



NEWS RELEASE

BREXIT STATEMENT

CONCORDVILLE, Pa., January 25, 2018 — The decision made by the UK to leave the European Union, or ‘Brexit’ as it has become known, means that we must embrace the challenges this will bring. In order to ensure that our business is resilient to the potential outcomes and impacts of the transition away from EU membership, we have established a ‘Brexit Contingency Team’ which has undertaken a full review of the potential impact and has implemented a number of steps to help mitigate risk.

Our contingency planning has considered all areas of our business, including the potential impact of changes to tariffs and borders, congestion at ports and customs, logistics routes, warehousing strategy and compliance to import and export documentation requirements. Although currently the full impact of the UK’s decision to leave the European Union remains largely unknown, we recognize the need to address the uncertainty and concern around supply chain continuity of Southco customers, distributors and suppliers post Brexit.

During this time of political instability, and until the exact details and terms of Brexit are clear, it is our policy not to address individual customer requests for detailed Brexit information relating to our business.

Southco is a Global organization with headquarters in Pennsylvania, USA. Our European headquarters and two manufacturing and distribution facilities are based in the UK. Southco owns and operates a further 14 manufacturing and distribution locations around the world; seven in the Americas, six in Asia Pacific and one in India.

In addition to our two UK based facilities, we also operate a 3rd Party Logistics facility near Frankfurt, Germany. This location gives us some current flexibility to distribute product made in any of our Global manufacturing locations into mainland Europe, without passing through the UK.

In order to further strengthen our position and long-term commitment to our customers in Mainland Europe, our new 6,500 sqm manufacturing and distribution facility will open in April 2019. This greenfield facility in Rzeszow, Poland will provide additional warehousing, logistics and assembly capabilities from a location inside the European Union area. This new facility is in addition to our existing footprint, and will allow us to stock and locally manufacture additional products for distribution to customers across Europe.

We remain fully committed to our two world class manufacturing facilities, European Headquarters and Customer Service functions based in Worcester, UK. We greatly value our UK based European employees, and are working to provide them with the support they need to remain settled here post Brexit.



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It is with the support of this global infrastructure footprint, our valued employees and partners that we're planning an effective Brexit strategy. We are constantly assessing the information available as this dynamic process unfolds in order to achieve this outcome. Southco is fully committed to ensuring that as far as reasonably possible and within our control, we will work diligently and creatively to ensure minimal disruption. We wish to reassure our partners and customers of our ongoing commitment to continued trade, both within the EU and across our other global export markets.

About Southco

Southco, Inc. is the leading global designer and manufacturer of engineered access solutions. From quality and performance to aesthetics and ergonomics, we understand that first impressions are lasting impressions in product design. For over 70 years, Southco has helped the world's most recognized brands create value for their customers with innovative access solutions designed to enhance the touch points of their products in transportation and industrial applications, medical equipment, data centers and more. With unrivalled engineering resources, innovative products and a dedicated global team, Southco delivers the broadest portfolio of premium access solutions available to equipment designers throughout the world.

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