

January 27, 2014



Conflict Minerals Statement

Dear Customer,

You may be aware of the U.S. Securities & Exchange Commission's (SEC) rule, section 1502, of the "Dodd-Frank Wall Street Reform and Consumer Protection Act". This rule was adopted as of August 22, 2012. It prohibits the use of metals derived from conflict minerals in goods.

Conflict minerals are mined in geographical regions involved in armed conflict where mining operations and proceeds may contribute to serious human rights violations. Currently, the Democratic Republic of Congo and its adjoining countries are considered conflict regions where these minerals are processed. The most commonly mined minerals are the ores: columbite-tantalite (coltran), cassiterite, wolframite, and gold. "Conflict metals" are derived from these conflict mineral ores and include: tantalum, tungsten, tin, and gold.

Southco wants to assist its customers and suppliers by preventing conflict metals from being incorporated into its products. Southco does not purchase raw ores or virgin metals. Southco purchases bar stock, wire, steel sheet and plate, and metal components through its global supply chain, all of which have been processed, in some cases, through multiple tiers of the global supply chain.

Southco does not knowingly use any conflict metals, however, Southco does not, within its organization, possess the capability to trace, with certainty, the origins of the raw ores or virgin metals which are incorporated in its products.

Southco will use commercially reasonable efforts to enhance its supplier audit process to verify the source of the raw metals which are incorporated into its purchases of processed steel and metal components and seek sources which can ensure that conflict metals are not present.

Sincerely,

Anthony Wood
Director, Global Supply Chain