

# **RELATED PARTY TRANSACTIONS POLICY OF WILLIAMS INDUSTRIAL SERVICES GROUP INC.**

Last revised February 22, 2021

## **I. PURPOSE**

A conflict of interest arises when an individual's personal interests, or those of an Immediate Family Member (defined below), improperly interfere, or appear to interfere, with the interests of Williams Industrial Services Group Inc. (the "**Company**"). The Company's Code of Business Conduct and Ethics (the "**Code**"), which applies to all employees, officers and directors of the Company, provides that all conflicts of interest should be avoided. Pursuant to the regulations of the Securities and Exchange Commission (the "**SEC**"), the Company must disclose in its filings with the SEC (i) certain Related Party Transactions (as defined below), and (ii) the Company's policies concerning Related Party Transactions. Accordingly, all Related Party Transactions are subject to approval or ratification as set forth in this Policy.

## **II. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS**

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") shall review the material facts of all Related Party Transactions and either approve or disapprove of the entry into of the Related Party Transaction, subject to the exceptions described below. If advance Committee approval of a Related Party Transaction is not feasible, then the Related Party Transaction shall be considered and, if the Committee determines it to be appropriate, ratified at the Committee's next regularly scheduled meeting. In reviewing any Related Party Transaction, the Committee will be provided with full details of the Related Party Transaction, including (i) the terms of the transaction, (ii) the business purpose of the transaction, (iii) the benefits to the Company and to the Related Party and (iv) other relevant matters. In determining whether to approve or ratify a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- whether the terms of the Related Party Transaction are fair to the Company and would apply on the same basis if the other party to the transaction did not involve a Related Party;
- whether there are any compelling business reasons for the Company to enter into the Related Party Transaction;
- whether the Related Party Transaction would impair the independence of an otherwise independent director; and
- whether the Related Party Transaction would present an improper conflict of interest for any director or executive officer of the Company, taking into account the size of the transaction, the overall financial position of the director, executive officer or Related Party, the direct or indirect nature of the director's, executive officer's or Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Committee deems relevant.

Any Related Party Transaction that is not approved or ratified in accordance with this Policy may be voided, terminated or amended, or such other actions may be taken, in each case as determined by the Committee, to avoid or otherwise address any resulting conflict of interest.

No director shall participate in any discussion or approval of a Related Party Transaction for which he or she is a Related Party, except that the director shall provide all material information concerning the Related Party Transaction to the Committee for its review.

### **III. IDENTIFICATION OF RELATED PARTY TRANSACTIONS**

Related Party Transactions may be brought to the attention of management of the Company and the Committee in a number of ways. As a general matter, pursuant to the Company's Code of Business Conduct and Ethics, any employee, including all executive officers, who is aware of a potential conflict of interest is required to discuss the matter promptly with, among others, a supervisor, manager, or the Company's General Counsel. In addition, on an annual basis, each of the Company's directors and executive officers will complete a questionnaire that is designed to elicit information about any potential Related Party Transactions and are instructed and periodically reminded of their obligation to inform the General Counsel of the Company of every proposed transaction or relationship that they reasonably believe may possibly constitute a Related Party Transaction.

### **IV. STANDING PRE-APPROVAL FOR CERTAIN RELATED PARTY TRANSACTIONS**

The Committee has reviewed the types of Related Party Transactions described below and determined that each of the following Related Party Transactions shall be deemed to be pre-approved by the Committee, even if the aggregate amount involved exceeds or will exceed \$120,000.

1. *Employment of Executive Officers.* Any employment by the Company of an executive officer of the Company if:

(i) The related compensation is required to be reported in the Company's proxy statement under Item 402 of Regulation S-K (generally applicable to "named executive officers"); or

(ii) The executive officer is not an Immediate Family Member of another executive officer or director or nominee for director of the Company, the related compensation would be reported in the Company's proxy statement under Item 402 of Regulation S-K if the executive officer was a "named executive officer," and the Company's Compensation Committee approved (or recommended that the Board approve) such compensation.

2. *Director Compensation.* Any compensation paid to a director if the compensation is required to be reported in the Company's proxy statement under Item 402 of Regulation S-K.

3. *Certain Transactions with Other Companies.* Any transaction with another company at which a Related Party's only relationship is director or beneficial owner of less than 10% of that company's shares, if the aggregate amount involved in any twelve month period does not exceed the greater of \$1,000,000 or 2% of that company's total annual revenues;

4. *Transactions Where all Shareholders Receive Proportional Benefits.* Any transaction where the Related Party's interest arises solely from the ownership of the Company's common stock and all holders of the Company's common stock received the same benefit on a pro rata basis;

5. *Transactions involving Competitive Bids.* Any transaction involving a Related Party where the rates or charges involved are determined by competitive bids;

6. *Regulated Transactions.* Any transaction with a Related Party involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority; and

7. *Certain Bank-Related Services.* Any transactions with a Related Party involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture or similar services.

## **V. REPORTING AND DISCLOSURE**

1. *Approvals to be Reported to the Board.* The Committee shall notify the Board on a quarterly basis of all Related Party Transactions approved or ratified by the Committee.

2. *Public Disclosure.* All Related Party Transactions are to be disclosed in the Company's applicable filings as required by the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and related rules, or by applicable stock exchange rules.

## **VI. OTHER AGREEMENTS**

The Company's management shall ensure that all Related Party Transactions are approved in accordance with any requirements of the Company's financing or other material agreements.

## **VII. DEFINITIONS**

**"5% Stockholder"** means an entity or person known by the Company to be the beneficial owner of more than 5% of any class of the Company's voting securities.

**"Immediate Family Member"** means a child, step-child, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of a director, executive officer, nominee for director or 5% Stockholder, and any person (other than a tenant or employee) sharing the household of such director, executive officer, nominee for director or 5% Stockholder.

**“Related Party”** means any person:

- who is or at any time since the beginning of the Company’s last fiscal year was, a director or executive officer of the Company or a nominee to become a director of the Company;
- who is a 5% Stockholder; or
- who is an Immediate Family Member of any of the foregoing persons.

**“Related Party Transaction”** means any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships (including any indebtedness or guarantee of indebtedness) in which

- the aggregate amount involved will or may be expected to exceed \$120,000;
- the Company is a participant; and
- any Related Party has or will have a direct or indirect interest.