



2023 ESG REPORT

Brady Corporation



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ABOUT THIS REPORT

The Brady Corporation (“Brady” or “Company”) 2023 Environmental, Social and Governance (“ESG”) Report is presented as of July 31, 2023 and covers the Fiscal Year (FY) 2023 period from August 1, 2022 to July 31, 2023, except where noted. This report follows the Global Reporting Initiative (“GRI”) sustainability and reporting framework.

This report contains forward-looking statements. Forward-looking statements will give current expectations or forecasts of future events and are not guarantees of future performance. They are based on management’s expectation and involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statement. Some of these risks and uncertainties can be found in the Company’s filings with the Securities and Exchange Commission. While Brady believes all information in this report is accurate, such information is made without any warranty or guarantee and shall establish no legal duty on the part of Brady Corporation or its affiliates. Environmental metrics are based on available data and are often made in reliance on third-party supplier information.



MESSAGE FROM OUR CEO

From Russell Shaller:

I'm so pleased to share Brady's FY23 ESG report. At Brady, ESG is not an isolated strategy, but an integrated component of our business, operational and people strategies. I'm proud of the intentional strides we've made to continue to drive ESG efforts throughout the organization.

In this report, you'll see the results of our FY23 Materiality Assessment, where we identified seven topics that are material to Brady. We've chosen to organize this year's report around those seven materiality categories. You can read more about the assessment topics on [Page 12](#).



Energy and Waste Usage



Product Design and Innovation



Employee Health and Safety



Diversity, Equity, and Inclusion



Employee Attraction, Engagement, and Retention



Product Sourcing and Supply Chain Management



Business Ethics and Integrity

We continue to drive ESG under my direct leadership, and overseen by our Board of Directors. In FY23 we expanded our ESG and DEI leadership with the promotion of two Brady leaders. Their extensive knowledge of Brady's operations, processes, people and culture are driving sustainability within our business. I am excited about the progress we are making.

Both the ESG and DEI leaders report into the executive leadership team and provide annual updates to the Board of Directors.

There are a few other highlights from FY23 that I want to point out.

- ▶ Teams are taking initiative to integrate sustainability into our new product development process and into our daily operations.
- ▶ We launched two new Employee Resource Groups in the United States and initiated conversations around mental health, allyship and inclusion.
- ▶ Brady products inherently have a purpose, but as you'll see in this report, they make our customers more sustainable as well. We helped our customers with everything from identifying seagrass for research, to making maintenance of solar farms more efficient.

But none of this can happen without an organization that is committed to operating with integrity and ethics. Our commitment to transparency and integrity is foundational to all that we do, making Brady a great company to do business with, and a great company to work for.



MESSAGE FROM OUR ESG DIRECTOR

From Jamie Wallner:

When I first joined Brady, as an engineer, what immediately stood out to me is how Brady solved challenges. Cross-functional teams developed solutions that were data-driven, solving problems like the classic adage – measuring twice, cut once. Brady invested in thoughtful solutions that benefited all stakeholders long term. I have found this to be true in both our innovative customer solutions and internally in how we overcome manufacturing hurdles.

How Brady is approaching sustainability challenges has been no different. In this role, I have had the luxury to witness how deeply Brady stakeholders care for our environment, our employees, our communities, and our company. Our sustainability journey has been and continues to be thoughtful and data-driven. As we take a pause to look back over the last fiscal year, I am proud of how our journey has advanced and I am excited about what innovative solutions are still to come.



ABOUT BRADY

OUR PURPOSE

**Brady helps
make the world
a safer, more
productive place**

OUR VALUES



Results-Driven

We are focused on delivering results. We value agility, speed, and the ability to know where to invest our time and energy — and even more importantly — where we shouldn't. We operate with an ownership mindset, making decisions based on the current and future success of our company.



Innovative

We thrive by innovating — both in our products and how we work. We encourage a culture that asks “Why does this matter?” and “What if?”. We are curious, take calculated risks and constantly seek better solutions.



Inclusive

We are a global company made up of individual voices, backgrounds and experiences that make us One Brady. We value unique input from all stakeholders — including the people we're lucky enough to call our customers.



Team

We like to challenge ourselves and have fun. We are united in working toward a shared purpose. We win by attracting, developing and retaining the best people.



