



Powell Industries, Inc. Employees Incentive Savings Plan

Invest in your retirement—and yourself—today, with help from the Powell Industries, Inc. Employees Incentive Savings Plan and Fidelity.



YOUR GUIDE TO GETTING STARTED





Invest some of what you earn today for what you plan to accomplish tomorrow.

Dear Employee:

We are pleased to inform you that you will be automatically enrolled in the Powell Industries, Inc. Employees Incentive Savings Plan, unless you elect otherwise. Take a look and see what a difference the plan could make in achieving your goals.

Benefit from:

Matching contributions. Powell Industries helps your contributions grow through a generous employer match—it's like getting "free" money. That's why it makes good financial sense to take advantage of this great benefit today!

Convenience. Your contributions are automatically deducted regularly from your paycheck.

Tax savings now. Your pretax contributions are deducted from your pay before income taxes are taken out. This means that you can actually lower the amount of current income taxes you pay each period.

Tax-deferred savings opportunities. You pay no taxes on any earnings until you withdraw them from your account, enabling you to keep more of your money working for you now.

Roth contributions. A Roth contribution to your retirement savings plan allows you to make after-tax contributions and take any associated earnings completely tax free at retirement - as long as the distribution is a qualified one.

Portability. You can roll over eligible savings from a previous employer into this Plan. You can also take your account balance with you if you leave the company.

Investment options. You have the flexibility to select from investment options that range from more conservative to more aggressive, making it easy for you to develop a well-diversified investment portfolio.

Automatic annual increases. Save a little more each year, the easy way — the Annual Increase Program automatically increases your contribution by 1% each year until it gets to 15%.

Online beneficiary. With Fidelity's Online Beneficiaries Service, you can designate your beneficiaries, receive instant online confirmation, and check your beneficiary information virtually any time.

Catch-up contributions. If you are 50 years of age or older during the calendar year, you can make an additional pretax or Roth "catch-up" contribution.

To learn more about what your plan offers, see "Frequently asked questions about your plan" on the next page.

Participate in your plan and invest in yourself today.



Frequently asked questions about your plan.

Here are answers to questions you may have about the key features, benefits, and rules of your plan.

When can I enroll in the Plan?

There is no waiting period. You can enroll in the Plan at any time after your Fidelity account is set up.

Note: It can take up to one week for your Fidelity account to be set up.

As an eligible employee, if you have not enrolled in the Plan within 30 days from your date of hire, you will be automatically enrolled in the Plan, as soon as administratively possible, at a contribution rate of 2% of your pretax eligible earnings. Your contributions will be invested in the T. Rowe Price Retirement Fund with the target retirement date closest to the year you might retire, based on your current age and assuming a retirement age of 65. Please refer to the chart in the Investment Options section for more details. If no date of birth or an invalid date of birth is on file at Fidelity, your contributions may be invested in the T. Rowe Price Retirement Balanced Fund. For more information about the T. Rowe Price Retirement Fund options, log on to www.401k.com.

Please note that if your contribution rate to the Plan is less than 15%, you will be automatically enrolled in the Annual Increase program. Participants who are auto enrolled within the last six months of the plan year will not receive an auto increase until the second January following the auto enrollment. Each January your deferral amount will increase by 1%, up to a maximum of 15%, unless you actively withdraw from the program. Please see the "Set up your contributions with the Annual Increase Program" article later in this guide for additional information.

We encourage you to take an active role in the Plan and to choose a contribution rate and investment options that are appropriate for you. However, if you do not wish to contribute to the Plan, you must change your contribution rate to 0% within the first 30 calendar days of your employment. You may change your contribution rate at any time by logging on to Fidelity NetBenefits® at www.401k.com or by calling the Fidelity Retirement Benefits Line at 800-835-5095.

How do I enroll in the Plan?

Enroll online at any time, or by calling the Fidelity Retirement Benefits Line at 800-835-5095.

How much can I contribute?

Through automatic payroll deduction, you may contribute up to 75% of your eligible pay on a pretax and/or Roth basis, up to the annual IRS dollar limits. In addition, you can automatically increase your retirement savings plan contributions each year through the Annual Increase Program. You can sign up by logging on to Fidelity NetBenefits® at www.401k.com and clicking on "Contribution Amount" or by calling the Fidelity Retirement Benefits Line at 800-835-5095.

What is the Roth contribution option?

A Roth contribution to your retirement savings plan allows you to make after-tax contributions and take any associated earnings completely tax free at retirement - as long as the distribution is a qualified one. A qualified distribution, in this case, is one that is taken at least five tax years after your first Roth 401(k) contribution and after you have attained age 59½, or become disabled or die. Please see

the "What is the Roth 401(k) Contribution Option?" article later in this guide for additional information.

What is the IRS contribution limit?

The IRS contribution limit for 2023 is \$22,500.

Does the Company contribute to my account?

The Company helps your retirement savings grow by matching your contributions. Powell Industries will match 50% of each pretax or Roth dollar you contribute on the first 6% of pay that you defer to the Plan.

How do I designate my beneficiary?

It's very important to set up your beneficiary designations. Fidelity's Online Beneficiaries Service, available through Fidelity NetBenefits®, offers a straightforward, convenient process that takes just minutes. Simply log on to NetBenefits® at www.401k.com and click on "Beneficiaries" in the About You section of Your Profile. If you do not have access to the Internet or prefer to complete your beneficiary information by paper form, please contact 800-835-5095.

What are my investment options?

To help you meet your investment goals, the Plan offers you a range of options. You can select a mix of investment options that best suits your goals, time horizon, and risk tolerance. The many investment options available through the Plan include conservative, moderately conservative, and aggressive funds. A complete description of the Plan's investment options and their performance, as well as planning tools to help you choose an appropriate mix, are available online.

What "catch-up" contribution can I make?

If you have reached age 50 or will reach 50 during the current calendar year January 1 – December 31 and are making the maximum plan or IRS contribution, you may make an additional "catch-up" contribution each pay period, up to the IRS contribution limit of

\$7,500. You can make pretax or Roth catch-up contributions.

When am I vested?

You are immediately 100% vested in your own contributions to the Powell Industries, Inc. Employees Incentive Savings Plan, as well as in any of the organization's matching contributions and any earnings on them.

Can I take a loan from my account?

Although your plan account is intended for the future, you may borrow from your account for any reason. Your Plan allows up to 3 loans at a time; 2 general purpose loans and 1 principal residence loan.

Learn more about and/or request a loan online, or by calling the Fidelity Retirement Benefits Line at 800-835-5095.

Can I make withdrawals?

Withdrawals from the Plan are generally permitted when you terminate your employment, retire, reach age 59½, become permanently disabled, or have severe financial hardship, as defined by your plan.

Can I move money from another retirement plan into my account in the Powell Industries, Inc. Employees Incentive Savings Plan?

You are permitted to roll over eligible pretax or Roth contributions from another 401(a) plan, 401(k) plan, 403(a) plan, 403(b) plan, or a governmental 457(b) retirement plan account; distributions from spousal beneficiary or QDRO; or eligible pretax contributions from conduit individual retirement accounts (IRAs) or certain non-conduit individual retirement accounts (traditional IRAs, Simplified Employee Pension plans, and "SIMPLE" IRA distributions made more than two years from the date you first participated in the SIMPLE IRA). A conduit IRA is one that contains only money rolled over from an employer-sponsored retirement plan that has not been mixed with regular IRA contributions.

Additional information can be obtained online, or by calling the Fidelity Retirement Benefits Line at 800-835-5095.

Be sure to consider all your available options and the applicable fees and features of each before moving your retirement assets.

How do I access my account?

You can access your account online through Fidelity NetBenefits® at www.401k.com or call the Fidelity Retirement Benefits Line at 800-835-5095 to speak with a representative or use the automated voice response system, virtually 24 hours, 7 days a week.





Step up your contributions with the Annual Increase Program.

Help boost your contribution amount automatically: The Annual Increase Program allows you to increase your retirement savings plan contributions automatically each year. It's an easy way to help keep yourself on track as you get closer to retirement.

ACTION PLAN

- Review the details of the Annual Increase Program
- Choose the amount and date of your annual increase

How does the Annual Increase Program work?

Choose the amount and date for your annual increase, and the rest is automatic. Each year on the designated date, your contributions will increase by the amount you elected.

How does the Annual Increase Program benefit me?

Small increases in your contributions can lead to significant benefits in retirement. When you enroll in the Annual Increase Program, you may help ensure a step up in your retirement plan account contributions each year. This means more opportunity for your savings to grow. It can help you save more but feel less of an impact in your take-home pay.

How do I enroll?

To make your plan's Annual Increase Program part of your retirement saving strategy, log on to NetBenefits® or call your plan's toll-free number to choose the amount and select the date for your annual increase.

