

Southwire is committed not to use slave labor, child labor, or engage in human trafficking. Southwire's values and its Code of Business Ethics and Conduct establish respect for human rights as a fundamental Southwire principle, and one that both Southwire employees and suppliers are expected to honor.

Verification:

Southwire expects vendors and suppliers of raw materials and new goods we sell (collectively "Suppliers") – including Southwire exclusive-branded product – to maintain fundamental labor and human rights standards. In 2013 our Sourcing Department began a program of sending questionnaires to the suppliers to whom we make 80% of our expenditures on raw materials. The questionnaires required them to certify their compliance with a variety of policies and the national state and local laws under which they operate. A third party verifier was not involved. Southwire is in the process of developing a pre-qualification process which will determine whether a potential supplier complies with anti-slavery and human trafficking laws

Audits:

To date, Southwire has not conducted audits of our direct suppliers to evaluate their compliance with our anti-slavery and human trafficking company standards. However, our Sourcing Group is preparing an audit protocol for implementation in 2015. Our internal auditing team will conduct announced audits of 25 of our direct suppliers to whom we make 60% of our expenditures on raw materials in the first round of auditing. The audit is intended to evaluate their compliance with our anti-slavery and human trafficking and other company standards. Audit subjects will be sent a preliminary questionnaire regarding the subjects of the audit. The Questionnaire will be followed up by a visit by the audit team to verify the responses on the questionnaire. The audit team will give the audit subject a score based on its findings. If the score is not an acceptable score, the team will return for a follow-up audit the next year.

Certification:

To ensure that our contractors and suppliers respect and enforce our company standards, we include a clause in the commercial agreement governing our contractual relationship with suppliers, which stipulates that our suppliers must abide by all applicable national, state and local laws. The vast majority of our suppliers are located in the United States. Thus, as a condition of doing business with us, and as a means of self-certification, the U.S commercial agreement clause reads: Seller represents that it has complied and will continue to comply, during the performance of this P.O., to comply with the provisions of all applicable Federal, State and local laws and with the rules and regulations issued pursuant thereto. Without limiting the foregoing general obligation, Seller certifies by acceptance hereof that it has and will comply specially with the following: (a) the Fair Labor Standards Act of 1938, as amended, and all regulations and rules issued thereunder...(c) the Public Contracts (Walsh Healy) Act of 1936, as amended. And all regulations and rules issued thereunder...

For international suppliers, we include a clause in the commercial agreement governing our contractual relationship with suppliers, which stipulates that "Supplier further represents and warrants that it will comply with and that it will ensure that its subcontractors and suppliers comply with all applicable

government laws, rules, and regulations regarding minimum wage, living conditions, overtime, working conditions, eligibility to work, child labor laws, and applicable labor and environmental laws.”

All suppliers are required to maintain records on compliance and furnish them to Southwire upon request.

Internal Accountability:

All Southwire employee records are maintained electronically at a central location at the company headquarters. Additionally, all payroll functions are performed at the company headquarters. Information on age, rate of pay, overtime worked and discipline are monitored on a periodic basis, usually weekly or monthly. Deviations from company policy are addressed as discovered.

In addition to monitoring through electronic systems, Southwire has several other mechanism for reporting violations of company policy or perceived mistreatment. The company maintains an Ethics Hotline which is an anonymous telephone reporting mechanism monitored by the company Ethics Officer. The Hotline number is published on posters in every Southwire facility, in the Do the Right Thing booklet and on the Employee page of the Southwire website. Southwire also maintains a Human Resources contact system called Just Ask. Employees can call the Just ask number or e-mail Justask@southwire.com to ask questions about policies or to report violations of company policy or perceived mistreatment.

Any reports made are protected by Southwire’s Whistleblower Policy. All reports of violations or mistreatment are investigated in a timely manner. Failure by an employee to follow the standards set forth in our policies and the Code of Business Ethics may subject such employee to disciplinary action up to and including termination of employment.

Training:

Southwire maintains standards and procedures for employees through specific policies, including a policy against Human Trafficking and Slavery, and the Southwire Code of Business Ethics. All employees receive training on the Southwire Code of Business Ethics and each employee is given a copy of the booklet Do the Right Thing! When they are hired. The booklet is also available in electronic format on the company intranet site, as is the policy against Human Trafficking and Slavery, www.southwire.com/documents/Human_Trafficking_and_Slavery_Policy.pdf.

Our strategic sourcing team receives additional training on our manufacturing partner expectations and will soon receive in depth training on our audit process.