

BRADY CORPORATION AUDIT COMMITTEE CHARTER

Amended November 14, 2023

Purpose

The Audit Committee (the “Committee”) is appointed by the Board of Directors (“Board” or “Directors”) to assist the Board in monitoring (1) the integrity of the financial statements of Brady Corporation (the “Company”), (2) the independent auditor’s qualifications and independence, (3) the performance of the Company’s internal audit function and independent auditors, (4) the Company’s financial reporting processes and systems of internal controls and (5) the compliance by the Company with certain legal and regulatory requirements.

Committee Membership

The Audit Committee shall consist of no fewer than three Directors, each of whom shall meet the independence and experience requirements of the New York Stock Exchange and the Securities Exchange Act of 1934 (the “Exchange Act”), as well as the rules and regulations promulgated thereunder by the U.S. Securities and Exchange Commission (the “SEC”). Committee members will be appointed by the Board to serve until their successors are elected. Unless a chairman/chairwoman (“Chair”) is elected by the Board, the members of the Committee may designate a Chair by majority vote. The Chair of the Committee shall have accounting or related financial management experience and at least one Committee member shall meet the SEC’s requirements for an audit committee financial expert. Audit Committee members shall not simultaneously serve on the audit committees of more than two other public companies unless the Board determines that such service will not impair the member’s ability to effectively serve on the Audit Committee and so discloses in any proxy statement or Annual Report on Form 10-K of the Company. The Committee will provide its members with annual continuing education opportunities in financial reporting and other areas relevant to the Committee.

The Board shall have the power at any time to change the membership of the Committee and to fill vacancies in it.

Meetings

The Committee shall meet as often as it determines, but not less frequently than quarterly at each meeting the Committee shall meet with management, the internal auditors and the independent auditor in separate executive sessions. The Committee may request any officer or employee of the Company or the Company’s outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Committee Authority and Responsibilities

The Committee shall have the sole authority to appoint or replace the independent auditor. The Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor and the internal audit function shall report directly to the Committee.

The Committee shall, on at least an annual basis, review and preapprove all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act, which are approved by the Audit Committee prior to the completion of the audit. The Committee shall, on at least an annual basis, review and approve the Company's Auditor Services and Fees Preapproval Policy.

The Committee may form and delegate authority to subcommittees consisting of one or more Committee members when appropriate, including the authority to grant preapprovals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant preapprovals shall be presented to the full Committee at its next scheduled meeting.

The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Committee. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review its own performance and report regularly to the Board of Directors regarding the execution of the Committee's duties, responsibilities, and activities, any issues encountered, and related recommendations.

The Committee shall provide a report of the Committee, which contains certain required disclosures, in the Company's annual Form 10-K.

The Committee, to the extent it deems necessary or appropriate, shall:

Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the annual audited financial statements and quarterly financial statements, including disclosures made in "Management's Discussion and Analysis of Financial Conditions and Results of Operations." The Committee shall recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
2. Review and discuss with management and the independent auditor the Company's quarterly financial statements prior to the filing of its Form 10-Q, including the results of the independent auditor's review of the quarterly financial statements.

3. Discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies, and the adequacy of disclosures about changes in internal control over financial reporting.
4. Review and discuss quarterly reports from the independent auditors on:
 - (a) Critical accounting policies and practices to be used.
 - (b) Alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
 - (c) Other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
5. Discuss with management the Company's earnings press releases prior to issuance, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies.
6. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives, as well as, any off-balance sheet structures affecting the Company's financial statements.
7. Discuss with management the adequacy and effectiveness of the Company's controls and procedures, the adequacy and effectiveness of the Company's internal control over financial reporting, and the Company's risk assessment and risk management policies.
8. Discuss with the independent auditor the matters required to be discussed by PCAOB Audit Standard No. 16 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
9. Review disclosures made to the Committee by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.
10. Review all related-party transactions required to be disclosed according to SEC Regulation S-K, Item 404, and discuss with management the business rationale for the transactions and whether appropriate disclosures have been made.

Oversight of the Company's Relationship with the Independent Auditor

1. Review and evaluate the lead partner of the independent auditor team.
2. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality control procedures, (b) any material issues raised by the most recent internal quality control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, (d) all relationships between the independent auditor and the Company and the written independence disclosures required by the PCAOB, and (e) review with the independent auditor any problems or difficulties encountered during the course of the audit, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management, together with management's response. Evaluate the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, and taking into account the opinions of management and internal auditors.
3. Approve the Company's policies for hiring of employees or former employees of the independent auditor.
4. Meet with the independent auditor prior to the audit to discuss the scope, timing and staffing of the audit.

Oversight of the Company's Internal Audit Function

1. Serve as the direct reporting line for the internal audit function.
2. Review the appointment and replacement of the senior internal auditing executive.
3. Review the significant reports or summaries thereof to management prepared by the internal auditing department and management's responses.
4. Annually, review and recommend changes (if any) to the internal audit charter.
5. Periodically review, with the senior internal auditing executive, any significant difficulties, disagreements with management, or scope restrictions encountered in the course of the function's work.
6. Discuss with the independent auditor and management the internal audit department responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.

Compliance Oversight Responsibilities

1. Obtain from the independent auditor assurance that the audit was conducted consistent with Section 10A(b) of the Exchange Act and that the auditors have not discovered or become aware of information indicating any illegal act by the Company requiring a report of action under this Section.
2. Review reports from management, the Company's senior internal auditing executive and the independent auditor as to the Company's and its subsidiary/foreign affiliated entities compliance with the Company's Code of Ethics. As appropriate, advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Ethics.
3. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees or others of concerns regarding questionable accounting or auditing matters.
4. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
5. Consider the risk of management's ability to override the Company's internal controls.
6. Discuss with the Company's counsel legal matters that may have a material impact on the financial statements or the Company's compliance policies.
7. Review and discuss identified risks associated with environmental, health and safety compliance across the Company that could have a material adverse effect on the Company's financial performance.
8. Review and discuss identified risks associated with the Company's cybersecurity, information systems and technology programs, procedures, and policies.
9. Review and discuss identified risks associated with data protection requirements and laws, including compliance with General Data Protection Regulations ("GDPR") and other related laws.
10. Be empowered to investigate any matter brought to its attention with full access to all Company books, records and personnel, using special counsel or outside experts when necessary or appropriate.

Limitation of Audit Committee's Role

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditor.