiveCopper.htm) (<http://www.southwire.com/distribution/ProofPositiveCopper.htm>) technology into energy substations and the agricultural market. In energy substations, we laser etch unique, non-repeatable codes onto the center strand of bare copper wire cable used for pole grounding. If the copper wire is stolen—a common risk given the market value of copper—the recycler can enter the etched code into a mobile application developed by Southwire to identify the copper's owner. This code also allows law enforcement to prosecute for theft as well as damages to the substation where the copper was removed. We intend to apply [Proof Positive](http://www.southwire.com/distribution/ProofPositiveCopper.htm) (<http://www.southwire.com/distribution/ProofPositiveCopper.htm>) technology to other products in the future.

Tools and Assembled Products Division

Our Tools and Assembled Products Division sets new standards in delivering the most comprehensive project and sales solutions in the industry. Innovation and quality are at the core of what we do, shaped by the collaboration with our network of contractors who share ideas. This process results in products that fill a void in the market. One such product is the new [BENDstation™ PRO](http://southwiresustainability.com/building-worth/on-the-money-bends-with-the-bendstation-pro-workstation/) (<http://southwiresustainability.com/building-worth/on-the-money-bends-with-the-bendstation-pro-workstation/>) workstation. The unique design features include a built-in protractor, 40-inch ruler incorporated into the work surface, speed vice and ability to carry 200 feet of conduit—all while working at a comfortable table height of 36 inches. These features enabled it to win Product of the Year 2014, within its category, by Electrical Contractor Magazine (EC&M). Read more about our bending equipment [here](http://www.southwiretools.com/tools/home.do). (<http://www.southwiretools.com/tools/home.do>)

This innovative process even yielded an entirely new category of products. In October of 2014, Southwire launched over 40 Voice, Data, Video (VDV) products, complementing our full line of low-voltage cable products. Category improvements included the Tone & Probe Tracing Kit, which is the only product of its kind with integrated test lead management.

Engineered Products

From systems that produce copper and aluminum rod to electrical controls, power management solutions and manufacturing support services, Southwire's Engineered Products Division serves a variety of specialty customers.

In 2014, we were pleased to announce two new areas of innovation and focus:

- SCR's Ultra-D™ Aluminum Degasser demonstrates Southwire's continued dedication to innovation and technology within our Engineered Products Division. The Ultra-D Aluminum Degasser uses ultrasonic waves to eliminate porosity in the finished product by reducing hydrogen gas levels as well as removing harmful inclusions, including alkali metals such as lithium, sodium and potassium. The Ultra-D eliminates the use of environmentally harmful gasses, drives a wider production range while focusing on flexible operation and lowers operating and maintenance costs for aluminum static mold and continuous casting systems, including SCR aluminum rod lines, installed worldwide.
- SMARTphase® is a solar micro-inverter that converts direct current to alternating current, which is ultimately fed to an electrical grid that delivers power to residential and small commercial businesses. Micro-inverters are used to increase system performance, safety, monitoring visibility and system uptime. SMARTphase has a flexible software-based system which provides more economic, efficient and flexible alternatives in the marketplace.

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2014 SUSTAINABILITY REPORT

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.

G4-DMA ▾

Our Approach

Many of Southwire's innovations stem from our commitment to product responsibility. Through our product responsibility efforts, we are striving to prioritize sustainable attributes in products and packaging; to minimize the use of materials with negative health impacts; to improve safety for the end user of our products; and to reuse materials at end-of-life. Many of the innovations that we brought to market in 2014 align with these objectives.

Our *SIMpull* Feeder Management System™ exemplifies Southwire's product responsibility. This system combines the best products and services in the *SIMpull* Solutions portfolio to help contractors improve safety and efficiency at the job site—while also reducing many forms of waste, including packaging. All of our reels utilize a single tear-off piece of plastic with the rip-chip system. The rip-chip offers a safer, more efficient means to remove the plastic cover, eliminating the need for electricians to use knives or other sharp tools.

Southwire also has developed a reel-less package that allows customers to receive bulk shipments of cable and wire without a traditional wooden, steel or metal reel. Going reel-less has many benefits including one-way shipping, which reduces freight costs and minimizes transportation-related emissions, and preserving natural resources needed to produce wood or metal reels. For reel-less cable and wire, Southwire's cable installer works with most utility flatbed trucks and crane operations. Using less to provide more value is what Reduce, Reuse, Recycle (and now Reel-less) is all about. In addition, Southwire has a reel return program where the utility has 12 months to send reels back to Southwire for credit. The program provides both financial and environmental benefits for Southwire and our customers.

Within our Coleman product lines, we actively participate in many Extended Producer Responsibility (EPR) programs across North America. We strive to create better designed products and packaging that can be disposed of responsibly through proper collection and recycling. Working with call2recycle.org, Product Care Association and others, we manage the life cycle of our retail tool, lighting, timer, lawn and garden products and packaging.

Our Performance

Southwire evaluates customer feedback and satisfaction, reinforced through our sales performance, to assess our progress in Product Responsibility. In an effort to improve the quality, integrity and transparency of the information we share with our customers about the environmental impact of our products, in 2014 Southwire established a goal to produce Environmental Product Declarations (EPDs) for 25 products in key markets by year-end 2018. Additionally, we are seeking insulating compound alternatives to better manage the content of our products with respect to our customer's perception of effect on the end user.

G4-EN27 ▼

Southwire has a goal to incorporate sustainability principles (including reusability) into the research of at least 65 percent of all new R&D projects by year-end 2016. In 2014, we defined our Product Sustainability considerations, set our targets and began to track our performance. In 2014, 51 percent of all new R&D projects included sustainability principles in the research.

In 2014, Southwire set a new goal to offer key customers recycling and/or like-kind exchange programs for processing end-of-life Southwire products by year-end 2016. We have formed an internal team to tackle this challenge and they have begun developing potential solutions.

Relative to our goal to produce EPDs for the top 25 products in key markets, we are currently engaged in market analysis and stakeholder engagement processes to determine the appropriate products to pursue for evaluation and EPDs.

G4-EN28 ▼

Southwire measures the percentage of recyclable reels returned through Southwire's Energy Division recyclable reel program. We offer steel and wooden reels, which are shipped to customers with product, returned after use, refurbished through a Southwire vendor, and shipped again with new product. In 2014, program participants returned 18,689 recyclable reels, a slight decrease from 2013, when we received 20,341 returns and used more reels for shipping.

G4-PR5 ▼

In 2014, Southwire developed a new goal as part of our strategic sustainability goal-setting process to develop and implement a consistent framework for measuring and improving customer experience and create a sustainable competitive advantage by year-end 2017. To accomplish this

goal, we have formed a team to lead this effort, and we have begun analysis of new customer satisfaction indicators to be evaluated.

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2014 SUSTAINABILITY REPORT

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.

G4-12 ▾

Southwire's success depends in part on the strength and adaptability of our supply chain. As a wire and cable manufacturer, our supply chain comprises mainly raw materials providers, transporters, and other contractors. The majority of our suppliers are located in North America, South America and China.

Our Supply Chain organization constantly seeks new ways to reduce our procurement costs and improve supply chain performance while adhering to the quality required for Southwire's sustained success. In our continual efforts to reduce costs to our valued customers, Southwire sources many of our raw materials directly from the manufacturer to take advantage of our purchasing volumes, the type of raw material and/or customer-directed specifications.

Our Strategic Sourcing Department negotiates contracts for goods and services. Our buyers and end users collaborate with suppliers and analyze their ability to meet purchase specifications. We base our decision to do business with a supplier on many of the same characteristics that define Southwire's sustainable value proposition to our customers: service, quality, innovative technology and price.

G4-DMA ▾

Our Approach

At Southwire, delivering value to customers and demonstrating responsibility in our supply chain starts with building strong relationships with our suppliers. Given our dependency on certain suppliers, we consider supplier engagement essential to mitigating risk and sustaining our

operations without disruption.

In conjunction with our supplier relations initiatives, we take an active approach to enhancing our supply chain sustainability. In 2014, we evaluated suppliers constituting 80% of our annual spend on raw materials (excluding metals) using an “A/B/C” system, based on volume of spend, criticality and risk. Using this system, we created a group of 25 critical suppliers to engage in our first-ever Supplier Sustainability Program. These suppliers account for 60% of raw material spend (excluding metals). These 25 suppliers are located in North America (21 suppliers) and China (four suppliers).

As a part of the Supplier Sustainability Program, Southwire provides additional information about our sustainability commitments and requests suppliers report key environmental, social and governance information annually. As participants in this program, suppliers agree to complete an annual sustainability survey and an on-site audit of their social and governance practices along with their environmental and quality management systems. We informed our top 25 suppliers of our goal to conduct resource supply assessments based on spend. Our intention is to further collaborate with this group in order to identify and pursue sustainability objectives and targets by year-end 2015. A formal program to accomplish this goal is under development.

