



# 2023 Corporate Responsibility Report

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# A MESSAGE FROM OUR CEO



**“I am extremely proud of our employees around the world and I am grateful for their continued focus on serving our customers and communities globally. “**

**Brett Cope**  
**President & CEO,**  
**Chairman of the Board**

“As we publish our third annual Corporate Responsibility Report, we are once again honored to highlight Powell’s ongoing legacy as a leading provider of innovative and sustainable technologies across global electrical distribution markets, while also celebrating the long-standing values that have stood the test of time. These values, as relevant today as they were decades ago, are what we consider to be our core values: Customers First, Respect for Employees, Can-do Attitude, and Commitment to Improve.

We are extremely proud of our people, our products, and the relationships that we have built with our customers who expect the highest level of quality, service, and product reliability from our Company. Due in large part to these attributes, the Company generated record financial results in Fiscal 2023, accompanied by an improvement in our safety metrics, both of which are a strong testament to the leadership of Powell employees globally.

As we continue this journey, we believe that we have a responsibility to our employees, suppliers and stakeholders to maintain the highest standards of performance and integrity with respect to Powell’s commitment to sustainability. These principles positively impact the communities in which we live and work and are championed by our Board of Directors and the management team through robust governance and compliance programs. I am extremely proud of our employees around the world and I am grateful for their continued focus on serving our customers and communities globally.

Through these efforts, we will continue to advance our sustainability initiatives to ensure that our business practices and operations respect our environment, embrace diversity, value employee contributions, and respect basic human rights, while following the Company’s Code of Business Conduct & Ethics governing the business.”



## STAKEHOLDER ENGAGEMENT

Stakeholder engagement at Powell Industries is an evolving process, continually assessing opportunities to enhance stakeholder experiences. We regularly review input from across our spectrum of stakeholders to ascertain where improvements to current practices should be evaluated and/or implemented. Powell's most pertinent economic, environmental and social topics are as follows:

**Employees** - One of Powell's fundamental areas of focus is organizational and employee development. We work to create an environment where our people can grow professionally through training and development, while embracing diversity, equity, and inclusion. We strive to create a healthy and safe workplace, routinely measuring and reviewing safety performance in every location. In order to solicit candid feedback across the organization, Powell conducts an anonymous, business-wide survey each year soliciting employee feedback related to compliance and ethics, employee safety and well-being, training and development, and corporate culture.

**Community** - Powell encourages employees to donate their time and/or resources to support the communities in which they live. Through the community outreach program, participating employees are recognized annually for their community involvement, while select employees are honored for their exemplary service with a cash award and a Powell donation to the organizations they support.

**Investors** - We believe that a strong corporate governance program should include routine engagement with stockholders. Engagement forums take the form of in-person and virtual investor conferences, as well as current and prospective conference calls or video meetings. Additionally, Powell has transitioned to a virtual annual shareholders meeting to reach more stockholders who wish to participate.



**Customers** - Powell's products and associated applications are very diverse, providing safe and efficient electrical power that enables economic growth to businesses, and reliable power to residential and commercial customers. Our customers are typically long-term strategic partners, requiring customized and engineered-to-order electrical solutions. Powell's products are efficient, reliable and meet constantly evolving safety and technical standards, making them applicable across multiple markets and geographies.



# 2023 FOCUS AREAS

Throughout 2023, Powell continued to assess all of the relevant inputs that have an impact on our corporate sustainability strategy. Topics identified as most pertinent to Powell's business and sustainability framework are as follows:

## CUSTOMERS

Powell is a manufacturer of electrical distribution equipment specifically designed for industrial, utility, traction, and other commercial applications. We collaborate with customers to design engineered-to-order electrical solutions that deliver innovative, safe and reliable electrical distribution for customized applications. For over 75 years of serving our customers, our products can be found in a variety of industrial facilities, utilities, traction, and various light commercial applications such as universities, data centers, etc.

## PRODUCT SAFETY AND QUALITY

Product quality is initiated through our product development process and continues through the product lifecycle. Consistent with Powell's desire to provide 'best-in-class' products and services supported by competitive lead times, Powell's products have continued to serve our end markets with safe and reliable electrical distribution solutions. Recent examples of product safety features include digital applications such as BriteSpot® and Circuit Breaker Monitor™ as well as mechanical upgrades, which would include OnBoard Racking (OBR).

