



Environmental, Social and Corporate Governance (ESG) Policy

JPW PHILOSOPHY AND ESG COMMITMENT

JPW Industries ('JPW' or 'Company') is a leading designer, manufacturer, marketer, and value-added distributor of a wide range of proprietary branded specialty machines, shop tools, and equipment. We market our products under the JET, Powermatic, Wilton, Baileigh, Edwards, Promac, and Axiom brand names.

Our definition of success extends far beyond our bottom line. We recognize our responsibility to contribute in a positive and meaningful way to our planet, our society and our communities.

We believe that businesses are uniquely positioned to address environmental and social challenges through product innovation, operational excellence and sustainability advocacy. We strive to build sustainable, equitable, healthy, and diverse communities through a combination of innovative business practices and exemplary environmental, social and governance ('ESG') performance.

Our commitment to improve our social and environmental performance demonstrates a strong management attitude and a values-led culture that recognizes and is responsive to the challenges and opportunities of doing business responsibly and sustainably.

Our Vision is to be the best provider to the metal, wood and industrial markets, by delivering innovative products, offering trusted advice and education and providing an unparalleled customer experience. What really sets us apart isn't just our innovation and service, it's our people and our values. It's our raw desire to improve, to care, to support, to educate, and to provide solutions at every turn.

Our Values:

- **We Win as a Team.** We believe in collaboration and working together to capitalize on the strength of our collective ideas. We are passionate about recruiting, developing, and retaining the most talented and diverse team possible. We put the most skilled, collaborative, engaged team on the field of play every day.
- **We Act with Integrity.** We speak openly and honestly. We tell the whole story, not just what is convenient to our individual goals. We win with diversity and inclusion and embrace people from diverse backgrounds, cultures, and ways of thinking. We treat each other with integrity and respect. We always do the right thing, even when no one is watching.
- **We Think Customer First.** The lives of our end-users depend on the quality of our products/brands, so excellence and accountability are at the forefront of every decision we make. We are engaged and driven to exceed the expectations of our customers and to give back to the communities we live in.
- **We Believe in Innovation.** Innovation is our ultimate competitive differentiator. We pursue out-of-the-box ideas, both big and small, to add value and continuously improve our products, processes, and services. We act with a sense of speed and urgency because we know our teammates, customers and end-users are counting on us. We are high achievers, driven to get better every day and to exceed expectations.

- We Keep Score and Play to Win. We are results driven and are accountable to each other while delivering short- and long-term results. We understand that success enables us to continually invest back into our businesses and our people to help them realize their full potential. We earn our share-holder's investment and trust by consistently delivering on our commitments compound capital at superior rates of return by investing in core positions that we believe are financially, environmentally and socially sustainable.

This policy outlines our approach and commitment to sustainability matters. It is complemented by our suite of corporate codes and policies ('Code and Policy'), including Code of Business Conduct, JPW Employee Handbook, Safety Handbook, and business practices to form JPW's total commitment and approach to sustainability.

SOCIAL RESPONSIBILITY

JPW believes its employees are its most valuable asset and are critical to the success of the business. The promotion of health and safety, respect for diversity and human rights, and professional development enable the company to retain its most talented resources.

Workplace

JPW strictly enforces its Code and Policy that apply to all directors, officers and employees of the Company.

JPW contracts with a third-party, anonymous reporting hotline allowing all employees and external parties to report anonymously any violation of a code or company policy or report a general concern confidentially. The hotline is accessible by calling a toll-free number, mobile app or web portal.

An open-door policy encourages employees to present ideas, ask questions, and raise concerns, especially those of a legal or ethical nature and those relating to quality of work, directly to any level of leadership within the Company without fear of retaliation.

We are committed to engage with our employees to provide a challenging, dynamic, inclusive and diverse work environment that supports their professional development, as well as promoting a good work-life balance that prioritizes their overall health and wellness.

The Company strives for an injury-free workplace through a strong health and safety program supported by high employee engagement. Employees are frequently and continuously trained to conduct activities in a safe and environmentally responsible manner through mandated structured training programs.

A safe workplace provides opportunities for personal development, reward and nurture talented employees and ultimately offers the foundation for future success regardless of age, race, gender, sexual orientation or disability.

Diversity & Inclusion

We believe that diversity of people leads to more innovative ideas, broader perspectives, and better approaches to our current business and to new challenges. Not only is having a diverse team the right thing to do, but it's also the smartest way to run a business. JPW is committed to maintaining an environment that encourages and fosters appropriate conduct among all persons and respect for individual values.

Diversity at all levels creates the opportunity for our organization to see and to hear new ideas, and it helps to create opportunities for innovation, growth and improved operational and financial performance. Fostering an equitable and inclusive environment will ensure that we attract and retain the best talent. Having different

opinions, ideas and perspectives fosters a better understanding of our employees, customers, investors, vendors and ways of doing business.