We have updated the Southwire Supplier Sustainability Manual, which includes Southwire’s quality, environmental, social and governance expectations. We aim to deploy the Southwire Supplier Sustainability Manual throughout the supply chain while conducting on-site audits and performance monitoring for 100% of our top 25 key suppliers by year-end 2016.

Ensuring ethical labor practices throughout our value chain is essential to responsible procurement at Southwire. We are developing a values statement to address social issues with suppliers so that they clearly understand Southwire’s position. We expect our suppliers to safeguard against human trafficking and we want to support those companies committed to these standards. To ensure our suppliers’ commitment, we drafted a human trafficking policy in 2014 that will be launched in 2015. Additionally in 2014, we issued a draft policy regarding conflict minerals, which we plan to finalize in 2015.

We also have a strong commitment to diversity as demonstrated through our [Supplier Diversity](http://www.southwire.com/documents/2013_Supplier_Diversity.pdf) (http://www.southwire.com/documents/2013_Supplier_Diversity.pdf) program, which is designed to ensure that:

- Qualified small business and businesses owned and operated by minorities, females or veterans are identified and included in our strategic sourcing and procurement processes.
- Opportunities to foster the development and advancement of diverse businesses are identified and implemented, when and where practical.

We actively track our dollars spent with small businesses and businesses owned by women, veterans and minorities. In addition, we make supplier diversity commitments to our larger customers, who expect us to partner with diverse businesses to help meet their supplier diversity goals. We allocate our total diverse spend as a percentage of sales to those customers. In addition to reporting our diversity spend to our customers on a monthly or quarterly basis, we also include diversity spend as a measurement in our Supplier Sustainability Scorecard.

Worker safety is a cultural imperative at Southwire, with our commitment to injury-free work extending beyond our own workforce. By establishing safe work criteria for all suppliers and contractors who perform work on Southwire property, we are helping our suppliers improve safety within their respective organizations while reducing risk within our supply chain. Suppliers and contractors who perform work on Southwire property must submit worker injury rates and safety management system data and information, which Southwire evaluates and scores to determine their ability to perform work safely at Southwire. Through training, auditing and benchmarking opportunities, we have helped to improve workplace safety within our contractor supply chain. We have targeted a 20 percent reduction rate in recordable incidents in our contractor supply chain by 2018.

Our Performance

Southwire met our 2014 goal of auditing 20 percent of participating suppliers in our Supplier Sustainability Program. In 2015, we aim to audit an additional 50 percent of participating suppliers. Ultimately, we seek to audit 100 percent of the 25 suppliers in our Supplier Sustainability Program by the end of 2016. We may include additional suppliers to our initial list of 25, as appropriate.

Some of our additional goals from last year were:

- Increase dollars spent with diverse suppliers by 5% in 2014 over 2013 levels.
- Increase supplier diversity presence in most help-needed business categories.
- Establish Mentor/Protégé program for Diverse Business Enterprises (DBEs).
- Facilitate internal supplier diversity training.
- Establish supplier diversity business champions.
- Become involved in local (Carrollton, Georgia) Small Business Administration (SBA) affiliate.
- Join Georgia Minority Supplier Development Council (GMSDC) Certification Committee.

To learn more about how we performed in these goals, [click here](#).

<http://southwiresustainability.com/wp-content/uploads/2015/03/SouthwireSupplierDiversity.pdf>

G4-EN27 ▾

In addition to working with suppliers to advance their sustainability, we examine all of our products in the early development phase through a lens encompassing six different sustainability aspects, which are outlined in the [Technology & Innovation \(http://southwiresustainability.com/building-worth/technology-innovation/\)](http://southwiresustainability.com/building-worth/technology-innovation/) section of this report. Working in partnership with our suppliers, we seek to make material substitutions during the design phase to make our products more sustainable.

G4-EN19 ▾

We have set clear expectations on our fuel efficiency standards for our contract carriers by encouraging participation in the EPA's Smart Way program. This program helps trucking companies establish a series of sustainability goals relative to their baseline when they enter the program. To

remain in the program, carriers must demonstrate progress against those goals or they will lose certification. Over the past several years, Southwire has worked to increase freight spend with Smart Way carriers, improving from 48 percent in 2011 to 65 percent in 2014.

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2014 SUSTAINABILITY REPORT
BUILDING WORTH

INDUSTRY PARTNERSHIPS

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

G4-DMA ▾

Our Approach

Customer need largely dictates our industry partnership efforts. Where a new product need exists, some new product development may not occur in-house. Southwire makes use of all available skills and technology; this may include partnering with entities that possess unique formulation or compounding capability or other rare competencies outside of our core strengths that enable us to more quickly satisfy a customer need or enter into a new market. Southwire's introduction of a no-lead medium voltage product to the wire and cable market exemplifies this approach.

Almost a decade ago, Southwire made the decision to remove lead from our Industrial Division products. While medium voltage rubber insulation has for performance reasons always contained lead, the decision revolutionized this market. We sought a partner with leading-edge expertise in high-performance medium voltage rubber compounding. Through an alliance partnership, we were able change the industry by bringing the first ever no-lead medium voltage rubber insulated cable product to market.

Similarly the C⁷™ Overhead Conductor, Southwire's newest transmission conductor, fills a market need for greater transmission line performance, power-transfer capacity, and affordability.

Resulting from a partnership with Celanese Corporation, whose unique strength is advanced polymers, resins and thermoplastics, the C⁷ conductor provides greater flexibility, reliability and single-failure tolerance. Its advanced core material and polymer core coating provides the C⁷ conductor with unprecedented heat resistance and an expected 40-plus year service life.

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 works with the wire and cable industry to publicly provide application expertise to the industry and consumer for products new to the industry, or simply standard products that require some knowledge for optimal use. Southwire also makes available various toll-free hotlines for wire and cable applications and also provides easy-to-use mobile apps with which users can design wire and cable applications and installations.

G4-16 ▾

Our Performance

At Southwire, we value our engagements with industry associations and seek to contribute to the advancement of our industry overall. One of our most important strategic collaborations is with the Electric Power Research Institute (EPRI). EPRI conducts research, development and demonstration relating to the generation, delivery and use of electricity for the benefit of the public. An independent, nonprofit, tax exempt 501(c)(3) organization, EPRI brings together scientists and engineers as well as experts from academia and industry to help address challenges in electricity.

Southwire's Energy Division successfully commercialized the EPRI transmission line monitoring technology. Following the success of this project, EPRI and Southwire worked together to commercialize other technologies, including substation monitoring systems. By working with organizations like EPRI, Southwire gains insight into the evolving market as well as access to the latest technologies. The constructive collaboration between EPRI and Southwire leverages demonstrated research, engineering expertise and utility interaction to turn EPRI concepts into products for utilities that solve challenges and develop innovative solutions for the energy industry.

PARTNER ORGANIZATIONS

We are also involved in the following organizations with key Southwire employees serving in the following ways:

Organization	Southwire Role
Industry Data Exchange Association, Inc. (IDEA)	Chairman of the Board of Directors
National Electrical Manufacturers Association (NEMA)	<ul style="list-style-type: none">● Board of Directors● Executive Committee● Codes and Standards Officer/Past Chair
International Association of Electrical Inspectors (IAEI)	Code Panelist for IAEI Section Meetings

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
Society of Automotive Engineers (SAE) International	<ul style="list-style-type: none"> ● Cable Standards Committee ● ISO TC22 SC3 WG4 USAG Automotive Electrical Cables Committee
IMARK Group	Former Member of Manufacturers Advisory Council
IEEE Power and Energy Society (IEEE/PES)	Long Range Planning Board (LRP) Insulated Conductors Committee (ICC)
IEEE Industry Applications Society (IEEE/IAS)	Petroleum and Chemical Industry Committee (PCIC)
IEEE	<ul style="list-style-type: none"> ● Flexible Cord and Electrical Vehicle Committee ● UL STP 62 Committee ● Industrial Ethernet Committee
National Fire Protection Association (NFPA)	NEC Code Making Panel Panelist
Copper Development Association	Past Wire and Cable Section Chair
National Armored Cable Manufacturer's Association	Association Chair
CANENA	<ul style="list-style-type: none"> ● THSC 20, Building Wire and Cable ● THSC 20, Wire and Cable Test Methods ● CSA
Copper Club	Board of Directors
Copper Development Association	Board of Directors
Technical Subcommittee on Specialized Wiring Systems – C231(ICCM06)	CEC Task group on Application of Rule 4-006
Electrical Manufacturers' Club	Board of Directors
International Cable Federation	President and Board of Directors

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2014 SUSTAINABILITY REPORT

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 ensures the strength and sustainability of our oak tree by caring for the environment. At Southwire, our environmental priorities are not merely one area of activity; we integrate them into the core of our operations. As we have matured as a company, we are mindful of our impact and we seek new ways to improve our performance.

Southwire's growth has been deeply rooted in our belief that we must develop our business in an environmentally responsible manner. Our success depends on the limited natural resources of this planet, which we strive to use conscientiously. While we considered many environmental topics in our materiality assessment, Southwire has identified the following Growing Green topics as material:

- **[Energy Usage \(http://southwiresustainability.com/growing-green/energy-use/\)](http://southwiresustainability.com/growing-green/energy-use/)**. Reducing energy intensity and increasing use of alternative and renewable sources.
- **[Waste \(http://southwiresustainability.com/growing-green/waste/\)](http://southwiresustainability.com/growing-green/waste/)**. Reducing the amount of waste to landfill and increasing responsible waste management.



SUSTAINABILITY SCORECARD

Our Growing Green goals in our Sustainability Scorecard include:

Goals	2014 Status	Baseline
Implement ISO 14001 or equivalent environmental management systems at locations worldwide by year-end 2020.	0%	0/36 (2014)
Achieve zero-landfill status at all locations by year-end 2017.	11 facilities	0 facilities (2007)
Increase energy efficiency from 2010 baseline by 10% by year-end 2020.	8% improvement	9.40 Adj. MMBtu/ton
Increase water use efficiency from 2010 baseline by 10% by year-end 2020.	33% 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 year-end 2018.	0%	N/A (2014)

Offer key customers recycling and/or like-kind exchange programs for processing end-of-life Southwire products by year-end 2016.	Strategy underway	Limited customers
Publicly report sustainability data consistent with Global Reporting Initiative (GRI).	Complete	N/A

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2014 SUSTAINABILITY REPORT GROWING GREEN

ENERGY USAGE

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

G4-DMA ▾

Our Approach

Southwire is committed to being a responsible environmental steward and reducing our energy usage makes good business sense. Many of our customers also consider energy reduction an important priority and look to Southwire both to manage our energy use and provide thorough and accurate data. We regularly respond to customer inquiries about our energy usage and initiatives toward energy efficiency improvements.

We are working to further improve our energy management by engaging with a 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 new approach, we will review consumption versus production and complete energy audits at select locations to identify potential savings opportunities for energy use, dollars and CO₂ emissions.

G4-EN3 ▾

Our Performance

At Southwire, we track energy consumption as well as energy efficiency. To manage our energy usage performance, our Southwire facilities track electricity and gas, both Scope 1 and Scope 2. In terms of overall energy use, our consumption for pre-integration Southwire locations increased from 3.32 billion MJ of energy in 2013 to 3.37 billion MJ in 2014. With that, our energy efficiency also declined.

ENERGY CONSUMPTION

Energy Consumption	GJ
Total fuel consumption from nonrenewable sources	1.91 E+09 MJ
Total fuel consumption from renewable sources	0
Total electricity consumption	1.46 E+09 MJ
Heating consumption	0
Cooling consumption	0
Steam consumption	0
Electricity sold	0
Heating sold	0
Cooling sold	0
Steam sold	0
Total Energy Consumption	3.37 E+09 MJ

G4-EN5, G4-EN6 ▾

ENERGY INTENSITY TREND

Year	Energy Intensity (MMBtu/ton)	% Change (Intensity Basis)
2010	9.40	N/A
2011	9.14	3% reduction from baseline
2012	8.46	10% reduction from baseline
2013	8.45	10% reduction from baseline
2014	8.75	8% reduction from baseline

We set a goal of reaching a 10 percent improvement in our energy efficiency from our 2010 baseline by 2020, which we reached in 2012. However, supply chain adjustments, changes in product mix, and other factors temporarily hindered our progress in 2014; we view this as a minor setback toward our overall energy efficiency goal. Southwire works actively to assess and reduce the energy

consumption at all of our facilities while strategically focusing additional efforts and attention at our three largest energy-consuming manufacturing facilities. Moving forward, we will continue to track our performance closely and report our progress to stakeholders.

GOAL

10% reduction versus 2010 baseline
(intensity basis)

For the underlying technical assumptions associated with our Energy data, please review our [GRI content index](http://southwiresustainability.com/gri-content-index/). (<http://southwiresustainability.com/gri-content-index/>)

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2014 SUSTAINABILITY REPORT

GROWING GREEN

WASTE

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

G4-DMA ▾

Our Approach

Southwire's environmental practices include proactively managing the waste and byproducts of our facilities' operations. In 2007, we set an aggressive goal to send zero waste to landfill by the end of 2017. Our management approach, including identifying our different waste streams, segregating valuable recyclable materials and making simple changes where possible, has enabled Southwire to make significant progress toward this goal.

Within our extended value chain, we have evaluated packaging entering our facilities and worked with suppliers to minimize those materials. Among our own products, we have reduced packaging and other waste material as well. This includes our *SIMPull* technology that eliminates the need for lubricants at the job site. Additionally, we have instituted take-back programs that give credit for returned material. One of our goals is to offer key customers recycling and/or like-kind exchange programs for processing end-of-life Southwire products by the end of 2016, thereby continuing to eliminate waste downstream in our value chain.

Additionally in 2014, Southwire contracted with Nexeo Solutions as our national waste management partner to help manage waste at all of our facilities. We seek to continue to improve our practices and processes as we make progress on our overall goal. We are integrating our newly acquired Coleman plants into our waste management plan and practices, and we have already seen improvements at our new locations, though we are unable to quantify this improvement as baseline data are unavailable.

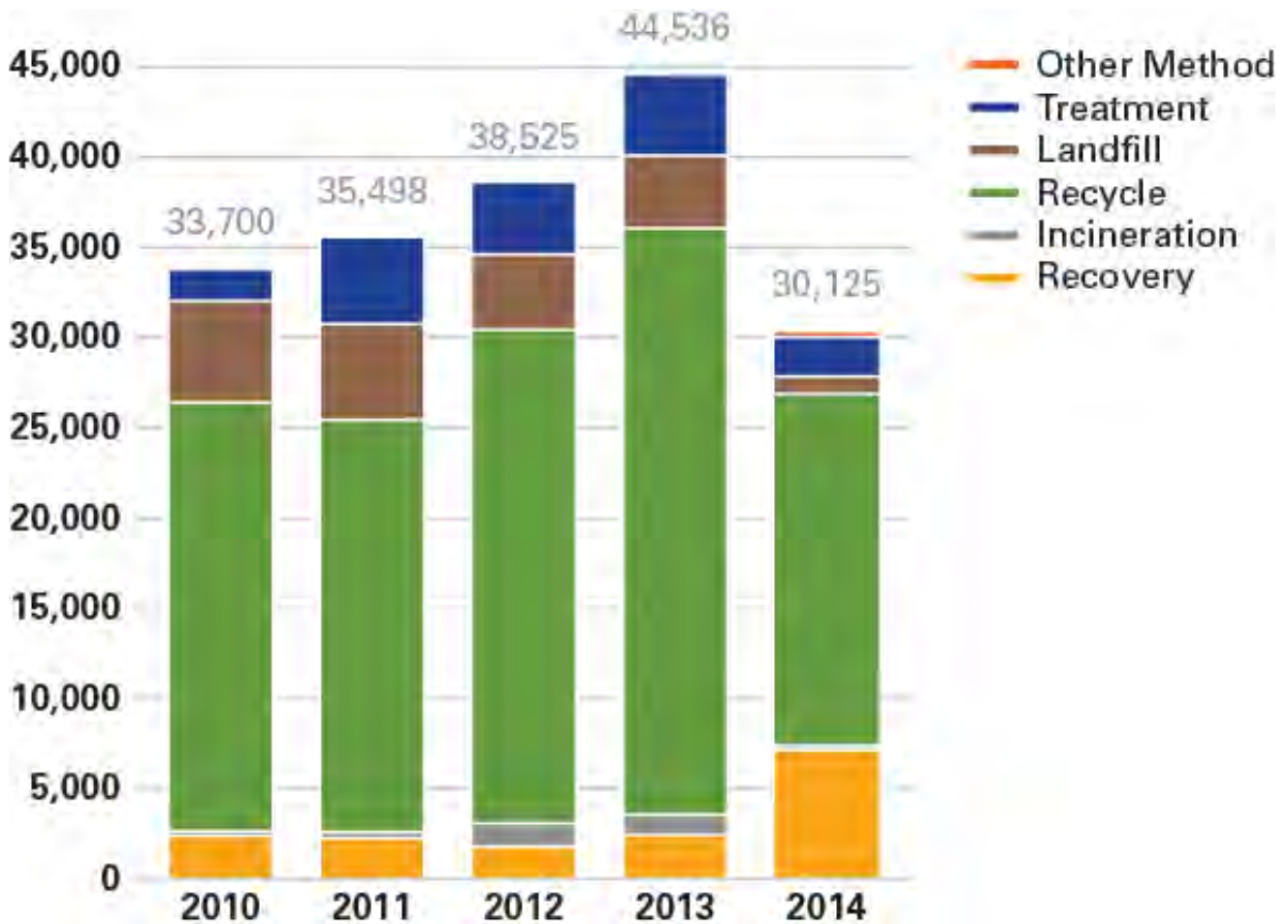
Our Performance

We currently track monthly waste generation at our Southwire operating facilities. Nexeo provides data and progress updates for all of our sites, as well as weekly feedback on any specific issues that arise.

