



FCPA Anti-Bribery Policy and Guidelines

Effective Date: 4-30-2020

Replaces: Foreign Corrupt Practices Policy dated 7-1-2011

Purpose:

This Policy establishes the Company's Anti-Bribery standards and guidelines that will ensure ethical, fair and lawful business dealings in compliance with the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act of 2010 ("Bribery Act"), the Canadian Corruption of Foreign Public Officials Act ("CFPOA"), and other local, national, and international anti-bribery laws and treaties applicable to our business (collectively with the FCPA, the Bribery Act, and the CFPOA, the "Anti-Bribery Laws"). Additionally, there may be supplemental policies related to this Policy that apply to employees who work in particular locations or for particular subsidiaries, affiliates, or business units of Southwire.

This Policy applies to all Company representatives, which includes employees of Southwire Company, LLC and its subsidiaries and other affiliates, wherever located worldwide (collectively and individually, "Southwire" or the "Company") and all of Southwire's business associates (i.e., suppliers, distributors, partners, and consultants), wherever located (collectively referred to along with Southwire as "Covered Persons").

Background:

While Southwire is an aggressive competitor, the Company recognizes that an unethical business associate can damage the Company's reputation and expose the Company and our employees to criminal liability, resulting in severe fines, penalties and other sanctions.

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Policy:

It is the policy of Southwire that its Company's representatives must not engage in any conduct that would violate the Anti-Bribery Laws.

Covered Persons must never authorize, promise, offer, or give a bribe, or anything of value, to a foreign government official, or any other person, directly, or indirectly, in order to obtain or retain business or secure an improper advantage for the Company. Additionally, Covered Persons must not request or solicit a bribe, kickback, or gratuity, or anything of value, directly or indirectly, from any person in connection with Southwire's products, services, operations, or facilities. To ensure that our Covered Persons do not engage in paying bribes or kickbacks in performing their duties for Southwire, we will: i) conduct reasonable, risk-based due diligence on our business associates and other third parties, ii) engage business associates using written contracts that include appropriate anti-bribery protections, and iii) pay only market-based (reasonable) commissions. An unethical representative can damage Southwire's reputation and expose the Company and our representatives to criminal liability, resulting in severe fines, penalties and other sanctions. We also will maintain accurate books and records because inaccurate or false books and records, and inadequate financial controls, offer a fertile environment for financial fraud, bribery, theft, and embezzlement in a company.

1. REPORTS AND QUESTIONS

You must immediately report to the Office of Ethics and Compliance any information that you believe may relate to a suspected violation of this Policy or otherwise involve possible bribes, corrupt payments, kickbacks or other prohibited conduct under this Policy. Reports must be made immediately to Southwire's Office of Ethics and Compliance as follows:

- (1) **In-Person** – Ethics and Compliance Office
Southwire Company, LLC
One Southwire Drive
Carrollton, Georgia USA 30118
- (2) **Phone** – +1 (770)832-4201
- (3) **Email** – doing.right@southwire.com

You also may ask questions or report any actual or potential violation of this Policy through Southwire's **Doing Right Helpline**. The Doing Right Helpline is run by an independent third party and is available 24/7, 365 days a year. Reports to the Doing Right Helpline may be made anonymously if desired. There are three ways to submit a report through the Doing Right Helpline:

- (1) **Website** – www.doingrightconnection.com
- (2) **Phone** – You may call the Helpline free of charge. The number in the United States is +1 (800)504-9514. Phone numbers outside of the United States and further instructions are available at www.doingrightconnection.com.
- (3) **Text Message** – +1 (678)780-4262

Once the information is reported, Southwire will assess the information and determine whether further investigation of the report is required and what additional actions are appropriate.

