

Brady Corporation
Finance Committee Charter
(Amended November 14, 2023)

I. Purpose:

The primary objectives of the Finance Committee are to assist the Board by:

- (a) Reviewing and approving Brady Corporation's (the "Corporation's") financing activities consistent with the authorization levels as set forth by the Board.
- (b) Reviewing and making recommendations to the Board on the Corporation's capital structure, financial risk management, investment policies, dividend policies, share repurchases, and other significant financial initiatives.
- (c) Reviewing and approving proposed acquisitions, dispositions, mergers, joint ventures, significant capital investments, and similar transactions consistent with the authorization levels as set forth by the Board.

The Finance Committee will fulfill these responsibilities by carrying out the activities enumerated in Section III of this Charter, thereby assisting the Board in executing its oversight responsibilities.

II. Committee Membership and Procedures:

The Finance Committee shall be comprised of no fewer than three members. The members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. The Board shall have the power at any time to remove members of the Committee, change the membership of the Committee and fill vacancies in it.

A majority of the members of the Finance Committee shall have a working familiarity with treasury, finance and economic value principles.

The Committee's Chair shall be designated by the Board or, if it does not do so, the Committee members shall elect a Chair by vote of a majority of the Committee. The Chair of the Committee will preside at each meeting of the Committee, and, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The Chair will ensure that the agenda for each meeting is circulated in advance of the meeting. Except as provided in this Charter or the bylaws of the Corporation, the Committee may fix its own rules of procedure.

III. Committee Authority and Responsibilities:

The Finance Committee shall have the power and authority of the Board to perform the following duties and to fulfill the following responsibilities:

- Review and approve the Corporation's debt financing activities, including the incurrence of debt for the purposes of raising funds or refinancing existing debt or other obligations of the Corporation; the repurchase, repayment, redemption, modification, amendment or exchange of outstanding debt of the Corporation or any subsidiary; or such other matters as may be determined by the Finance Committee to be reasonably related to any of the foregoing, consistent with the authorization levels contained in Appendix A.
- Review and approve proposed acquisitions, dispositions, mergers, joint ventures, significant capital investments, and similar transactions consistent with the authorization levels contained in Appendix A.
- Review and make recommendations to the Board regarding:
 - The issuance of equity securities for the purposes of raising funds or other obligations of the Corporation; the repurchase, repayment, redemption, modification, amendment or exchange of equity securities of the Corporation; or such other matters as may be reasonably related to any of the foregoing.
 - Participation in any equity investment, joint venture, partnership, or similar initiative which requires a financial commitment (including the entry into a guaranty or the assumption of debt) in an amount that exceeds the authorization limits contained in Appendix A.
 - The sale of any asset for a sales price in excess of the established authorization limits.
- On a periodic basis or as significant events require, review and report to the Board regarding the following topics:
 - The Corporation's investment policy and practices.
 - The Corporation's financial risk management and derivative policies.
 - Major commercial banking, investment banking, and rating agency relationships and the impact of corporate actions on those relationships and on the Corporation's long-term and short-term credit ratings.
 - The Corporation's liquidity situation (including but not limited to cash on-hand, borrowings available, cash flow projections, and debt covenant compliance).
 - Any changes or proposed changes to the classes of stock, issuance of stock, re-purchase/buy-back proposals, stock splits, stock exchange listings, or any other changes in capitalization.
 - The key components of the Corporation's investor relations program.
 - The key components of the Corporation's insurance program, including a periodic review of Directors' and Officers' insurance.
 - The valuation models used by the Corporation to value significant investments (acquisitions, capital expenditures, etc.).
- Periodically (at least annually) review the employee-led Retirement Committee's progress and activities so as to provide the Board sufficient evidence of the prudence of the process employed by the Retirement Committee in carrying out duties and responsibilities.
- Annually review the Corporation's dividend policies and recommend annual dividends to the Board.
- Annually, review and reassess the adequacy of this Charter as appropriate and recommend any proposed changes to the Board for approval
- Annually evaluate the Finance Committee's performance.
- Form and delegate authority to subcommittees when appropriate.
- Provide general advice to the Board as a whole on financial matters.