## SUPPLIER RELATIONSHIPS

Powell is committed to partnering with suppliers who operate at high standards of social and environmental responsibility and ethical conduct. Our suppliers are expected to conduct business in accordance with applicable labor, health & safety, environmental, ethical, quality, employee, and management principles outlined in Powell's [Supplier Code of Conduct](#).

## DIVERSITY

We support and encourage a culture that embraces the strengths, differences and perspectives of all. At Powell, all employees have an equal opportunity to develop, grow and succeed based on their performance. The diversity of our workforce is a critical component of our business strategy and integral to partnerships with the communities in which we operate.

## EMPLOYEES

We are committed to provide our diverse, global workforce of over 2,300 employees with competitive wages and benefits, and equitable, fair opportunities to advance and grow. Our inclusive culture and core values provide a place where employees can bring their best selves to work. We purposefully recruit from a diverse pool of candidates that reflect the makeup of the communities where we operate and make an extra effort to recruit qualified veterans.

## OPERATIONAL EFFICIENCY

In addition to providing customers with advanced technology to improve efficiencies, our operational and commercial excellence is regularly recognized and sought after by our stakeholders. We routinely exceed the expectations of our customers through supply chain efficiencies, digital advancements and technical applications expertise.



## ABOUT POWELL

Powell began as a metalworking shop to support local Houston, Texas petrochemical facilities in 1947. Throughout our history, we have expanded from a local, small business to a publicly traded corporation with locations in the United States, Canada, and the United Kingdom. Powell's manufactured products are now in operation in more than 80 countries across the globe. Today, Powell continues to be recognized as a leading provider of switchgear, breakers and power control rooms, and so much more in this ever-changing environment.

### OUR MISSION

We solve our customers' toughest problems.

### OUR VISION

Be the trusted long-term, global partner to our customers by providing engineered, integrated electrical power solutions with strong application knowledge, superior execution and organizational responsiveness for critical processes and infrastructure.



# POWELL VALUES



## CUSTOMERS FIRST ... OUR LIFEblood

Our customers represent our current success and remain vital to our future growth. Valued relationships drive Powell's behavior, generating our product and service innovations. Powell is a customer-focused company that respects, listens to and serves our customers. This attitude contributes to world-class system solutions that set new industry standards. Powell's core business model revolves around responding quickly to customer needs. Customer satisfaction is the focal point that guides our daily actions. Powell aims to strengthen relationships with all levels of our customers' organizations.

## RESPECT FOR EMPLOYEES ... OUR HEART

We achieve more than we can imagine through the hard work, cooperation and dedication of our great people. Powell employees convey the voice of the customer throughout our company. Their passion ignites our ability to innovate and create system solutions. Our expertise and capabilities reside with each dedicated individual who collectively form the Powell team. We serve and respect each other from top to bottom. Customer perception of Powell starts as they walk through our doors. So we must take pride in our facilities, appearance and daily actions.

## CAN-DO ATTITUDE... DRIVES OUR SUCCESS

Our can-do spirit symbolizes who we are -- a world-class manufacturer that embraces complexity through custom-engineered solutions. We view daily challenges as opportunities to excel. We don't pass the buck -- we solve problems. Powell's collaborative style generates solutions, not stalemates or barriers to satisfying our clients. Our collective goal is to "make it right" for our customers. Hard work, teamwork and passion epitomize the Powell way while creating an invigorating atmosphere. We are different from our competition. We respect their capabilities, but take pride in our consistent ability to outperform them.



## COMMITMENT TO IMPROVE ... OUR STRENGTH

Powell's commitment to continually improving our single-source philosophy is steadfast. Our success in achieving continuous improvement has kept competitors from duplicating our proven model. We love to innovate and this maverick spirit has produced world-class products, services, processes and safety solutions. Powell's Commitment to Improve continues to be the primary catalyst for Powell's growth. Our valued suppliers are partners in this effort. We are proud of our past and confident in who we are. Our past performance is a sound foundation for our future growth.

# SOCIAL RESPONSIBILITY



## HUMAN RIGHTS

Respect for human rights is a fundamental value of Powell Industries. We strive to respect and promote human rights by following the United Nations (UN) Guiding Principles on Business and Human Rights in our relationships with our employees, suppliers and customers. We aim to increase the enjoyment of human rights in the communities in which we operate. We use due diligence as a means to identify and prevent human rights risks to people in our business and value chain. Should we identify adverse human rights impacts resulting from or caused by our business activities, we are committed to provide for, or cooperate in, their fair and equitable remediation.

Find more information on this policy [here](#).

## CONFLICT MINERALS

Powell supports respect for human rights, fair labor practices and humane working conditions. We are not a direct buyer of [Conflict Minerals](#) and work with our suppliers to understand the possibility of having Conflict Minerals in products that Powell purchases and uses in its business.

Tracing the origin and chain of custody of Conflict Minerals throughout a global supply chain is a complex process. To this end, Powell requires our suppliers to undertake reasonable due diligence with their supply chains to ensure that minerals are only acquired from responsible sources.

## ANTI-SLAVERY & HUMAN TRAFFICKING

Wherever we do business around the world, Powell is committed to conducting business with honesty and integrity by treating all people with dignity and respect and complying with applicable laws, regulations and treaties. Powell considers our supply base a direct extension of our Company – one that projects our core values of Customers First, Respect for Employees, a “Can-Do” Attitude and a Commitment to Improve. Through collaboration with our business partners, we enhance relationships to create a sustainable supply chain in compliance with all laws and regulations. Powell is also committed to protecting and promoting human rights globally.

Powell does not tolerate illegal child labor, forced labor, or any use of force or other forms of coercion, fraud, deception, abuse of power or other means to achieve control over another person for the purpose of exploitation. Powell respects international principles of human rights including, but not limited to, those expressed in the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organization’s Fundamental Conventions, the US Victims of Trafficking and Violence Protection Act, US Forced Labor prohibitions, the UK Modern Slavery Act, and the California Transparency in Supply Chains Act. These principles and commitments embody the way Powell does business. Powell strives to comply with the laws of every country in which we operate and expect those with whom we do business to do the same.

Find more information on this policy [here](#).



# GOVERNANCE

Powell is committed to maintaining the highest level of corporate standards and business ethics throughout every division in our organization. Formal policies, procedures, and training guide us in our daily business operations and interactions with our customers and other key stakeholders. These policies provide direction and enforcement of our corporate code of conduct for all employees.

**88%**

**BOARD  
INDEPENDENCE**

**25%**

**FEMALE  
BOARD MEMBERS**

**\$0**

**MONETARY LOSSES AS A RESULT OF  
LEGAL PROCEEDINGS ASSOCIATED  
WITH BRIBERY OR CORRUPTION**

**\$0**

**MONETARY LOSSES AS A RESULT OF  
LEGAL PROCEEDINGS ASSOCIATED  
WITH ANTI-COMPETITIVE BEHAVIOR**

## GOVERNANCE HIGHLIGHTS

- Majority independent board.
- 100% independent Board Committees.
- All Directors are subject to election by our public stockholders.
- Our [Committee Charters](#) and [Corporate Governance Guidelines](#) are reviewed annually.
- The Independent Directors meet regularly without management present.
- The Board and its Committees conduct annual self-evaluations.
- The Board engages in succession planning in the event of an unplanned vacancy in the chief executive officer position.
- Our Directors have full and free access to management, all company personnel, locations, outside advisors, attorneys, and consultants.
- The Board has adopted stock ownership guidelines for non-employee directors.
- Upon initial appointment, new directors participate in an orientation program that includes presentations by management and previous standing directors to familiarize new directors with the Company's strategic plans, significant financial and risk management, compliance programs, code of ethics, management, and internal and external auditors.

## ETHICS AND COMPLIANCE

Powell has adopted a formal Anti-Corruption & Bribery Policy that defines our framework for the prevention, detection, and elimination of all forms of corrupt practice. Our [Code of Business Conduct and Ethics](#) reflects our commitment to conduct business in accordance with our core values.

## COMPLIANCE HOTLINE

Our EthicsPoint hotline, at <https://powellind.ethicspoint.com> or +1 (877) 217-4661, is available 24 hours a day, seven days a week. The hotline is an independent reporting service and is available for all company employees, contractors, suppliers, and agents. Submissions may be made anonymously. Retaliation for reporting violations or concerns is expressly forbidden by Powell's [Code of Business Conduct and Ethics](#). Calls to EthicsPoint are received by a third party and are forwarded for immediate review and action as required.



