



GLOBAL HUMAN AND LABOR RIGHTS POLICY



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GLOBAL HUMAN AND LABOR RIGHTS POLICY



Introduction

Encore Wire Corporation (“Encore Wire”) strives to protect human and labor rights where we operate and to ensure that our employees, customers, suppliers and vendors are treated with consideration and respect. We are committed to following guidelines set forth in the Ten Principles of the United Nations Declaration of Human Rights and the UN Global Compact.

Encore Wire is committed to operating as a responsible corporate citizen and to conduct ourselves and transact our daily business in alignment with our principles. We know that maintaining a strong reputation as an industry leader is based on our conduct. We earn our reputation every day by nurturing our relationships with our employees, customers, vendors, suppliers, stakeholders, and our communities.

This Global Human and Labor Rights Policy applies to Encore Wire, the facility that it manages and all employees (full time, part time or contractors), suppliers, and vendors. This policy incorporates standing policies, as cited, and addresses matters where no public policy previously existed. Policy elements may also be addressed in the Encore Wire [Code of Business Conduct and Ethics](#), which applies to all Encore Wire employees.

We are dedicated to working with and encouraging our partners, suppliers, and customers to uphold the principles set forth in this policy and to adopt similar policies within their global operations. The Encore Wire [Supplier Code of Conduct](#) applies to our suppliers and vendors and is aligned with the expectations and commitments set forth in this Policy. Our Supplier Code of Conduct may also serve as a point of reference for sourcing selection.

Encore Wire is committed to engaging with our stakeholders and aims to continuously improve this policy. We will periodically review and update this policy accordingly to reflect any material change in law or regulation impacting our operations, or in such cases where we see an opportunity to expand our human and labor rights efforts.

ABOUT ENCORE WIRE CORPORATION

Business Description

Encore Wire operates from a single location in McKinney, TX, with 2.8 million square feet under roof, on a 445 acre corporate campus. We manage all corporate activity, including sales, manufacturing, inventory, logistics, and delivery, from this campus and maintain no other corporate or manufacturing facilities, either domestically or internationally. All full-time employees report directly to our corporate campus. From time to time, we may partner with contractors, either on site or in the field, to perform services for our company that we may need on a temporary basis.



Risks to Human and Labor Rights

Our one-campus model allows our management team to have a high level of oversight regarding our conduct as a responsible corporate citizen and the welfare of our employees. We do not have the same degree of oversight with regards to our partners and suppliers.

In 2020, the majority of our raw materials were sourced in North America from S&P 500 companies who we believe have extensive sustainability platforms. Our other long-term suppliers have been selected over the years utilizing a screening process that includes human and labor rights considerations. All partners and suppliers are required to adhere to our Supplier Code of Conduct, which defines the high standards which we expect them to uphold. Regardless, we do not have dynamic visibility into the daily business conduct of our partners and suppliers and can make no guarantees that they always adhere to our high standards.

Encore Wire reserves the right to request information, conduct audits and investigations, or perform additional due diligence on any of our partners, suppliers, and vendors who we believe may be in violation of our policies. We are committed to upholding our principles and reserve the right to terminate an engagement with any partner, supplier, or vendor who does not adhere to our guidelines.

DIVERSITY AND EQUAL OPPORTUNITY

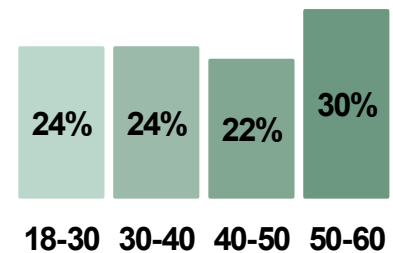
Diversity and Inclusion

Encore Wire is committed to promoting the rights of women and minority groups, as well as supporting equal treatment and protection of rights for all our employees, customers, and stakeholders, without regard to race, color, sex, religion, national origin, citizenship, age, gender identity, sexual orientation, marital status, genetic information, physical or mental disability, or membership or application for membership in a union or service.