Southwire has achieved zero waste to landfill status at our corporate office and at 11 of our manufacturing plants and distribution centers. Through the end of 2014, we are 94 percent toward our goal of being zero waste to landfill across all of our Southwire locations. Once we integrate Coleman fully into our tracking, that mark will likely decline, but we continue to make excellent progress towards our overall goal. We began tracking Coleman's waste in January 2015.

G4-EN23 ▾

TOTAL WASTE GENERATED (TONS)



2014 WASTE BY TYPE (TONS)

Waste Type	Hazardous	Non-Hazardous
Recovery	68	7,106
Incineration	40	0
Recycle	0	19,771

Landfill	5	909
Treatment	165	2,043
Other Method	0	18
Total	278	29,847

In 2014, Southwire made great strides toward achieving our goal of 100% of facilities sending zero waste to landfills by 2017. Three of our facilities—our Building Wire Plant in Carrollton, Georgia and our plants in Florence, Alabama and Starkville, Mississippi—achieved zero waste-to-landfill status this year. Through 2014, we have seen 11 of our facilities become zero waste-to-landfill.

Our Florence, Alabama plant sent zero waste to landfill in 2014 thanks to the diligent efforts of Paul Heaton, plant controller, and others. After sending 924 tons of material to the landfill in 2013, Heaton and his colleagues found an outlet that could accept difficult-to-recycle waste streams such as PVC/Nylon bleeder and stripping from THHN products. To accomplish their goal, Florence employees focused on two important activities. First, operators kept PVC/Nylon patties small so the center does not burn, thus retaining the recyclability of this material. Florence shipped 805 tons to a PVC/Nylon recycling outlet in 2014. Second, employees increased their focus on material segregation. As a result, the amount of uncontaminated recyclable materials increased, and the quantity of true waste materials decreased. The Florence facility shipped approximately 100 tons of unrecyclable material for waste-to-energy. Florence employees are very proud of the net outcome—sending zero waste to landfill in 2014.

Similarly to our motivated employees at the Florence plant, employees at our Starkville, Mississippi plant devised a plan for sending zero waste to landfill. They focused on two main efforts: recycling wooden reels and pallets, and diverting material for waste-to-energy. To learn more about our Starkville plant, [click here. \(http://southwiresustainability.com/growing-green/zero-waste-to-landfill-in-starkville/\)](http://southwiresustainability.com/growing-green/zero-waste-to-landfill-in-starkville/)

The Carrollton Building Wire Plant (BWP) also achieved zero waste-to-landfill status in 2014. Historically, the BWP reused and recycled materials when possible. Presented with the zero waste-to-landfill challenge, the facility refocused its efforts to divert waste materials from the landfill in favor of recycling opportunities and waste-to-energy outlets. Following these efforts, only coextruded PVC/Nylon remained as a waste stream going to the landfill, with BWP typically sending over 50 tons per month to the Carroll County Solid Waste Landfill. Formed in 2012 and comprised of individuals from multiple facilities, Southwire's Problem Plastics team stepped in to look for landfill alternatives to dispose of PVC/Nylon and other difficult waste streams. The team found an outlet for this material in late 2013, and BWP sent zero waste to landfill in early 2014. The Problem Plastics team is now partnering with Nexeo to find additional alternate recycling opportunities for PVC/Nylon and other challenging materials to ensure that Southwire facilities achieve and maintain sending zero waste to landfill.

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2014 SUSTAINABILITY REPORT

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 flourishing individuals create a strong and sustainable company. We encourage our employees to reach for new heights in their professional and personal development, and we seek to provide the nutrients to enable their growth.

Our people are at the root of Southwire's enduring strength. We care for the Southwire family and, in return, they care about and create Southwire's lasting success. We have, therefore, identified five material topics for Living Well:

- **Workplace Safety and Health.** (<http://southwiresustainability.com/living-well/workplace-safety-health/>) Providing employees with safety education and equipment, as well as safe working conditions.
- **Talent Acquisition and Development.** (<http://southwiresustainability.com/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, development programs, development plans, coaching and more.
- **Employee Engagement.** (<http://southwiresustainability.com/living-well/employee-engagement/>) Promoting a positive and unified culture by encouraging open communication, collaboration and employee ownership of initiatives and social programs.
- **Employee Wellness.** (<http://southwiresustainability.com/living-well/employee-wellness/>) Making resources available to promote the health and well-being of employees.
- **Diversity.** (<http://southwiresustainability.com/living-well/diversity/>) Promoting diversity (ethnic, cultural, generational, etc.) in Southwire's board, suppliers and employee population.

Southwire's approach and performance in each of these material topics is detailed in this report.



SUSTAINABILITY SCORECARD

Our Living Well goals are outlined in our Sustainability Scorecard below:

Goals	2014 Status	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 year-end 2022.	32%	12/37 locations (2014 Baseline)
Achieve an OSHA Total Recordable Injury Rate for global operations of less than 1.0 by year-end 2018.	2.37 (including Coleman)	2.20 (2014 Baseline)
Achieve 20% reduction in contractor injury rates by year-end 2018.	2.42	2.42 (2014 Baseline)
Improve employee health and well-being across all Southwire locations by achieving:		
● 95% voluntary participation in biometric screenings by year-end 2017.	● 95%	● 94.6%
● Overall employee average rating of "B" on biometric	● B	● C+

● screens by year-end 2018.	● 51%	● 51%
● 100% access to Healthy Choice options at all locations by year-end 2017.		

Invest in leadership skills and knowledge through the implementation of the following training and development initiatives:

● 200 supervisors graduating from Leading in an OPS Culture by year-end 2018.	● 50	● 50
● 200 managers graduating from Southwire Management Training by year-end 2018.	● 0	● 0
● 150 senior leaders graduating from Southwire Leadership Academy by year-end 2018.	● 48	● 48

Foster employee engagement through a targeted 90% voluntary participation in annual Southwire engagement survey by year-end 2017.	85%	74% (external benchmark)
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Achieve a 40% improvement in the number of females in the workforce by year-end 2017.	21%	21% female
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Improve diversity within the “high potential” pool of future senior leadership by 20% by year-end 2017.	30%	30%
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2014 SUSTAINABILITY REPORT

LIVING WELL

WORKPLACE SAFETY & HEALTH

Providing employees with safety education and equipment, as well as safe working conditions.

G4-DMA ▾

Our Approach

Workplace safety and health remain Southwire's primary concern for all of our employees and contractors. Leaders in the Southwire organization have accountability for employee safety, which is a cultural imperative and foundational element of how we manage safety and health improvement in our operations. By engaging our workforce in problem solving efforts, Southwire has established injury prevention systems that seek first to engineer out hazards in our day-to-day operations as a means to reduce risk and, consequently, injuries in our workplace.

Safety management systems enable Southwire to achieve and sustain success in workplace safety. Southwire has committed to implementing and certifying a safety management system at each of our locations. Within our U.S. operations, Southwire is working to certify all manufacturing and warehouse operations within the OSHA Voluntary Protection Program (VPP) Star program which consists of: management commitment; employee involvement; hazard prevention and control; and safety training. Operations outside of the U.S. will certify against the Occupational Health and Safety Assessment Specification (OHSAS) 18001 or an in-country equivalent standard. Additionally, we have worked closely with contractors to improve their safety and we have specific environmental, health and safety requirements for anyone who works on-site at Southwire. Through Southwire's pre-qualification program, contractors must answer a safety questionnaire specific to the work they will complete. We establish a grade for each contractor, allowing them to work at our facilities only if they meet our standards.