Integrity

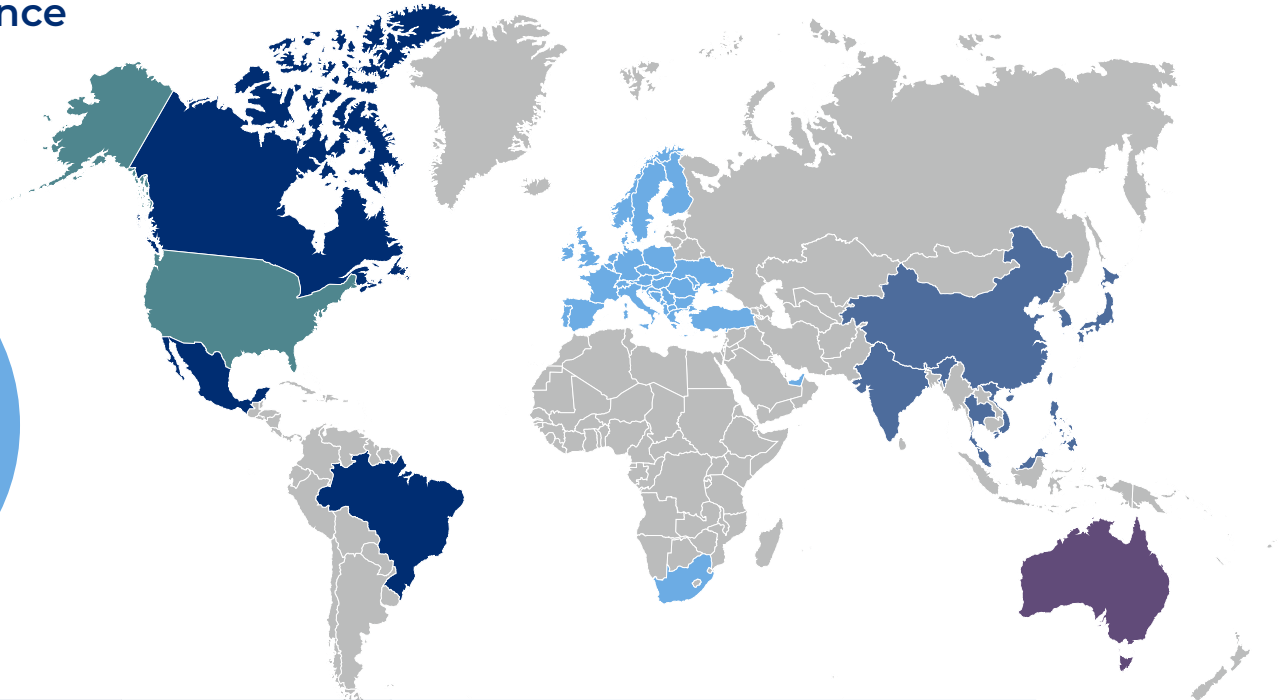
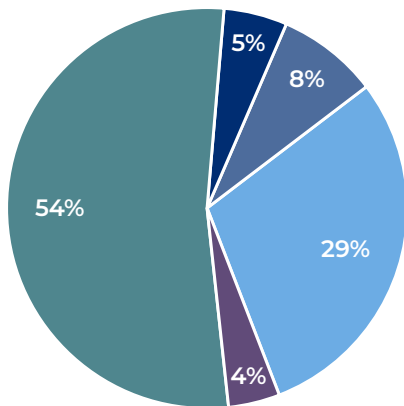
We act with honesty and integrity, and take accountability for our actions and results. We are committed to operating in a socially, sustainable, and ethically responsible way that creates a sense of pride within Brady and our communities.

FY23 AT A GLANCE



Geographical Presence

FY23 Sales by Region
(72 facilities in 32 countries)



U.S.A.	Rest of Americas	Asia	Europe, Middle East & Africa	Australia
World Headquarters	Brazil, Canada, Mexico	China, India, Japan, Malaysia, South Korea, Singapore, Thailand, Vietnam	Belgium, Denmark, Finland, France, Germany, Hungary, Italy, Netherlands, Norway, Poland, Qatar, Saudi Arabia, Slovakia, South Africa, Spain, Sweden, Turkey, UAE, U.K.	



38

Manufacturing
and Distribution
Facilities



\$61M

R&D Spend

\$443M

Europe & Australia Sales



\$225M

Operating Income

\$889M

America & Asia Sales

\$3.51

Class A Diluted EPS



\$175M

Net Income

Brady makes products that make the world a safer and smarter place.

We are a global leader in safety, identification and compliance solutions for a diverse range of workplaces. From the depths of the ocean to outer space, from the factory floor to the delivery room — **we're just about everywhere you look.**

We are an expert manufacturer with the experience, niche know-how and global capabilities to help our customers get the job done.