2. NO RETALIATION

Southwire will not tolerate any retaliation, retribution, bullying, harassment, demotion or other direct or indirect reprisals by a Covered Person against any person who reports, in good faith, a concern or suspected violation of this Policy, or against a person who is assisting in an investigation or process involving a suspected violation of this Policy. Retaliation against a person who makes a report under the Policy in good faith is strictly prohibited. Any Covered

Person who retaliates against a person for making reports to Southwire in good faith, or violates this Policy or the Company's Anti-Retaliation Policy, is subject to disciplinary action up to and including termination of employment; termination of their project, agreement, or relationship with the Company; and other possible sanctions.

3. PENALTIES

A violation of this Policy or the FCPA or other Anti-Bribery Laws could result in extraordinarily large fines and penalties, loss of eligibility for U.S. and international government contracts, and other harsh penalties and sanctions, as well as reputational harm for Southwire. Individuals who violate the Policy or the FCPA and Anti-Bribery Laws are subject to criminal fines and penalties, up to and including imprisonment.

4. DISCLOSURE TO REGULATORY AGENCIES

Southwire will take appropriate remedial and corrective measures with respect to Southwire's policies, procedures and compliance programs, and make any disclosures to regulatory agencies or authorities warranted after Southwire's management and board of directors, in consultation with Southwire's Office of Ethics and Compliance and/or Legal Department, make the appropriate determinations under the applicable FCPA and Anti-Bribery Laws from the facts and circumstances presented.

Guidelines:

1. BRIBERY

A. "Bribery" Definition

For purposes of this Policy, "bribery" is defined as:

- **Action:** An offer, promise, authorization, or giving of a bribe, money, or anything of value
- **To Whom:** A foreign government official or any person, whether directly or indirectly (for example, through a business partner, agent or other third party)

In addition to government officials, this Policy applies to "commercial bribery" or bribes and improper payments made to any private person (or a non-government official) who is a manager or executive in a company involved in a commercial transaction with Southwire and who has authority over the award of projects or terms of contracts involving Southwire.

- **Purpose:** In order to influence any act or decision of a foreign government official or any other person in his or her official capacity or commercial business role; secure any other improper advantage; or obtain or retain business.

Example: A Southwire sales representative with responsibility for China, working with a local agent, obtains permission from his Southwire manager to pay the local agent an excessive commission with the expectation that the local agent will pass on two-thirds of the commission to a government official in China in exchange for that official providing non-public information on the necessary product specifications for an upcoming government agency public procurement.

One week after the local agent is paid, the Southwire sales representative sends an email to the local agent asking when he will receive the non-public documents from his contact in the China agency.

B. “Anything of Value” Definition

For purposes of this Policy, “anything of value” includes, but is not limited to, the following:

- Cash
- Stocks
- Expensive gifts (*e.g.*, jewelry, watches, personal electronic devices, or cars)
- A job or internship
- Real estate, property, or assets
- Expensive travel, vacations, or hotel accommodations
- A golf club membership
- Passive ownership in a start-up company
- Construction or home improvement/repair services

Example: Two Southwire executives offer to pay the membership fees for the chairman of a state-owned and controlled Chinese utility company (who visits the United States monthly) for membership in a prestigious U.S. golf club in California. He happens to be an excellent golfer, and he is strongly considering Southwire’s wiring for the state utility company’s next infrastructure project in Shenzhen. The utility company executive makes clear that he will reward Southwire if his application to the U.S. golf club is successful, and if Southwire covers his initial membership fee.

C. “Government Official” Definition

For purposes of this Policy, a “Government Official” or “Public Official” includes, but is not limited to, the following types of traditional officials:

- Any officer or employee of a foreign government or any department, agency or an instrumentality or agency thereof;
- An officer or employee of a state-owned or controlled company;
- Any officer or employee of a public international organization;
- A foreign political party official;
- A candidate for a foreign political office; or
- Any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality, or on behalf of any such public international organization.

A Government Official also can be a non-traditional official such as:

- A tribal chief whose authority or approval is required before access to land is permitted or a construction project may be completed;
- A close advisor of a government official or a public official who represents the interest of that official; or
- A close relative of the Government Official even if the relative does not have a paid position with the official’s administration, agency, or government.