# OUR PEOPLE

## TALENT

Our workforce is over 2,300 strong and located in five countries. We strive to attract, develop, and retain a diverse, fully engaged workforce as part of an inclusive culture where Powell employees can bring their best selves to work. We work together to live out our purpose. Our Core Values outline what we expect of our employees and what they should expect from Powell.







## REFLECTION OF THE COMMUNITY

Powell is committed to building a diverse and inclusive workforce. We believe in creating environments that reflect our diverse communities. We are a culture that values differences, fosters inclusion and promotes collaboration.

We open our doors to new perspectives, new voices and new opportunities. We know that diversity drives innovation, empowers employees and bolsters social responsibility. We are growing our network of people, programs and resources aimed at moving our company and industry forward.

U.S. DIVERSITY  
PERCENTAGE



**71%**  
**DIVERSE**

Excludes Gender  
Segmentation

GLOBAL GENDER  
PERCENTAGE



**79%**  
**MALE**

**21%**  
**FEMALE**





# OUR COMMUNITY

To align our business strategy with impactful initiatives that make a difference across the world, our community impact mission focuses on two areas of critical need:

**1**

**Supporting military service members, veterans, and their families**

**2**

**Supporting our communities locally and globally**

## SUPPORTING MILITARY SERVICE MEMBERS

Identifying diverse skill sets, ethnicities, personalities, and backgrounds is of the utmost importance in talent acquisition. To meet the challenging talent needs in 2023, we continue to benefit from our relationship with NextOp, a not-for-profit organization that works one-on-one with enlisted service members and veterans to assist with the translation of their experiences to business. We continue to leverage this source of proven military members to join our workforce.

### VETERANS AND THEIR FAMILIES

Powell is committed to ensuring that our veterans and their families succeed in their next mission. With hiring and employment programs, Powell seeks to ensure a successful transition into civilian life.

Powell acknowledges the service and sacrifice of our veterans and their families. We see the true value of veterans and their family members and actively work to recruit them. In 2023, we launched creative social media campaigns specifically directed at attracting and retaining veterans.





# POWER OF one

## SUPPORTING OUR COMMUNITIES

The Powell *Power of One Community Service Award* celebrates the difference one person can make. At Powell, we firmly believe that one person has the power to inspire and change the lives of others. We encourage employees to set an example for others that may affect the outcome of any situation. An open nomination process encourages employees to share their stories of unpaid acts of volunteer service that display dedication to the community and improve the lives of others. We recognize all nominees and highlight their work through internal communication channels, in an effort to encourage others to get involved.

In 2023, Powell was proud to have eight nominees who went above and beyond serving their communities. From hosting special needs baseball in Pearland, Texas to sourcing emergency response equipment for a local community in Bradford, UK, Powell employees have demonstrated the true spirit of volunteerism.

With many amazing nominees across the globe, our Executive team choose three outstanding employees this last year who have dedicated their time and energy to their communities. Each of these award winners received a \$500 cash award and a \$5,000 donation to their charitable organization.



# POWER OF one

## COMMUNITY SERVICE WINNERS



### KRISTIE SCHOPPE - CORPORATE SERVICES - Z KREWE, INC.

As Committee Chair for Z Krewe's 0.5K Committee, Kristie raised money for the Galveston County Food Bank's Kidz Pacz Program. The program provides meals to children during the summer months when free lunches at school are not available. Children receive one pack per week (seven meals). As Chair, Kristie organizes logistics, secures sponsors, and promotes and organizes events. Her committee raised over \$6K for the program in 2022, providing 4,133 Kidz Pacz to children in need in Galveston County.



### CHRIS MCGOWAN – NORTH CANTON DIVISION - REFUGE OF HOPE

Refuge of Hope is a direct outreach to the homeless population in Canton, Ohio. The organization serves hot meals nine times per week, provides shelter and transition services to homeless men, supplies free clothing, and provides essential healthcare services for the uninsured. Chris leads a men's group who volunteer to serve hot meals on the second Monday of each month. He also recruited additional people to assist with preparing and serving meals, and generally provide 4-8 volunteers for the night's meal service.