Since 1989, Encore Wire has been built on the foundation that a culture of respect, decency and diversity fosters an environment for success. We appreciate that a diverse workforce, with varied personal and professional backgrounds, perspectives, and experience, makes us a stronger company. Our company is comprised of talented individuals from all walks of life, who we consider to be exceptional individually but also vital as members of our collective team.

As of December 31, 2020, approximately 58% of our workforce has self-identified as Hispanic or Latino, Native American, Pacific Islander, Asian, Black, or African American, or of two or more races. Approximately 6% of our workforce are women.

Full-Time Employees by Age Group



Equal Opportunity and Non-Discrimination

Encore Wire is an equal opportunity employer and maintains a policy of non-discrimination with respect to all employees and applicants for employment. Employment decisions, subject to Encore Wire's legitimate business requirements, are based solely on an individual's qualifications, merit, and performance and abide by the same principles that guide our vision of inclusion.

Encore Wire is strongly committed to complying with the Americans with Disabilities Act, as amended (ADA) and other federal and state legislation designed to ensure equal employment opportunities to persons with disabilities. Encore Wire prohibits discrimination on the basis of disability in regard to all employment practices or terms, conditions, and privileges of employment. Consistent with this policy and applicable law, Encore Wire will make reasonable accommodations for the known physical or mental disabilities of qualified applicants or employees, unless to do so would cause an undue hardship on the operation of the business.

Encore Wire will not tolerate acts of discrimination or harassment. No hardship, loss of benefits, nor penalty may be imposed on an employee as punishment for filing a good faith complaint of discrimination or responding to a complaint of discrimination, appearing as a witness in the investigation of a complaint, serving as an investigator or otherwise cooperating in a workplace investigation. Retaliation or attempted retaliation is a violation of this Policy and anyone who engages in retaliatory behavior may be subject to disciplinary action.

ENGAGEMENT WITH STAKEHOLDERS

Communities

Encore Wire is dedicated to being a proactive member of our community. We do this through involvement with foundations and local organizations. When appropriate, we are committed to discussing human rights, labor rights and other local issues related to our business with our community leaders and local stakeholders. We encourage our employees and partners to participate in company-sponsored volunteer events and to take advantage of our programs that sponsor local charities.

Land and Water Rights

Encore Wire does not conduct operations that would impact the human rights of indigenous peoples. We recognize indigenous people's inherent and prior rights to their land and resources and respect their authority to require companies to enter an equal and respectful relationship with them, based on the principle of free and informed consent.

80%

of water used in 2020
was provided by our
campus well system.

Encore Wire recognizes that access to safe water and sanitation, and sound management of freshwater ecosystems are essential to the health of our communities and to economic prosperity. We identify the right to clean, fresh water as a human right and actively implement systems to minimize local use.

Forced or Child Labor

Encore Wire has never and will not employ forced, slave, coerced or child labor. In addition, Encore Wire will not knowingly engage with a partner or supplier that, directly or indirectly, employs child labor, forced labor or persons who have been trafficked into employment. We define child labor as services performed by individuals under the age of sixteen. Please refer to our Supplier Code of Conduct for more detailed information.

Conflict Minerals

Encore Wire does not tolerate the use of raw materials that directly or indirectly contribute to armed conflict or human rights abuses in any of its products. We are committed to avoiding the use of Conflict Minerals which directly or indirectly finance or benefit armed groups in the DRC or adjoining countries. Encore Wire is committed to complying with the reporting obligations required under Section 1502 of the Dodd-Frank Act, as well as the related rules and regulations issued by the U.S. Securities and Exchange Commission (the "SEC"), including the requirement that Encore Wire conduct inquiries into the source of any Conflict Minerals included in its products. Please refer to our Supplier Code of Conduct for more detailed information.

Political Contributions

As a policy, Encore Wire does not use company funds for political purposes. We do not use corporate funds for the purposes of political advocacy or campaign contributions.