What amount and date should I choose for my annual increase?

Choose an annual increase of 1% or 2% and time it to coincide with your annual review or pay increase. The system follows through by automatically increasing your contribution on your selected date each year.

What if I need to make changes or withdraw?

You can change or withdraw from the program at any time by calling your plan's toll-free number or by visiting NetBenefits.®

Additional information about the Annual Increase Program

Eligibility requirements.

To participate in the program, you must be contributing regularly to your workplace savings plan through payroll deductions. If you stop making regular payroll deductions, your annual increase elections will be maintained on the system until conditions change to allow for the application of your elections.

After I sign up, when does the increased contribution go into effect?

Your Annual Increase Program elections will take effect as soon as administratively feasible. Therefore, depending on the frequency of your paycheck, it takes a minimum of one to two pay periods for the election to take effect.

Program elections.

In most circumstances, your increase election will be applied on a pretax basis. If your employer allows Roth deductions, in limited circumstances your election may be applied on a Roth basis.

Exceptions to program elections.

Your Annual Increase Program elections will be applied until you withdraw from the program, subject to the following exceptions:

- **Plan or statutory limits.** If you are close to or over the maximum percentage or dollar amount that you are allowed to contribute to your retirement plan, none or only some of your increase amount will be applied on your designated increase date. However, if you have made a "spillover" election to continue contributions on an after-tax basis, your annual increase election may be applied for the remainder of the plan year.

- **Suspension of plan contributions.** If you are suspended from making contributions to your plan due to certain plan rules, your program increase will also be suspended. Depending on plan rules, your election may or may not be reinstated at the end of the suspension period.
- **Highly compensated employees (HCEs).** If your designation as an HCE limits or otherwise restricts you from making additional contributions, your contributions may not be increased even if you have elected to participate in the program.
- **Change in employment status.** If your deductions are interrupted due to a change in your employment status such as a leave of absence or disability, your program elections will be held on file. It's a good idea to confirm that you are still enrolled in the program when your deductions begin again.

Please consult your plan rules for more detailed information. If you have questions, please call your plan's toll-free number or log on to NetBenefits.®

Need Help?

For additional information about the Annual Increase Program:

- Visit Fidelity NetBenefits®
- Call your plan's toll-free number to speak with a Fidelity Representative



What is the Roth 401(k) Contribution Option?

A Roth contribution is available to employees who participate in the 401(k) plan. For payroll purposes, Roth contributions are treated as after tax. This feature will allow participants to make Roth contributions to their plan while taking their earnings completely **tax-free** at retirement—as long as the withdrawal is a qualified one. A qualified withdrawal is one that can be taken five tax years after the year of the first Roth contribution *and* after the participant has attained age 59½, has become disabled, or has died.

If you qualify to make traditional 401(k) contributions, you are eligible for a Roth 401(k) contribution.

How does a Roth 401(k) contribution option work?

You elect an amount of your salary that you wish to contribute to the Roth source, just as you would for your traditional 401(k). The contribution is based on your eligible compensation, not on your net pay—for example, if your total annual eligible compensation is \$40,000 per year and you elect a 6% deferral amount, then \$2,400 per year would go into your Roth 401(k) account.

Unlike your traditional 401(k) pretax contribution, with a Roth 401(k) contribution, you pay the taxes now on the contributions you make—but later your earnings are all tax-free, if you meet certain criteria.

Example: Sally earns \$40,000 and has elected to put 6% toward her Roth 401(k) contributions and 6% toward her traditional 401(k) pretax contributions on a monthly basis.

	ROTH 401(k)*	TRADITIONAL 401(k)*
Sally's monthly contribution into each account	\$200	\$200
Sally's reduction in take-home pay	\$200	\$156

*This hypothetical example is based solely on an assumed federal income tax rate of 22%. No other payroll deductions are taken into account. Your own results will be based on your individual tax situation.

Your combined Roth and traditional pretax 401(k) contributions cannot exceed the IRS limits for the year.

Would a Roth 401(k) contribution option benefit me?

The potential benefits of Roth 401(k) contributions really depend on your personal situation, but are mainly focused on your existing tax rate and your anticipated tax rate at the time of retirement. If you are contributing to a Roth, you are giving up a tax break today for a tax break in the future.

Therefore, a Roth contribution might benefit you if your tax rate in retirement were **higher** than it had been during the years you contributed.