### JASON GOODWIN – NORTH CANTON DIVISION - STARKFRESH

Jason works with StarkFresh, a non-profit organization in Stark County, Ohio working to help create pathways out of poverty & grow sustainable food in the greater Canton, Ohio area. Jason's work includes teaching people how to grow organic vegetation in an urban environment, helping to open a grocery store in a Canton neighborhood that has not had a grocery store for more than 50 years, and showing people there is a way out of poverty. He helps by giving people tools to start their own businesses and shows them how to build a sustainable farm.

In addition to the Annual Community Service Award, the Power of One Program also has Anytime Awards, Quarterly Awards, and a CEO Award for outstanding service in these award categories: Innovation, Leadership, Safety, and Customer Service.

Powell is committed to supporting our employees and the communities where we work and live. We thank all our many amazing nominees for their work and dedication in 2023 and hope to encourage even more service in 2024!





# INVESTING IN OUR EMPLOYEES

## EMPLOYEE LEARNING, TRAINING & DEVELOPMENT

Powell's learning and development programs enable a culture of continuous learning and development. We align our priorities for global classroom and online curriculum with the demands of our business and the goals set by Powell's leadership.

Developing a highly talented and skilled workforce is essential for our ongoing success. We cultivate employees' skills and experiences to improve retention and increase productivity and effectiveness. We support our employees' skill development regardless of where their career takes them with the hope that they stay and grow with Powell.

Effective learning experiences – whether they happen in a classroom, computer or on the job – require high-quality content, and in 2023, we launched a collection of 60 online training classes offering development opportunities in a variety of topics:

- Business
- Communication
- Leadership
- Management
- Workplace Skills

By equipping Powell employees with the right learning resources at the right times, we help them solve the business challenges they encounter in their roles.

## CRUCIAL CONVERSATIONS TRAINING AND DEVELOPMENT

Crucial Conversations and its related training programs have been a significant driver in enhancing Powell's culture. Our employees are now skilled at having tough conversations, holding themselves and others accountable, and speaking up when they see a problem. We want our employees to feel comfortable 'speaking up' and that is exactly what this curriculum has taught us to do.

In 2023, we continued to deliver Crucial Learning® training and held classes for employees in Edmonton, Alberta, Bradford, UK and North Canton, OH.

Additionally, we launched an enhanced, comprehensive Supervisory/Managerial training curriculum, targeting new and existing managers and supervisors to improve their ability to lead their employees to higher levels of performance.







## LEADERSHIP TRAINING

In 2023, we engaged with The RBL Group (results-based leadership) for senior leadership development. The RBL Group was founded by Dave Ulrich and Norm Smallwood, two of the most well respected minds in the fields of organizational leadership development.

**Specifically, we sponsored six high-potential leaders (including three minorities and one female) to attend The Art of Leadership: A leadership development experience for high potential leaders.**

### **THE ART\* OF LEADERSHIP (\*ACCELERATING RESULTS TOGETHER)**

Our high potential leaders come together with leaders from other companies to experience two robust learning sessions, where RBL faculty introduce core models, frameworks and practical tools for leadership excellence in a highly competitive, global environment. Through live sessions, a leadership assessment, action learning projects, and ongoing coaching, the Program enables the team to share and learn best practices from each other, from the other participating companies and from their facilitators and coaches.





# EMPLOYEE ENGAGEMENT

We listen to our employees in a variety of ways to ensure information and feedback are shared in all directions. These methods include:

- **Tone at the Top Surveys** – conducted annually to measure employee engagement and tone at the top to drive continuous improvement.
- **Quarterly Town Halls** - held throughout each of the business units and functional areas allowing employees to ask questions and to be recognized for their accomplishments.
- **CEO Update** – video updates published throughout the year to communicate a variety of topics including progress against the company's goals and objectives, direction, purpose and priorities of the organization, general market conditions, and employee recognition.
- **Power of One Awards** - recognizing employees who have made a significant impact to the business and their communities through their achievements and have demonstrated Powell's culture through their work.

## EMPLOYEE BENEFITS & WELL-BEING

Employee well-being covers all facets of life at Powell. In addition to our competitive wages, salaries and incentive compensation programs, we continue to evolve our total rewards programs to drive a global culture of physical, emotional and financial well-being for our employees and their families. In 2023, we continue to offer a wide range of benefits across the globe to enhance our employees' well-being, including:

- Group benefits programs (primarily in United States and supplemental in other countries)
- Medical, dental and vision insurance
- Paid time off and holidays
- Employee education and tuition assistance
- Life insurance
- Disability insurance (US, CAN)
- Retirement Savings Plans
- Supplemental, voluntary insurance products (US, CAN)
- Identity Theft Protection Plans (US)

Note 1: Employee benefits vary by employee status and country; this is not a comprehensive list.