Deep technical expertise

Brady's innovative solutions are the result of expert engineers and scientists with deep knowledge across a variety of disciplines. We consistently deliver high-performing products and solutions thanks to a global R&D team who have expertise in everything from polymer science to RFID technologies. Our mechanical, electrical, software and firmware engineers, and chemists and chemical engineers have the experience, know-how and global capabilities to design products for mission critical applications.



ESG PHILOSOPHY

Brady's ESG philosophy is grounded in delivering high performance products and services while reducing our environmental impact, being dedicated to our employees and communities and ensuring business is conducted in a sound manner. This philosophy is made up of four core tenets that outline our commitment to incorporating ESG considerations throughout our business.

These tenets recognize the importance of managing risk as well as identifying opportunities to deliver value through taking a proactive approach to ESG management. They provide the foundation to deliver commitment to ESG and are integral to who we are, how we act, and how we manage our environmental footprint.



People

Brady is dedicated to building a more equitable, diverse and inclusive community, and strives to respect the cultures, customs and values of all individuals and groups. Brady recognizes that we have the responsibility to promote and protect human rights. We pride ourselves on preserving and protecting people's health, safety, and well being.



Planet

We are focused on reducing the environmental impact on the planet and within communities. By operating sustainably, pursuing efficiencies, we can reduce our environmental footprint.



Product

Brady will continue to innovate high performance products and services for our customers that provide solutions for their sustainability initiatives.



Governance

Brady's commitment to transparency and integrity is foundational to all that we do. We prioritize ethical conduct in every aspect of our business.

MATERIALITY ASSESSMENT

During FY23, Brady commissioned an independent global consultant to conduct a materiality assessment. The assessment included Interviews with multiple internal and external stakeholders, extensive research of peer companies, and a thorough evaluation of what we consider relevant to Brady's business. The following seven topics emerged as material to Brady:



▶ Energy and Waste Usage



▶ Diversity, Equity, and Inclusion



▶ Product Sourcing and Supply Chain Management



▶ Product Design and Innovation



▶ Employee Attraction, Engagement, and Retention

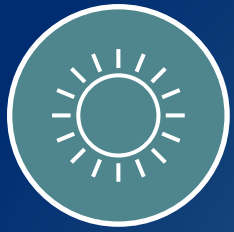


▶ Employee Health and Safety



▶ Business Ethics and Integrity

Each topic is championed by an executive leader, who is responsible for defining goals and executing initiatives within these areas.



ENVIRONMENTAL SUSTAINABILITY





ENVIRONMENTAL SUSTAINABILITY

Brady has a responsibility to be a good steward of the environment, no matter where we are in the world. Our environmental priorities are focused where we know we can make the greatest impact, help the environment and where it makes good business sense. Our environmental efforts are focused both internally, by making our operations more environmentally-friendly, and externally, through our product development process and through helping our customers with their own environmental and safety needs.

ENERGY AND WASTE USAGE

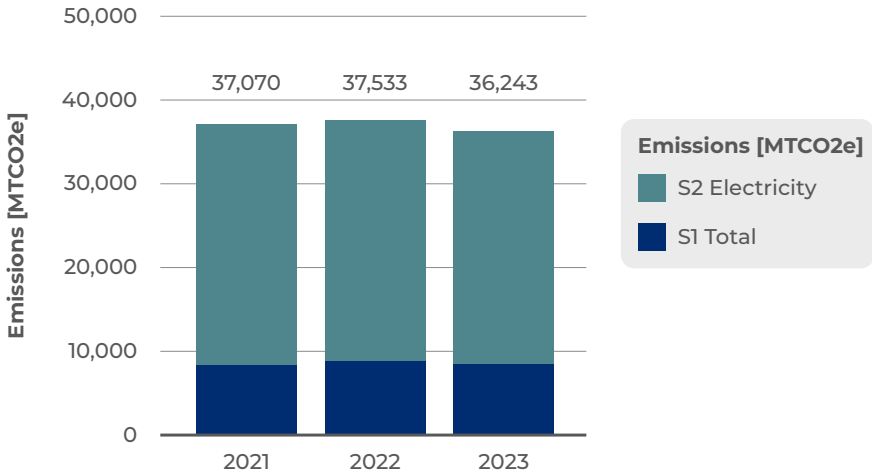
Climate Data

Brady's most direct impact on the environment relates to the natural resources and energy we consume. In this report we have provided data around our Scope 1 (direct) and Scope 2 (indirect) emissions from our operating facilities, either owned or leased, around the globe. We are striving to identify ways to reduce our carbon intensity across Brady's global footprint.