Our Performance

To manage safety and health, we track total recordable incident rates for Southwire employees and contractors, as well as any citations or violations with OSHA. Currently, the OSHA total recordable injury rate (TRIR) for the new combined Southwire organization is 2.37, with a goal of achieving a TRIR rate of 1.0 by year-end 2018. We currently have 11 VPP Star Sites and our Tecate, Mexico

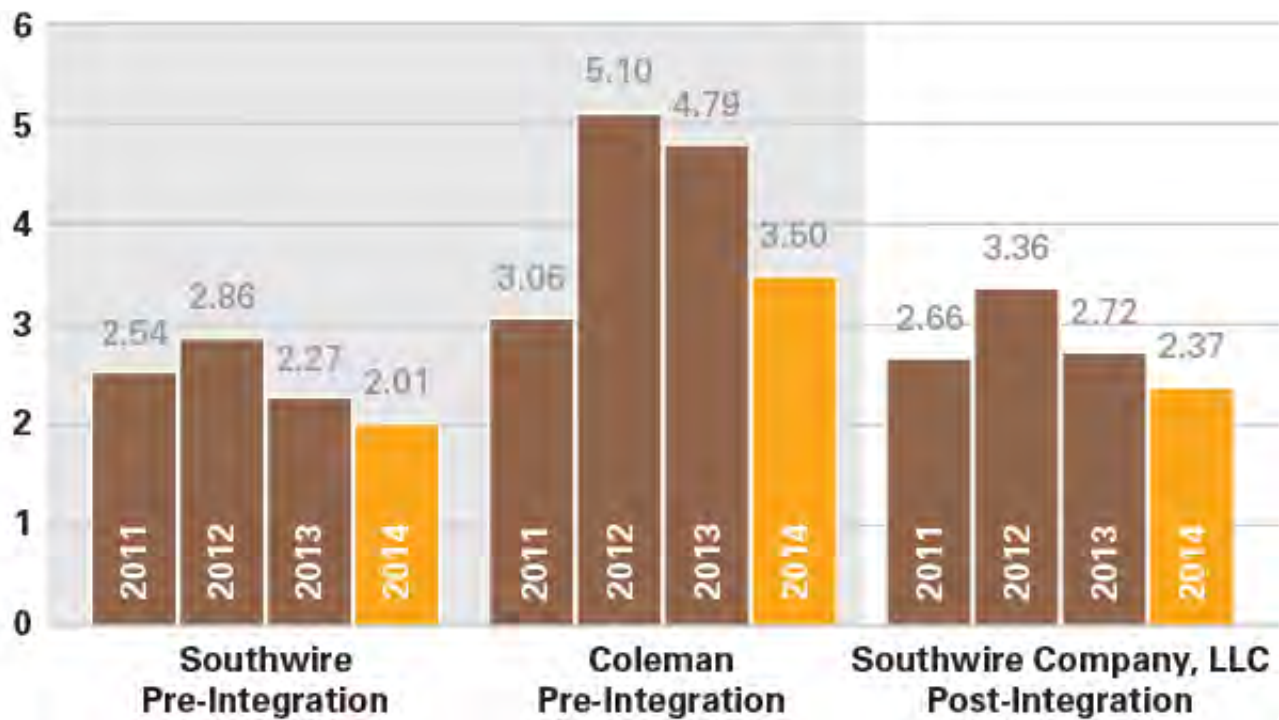
facility has achieved certification under Mexico’s Secretaría del Trabajo y Previsión Social program. Southwire has a goal for all manufacturing and warehouse locations to implement a certified safety management system—either OSHA VPP Star or OHSAS 18001—by 2022. Currently, close to 70% of Southwire sites meet this goal, and we are integrating Coleman into our plan.

G4-LA6 ▾

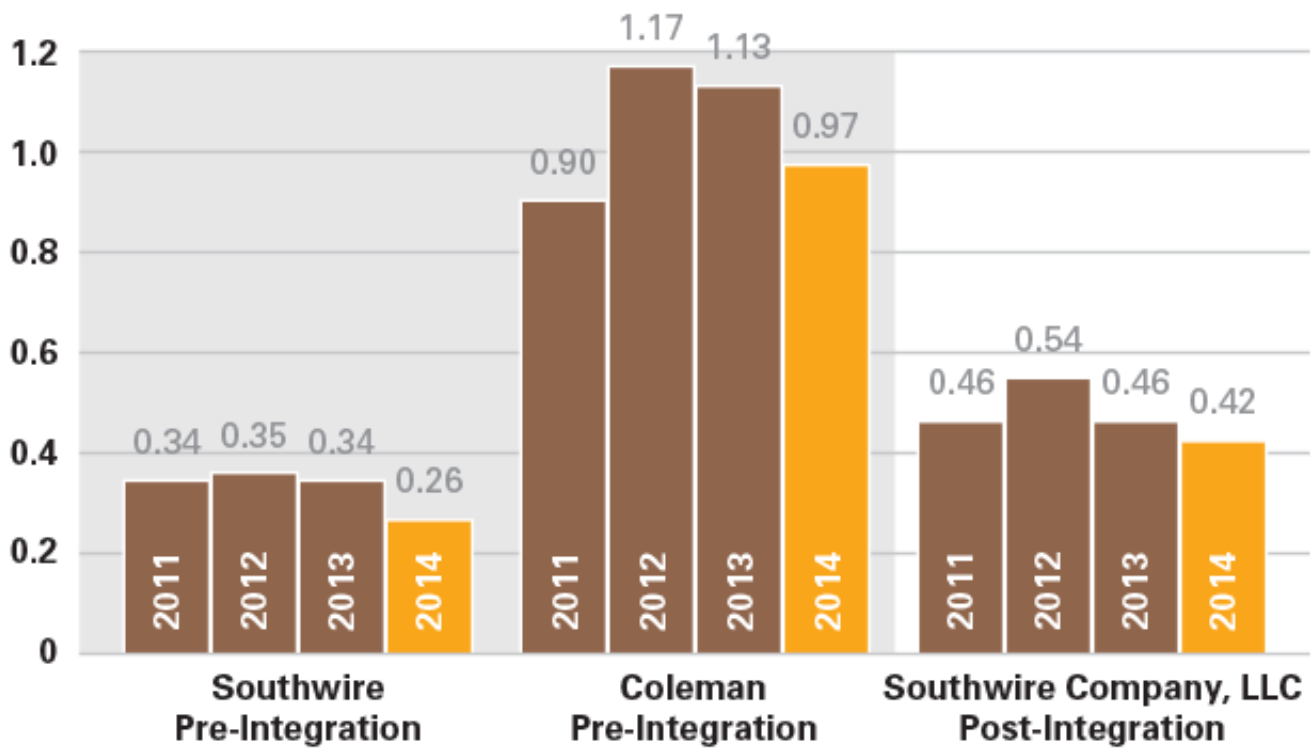
Southwire tracks OSHA total recordable injury rates (TRIR), OSHA lost work day rate (LWDR) and employee fatalities for the company as a whole. We do not track or report by region or by gender at this time. We also do not specifically call out occupational diseases or absenteeism. We do intend to report occupational diseases and data by region and/or division in the next reporting cycle.

In addition to what is captured in the chart below, Southwire had zero occupational fatalities in 2014 as well as in 2013.

OSHA TOTAL RECORDABLE INJURY RATE (TRIR)*

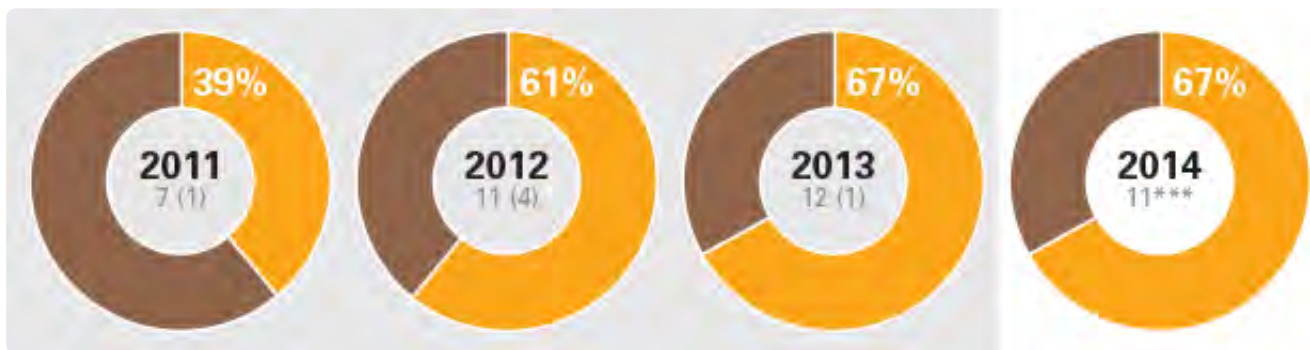


OSHA LOST WORK DAY RATE (LWDR)*



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

VPP SITES**



**Number in parenthesis in the number of Southwire locations which received their letter from Washington DC. Number outside parenthesis is the total count of VPP Star locations.