Note 2: Family and/or Parental leave are paid depending on the country and local laws and regulations.

# FAIR COMPENSATION & PAY EQUITY

At Powell, we strive to provide competitive wages for our employees and ensure all employees are paid equitably. Globally, we review internal pay equity across similarly situated groups of employees and address situations where inconsistencies exist. We conduct regular pay equity analyses on both gender and race and review competitive market salary rates across salaried groups.

## POWELL'S FAIR COMPENSATION AND REWARD PRINCIPLES:

- Fixed pay is market-based, fair and competitive.
- Variable pay drives business performance.
- Exceptional individual employee contributions are appropriately recognized.
- All elements of rewards are open, fair, consistent, and explainable.



Overarching Principle	Fair Compensation Delivery
Fair Compensation	Fixed compensation amounts will be achievable without need to work excessive hours (e.g., overtime), or rely on any non-guaranteed compensation (e.g., bonus). Part-time employee compensation based on the full-time fixed compensation pro-rated for hours worked.
Market-Based Compensations	Compensation is market-based and fairly reflects an employee's skill, education and experience, as well as rewarding individual collective performance. Fixed compensation amounts meet or exceed any legal minimum standards or appropriate prevailing industry standards. There are regular reviews of the compensation amounts.
No Discrimination in Compensation	Equal compensation for equal work with no discrimination on the grounds of race, age, role, gender, color, religion, country of origin, sexual orientation, marital status, dependents, disability, social class or political views.
Performance Focused Compensation Driving Alignment to Our Business	Employees benefit from the improved performance of their local Powell businesses through participation in appropriate business performance-linked bonus plans. The bonus is linked to a number of key business performance measures applicable at the location where the employee works.
Open and Explainable Compensation	Employees have sufficient information to understand how their compensation package is calculated, what amounts to expect and how they will receive these amounts. Answers always provided to any employee compensation queries. Employees receive their compensation regularly, in full and on time.





# OUR COMMITMENT

## CYBERSECURITY

We strive to create a culture of cybersecurity resilience and awareness. This tone is set from the top and continuously reinforced with our employees through education and regular testing. We continue to improve our programs and invest in the security of our systems, operations, people, infrastructure, and cloud environments.

Our cybersecurity strategy follows industry best practices designed to ensure compliance with applicable global privacy and regulatory requirements. To protect our customers, Powell administers physical, technological and administrative controls on data privacy and security. We regularly validate our security controls by performing penetration testing, compliance audits, as well as proactive security testing to ensure our systems and controls are secure.

While cybersecurity resilience is every employee's responsibility, the cybersecurity program is led by the Chief Information Security Officer who reports to the Chief Information Officer. The IT Cybersecurity Risk Management Committee, comprised of senior IT leaders, meets quarterly and reviews trending risks and remediation efforts. The Audit Committee of the Board of Directors receives a comprehensive annual report of cybersecurity risks, threat landscape, program maturity and overall program progress.

## TRAINING & AWARENESS

We require all employees to complete annual cybersecurity awareness trainings and test for awareness on a regular basis. We also provide tailored training courses to functional technology and employees who process personal or sensitive information.

## THREAT MANAGEMENT & INCIDENT RESPONSE

Our information security team utilizes leading technologies and vendors to monitor and respond to security threats via a 24/7/365 Security Operations Center. In the event of a security incident, a defined procedure outlines containment, response and immediate recovery actions.

**There were no security breaches in Fiscal 2023.**

## DATA & CONSUMER PRIVACY

Powell's data and consumer privacy program is constantly monitoring, adapting to and working diligently to comply with changes in global privacy legislation. While the EU Data Privacy Framework agreed between the EU and US in 2022 and the California Consumer Privacy Act of 2018 (CCPA) have brought more general awareness to privacy concerns, we have implemented technical, procedural and organizational measures designed to comply with applicable data protection and consumer privacy laws wherever we do business across the globe. Powell is conducting external benchmarking, as well as privacy compliance audits, to stay abreast of developing privacy laws and understand developing risks, best practices and industry trends.

