



Supplier Code of Conduct and Ethics

Powell Company Policy

Version 1.0

Effective Date	June 2, 2021	Supersedes	initial release
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Approvals	Brett Cope, President & CEO		
Purpose	This Supplier Code of Conduct and Ethics sets forth minimum workplace standards and business practices that are expected of any Supplier providing goods or services to Powell.		
Scope	This Policy applies to all entities conducting business with, or on behalf of, Powell, including (but not limited to) Powell's suppliers and their employees, agents, and subcontractors (collectively referred to as "Suppliers").		

Purpose

Powell Industries, Inc., and its subsidiaries, (collectively "Powell") is committed to the highest standards of social and environmental responsibility and ethical conduct. Through its Code of Conduct, Powell has established company standards that include ethical business practices and regulatory compliance. These standards apply to all Powell employees, directors, and officers.

Similarly, Powell's suppliers and their employees, agents, and subcontractors (collectively referred to as "Suppliers") are responsible to ensure that they and their employees, workers, representatives, suppliers, and subcontractors comply with the expectations set out in this SUPPLIER CODE OF CONDUCT AND ETHICS.

Powell's Supplier Code of Conduct and Ethics sets forth minimum workplace standards and business practices that are expected of any Supplier doing business with Powell, consistent with our company's values.

Scope

This Policy applies to all entities conducting business with, or on behalf of, Powell, including, but not limited to, Powell's suppliers and vendors and their employees, agents, contractors and subsuppliers (collectively referred to as "Suppliers").

Every Powell supplier is responsible for reading, understanding and complying with this Policy as well as also complying with general standards of ethical conduct whether enumerated here or not.

Powell's Policies and Governance Processes

There is a simple idea that stands behind everything that we do at Powell. We must pursue our business objectives with integrity and in full compliance with all laws, foreign and domestic. The reputation of our company is a major asset and the legal consequences of not complying with our obligations can seriously

impact our reputation. By acting with integrity, we earn the trust of our co-workers, customers, suppliers, shareholders, regulators, and the communities where we live and work.

Standards of Business Ethics

Suppliers are expected to strictly comply with standards of business ethics, including but not limited to:

Labor Standards:

- 1. Fair Employment Practices:** Suppliers shall observe applicable laws and regulations governing wages and hours, recruitment and employment contracts, allow workers to choose freely whether to organize or join associations of their own choosing for the purpose of collective bargaining as provided by local law or regulation, and prohibit discrimination, harassment and retaliation.
- 2. Anti-discrimination:** Suppliers shall not discriminate against any worker based on age, disability, ethnicity, gender, marital status, national origin, political affiliation, race, religion, sexual orientation, gender identity, union membership, or any other status protected by applicable national or local law, in hiring and other employment practices.
- 3. Anti-Harassment and Abuse:** Suppliers shall commit to a workplace free of harassment and abuse.
- 4. Human Rights Obligations:** Suppliers shall ensure that all work undertaken on Powell's behalf is voluntary and conduct business with respect for all individuals and their human rights. Suppliers shall not traffic persons or use any form of slavery, such as forced, bonded, indentured, prison or compulsory labor. Suppliers shall ensure that all workers have achieved, at the very least, the applicable minimum legal age for employment in the relevant jurisdiction.

Supplier shall not impose unreasonable restrictions on workers' rights to leave work or terminate employment nor engage in harsh or inhumane treatment against any individuals and must comply with all Laws and the treatment of workers. Supplier shall not engage in child labor and unfair wage payments or failure to pay wages earned. Supplier shall ensure that its subcontractors and subsuppliers comply with these provisions.

Environment:

- 5. Environment, Health and Safety:** Suppliers shall comply with applicable environmental, health and safety laws and regulations and Powell's expectations as to such, provide workers a safe and healthy workplace, and not act to adversely affect the local community. This includes obtaining and compliance with all required health and safety permits as well as creation and maintenance of comprehensive emergency preparedness and response plans.
- 6. Responsible Sourcing:** Suppliers shall exercise routine due diligence on their supply chains. This includes addressing the Human Rights obligations above, as well as conflict minerals and any other reasonably objective high risk activities, including severe health and safety risks and negative environmental impacts.