Examples: An employee of a state-owned company in China, an official at the United

Nations, a U.K. customs officer, an unpaid advisor and close relative to the Prime Minister of the Netherlands, the candidate for a party that has no chance of winning an election, and an Army General in Mexico, are all considered to be a Government Official or a Public Official. However, as referenced above, this Policy also applies to “commercial bribery” or bribes and improper payments made to any private person (or a non-government official).

D. “Indirect or Direct” Payments Definition

For purposes of this Policy, a bribe or payment that is an “indirect” bribe or an improper payment made “indirectly” includes but is not limited to:

- A payment funneled through the account of a local consultant or agent who then transfers the improper payment or bribe to the Government Official or other person from his own account or company

Example: A Southwire distributor pays the business class airfare for the girlfriend of an important (married) energy ministry official from Honduras to accompany the official to the U.S. hotel from Honduras, and to stay with the official in his hotel (making personal spa and jewelry charges) while the official attends his meetings for four days with Southwire in the United States. The Southwire distributor submits the expenses of the official’s girlfriend for reimbursement to a Southwire Sales Vice President, who discusses it with the distributor, and then submits the request for payment to his Southwire supervisor as “general distributor marketing and promotional expenses”. The Southwire supervisor approves the expense reimbursement for payment, which is ultimately transferred to the distributor’s account.

E. “Securing an Improper Advantage” Definition

For purposes of this Policy, “securing an improper advantage” may include, but is not limited to, the following:

- Influencing the procurement process;
- Circumventing rules for importation of products and equipment;
- Evading or avoiding taxes and penalties owed;
- Obtaining regulatory changes or rules changes, or exceptions/waivers to the rules;
- Obtaining no objection letters or permissions for licenses;
- Avoiding contract termination;
- Evading customs duties on imported goods;
- Obtaining false documentation related to temporary import permits for equipment; or
- Improperly expediting the importation or transfer of goods and equipment.

Example: An important Southwire customer in the U.K. contacted the Southwire sales representative to remind her that it is important for the customer to receive certain Southwire equipment and materials in less than three weeks. The Southwire equipment was being held up by U.K. customs agents who were requesting additional paperwork that could delay the release of the cargo for more than three weeks. The Southwire sales representative drives to the port and visits the supervising customs officer and privately offers the officer a paid weekend at Wimbledon (e.g., 2 passes for 3 days of competition, and 4 nights paid hotel) if the customs agent would clear the shipment in under two and a half weeks. One month later, the U.K. customs agent emails the Southwire sales representative to let her know that she should contact the agent “any time Southwire needs to cut the red tape”.

2. PERMISSIBLE PAYMENTS

A. Marketing and Promotion of Products and Services

This Policy permits you to make payments to or on behalf of a foreign government official, a public official, or any person, under the following conditions:

- The proposed payments are consistent with Southwire's Gifts and Entertainment Policy.
- The proposed payments are (1) reasonable and bona fide expenditures that are directly related to demonstrating, promoting, marketing or explaining Southwire's products or services; or (2) reasonable and bona fide expenditures that are directly related to performing a contractual obligation with a government, or entity, or company.
- Before offering or promising any gift to any government official or other government employee, you must receive permission from both your supervisor and the Ethics and Compliance Office directly or by email at doing.right@southwire.com.

Example: A Southwire Vice President invited three managers from a Middle Eastern state-owned energy company to tour three Southwire plants in the United States. The Vice President consulted in advance with Southwire's Office of Ethics and Compliance about whether applicable local laws and rules permitted the officials' travel and hotel accommodations to be paid by Southwire. The three-day meeting and tour proposal for the officials included:

- reasonable and bona fide accommodations;
- business class international air travel;
- economy air travel in the United States;
- four-star hotels;
- group ground transportation arranged by Southwire;
- a printed daily agenda of group breakfast meetings, in-class trainings with Southwire, and facility tours;
- group meals or dinner;
- one afternoon of recreational golf with Southwire managers at a local golf club at one location; or
- documented expenses accurately recorded in Southwire's books and records.