**There were no data or consumer privacy incidents in Fiscal 2023.**








# EMPLOYEE HEALTH & SAFETY

Powell is committed to protecting the health and safety of everyone who plays a part in our operations, lives in the communities in which we operate, or uses our products. Wherever we operate, we conduct our business with respect and care for both the local and global environment and systematically manage risks to drive sustainable business growth. We will not be satisfied until we succeed in eliminating all injuries, occupational illnesses, unsafe practices, and environmental incidents.

## THIS MEANS THAT WE:

- Relentlessly protect the safety of our communities, customers, employees, contractors, and partners.
- Assess each new task or job for safety risk.
- Identify and prevent unsafe conditions.
- Take immediate action when a safety issue is identified.
- Continually seek ways to improve safety performance.

Stewardship for our safety and environmental performance is provided by the Powell Leadership Team, with direction from the Safety Steering Committee and support from a dedicated Environmental, Health and Safety (EHS) Team. Our EHS Team works directly with all levels of staff at each facility to recognize, communicate, and eliminate potential vulnerabilities and unsafe conditions.



Safety programs and training are provided to all employees. Our Safety Practice Council further drives safety initiatives from the ground up and our leaders ensure accountability. We conduct internal safety audits to verify that our control measures and systems are working as expected.

All incidents are reviewed monthly with all levels of leadership to share lessons learned and prevent similar incidents from happening in the future. We also utilize site-wide communications, safety awards and facility meetings to make sure our employees understand how they can improve employee safety.





# POWELL'S ENVIRONMENT, HEALTH & SAFETY MANAGEMENT SYSTEM

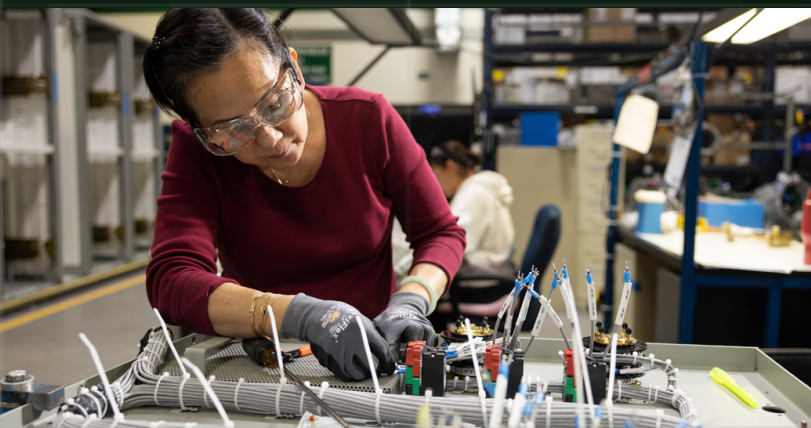
Powell's commitment to safety and the environment is guided by Powell's Environment, Health and Safety Management System (EHSMS). Powell's EHSMS framework is risk-based and designed to meet Powell's continually evolving and dynamic business and operating model. This framework identifies mandatory controls where there is potential for high-consequence events, as well as risk control measures that are proven effective and judged to be technically superior.

Powell's Global EHS Team maintains a series of documents detailing the key components of Powell's EHSMS. Powell's EHSMS is designed to protect the environment and the health and safety of our employees and the communities in which we operate with consistent risk thresholds and the flexibility to make decisions to manage risk most effectively.

**0.4**  
**TOTAL RECORDABLE  
INCIDENT RATE (TRIR)**  
**FY2023**

**2.9**  
**INDUSTRY  
AVERAGE**

\*Data Source: 2022 BLS Data,  
NAIS Code 3355313

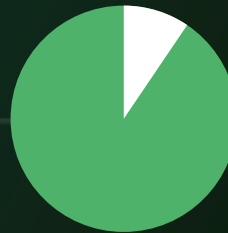




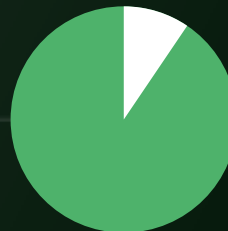
## STRATEGIC SOURCING

Powell requires all of our suppliers to adhere to and comply with all applicable laws and [compliance requirements](#) as part of normal business operations and as a condition of doing business with Powell. Suppliers are required to comply with ethical standards and applicable laws relating to anti-discrimination, workplace safety and health, anti-bribery, conflict minerals, forced labor and human trafficking, fair treatment of workers, child labor, and unfair labor practices. These requirements are attached to all Powell purchase orders issued.