***Orlando CSC was dropped from the VPP Star site count due to its facility closure.

Southwire LLC Rates (2011–2Q2014) do not include the following Legacy Coleman locations' work hours: York & Texarkana.

To further improve safety and health for everyone working at our facilities we have started to track the OSHA TRIR for contractors performing work on Southwire property. Our goal is to achieve a 20 percent reduction in contractor injury rates by the end of 2018 against a 2014 baseline number of

2.42.

G4-LA7 ▾

Southwire has not historically reported occupational diseases, but does monitor injury and illness trends through our corporate Safety and Health department. We have not noted any high incidences of occupational disease. We plan to report an occupational illness rate in 2015 and will continue to monitor for any discernible trends; if identified, we will manage through our existing risk mitigation processes.

G4-LA8 ▾

Southwire's pre-integration operations have no trade unions. We are currently working to understand and address any safety and health topics outlined in agreements within our newly acquired union-represented locations.

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2014 SUSTAINABILITY REPORT

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 ▾

Our Approach

In 2014, Southwire shifted to a more formal talent management program. We performed executive leadership assessments with customized growth plans for one-third of our executive leadership team. We plan to continue this program in 2015 for another third of the executive leadership team. Furthermore, we have instituted a Leadership Academy to assist with developing leadership traits; this academy enhances our management of succession planning at Southwire. We have also placed special emphasis on profit and loss leadership to groom individuals for the future through a product management approach. In 2014, we identified a group of product managers to begin training in 2015. Developing leadership is the primary focus of our program at this time.

In 2014, Southwire also introduced our performance accelerator, which provides a framework for fostering formal and informal feedback between managers and employees. We chose not to adopt a rating system, since external research demonstrates that engaging in and documenting conversations followed by the development of formative or corrective actions creates better results. To that end, we developed a performance guide for managers in which we identified essential behaviors related to the competencies critical to the company's success.

To strengthen our talent acquisition efforts, we established a recruiting process in 2014 and implemented weekly reporting for our status with different recruits. We currently perform on-campus recruiting at different universities: specifically Auburn, Georgia Tech, Southern PolyTech, North Carolina A&T and Purdue. Southwire also has a strong relationship with the University of West Georgia, where we have partnered to launch the Southwire Sustainable Business Honors Program. This program enables participants to receive both a bachelor's and master's degree within four years while engaged in a curriculum with a focus on sustainable business. Some of those students serve

as interns with Southwire, providing a proactive talent pipeline. Additional educational recruitment programs include our Southwire Engineering Academy and our 12 for Life program. To learn more about these two programs, visit our [Giving Back \(http://southwiresustainability.com/giving-back/\)](http://southwiresustainability.com/giving-back/) section.

To train hourly employees for potential new opportunities, we utilize a program called Select Track, which tracks applications for employees. We have mapped key components required for a particular position and rated employees against various aspects. We set different criteria for supervisors.

Our Performance

To manage talent acquisition and development, we track key metrics such as time to hire; candidate diversity; total cost of recruitment for open positions; external offers accepted versus rejected; and the number of positions filled internally versus externally. We also plan to review metrics through our Human Capital Management software tracking package that Southwire will implement in 2015. In addition, we track the number of leaders through each session of the Leadership Academy and report our progress.

SUSTAINABILITY SCORECARD

Southwire’s aims to further develop and refine leadership skills and knowledge within our workforce and established baselines for assessment of progress against these goals:

Goals	2014 Baseline
Graduating 200 supervisors from Leading in an OPS Culture by year-end 2018	50 supervisors have graduated from Leading in an OPS Culture
Graduating 200 managers from Southwire Management Training by year-end 2018	Zero managers have graduated from Southwire Management Training
Graduating 150 senior leaders from Southwire Leadership Academy by year-end 2018	48 senior leaders have graduated from the Southwire Leadership Academy

G4-LA10 ▾

Southwire makes a series of professional skills development courses available through our web-based learning management system, iAm University. In 2015, we are undergoing major revisions to the web platform that will better enable us to track, trend and analyze utilization.

G4-LA11 ▾

Southwire aims to track the percentage of salaried professionals participating in voluntary performance acceleration discussions with their supervisors. In 2014, Southwire rolled out the new iAm Coaching Guide. Designed to help employees better understand their personal strengths to leverage and gaps to close, iAm is a catalyst for performance acceleration within our workforce. 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. As part of the roll out, Southwire completed training across the organization. Although participation in the process is voluntary, we have established a participation target. In 2015, our goal is to conduct performance acceleration discussions using the iAm Coaching Guide with 25 percent of Southwire’s salaried professionals.



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2014 SUSTAINABILITY REPORT

LIVING WELL

EMPLOYEE ENGAGEMENT

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

G4-DMA ▾

Our Approach

Southwire engages with our employees both informally and formally. Informally, Southwire has given employees opportunities for work experiences they would not receive in most organizations, allowing employees to extend their abilities and become more comfortable with taking on risks in their careers. This approach supports our general philosophy of engaging employees.

Our periodic employee engagement survey formally measures employee engagement. We collect and monitor data related to our voluntary participation rate in this process. To receive regular feedback on employee morale, Southwire has implemented electronic scoreboards, or Pulse Check Boards, in each facility. We send employees a short series of questions to address different areas of the employee engagement platform. Updated weekly, these Pulse Check Boards show more real-time scores in areas where Southwire needs to improve. 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.

To enhance employee engagement throughout our integration of Southwire and Coleman Cable, we emphasize employee communication processes and giving back programs, which demonstrate a heightened social contract and the company's commitment to employees and their families. Coleman employees also see Southwire's commitment through our physical investment, including new equipment. From the very beginning, Southwire created an integrated executive leadership team which included four former-Coleman executives. Former Coleman vice presidents comprised nearly half of our Leadership Academy class in 2014.

Southwire did not publicly report employee engagement metrics or our management approach in 2013. Although we completed an employee engagement survey, we have chosen not to use the 2013 participation rate as a benchmark because it did not include our newly integrated locations. The

baseline year for this measurement will be 2014.

Our Performance

In 2014, we completed our second employee engagement survey with an overall goal of 90 percent employee participation; we achieved a voluntary participation rate of 85 percent for combined Southwire LLC. Senior leadership came together to address issues identified through the survey and created action plans to address these issues.

Southwire tracks leading indicators such as mechanisms for engaging our employees day to day; the feedback we give each employee; the number of managers being trained; and implementing development plans for potential leaders within specified periods of time.

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2014 SUSTAINABILITY REPORT

LIVING WELL

EMPLOYEE WELLNESS

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

G4-DMA ▾

Our Approach

People—and their safety, wellness and emotional well-being—are the roots of a responsible, respected and sustainable organization. At Southwire, our business relies on the well-being of our employees. As a family-owned company, we aim to treat each and every employee like a family member.

Southwire takes a comprehensive approach to managing employee well-being. On a basic level, we provide and manage all medical, life, disability and pharmacy benefit plans for our employees. In the Carrollton, Georgia area, where Southwire employees comprise approximately 41 percent of our workforce, we offer an on-site medical center and pharmacy that has operated for more than 20 years. We view this service as an effective model to manage both employee health and costs.

To help our employees be more physically active, we provide on-site fitness centers or fitness club memberships. Our fitness center in Carrollton not only provides state-of-the-art fitness equipment and facilities, but also offers team sports and company athletic leagues as well as group fitness and education classes. Southwire tracks monthly usage of the fitness center to better understand the effectiveness of efforts to engage employees in physical fitness. With respect to fostering good nutritional habits, the cafeterias and vending machines all present healthful food options. As an incentive for employees to eat healthier, the healthful choice is less expensive than other options. To improve access, we provide vending options through payroll deduction and track healthful items purchased to better understand and accommodate the preferences of our employees.

Studies indicate that even moderate weight loss can make a positive impact in an individual's personal health. To that end, Southwire encourages weight loss through both group and individual challenges; we have given away such rewards as Fitbit activity trackers for group winners and a free cruise trip as a part of our Lose to Cruise program. In conjunction with our continued focus on

managing obesity, Southwire is re-launching our wellness committees to engage our employees in making healthful changes in their lives. Additionally, many of our employees utilize biometrics, including blood pressure readings, blood sugar and BMI, to track and monitor their health.

Our Performance

Southwire measures the biometrics of our employees and provides each employee with a grade on their biometrics health report. The report also offers customized suggestions to help employees understand what action they can take to improve their health. We track participation in our biometrics program; our 95 percent participation rate among Southwire employees demonstrates our employees' commitment to tracking and managing their health.