IN THE WORKPLACE

Compensation and Working Hours

Encore Wire is committed to providing a living wage that provides an adequate standard of living for all employees and complies with all applicable federal and local wage regulations, including minimum wage and overtime. As of December 31, 2020, Encore had 1,289 employees, 1,057 of whom were paid hourly wages and were primarily engaged in the operation and maintenance of the Company's manufacturing and warehouse facilities. The Company rewards employees with competitive compensation and benefits packages, including attractive medical plans, opportunities for annual bonuses and, for eligible employees, long-term incentives.

Employee Satisfaction

Encore Wire understands that an energized and satisfied workforce is vital for success. We believe that fostering a working environment that values safety, inclusion, mutual respect, and opportunity for advancement makes us a stronger company.

For 2020, we enjoyed a 33% increase in employee retention compared to 2019. As we look forward to 2021, our goals include continuing to grow our retention rate by an additional 25%.

Security

Encore Wire aims to provide a workplace that is free from harassment, intimidation, violence, and other unsafe conditions due to threats, both internal and external. Security safeguards for employees are provided as necessary and are maintained with consideration for employee privacy and safety.



IN THE WORKPLACE

Information Systems

Encore Wire is committed to protecting its information technology systems. Our Company manages multiple information technology systems which control our data and equipment. A security breach could expose us to risks of misuse of confidential information and could impact our ability to operate our business. An operational disruption could effect services we provide to customers, damage our reputation, and cause a loss of confidence in our products and services.

Our Board of Directors oversees our information security risk management. 83.3% of the directors on our board are independent and 100% of our board has experience regarding and responsibility for our information security. Senior management briefs the Board of Directors on our efforts regarding information security at each board meeting.

Our entire Company is regularly audited by an independent third party for top information security standards and we are currently SOC 2 compliant. We maintain a 24x7 security monitoring operation as well as an information security risk insurance policy.

Encore Wire implements information security through the use of third party security solutions as well as a robust training framework that includes employees and encompasses enhanced training for specialized personnel and continuing education for our employees with access to vital systems or sensitive data.



OCCUPATIONAL SAFETY AND HEALTH

Workplace Safety

Employee health and safety is a core value for our company. Encore Wire is committed to providing a safe and healthy work environment and to conducting its various businesses in a safe and environmentally protective manner. All employees and officers are expected to perform their duties consistent with site specific safety and environmental rules and regulations and site application of our best practices.

We have established our safety program known as Target Zero to promote a world class safety culture by empowering employees through engagement, respect, integrity, and a commitment to do the right thing. The cornerstones of our Target Zero program are the “Courage to Care” and “Stop Work Authority”. Courage to Care encourages employees to engage and coach each other when an at-risk condition or act is observed. Stop Work Authority empowers all employees to immediately stop work if equipment is not safe to operate or if risk cannot be controlled or eliminated.

For the year ending December 31, 2020, we experienced the following near miss frequency rate (NMFR), recordable injury rate (RIR) and fatality rate (FR) at our corporate campus:

Employee Type:	Full-Time	Contract
NMFR	8.3	0.0
RIR	4.0	0.0
FR	0.0	0.0

We enjoyed a 28% decrease in our recordable safety incident rate in 2020. Looking forward to 2021, our goal is to reduce our recordable safety incidents by another 20%.



Occupational Health

Encore Wire offers a Medcor On-Site Clinic with a nurse practitioner for employees and their immediate families. This clinic allows us to immediately respond to workplace safety incidents and, for many, provides basic health screenings and treatment equal to those at a general practice facility.

The Company also offers a wide range of health and wellness services to assist its employees and their families with making good lifestyle choices.