At Powell, we track and promote suppliers with diversity certifications based on the following categories: Minority Owned (MBE), Women Owned (WME), LGBT Owned, Disability Owned, Veteran Owned, Service Disabled Veteran Owned (SDVOB), and HUB Zone businesses. Powell actively pursues local content providers, close to our factories-of-origin, to ensure a reliable and consistent supply chain of critical materials and components used in our manufacturing and assembly processes.



**>90%**  
Local content supply  
base for Powell's  
North American  
based facilities.



**>90%**  
Local content supply  
base for Powell's UK  
based facilities.

As a result of these efforts, over 90% of the material needs for our US and Canadian manufacturing facilities were strategically sourced within North America.

Powell's sourcing strategy for our UK operations has resulted in over 90% of materials being supplied from sources within the UK and the European Union.







# ENVIRONMENTAL RESPONSIBILITY

Powell recognizes that environmental responsibility has a critical role in the long-term success and viability of the Company. Powell is committed to respecting environmental protocols throughout our operations as we deliver the best engineered equipment to our customers. Powell’s core value, Commitment to Improve, is reflected in our environmental practices.

## PRODUCTS AND THE ENVIRONMENT

Powell takes pride in designing products that benefit the environment and reduce energy operating costs and consumption. Our power control rooms utilize a design concept that maximizes energy efficiency. Powell’s equipment incorporates bolted designs, instead of welded construction, to reduce energy usage in our facilities.

## NATURAL RESOURCES

Powell monitors the consumption of resources across all global facilities in order to implement the best conservation practices and identify opportunities for further energy conservation.

### NATURAL GAS

92,578 MMBtu

### ELECTRICITY

98,974 GJ

### WATER

13,719,730 gallons

### RECYCLED SCRAP METAL

5,502,102 pounds

### RECYCLED SCRAP COPPER

727,243 pounds

### RECYCLED SCRAP ALUMINUM

569,962 pounds

Note: Fiscal 2023 Data



# SASB REPORTING



## STANDARDS & REFERENCES

The basis for this corporate responsibility report was based on the Sustainability Accounting Standards Board (SASB) for Electrical & Electronic Equipment, Sustainability Industry Certification System (SICS) RT- EE, dated October 2018.

SASB Terminology, Definitions, Codes, and Powell FY2023 Data				
Topic	Accounting Metric	Measure	Code	Powell FY2023
Energy Management	(1) Total Energy Consumed, (2) percentage grid electricity, (3) percentage renewable.	Gigajoules (GJ) Percentage (%)	RT-EE-130a.1	98,974 GJ consumed, with 99.4% sourced from the electrical grid
Hazardous Waste Management	Amount of hazardous waste from manufacturing, percentage recycled.	Metric tons (t) Percentage	RT-EE-150a.1	6.1 Metric Tons, .63% Recycled, Plating (D0011, F007)
Hazardous Waste Management	Number of aggregate quantity of reportable spills, quantity recycled.	Number (x), Kilograms (kg)	RT-EE-150a.2	(0) Reportable Spills
Materials Sourcing	Description of the management of risks associated with the use of critical materials. (a material that is both essential in use and subject to the risk of supply restriction)	Discussion and Analysis	RT-EE-440a.1	Please reference discussion and analysis on page 22 in Powell's 2023 Corporate Responsibility Report.
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior.	Discussion and Analysis	RT-EE-510a.1	Please reference discussion and analysis on page 9 in Powell's 2023 Corporate Responsibility Report.
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption.	Reporting Currency	RT-EE-510a.2	\$0 (USD)
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations.	Reporting Currency	RT-EE-510a.3	\$0 (USD)
Employee Health and Safety	Total Recordable Incident Rate (TIRR) and Near Miss Frequency Rate (NMFR)	Rate	RT-IG-320a.1	0.40 TRIR (FY2023) NMFR = 3.60 (FY2023)
Number of Employees		Number	RT-EE-000.B	2,363 employees as of September 30, 2023