We facilitate a diverse and inclusive work culture through benchmarks and tracking progress in reaching long-term goals, recruiting practices, a diverse interview panel, pay equity, blending diverse team members, being aware of unconscious bias and the importance of managing bias, ongoing feedback, and educating the workforce.

Community Development

We strive to be good neighbors, and to enrich all of the communities in which we live, work and operate. We believe in giving back to our communities and supporting those in need. Philanthropy, goodwill and care for others less fortunate are integral to who we are.

Some of the ways in which we contribute to the local economy include generating sustainable tax revenues, creating new jobs, and working with local communities on projects that promote positivity and goodwill within the area.

We believe in equality, justice, and a safe and prosperous society. We provide disadvantaged groups necessary aid and emergency relief for the common good of our communities. We work with various charities on a case-by-case basis in the local communities in which we operate. JPW, along with its employees, contributes to selected charities in a variety of ways throughout the year.

These contributions may include Company-wide events held at the local level, donation opportunities, and individual decisions to donate time or funding to a selected charity outside of normal work hours. By associating with a charity, JPW in no way condemns or condones political or religious views associated with the organization.

CORPORATE AND ETHICAL GOVERNANCE

JPW believes in acting ethically, following the law, and balancing the interests of all stakeholders. The Company endeavors to use the experience of developing a sustainable business to drive the industry and supply chain into a positive cycle and to act together as an uplifting force. Our focus is to promote strong oversight, transparency and risk management at all levels of our organization, ensuring the resilience and long-term preservation of value for our business.

We maintain strong corporate governance practices through exemplary board stewardship, management accountability, and proactive risk management. Internally, we have a leadership team of 11 executives who each lead a different business unit of the company. This group meets no less than biweekly, interacts regularly and holds regular strategy meetings which guide the company's growth and expansion. This ensures coordination between the many different activities across the company.

We are committed to high ethical standards through a strong Code and Policy, ongoing ethics training, and executive leadership that promotes a culture of integrity. We cultivate strong stakeholder relationships through transparency, open communications, and responding to stakeholder input.

We establish clear and effective governance for ESG, set goals and establish accountability through leadership oversight and reporting to the JPW Board of Directors.

Cybersecurity

JPW focuses on Cybersecurity risks continuously. As digitalization and automation dominate the transformation of the global economy, cyber risk and data protection pose ever greater challenges for businesses. We have developed an established security architecture to limit the vulnerability of our data, hardware and software, and reduce susceptibility to malicious software, viruses and hacking.

Supply Chain Security

JPW is a certified participant of the Customs Trade Partnership Against Terrorism ('CTPAT'). Through this program, U.S. Customs and Border Protection ('CBP') works with the trade community to strengthen international supply chains and improve the United States' border security. CTPAT is a voluntary public-private sector partnership program which recognizes that CBP can provide the highest level of cargo security only through close cooperation with the principal stakeholders of international supply chains.

The Company is required to meet CTPAT's minimum security guidelines and submit an updated security profile and assess its supply chain security on an annual basis. JPW undergoes revalidation conducted by CTPAT on a routine basis. The revalidation focuses on the verification of supply chain security processes and procedures that the Company voluntarily agrees to verify and perform under the guidelines and support of the CTPAT program.

ENVIRONMENTAL DUTY

We are committed to creating a sustainable future for our planet and its people. We believe that integrating sustainability and resiliency into our business practices creates value and will benefit future generations. Our approach is focused on integrating sustainability measures in all phases of our business.

We continue to implement a variety of practices including:

- Energy innovations such as LED lighting, reducing power usage in idle space.
- Storage, use and disposal of hazardous substances.
- Purchasing products where feasible that do not harm the environment.
- Reducing paper consumption and utilizing digital technologies.
- Managing business waste and recycling.

When a business takes action to make its operations responsible and sustainable, it may seem like a small difference. Every company that does these same things raises the bar and helps to make environmental responsibility a standard.

JPW BUSINESS AND ESG RESPONSIBILITY

ESG is about assessing that net positive impact in the world, and taking concerted, defined and measurable action to improve it. Our value rests in our employees, our communities, and the wider world. ESG forms a fundamental part of how our business lives our values in the real world.

The ethical and practical values that comprise ESG have always been at the heart of what we as a company stand for. With the growth of ESG and the increased awareness of these factors among our key stakeholders, we have a better opportunity to tell the story of how our business makes a positive impact in the world.

The drive to assess a broader range of factors in a holistic manner, from environmental and climate change considerations to the social issues and how we invest in our people, to the structure of our business and always reaching for better governance, means we can tell our story better.

Reporting and Responsibility

JPW provides timely information to its stakeholders on the matters addressed herein and works to foster transparency about the Company's activities. JPW aims to improve its commitment to ESG issues continuously. Management reviews and seeks to expand JPW's ESG policy and processes annually.

If you have any comments, questions or recommendations on the policy, please contact JPW's Vice President of Human Resources at blane@jpwindustries.com or Vice President of Operations at msmith@jpwindustries.com.

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