IMPLEMENTATION OF OUR POLICIES

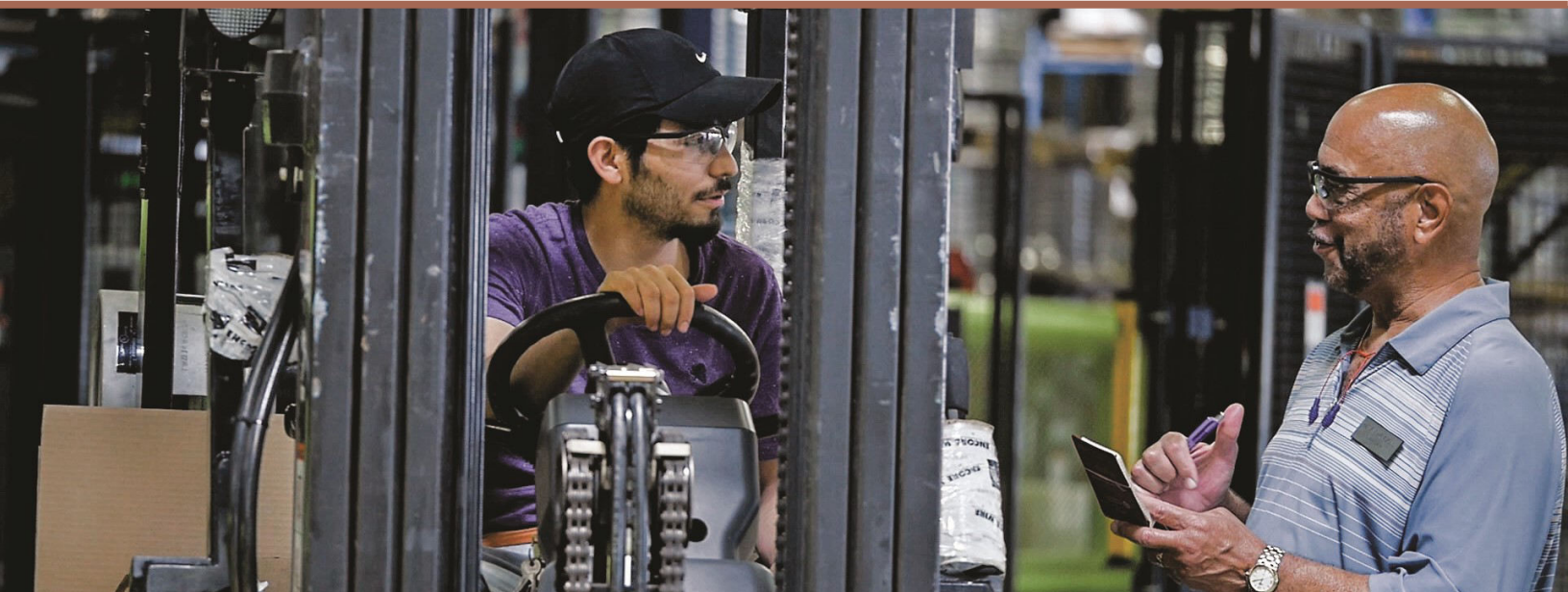
Training

This policy was implemented under a framework for compliance which includes training, continuous improvement processes, follow up and public reporting.

Encore Wire believes that the development of talent and growth of human capital is vital for the success of our company. Our training and continuing education platform is designed to teach our employees how to succeed in their roles, improve or introduce new relevant skill-sets and foster opportunities for internal advancement.

We recognize that all employees deserve to be prepared for success. We recruit and identify candidates that fit our culture of success and then partner them with our training team to ensure that they are prepared to contribute at a high level. The necessary resources are devoted to not only onboard employees, but then we partner new employees with qualified trainers to review not only the Standard Operating Procedures, but they also participate in the 90 day hands-on Encore training program.

Encore Wire monitors trends and performs analysis to create plant specific performance improvement plans to ensure that recognized hazards are eliminated to create the safest work experience for our employees. We continuously engage our employees through weekly safety observations and assessments to better understand how we can improve our culture of safety, mutual respect, and inclusion.



IMPLEMENTATION OF OUR POLICIES

Document History

Version 1.0 - March 2021