B. Lawful Under Written Local Law

You will not violate the Policy or the FCPA and Anti-Bribery Laws if the payment, gift, offer, or economic benefit is **lawful** under the applicable written local laws, rules, and regulations of the recipient's country and not in violation of Southwire's Gifts and Entertainment Policy.

Example: In the above marketing and promotion example, the Middle Eastern officials verified in a letter to Southwire that applicable local written laws and the ministry rules applicable to the officials permitted them to accept the invitation to tour three Southwire plants under the circumstances described above. The Legal Department and/or Office of Ethics and Compliance separately confirmed with local counsel that the proposed U.S. plant tours did not violate the applicable written local laws, rules and regulations, under the proposal.

C. U.S. Facilitating Payment Exception

U.S. prosecutors recognize a narrow exception under the FCPA that permits “facilitating or expediting” payments to low level officials under certain conditions.

A so-called “facilitating payment” under the FCPA is a small payment made to obtain a routine governmental action to which the payor is otherwise entitled to, that involves only clerical/administrative, non-discretionary acts. Examples of a lawful facilitation payment under the FCPA, include small payments for processing visas, providing police protection or mail service or supplying electricity, power, or telephone service--all of which services the payer would otherwise have been lawfully entitled to receive.

However, the prevailing trend is that most international anti-bribery laws (including the U.K. Bribery Act) do not recognize a facilitating payment exception; rather, most local country laws actually prohibit such “grease” or “facilitating” payments. Therefore, Southwire’s policy is to discourage payment of all bribes, including facilitating or expediting payments, consistent with this Policy, the Southwire Gifts and Entertainment Policy, and the practices of leading U.S. companies operating around the world.

Anyone who is requested or required to make a facilitating payment for any reason (except if it is due to a risk to personal safety, property or security, etc.) **must** contact the Southwire Office of Ethics and Compliance in-person, by phone or by emailing doing.right@southwire.com prior to making the facilitating payment so that the Office of Ethics and Compliance can provide further legal advice, and make an assessment regarding the permissibility of the payment under the circumstances (and in the particular legal jurisdiction), ensure that the payment is accurately recorded in Southwire’s books and records, as required, and take other necessary actions. Additionally, in the event that someone makes a facilitating payment due to a risk to personal safety, property, or security, the individual must contact the Southwire Office of Ethics and Compliance in-person, by phone, or by emailing doing.right@southwire.com as soon as possible after making such payment and no later than five (5) days of such payment.

3. GIFTS AND CHARITABLE DONATIONS

A. Gifts

Southwire’s Gifts and Entertainment Policy generally restricts gift giving to foreign Government Officials and other executives in business dealings due to the risk that an expensive gift could be misinterpreted as a bribe or improper payment to corruptly influence a Government Official or private executive to misuse his or her influence or provide Southwire an improper advantage. A small, inexpensive gift or token of esteem with Southwire’s company logo or name on it would likely not violate this Policy, or the FCPA and anti-bribery laws, or Southwire’s Gifts and Entertainment Policy. You must always consult the Office of Ethics and Compliance directly or by emailing doing.right@southwire.com in advance, and obtain written approval, when the proposed recipient of a gift or entertainment is expected to involve a Government Official or a Public Official. The Office of Ethics and Compliance is more likely to determine that a gift to a Government Official or Public Official is permissible if the following strict conditions, among others, are met:

- The gift or item is inexpensive and of nominal value;
- The gift or item has Southwire’s name or logo on it;
- The gift or item is provided transparently, openly and publicly;
- The gift or item is accurately recorded in Southwire’s books and records;

- The recipient of the gift or item is properly identified by name, title, organization or affiliation;
- The gift or item does not violate the local law applicable to the recipient in the country; and
- The gift or item does not violate Southwire's Gifts and Entertainment Policy.