We collect biometrics reports for each facility location and deliver an aggregated high-level report to the board of directors. Southwire's cumulative grade as an organization has improved from a C+ in 2013 to a B- in 2014. Our goal is to achieve and maintain a B status. Additional metrics include use of our fitness center; weight lost in total pounds company-wide; and purchases of healthful food options.

G4-LA5 ▾

While Southwire does not currently measure participation in employee health and safety committees, in 2015, we will roll out a new key performance indicator for our manufacturing and warehouse operations that measures "% EHS involvement." This measure captures the total percentage of the workforce engaged in Safety, Health and Environmental committees, teams, or other hazard identification and mitigation strategies. This measure will be captured across all of Southwire manufacturing and warehousing operations.

SUSTAINABILITY SCORECARD

Southwire's goal is to improve employee health and well-being across all Southwire locations by achieving:

Goals	2014 Status	Baseline
95% voluntary participation in biometric screenings by year-end 2017	95% participation	94.6 participation (2014 baseline)
Overall employee average rating of "B" on biometric screens by year-end 2018	B- (against 4 measures)	C+ (2014 baseline)
100% access to Healthy Choice options at all locations by year-end 2017	51% access within our manufacturing and warehouse operations	51% (2014 baseline)

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2014 SUSTAINABILITY REPORT LIVING WELL

DIVERSITY

Promoting diversity (ethnic, cultural, generational, etc.) in Southwire's board, suppliers and employee population.

G4-DMA ▾

Our Approach

Enhancing the inclusivity of our culture allows Southwire to branch out and attract people from varied backgrounds and to leverage the strengths of our increasingly diverse workforce. Diversity expands beyond physical characteristics to include diversity of thought and perspective, which cultivates 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.

Southwire has developed and deployed tools and resources to connect employees with new perspectives. These programs are in different stages of maturity and span a wide spectrum for greater impact.

Our mature initiatives include Project GIFT[®] (Giving Inspiration for Tomorrow), Sounding Board and sponsorship of the Office of Minority Education Development (OMED) at Georgia Tech.

- Project GIFT[®], celebrating its tenth anniversary in 2015, provides a variety of ways for employees to get involved and give back to the community through volunteerism. [Read more.](http://www.southwire.com/ourcompany/sustainability/project-gift.htm) (<http://www.southwire.com/ourcompany/sustainability/project-gift.htm>)
- Sounding Board, in its twelfth year, gives employees an opportunity to share a meal with the chief executive officer, hear an update on the business and provide insights to executive management. Offering a venue to share diverse ideas, Sounding Boards now include group lunches with divisional leaders or vice presidents of manufacturing, as well as one-on-ones with the executive vice president of human resources. Learn more about our [Sounding Board.](http://southwiresustainability.com/living-well/employees-sound-off-with-southwires-sounding-board/) (<http://southwiresustainability.com/living-well/employees-sound-off-with-southwires-sounding-board/>)
- OMED at Georgia Tech focuses on retention, development and performance of students who are

traditionally underrepresented. Each year, Southwire participates in the OMED Challenge, where incoming freshman gain hands-on experience in our manufacturing facilities, meet with business leaders and have one-on-one time with Georgia Tech Engineering graduates who joined the Southwire family. Southwire has been a major sponsor of this program, which has attracted candidates who otherwise may never have heard of Southwire.

Diversity programs currently in the growth phase include Southwire Young Professionals, Synergy Wins and Supplier Diversity.

- Southwire Young Professionals connects Millennials through strategic and social experiences. This affinity group’s mission is to nurture our talent through networking events with executives; development and training programs; and social events from bowling to tailgating to foster shared experiences.
- Our Synergy Wins program aims to attract people from differing backgrounds—women, African Americans and Hispanics, as well as individuals from a variety of family circumstances. Southwire provides training for supervisors on what being open and inclusive means.
- The Southwire Supplier Diversity program supports the development, utilization and growth of diverse businesses that are small; located in Historically Underutilized Business Zones (HUBZone); or owned and operated by women, minorities and veterans. This program not only builds a diverse supplier base, but also allows Southwire to give back—to advance the cause of social justice in our communities, our nation and our world.

Our budding investments launched in 2014 include our “100 Women Strong” at Auburn University and Southwire Women’s Network.

- 100 Women Strong aims to enhance awareness around women and men working together and includes sponsorship of events and financial donations to foster the growth of female engineers.
- Southwire Women’s Network, an affinity group, has a mission to accelerate the growth and development of professional women in the workforce.

Our Performance

Our employee engagement survey, which measures the Southwire employee experience, enables us to track inclusiveness—for example, we ascertain whether there are differences in how demographics respond to the questions and whether the experience aligns with Southwire’s values. We report diversity measurements along with national benchmarks quarterly to Southwire’s board of directors and senior leadership. Additionally, 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.

G4-LA12 ▾

Southwire aims to increase diversity in various forms. In 2014, we developed the following diversity goals and baselines:

Goals	2014 Baseline
Achieve a 40% improvement in the number of females in the workforce by year-end 2017	21% female
Improve diversity within the “high potential” pool of future senior leadership by 20% by year-end 2017	30% of High Potentials

In 2015, we will continue to work within our existing team structure and, according to our defined Inclusion strategy, build a more diverse and inclusive work environment. We will continue to track our progress by measuring the percentage of female employees overall, as well as women and minorities in the high potential pool of future senior leaders.

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2014 SUSTAINABILITY REPORT

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's success stems in part from the support of the communities where we operate. To ensure those communities prosper, we build strong partnerships based on shared value. We focus our Giving Back activities in three main areas:

- **Communities (identified as a material topic).** (<http://southwiresustainability.com/giving-back/communities/>) Providing meaningful dialogue and engagement, employment and prosperity in the communities in which Southwire operates.
- **Charitable Partnerships and 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.
- **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 return on investment of these efforts.



Southwire builds stronger communities through engagement, employment and mutually beneficial partnerships. Our charitable partnerships and donations ensure our community partners have the resources—financial and otherwise—they need to succeed. We multiply the impact of our financial resources by creating opportunities for Southwire employees to share their time and talent, while providing a structure for measuring the return on investment of these efforts.

As a member of the Committee Encouraging Corporate Philanthropy (CECP), founded by Paul Newman, to help companies develop and measure their philanthropic efforts, we annually benchmark our charitable donations, community investments and commercial initiatives. This allows us to see where and how we can improve. In addition, we have developed our own measures for evaluating our Giving Back programs.

SUSTAINABILITY SCORECARD

Southwire’s Giving Back goals and progress are listed below:

Goals	2014 Status	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 ● 892 ● 851 		

	(December 2014)	(June 2014)
though 12 for Life by graduating 2,020 students from the program by year-end 2020.		
● Expand Southwire Engineering Academy to other regional locations in North America by year-end 2020.	● 1	● 1
● Graduate first cohort from Southwire Sustainable Business Honors MBA program by year-end 2017.	● 0	● 0
Increase volunteerism with the communities in which we operate by achieving 50% improvement in Project GIFT® Blackshirt participation across Southwire by year-end 2018.	492	451
Ensure Southwire engages proper mix of charitable donations, community investments and commercial initiatives through annual benchmarking of existing practices.	—	CECP Benchmark
Complete Back-to-School events at each Southwire manufacturing location by year-end 2016.	17/24 locations (71%)	14/25 locations (56%)

G4-S01 ▾

Southwire’s approach to Giving Back seeks to positively affect the communities where we operate; to give in time and talent in excess of financial contributions; and to benefit our customers’ communities, where we can. We have 38 Giving Back coordinators across the company, with each Southwire community having at least one designated coordinator.

Project GIFT® (Giving Inspiration for Tomorrow) encourages employee volunteerism and community outreach. Employees become “Blackshirts”—named for the coveted shirts they earn—by volunteering in two or more community service events per year. As we grow our team of volunteers, Southwire has set a goal of doubling the number of Blackshirts company-wide by the end of 2018. In 2014, that number increased by nine percent to 492.

[Project GIFT®](http://www.southwire.com/ourcompany/sustainability/project-gift.htm) (<http://www.southwire.com/ourcompany/sustainability/project-gift.htm>) celebrates its tenth anniversary in 2015. Through the program, we collected 5,159 [Toys for Tots](http://www.southwire.com/ourcompany/sustainability/toys-for-tots.htm) (<http://www.southwire.com/ourcompany/sustainability/toys-for-tots.htm>) gifts in 2014. Disaster relief services through Project GIFT® brought volunteers together to collect and distribute two tractor trailer loads of supplies for tornado victims in Louisville, Mississippi. Volunteers also collected supplies for storm victims in Huntsville, Alabama. As a part of our [Back to School program](http://www.southwire.com/ourcompany/sustainability/back-to-school.htm), (<http://www.southwire.com/ourcompany/sustainability/back-to-school.htm>) we distributed more than 13,000 bags of school supplies. Additionally, some locations provided free vision and dental screenings, as well as free haircuts. In total, Southwire employees volunteered 8,281 hours in 2014.