Ethics and Compliance:

7. **Intellectual Property:** Suppliers shall respect the intellectual and other property rights of Powell and of third parties, including all patents, trademarks and copyrights.
8. **Trade Compliance:** Suppliers shall comply with all applicable trade controls, as well as all applicable export, re-export, and import laws and regulations.
9. **Antitrust:** Suppliers shall conduct business in full compliance with antitrust and fair competition laws that govern the jurisdictions in which they conduct business.
10. **Boycotts:** Suppliers shall not participate in international boycotts that are not sanctioned by the United States (U.S.) government or applicable laws.
11. **Anti-corruption:** Powell prohibits all unlawful payments and practices. Bribes, kickbacks and money laundering are strictly prohibited. Suppliers shall comply with the standards of conduct set forth in the U.S. Foreign Corrupt Practices Act (“FCPA”), Corruption of Foreign Public Officials Act (Canada) (CFPO), UK Bribery Act 2010, Mexico’s Ley General de Responsabilidades Administrativas and the anti-corruption and anti-money laundering laws of the countries in which Powell and/or supplier operates.
12. **Gifts & Hospitality:** When doing business with or conducting business on behalf of Powell, suppliers and contractors should refrain from offering gifts and hospitality to Powell employees or business associates. Powell will refuse all gifts and hospitality that are not of reasonable, modest and symbolic value, nor occasional, transparent and cannot be reciprocated.
13. **Conflicts of Interest:** Suppliers shall avoid the appearance of or actual improprieties or conflicts of interests.
14. **Insider Trading:** Suppliers shall avoid insider trading by not buying or selling Powell or another company’s securities when in possession of information about Powell or another company that is not available to the investing public.
15. **Social Media:** Suppliers are expected to use social media in a responsible manner and that any usage relating to Powell align with the business ethics of Powell and the principles set forth in this document.
16. **GDPR:** Suppliers operating in jurisdictions governed by the General Data Protection Regulation (GDPR) or substantially similar data protection legislation are expected to strictly comply with all GDPR and/or any other relevant data protection requirements.

Sustainability:

Suppliers are expected to implement the above principles in their own organization and to commit to a continuous improvement approach.

In support of all of these policies, processes and procedures, Powell undertakes specific actions to prevent and mitigate the risks in our own business and supply chain, including:

1. Verification

Risks in Powell's supply chain are addressed through setting clear expectations for suppliers and ensuring conformance by Powell suppliers with the Supplier Code of Conduct through inclusion of the Code of Conduct requirements in our standard terms and conditions. Suppliers are required to further separately review and adhere to the requirements contained within Powell's Supplier Code of Conduct.

Powell monitors publicly available information, as well as information from subscription services. In cases where we are alerted to a risk of non-compliance with Powell's Supplier Code of Conduct, we will conduct an investigation and address such risk appropriately.

2. Supplier Audits

To ensure compliance with Powell's Supplier Code of Conduct, Powell shall be permitted to audit its suppliers' compliance with the Code and standard terms and conditions. In cases in which serious risks are presented, this audit may be immediate and unannounced. Powell regularly audits its suppliers for a variety of reasons, typically those audits are not performed solely to determine compliance with the principles behind this document. If necessary, Powell may choose to engage third parties to evaluate compliance. Powell will promptly and thoroughly investigate any claims or indications that a supplier is in violation, or is otherwise not complying with Powell's Code of Ethics or Supplier Code of Conduct.

3. Certification

Powell's Supplier Code of Conduct states that suppliers must uphold the highest standards of business ethics.

Under the Code, Suppliers' personnel and operations are required to operate in full compliance with the laws of their respective countries and with all other applicable laws, rules, and regulations. Suppliers must ensure that products, services and shipments for Powell adhere to all applicable international trade compliance laws, rules, and regulations, and Powell Supplier Code of Conduct requirements. Powell requires its suppliers to certify compliance with the Supplier Code. In addition, Suppliers must contractually require their own suppliers and subcontractors to comply with standards of conduct equivalent to the provisions of Powell's Supplier Code of Conduct.

4. Internal Accountability and Consequences for Violations

Accountability related to this Supplier Code of Conduct is established by Powell's Code of Business Conduct and Ethics and Supplier Code of Conduct. In addition, Powell has enacted rigorous governance and risk management processes in order to identify and mitigate a broad spectrum of supply chain risks.



Powell has established various mechanisms, including a global EthicsPoint Line, for the reporting of any ethical concern or potential or actual legal violation. Any person, including employees and suppliers, may openly or anonymously ask a question or report through our EthicsPoint Line or related means (powellind.ethicspoint.com or 877-217-4661).

If we learn of any allegations of violations of this policy through our EthicsPoint Line or any other means, we will promptly investigate and act to remediate the situation, which could include necessary actions up to termination of involved parties. Claims made through our EthicsPoint Line or Chief Compliance Officer are reported to the Governance Committee of Powell's Board of Directors, along with the resolution of the claim and/or the findings of the investigation.

5. Training

As ethics is a cornerstone of Powell's values based culture, all Powell employees globally are trained annually with respect to expectations in Powell's Code of Business Conduct and Ethics. In addition, we provide ongoing training to Supply Chain Management and other key Powell executives engaged with Powell's supply chain on business ethics. It is Powell's expectation that its suppliers also engage in substantially similar training for the supplier's employees.

Brett A. Cope
President & Chief Executive Officer
Powell Industries, Inc.