If your tax rate were **lower** in retirement, then a traditional 401(k) might be more beneficial to you than the Roth option. Talk with a tax professional for more information on how to determine if Roth 401(k) contributions are right for you.

Is a traditional pretax 401(k) still beneficial?

Yes. For many participants, a traditional pretax 401(k) will still be the most beneficial type of retirement savings plan. We do not know what the future holds regarding tax rates. Therefore, it is not possible to predict with certainty which type of 401(k) savings will be most beneficial to a participant.

Remember, because Roth 401(k) contributions are made after tax, you may take home less money in your paycheck than you would if you contributed to a traditional pretax 401(k).



Plan Name: The Powell Industries, Inc. Employees Incentive Savings Plan

Plan #: 09346

Incoming Rollover Instructions

"Rolling over" money into the Powell Industries, Inc. Employees Incentive Savings Plan is a three-step process. Please follow these instructions to ensure that this process is completed in a timely and accurate manner. *Please Note:* Failure to follow these instructions may result in a delay in the processing of your request and may jeopardize your ability to roll over your distribution.

Step 1. Request your distribution

Request a direct rollover distribution from your previous eligible retirement plan. See the Rollover Contribution Form for a list of the types of plans or accounts from which rollovers may be made to your employer's plan. There are two distribution check payable options:

Option 1.

The check can be made payable to Fidelity Investments Institutional Operations Company LLC (or FIIOC), for the benefit of (YOUR NAME). The check must be from the distributing trustee or custodian. (Personal checks are not acceptable.)

Note: This type of distribution avoids automatic income tax withholding. Also, it avoids the possible 10% early withdrawal penalty if you are under the age of 59 ½.

Option 2.

If the distribution was originally made payable directly to you, you must send your rollover contribution to Fidelity via a certified check or money order only for the amount you are rolling over. (Personal checks are not acceptable.)

Note: If your distribution is initially received as a check made payable to you, your rollover must be completed within 60 days of receipt of the distribution. Your previous administrator will be required to withhold income taxes. As a result, you will not be able to roll over 100% of your eligible distribution unless you have extra savings available to make up the amount withheld. You must also roll over that amount within 60 days of receipt of your distribution. If you do not make up the amount withheld, that amount will be considered a withdrawal from the previous program and the taxable portion will be subject to ordinary income taxes and possibly a 10% early withdrawal penalty.

Fidelity does not accept wire transfers of funds. You must request a CHECK from your previous plan or IRA.

The check should be mailed directly to you. Once you have received the check, please follow the directions in Step 2.

Step 2. Initiate your rollover request

Please log on to NetBenefits® at www.401k.com or the NetBenefits mobile app which you can get with the below QR code to initiate your request or complete the Incoming Rollover Contribution Form. Please be sure to complete all items, and sign the form if indicated.

Mobile App QR code:



Failing to properly complete the process will result in your transaction not being processed and your check being returned to you. This form and any separate documentation required by your Plan Sponsor will be reviewed through an automated process. Fidelity will not consider or act upon any unrequested documentation or any information provided outside the areas of the form where specific information has been requested.

Please Note: This rollover contribution will be invested based on the investment elections you have on file for rollover contributions to the Plan. If you have not made investment elections for rollover contributions, this amount will be invested in the Plan-designated default investment option. If you wish to make investment elections for your rollover contribution, please do so via NetBenefits or by contacting Fidelity Investments prior to submitting this form.

If you are not sure of the plan type that you are rolling out of, please contact your previous plan sponsor or IRA custodian for verification. An incorrect plan type could invalidate your rollover.

Step 3. Mail the information

Mail (1) the Incoming Rollover Contribution Application and (2) the check to:

FIRST CLASS MAIL WITH STAMP:

Fidelity Investments
Client Service Operations
P.O. Box 770003
Cincinnati, OH 45277-0065

Overnight Address:

Fidelity Investments
Client Service Operations (KC1F-L)
100 Crosby Parkway
Covington, KY 41015

Please include all the information requested. Incomplete forms and the accompanying check will be returned to you and may jeopardize your ability to roll over your distribution.

Once your contribution is accepted into the Powell Industries, Inc. Employees Incentive Savings Plan, you can log on to Fidelity NetBenefits® at www.401k.com to view your rollover contribution and investment election(s). Please allow at least seven business days for processing. If you have any questions about rollover contributions, call **800-835-5095**. Please be sure you have beneficiary information for the Plan on file.