► **CARBON INTENSITY (GHG EMISSIONS / NET SALES):**

2021	2022	2023
3.2%	2.9%	2.7%

► **FY21 - FY23 ANNUAL EMISSIONS**



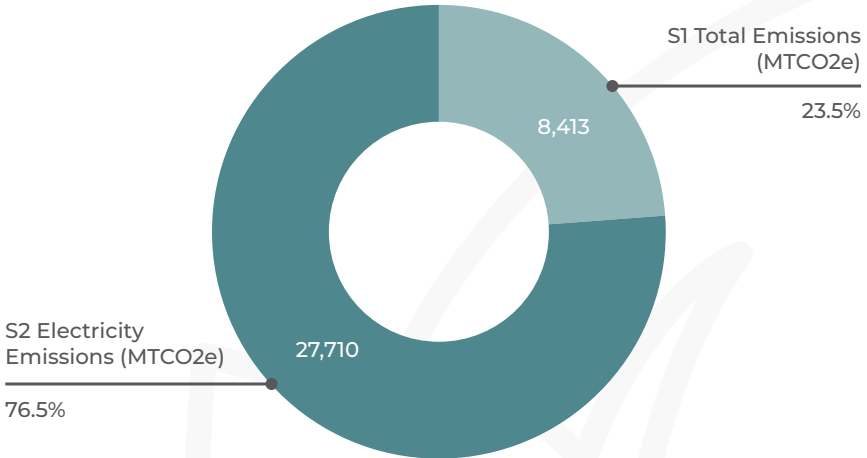
Disclaimer: Our greenhouse gas emissions data follows the GHG Protocol. Brady adjusts base year and other years' data if data collection methods change or data errors are identified. MTCO2e refers to metric tons CO₂ equivalent

“ Brady is committed to environmental stewardship through our day-to-day operations as well as in the products we develop for our customers. In our operations, we are focused on energy efficiency, recycling, hazardous waste and air emission reductions. Operating with a sustainability mindset helps us to drive efficiencies and ensures Brady will be around for future generations. ”



TOM DEBRUINE
VP of Operations

► **FY23 TOTAL EMISSIONS BY SOURCE**





Renewable Energy

To support our effort to reduce greenhouse gas emissions, Brady generates and uses renewable energy at the following manufacturing facilities:

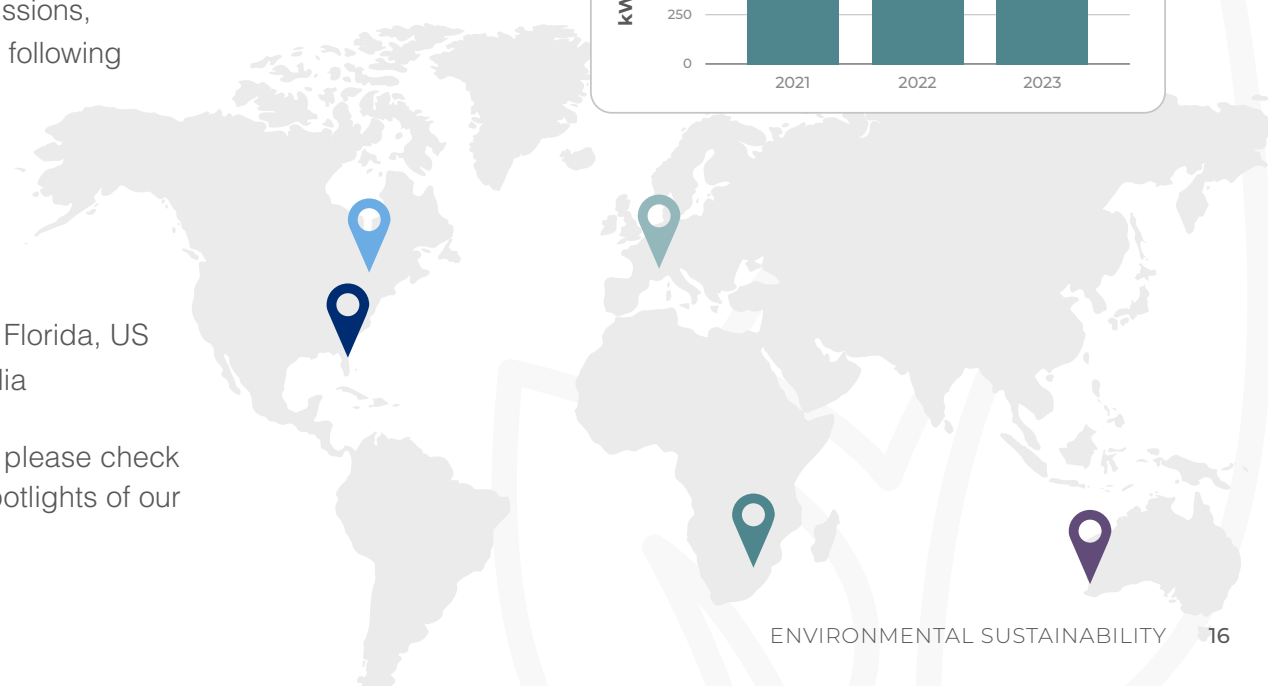
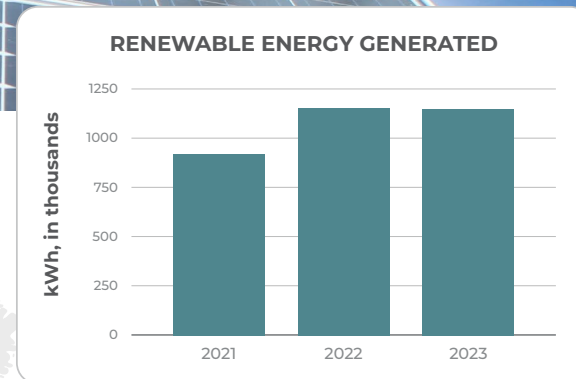
Geothermal Energy