The more expensive, rare, or extravagant the gift or item (provided in secret or without proper transparency and accurate recordkeeping), the more likely that the gift or item will violate this Policy, as well as the FCPA and Anti-Bribery Laws. Several smaller gifts provided to a Government Official over the course of a year also may raise issues under this Policy.

Example: Southwire arranged to ship a sample of certain products as a gesture of good will to a new customer in the Netherlands for trial use on a small component of the customer's production process. When the customer arrived in the United States, Southwire's sales representatives then provided the remaining members of the customer's team a small case with miniature Southwire wiring and cable items bearing Southwire's logo on it before escorting the customers to a signing dinner that was reasonable (without expensive champagnes, aged whiskey or caviar), and the costs were properly documented and recorded in Southwire's books and records. These actions likely were appropriate under this Policy.

B. Charitable Donations Overseas

Charitable organizations overseas are usually not well-regulated or transparent (unlike in the United States), so it is not uncommon for foreign charitable organizations to be used as a tool for transferring bribes and improper payments from companies and individuals to Government Officials and business executives, as well as for supporting illegal or terrorist activities.

You must do the following before making a charitable payment on behalf of Southwire to an international organization or charity:

- Notify your business unit management and coordinate such charitable payments through the Southwire Foundation and the Corporate Communications team of your wish to make a charitable donation, including the name of the organization or person involved, the country, the purpose of the charity, and whether you have conducted any vetting or research on the charity;
- Conduct reasonable, risk-based due diligence on the organization to confirm that it is a lawful charity and determine if a Government Official or executive who is involved in a Southwire project or proposal controls the charity or has personal access to its funds;
- Consult with the Southwire's Office of Ethics and Compliance in-person, by phone, or by emailing doing.right@southwire.com if irregularities, suspicious activity or "red flags" present themselves during the due diligence and vetting of the international charitable organization;
- Describe how you will ensure that the proposed funds will be used for a charitable purpose;
- Never provide a cash donation to an individual;
- Ensure that the donation is made to an account that is associated with the specific charity account;
- Document and accurately record the donation;
- If possible, make the donation in a public ceremony or publicize it in order to assure transparency on how the funds are ultimately used; and

- Obtain written approval for the proposed donation after providing information regarding all of the above to the Southwire Foundation, assuming that your business unit management otherwise approves of the donation.

4. DUE DILIGENCE AND PROVISIONS FOR THIRD-PARTIES AND BUSINESS ASSOCIATES

A. Generally

The Policy requires Southwire’s employees to conduct reasonable, risk-based due diligence on new international business associates prior to engaging with them or entering agreements for them to perform services for Southwire. Employees must coordinate with the Finance Department to determine the appropriate diligence activities for each new international business associate, with the Legal Department and/or Office of Ethics and Compliance available to be consulted as needed in connection with such activities. Employees should consider whether any “Red Flags” exist in determining the appropriate diligence activities. “Red Flags” are suspicious facts, information or actions that require you to stop and obtain advice from the Office of Ethics and Compliance and/or Legal Department before proceeding with the business associate. A sample list of “Red Flags” is included in Exhibit A below.

B. Third-Party Contract Compliance Provisions

All Southwire agreements with foreign third-parties and business associates should include FCPA and Anti-Bribery Laws compliance provisions, including audit rights for Southwire (when possible), and termination for violations of the compliance provisions, the Policy, or the FCPA and Anti-Bribery Laws.

C. Periodic Third-Party Compliance Certifications and Monitoring

Agreements with foreign third-parties should require periodic monitoring of compliance with Southwire’s Policy and the compliance provisions in the third-party contract.