To establish or change your beneficiary information for the Powell Industries, Inc. Employees Incentive Savings Plan, please access www.401k.com.

You should make a copy of the check and the Incoming Contribution Application for your records.

Plan #: 09346

Incoming Rollover Contribution Application

Section One: Participant Information (please print)

The following section must be completed entirely to ensure that your account is properly set up.

Social Security #: - - Hire Date: ____/____/____ Birth Date: ____/____/____

Participant Name (first, MI, last): _____

Participant Address: _____

City: _____ State: _____ ZIP: _____

Phone (day): _____ Phone (evening): _____

Section Two: Rollover Contribution Information

Acceptable rollover sources

The Plan will accept taxable money* from the following types of employer-sponsored plans: 401(a) plans (e.g., 401(k)); 403(a) plans; governmental 457(b) plans; 403(b) plans (e.g., plans of tax-exempt organizations); Roth 401(k) plans; Roth 403(b)/457(b) plans; distributions of taxable monies made to you as a spousal beneficiary from a current or former spouse from these types of plans, or an alternate payee pursuant to a qualified domestic relations order (QDRO). In addition, the Plan will accept: conduit IRAs (rollover IRAs), non-conduit IRAs (traditional IRAs, Simplified Employee Pension plans (SEP-IRAs)), and "SIMPLE" IRA distributions (made more than two years from the date you first participated in the SIMPLE IRA).

*** Taxable money is defined as pretax contributions (employee and employer), earnings on pretax contributions, and taxable earnings on after-tax contributions from your previous employer's plan.**

Enclosed Contribution:

\$										Pretax dollars	Roth 403(b) \$								
\$										Roth 401(k)	Roth 403(b) contributions excluding earnings \$								
\$										Roth 401(k) contributions excluding earnings	Date of first Roth 403(b) contribution		/		/				
			/			/				Date of first Roth 401(k) contribution	Roth 457(b) \$								
											Roth 457(b) contributions excluding earnings \$								
											Date of first Roth 457(b) contribution		/		/				

Please provide the following information concerning the origin of this rollover: Plan name: _____

<input type="checkbox"/> 401(k) Plan	<input type="checkbox"/> Governmental 457(b) Plan	<input type="checkbox"/> Conduit IRA (rollover IRA)
<input type="checkbox"/> 401(a) Plan	<input type="checkbox"/> Roth 401(a)/401(k) Plan	<input type="checkbox"/> Nonconduit IRA
<input type="checkbox"/> 403(b) Plan	<input type="checkbox"/> Roth 403(b) Plan	

Unacceptable rollover sources

The Plan cannot accept money from the following sources: rollovers from beneficiary accounts (other than from a spouse), payments over a life expectancy or a period of 10 or more years, or a Required Minimum Distribution (RMD). Also unacceptable are Coverdell Education Savings Accounts (CESAs). In-kind distributions of employer stock are not acceptable; therefore, stock must be sold and the proceeds (including any appreciation realized through the date of distribution) may be rolled over. After-tax contributions cannot be rolled over into this Plan.

Section Three: Investment Elections

I direct Fidelity to invest my rollover contribution into my current investment mix applicable to rollover contributions. If I have not selected an investment mix on my own via NetBenefits® or by telephone, I understand that this rollover contribution will be invested in the Plan's default investment option as directed by my employer.

To make an investment election or to request a fund prospectus please log on to www.401k.com.

Section Four: Participant Certification

I authorize the investment election for this rollover and acknowledge that I have received information detailing my available investment options. I acknowledge that my rollover contribution will be invested according to the investment election on file at Fidelity. I also acknowledge that if I do not already have investment elections on file at Fidelity, my rollover contribution will be invested in my plan's default investment option.

I certify that this rollover amount is composed ONLY of money from acceptable sources listed under Section Two, and I have completed the information regarding the source of this money to the best of my knowledge. Also, if the distribution check was made payable to me, I understand that this rollover must be received and deposited to my account within 60 days of receipt of the distribution. I understand that, once invested, these monies will be subject to the terms that govern the Powell Industries, Inc. Employees Incentive Savings Plan.

<div>X</div>	
Signature of Employee	Date

Application must be signed, or form and check will be returned to you.

Please complete this application and return it with your rollover check.

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Fidelity Investments Institutional Operations Company LLC

For more information about the Powell Industries, Inc. Employees Incentive Savings Plan, go to www.401k.com.