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2014 SUSTAINABILITY REPORT GIVING BACK

COMMUNITIES

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

G4-DMA ▾

Our Approach

Realizing our communities play a key role in our success, we build partnerships that strengthen these communities by giving back to our friends and neighbors who have given to Southwire.

Given the nature of our company's work, Southwire requires employees to have a high school diploma or GED certification. Yet, a decade ago, statistics showed that one in three students starting first grade would not graduate from high school. In 2004, Southwire and the Carroll County Schools started work on a solution to encourage children to stay in school through graduation.

Our vision for 12 for Life is to build better lives through education, employment and opportunity. 12 for Life seeks to instill in students the belief that, if they complete a full 12 years of education, they will have better lives. By combining traditional classroom instruction with jobs inside real manufacturing plants, the unique partnership between Southwire, Carroll County Schools in Georgia and Florence City Schools in Alabama ensures students receive balanced educations. They get the best of all worlds by working regular hours, earning actual wages and—most importantly—learning skills they will need after graduation.

Southwire also aims to increase the number of students pursuing degrees in science, technology, engineering and math (STEM). The Southwire Engineering Academy (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.

Southwire offers additional opportunities for people in our communities to gain the skills needed for employment and long-term success. The Southwire Center for Manufacturing Excellence at West Georgia Technical College teaches students manufacturing and maintenance skills. The partners are

developing a maintenance academy that will allow high school students to see first-hand the different careers available in manufacturing. The academy will help others earn GEDs.

[The Southwire Sustainable Business Honors Program](http://www.westga.edu/business/ssbh.php)

(<http://www.westga.edu/business/ssbh.php>), a partnership with the University of West Georgia, enables students to obtain bachelor’s and master’s degrees in business administration, along with a certificate of sustainability, in only four years. The program supplements traditional business classes with a curriculum that emphasizes sustainable business practices. Students work with leaders throughout the company—including senior management—on projects supporting Southwire’s five sustainability pillars and business goals.

Our Performance

Through our Giving Back partnerships, Southwire reached out to a variety of people in 2014. More than 100 students graduated from 12 for Life. Another 24 students completed the Southwire Engineering Academy, and many are pursuing engineering or STEM-related degrees.

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:

- Increase graduation rates among at-risk teenagers through 12 for Life by graduating 2020 students from the program by year-end 2020;
- Expand Southwire Engineering Academy to other regional locations in North America by year-end 2020;
- Graduate the first cohort from Southwire Sustainable Business Honors MBA program by year-end 2018.

<u>Goal</u>	<u>2014 Status</u>	<u>2014 Baseline</u>
12 for Life Graduates	892 (December 2014)	851 (June 2014)
Southwire Engineering Academy	1 location	1 location
Graduates from Southwire Sustainable Business Honors Program	0	0

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2014 SUSTAINABILITY REPORT

DOING RIGHT

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

To ensure the health and longevity of our Southwire oak tree, we nurture our commitment to ethical business practices. We understand that even one small pest could inhibit our growth, so we keep our roots and limbs strong through vigorous attention and care.

At Southwire, Doing Right is a vital part of who we are. Our business relies on operating responsibly and maintaining our excellent reputation with our customers, suppliers, regulators and in the communities that we serve. Through our culture, we nurture our employees to live this approach with us every day.

As part of our 2014 materiality assessment, Southwire identified the following material Doing Right topic:

- **Ethics and Transparency:** (<http://southwiresustainability.com/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.



SUSTAINABILITY SCORECARD

Southwire's Sustainability Scorecard highlights our Doing Right goals and 2014 progress:

Goals	2014 Status	Baseline
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.	Complete	Annual
Implement on-line Code of Ethics training and conduct employee survey annually for 100% of the employee population by year-end 2015.	Survey in Process	Annual
Develop Southwire Code of Conduct policy for suppliers and contractors by year-end 2015.	In progress	None
Develop and deploy Human Trafficking and Conflict Minerals Policies by year-end 2015.	Draft Complete	None

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2014 SUSTAINABILITY REPORT

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.

G4-DMA, G4-56 ▾

Our Approach

Southwire's code of ethics entitled "Do the Right Thing" outlines our commitment to ethical business practices. Upon starting at Southwire, every employee receives an ethics booklet and ten-minute introduction to the booklet by our chief executive officer Stu Thorn. Every two years, Southwire gives employees a refresher course on our ethics program, as well as information about specific compliance aspects, such as bribery and anti-trust. We provide periodic trainings specific to several key compliance issues, as well as publish policies and manuals on our website.

In all of our training, Southwire aims to go beyond compliance. During our biennial meeting, we give examples of practices that are not illegal, but would be considered "sharp." These practices do not represent how Southwire conducts business, nor how we want stakeholders to view our company.

We have focused our comprehensive training on salaried employees, and hourly employees will soon be expected to complete comprehensive training as well. To date, Southwire has trained hourly employees in specific topics, such as environmental compliance and sexual harassment, but has not previously offered them the comprehensive training.

Following the Coleman acquisition, we have begun integrating our new employees into our ethics process. Additionally, our legal department is screening our new suppliers and customers to ensure that ethical practices are demonstrated throughout our value chain.

Southwire conducts an annual ethics certification for all salaried individuals, asking if they have violated or if they know anyone who has violated ethics requirements or laws. We have had very few incidents, violations, or litigation, which validates Southwire's reputation as an ethical company.

For greater transparency, we publish our annual sustainability report and aim to keep our stakeholders engaged, such as through our Community Advisory Panel in Carrollton. This panel includes six members from a cross-section of the community, who gather to discuss any issues that may pertain to Southwire and our impact on the community.

G4-EN24 ▾

From an environmental perspective, we report spills to the authorities and disseminate information to the people affected. We also inform our employees via email and the general public by sending a press release to local newspapers. [Click here](#) (<http://www.southwire.com/ourcompany/sustainability/regulatory-actions.htm>) to access additional information about our 2014 regulatory actions, including number and volume of releases, as well as citations.

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2014 SUSTAINABILITY REPORT
HIGHLIGHT STORIES

[HIGHLIGHT STORIES \(/HIGHLIGHT-STORIES\)](#)



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.”

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2014 SUSTAINABILITY REPORT **HIGHLIGHT** STORIES

HIGHLIGHT STORIES (/HIGHLIGHT-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."

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2014 SUSTAINABILITY REPORT **HIGHLIGHT** STORIES

[HIGHLIGHT STORIES \(/HIGHLIGHT-STORIES\)](#)



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.”

Surveys are only one part of Southwire’s comprehensive employee communication and engagement strategy. “Utilizing CEO videos, Pulse Check Boards, Just Ask, Southwire News Network, newsletters and a variety of other tools, we strive to keep employees connected and involved in the results and events that ultimately shape our business,” said Edge. “Our commitment to strong employee communication is such that these communication mechanisms were the very first human resource processes to be integrated.”

These communication tools provide specific information and address unique parts of the company’s engagement plan. Pulse Check Boards provide real-time facility information about safety, quality, cost and morale. Southwire News Network (SNN) uses multimedia displays at each location to communicate significant and timely updates, and Just Ask enables employees to pose questions for company leaders and facilitates change throughout the organization.

Southwire’s dedication to communicating openly with employees, as well as providing opportunities for anonymous feedback, leads to higher than average participation in the company’s engagement survey.

“With respect to involvement in the survey and the willingness to provide feedback, we are encouraged by our 85 percent response rate, which is well above an external benchmark of 70 percent,” said Kristian Crowe, Southwire’s manager of employee communication and engagement. “Overall employees were 73 percent favorable, within a healthy range according to external benchmarks; our individual target for employee engagement is to be in the 80 plus percent range.”

This communication strategy remains strong, and Southwire will continue to utilize the aforementioned vehicles to provide information about updates, events and initiatives to employees throughout the company.

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2014 SUSTAINABILITY REPORT **HIGHLIGHT** STORIES

[HIGHLIGHT STORIES \(/HIGHLIGHT-STORIES\)](#)



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.”

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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.

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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 others 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 five 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/ (<http://www.vpppa.org/>) and www.osha.gov/dcsp/vpp/all_about_vpp.html (https://www.osha.gov/dcsp/vpp/all_about_vpp.html)

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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.

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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."

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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.

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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.

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“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.

[Watch Ray Miller's video testimonial. \(https://www.youtube.com/watch?v=ODKz_G8E2G0\)](https://www.youtube.com/watch?v=ODKz_G8E2G0)

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