D. Due Diligence in Mergers and Acquisitions

As a growing company, Southwire may enter joint ventures, acquire new businesses or assets, and form teaming alliances with other companies and organizations. Southwire and our merger and acquisition team members should conduct reasonable, risk-based FCPA anti-bribery compliance due diligence during merger and acquisition activities, and when forming a joint venture or a teaming alliance with another company. Failure to conduct reasonable, risk-based due diligence on a joint venture partner or corporate acquisition could result in a violation of this Policy, thereby exposing Southwire to successor liability under the FCPA and applicable anti-bribery laws. You must consult with the Legal Department and/or Office of Ethics and Compliance in-person, by phone, or by emailing doing.right@southwire.com early in mergers and acquisitions discussions to ensure that any successor liability risks under the FCPA and anti-bribery laws are identified, and that appropriate due diligence and mitigation measures are taken, as warranted.

5. ACCURATE BOOKS AND RECORDS AND ADEQUATE INTERNAL CONTROLS

U.S. prosecutors treat any private company’s false books and records, sloppy recordkeeping, and omissions of improper payments from company accounts as potential evidence of a “tone at the

top” that is not committed to compliance and ethics, as well as possible evidence of corrupt or deceitful activities and intentions. Prosecutors also have viewed false books and records, and inadequate internal controls, as creating an environment for proliferation of financial fraud, embezzlement and corrupt practices at that company. Southwire’s books and records must be accurate, and our internal system of financial controls and authorizations must be maintained and followed. Any false or incorrect recordkeeping is prohibited and would violate this Policy.

Other Documents:

- Code of Business Conduct – Doing Right, The Right Way
- Gifts, Entertainment, and Promotional Items Policy and Guidelines
- Anti-Retaliation Policy and Guidelines
- Whistleblower Protection Policy and Guidelines

Exhibits and Attachments:

- Exhibit A – Anti-Bribery “Red Flags”

Principal Contact:

- EVP, General Counsel and Chief Ethics and Compliance Officer
- Human Resources, Director of Compliance

Revision History

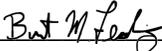
- None

APPROVALS:

Policy Sponsor:

Burt Fealing, EVP, General Counsel, Chief Ethics & Compliance Officer

DocuSigned by:


Signature

April 17, 2020

Date

Policy Author:

Spencer Preis, VP, Associate General Counsel

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April 17, 2020

Date

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Tonya Moore, VP, Human Resources

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Signature

April 17, 2020

Date

Finance:

Brad Tuggle, VP, Corporate Controller

DocuSigned by:


Signature

April 22, 2020

Date

EXHIBIT A

Anti-Bribery “Red Flags”

Anti-bribery prosecutors have identified several factors as "red flags;" the existence of one or more of the following factors could be sufficient to alert Southwire to the "heightened probability" of FCPA or corrupt conduct by a third-party.

"Red flags" include, but are not limited to, the following:

- Excessive commissions to third-party agents or consultants
- Unreasonably large discounts to third-party distributors
- Third party “consulting agreements” that include only vaguely described services
- The third-party consultant is in a different line of business than that for which it has been engaged
- The third-party is related to or closely associated with the foreign official
- The third-party became part of the transaction at the express request or insistence of the foreign official
- The third-party is merely a shell company incorporated in an offshore jurisdiction
- The third-party requests payment to offshore bank accounts

Bribes That Were Mischaracterized In Books and Records

Anti-bribery prosecutors have identified several ways in which bribes are often intentionally mischaracterized in a company books and records. The list below provides examples:

- Commissions and Royalties
- Consulting Fees
- Sales and Marketing Expenses
- Scientific Incentives or Studies
- Travel and Entertainment Expenses
- Rebates or Discounts
- After Sales Service Fees
- Miscellaneous Expenses
- Petty Cash Withdrawals
- Free Goods
- Intercompany Accounts
- Supplier/Vendor Payments
- Write-offs
- “Customs Intervention” Payments

Contact the Southwire Legal Department or Southwire’s Office of Ethics and Compliance in-person, by phone, or by email at doing.right@southwire.com if you have questions about whether a “red flag” exists, or any irregularity that raises a concern under Southwire’s FCPA Anti-Bribery Policy and Guidelines.