The Finance Committee shall perform any other activities consistent with this Charter, the Corporation's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

IV. Access to Resources:

The Finance Committee has the authority to engage, at the Corporation's expense, the services of outside advisors to assist it in the discharge of its duties. The Finance Committee also has full access to the Corporation's records, officers, employees and outside advisors as necessary to perform its duties.

V. Appendices:

Appendix A – Authorization Limits.

APPENDIX A

Brady Corporation Finance Committee and Board of Directors Acquisition and Capital Expenditure Authorization Limits

ACQUISITIONS, JOINT VENTURES, AND PARTNERSHIP RELATED LIMITATIONS:

The acquisition approval limitations are as follows:

Non-binding Indications of Interest and Letters of Interest:

- \$100 million or less – Must be approved by both the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO).
- Greater than \$100 million – Must be approved by the Finance Committee.

Approval to Enter into a Definitive Agreement for an Acquisition:

- \$25 million or less – Must be approved by the Finance Committee.
- Greater than \$25 million – Must be approved by the Board of Directors.

Notwithstanding the above, if the transaction involves a new platform or adjacency, the non-binding letter of intent/indication of interest, as well as the entering into of a definitive agreement, would require full Board action, regardless of the size of the transaction.

The Board of Directors should also be informed of acquisition and disposition activity, even those that do not require full Board action and should also be kept apprised of all pipeline activity.

DISPOSITIONS:

All non-binding indications of interest and letters of intent related to dispositions with a sales price or annual revenues of \$20 million or greater must be approved by the Finance Committee.

Approval to Enter into a Definitive Agreement for a Disposition:

- Sale price or annual revenues of disposed business of less than \$20 million – Must be approved by the CEO and CFO.
- Sale price or annual revenues of disposed business of more than \$20 million – Must be approved by the Finance Committee.
- Sale price or annual revenues of disposed business of \$50 million or greater – Must be approved by the Board of Directors.

The Finance Committee and the Board of Directors should be informed of dispositions even those that do not require formal Finance Committee or Board approval.

CAPITAL EXPENDITURES:

The Corporation's capital expenditure limits (for discrete capital expenditure projects – not total capital expenditures) are as follows:

- Up to \$1 million – Various levels of Corporation management, below the Chief Executive Officer.
- Greater than \$1 million, but less than \$10 million – Must be approved by the Chief Executive Officer.

- Greater than \$10 million, but less than \$25 million – Must be approved by the Finance Committee.
- Greater than \$25 million – Must be approved by the Board of Directors.

Leases are subject to the same authorization levels as those outlined above for capital expenditures. Detailed requirements for the Corporation's Capital Expenditures are provided in the Capital Expenditure Policy.

FINANCING ACTIVITIES:

The ability to enter Brady into debt financing arrangements, including the raising of debt or refinancing existing debt or other obligations of the Corporation, including the repurchase, repayment, redemption, modification, amendment, or exchange of outstanding debt of the Corporation or any subsidiary is the responsibility of the CFO with oversight by the Finance Committee and the Board of Directors (examples would include letters of credit, capital leases, bank term loans, equipment loans, mortgages, etc.).

Specifically, the authorization limits for raising or refinancing debt are as follows:

- Up to \$10 million – Must be approved by the Chief Financial Officer and the Chief Executive Officer.
- Greater than \$10 million, but less than \$25 million – Must be approved by the Finance Committee.
- Greater than \$25 million – Must be approved by the Board of Directors.

All routine borrowings and repayments on the Corporation's existing revolving line of credit agreements in the normal course of business must be approved by either Chief Financial Officer, Treasurer, or Assistant Treasurer.