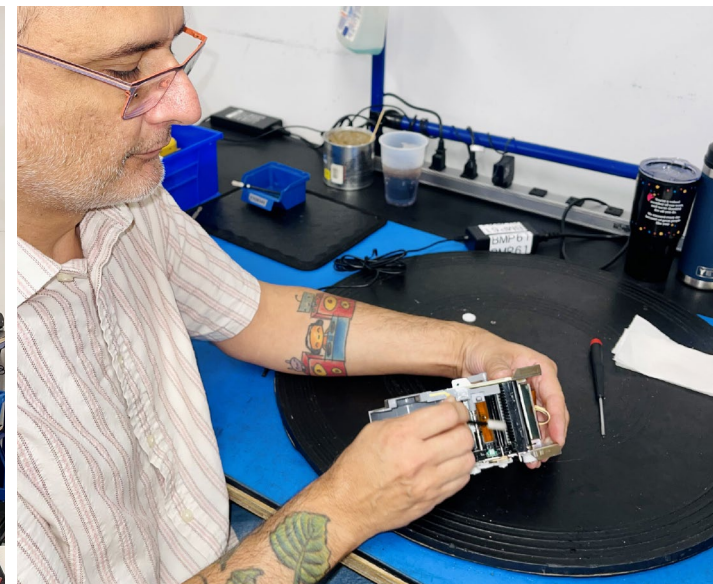
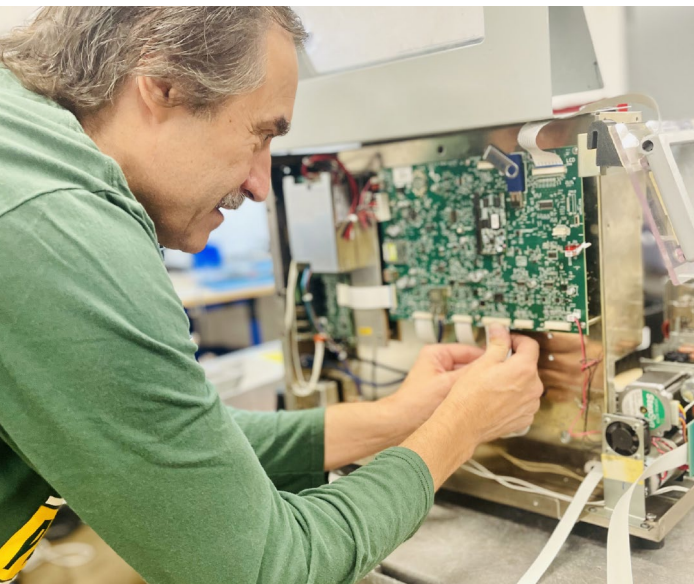
- ▶ Egelsbach, Germany

Solar Energy

- ▶ Buffalo, New York, US
- ▶ Port Orange, Florida, US
- ▶ Randburg, South Africa
- ▶ Perth, Australia

For more information about our renewable energy, please check out our [FY2022 ESG Report](#), where we featured spotlights of our sites that are using solar energy.





Circularity in our products

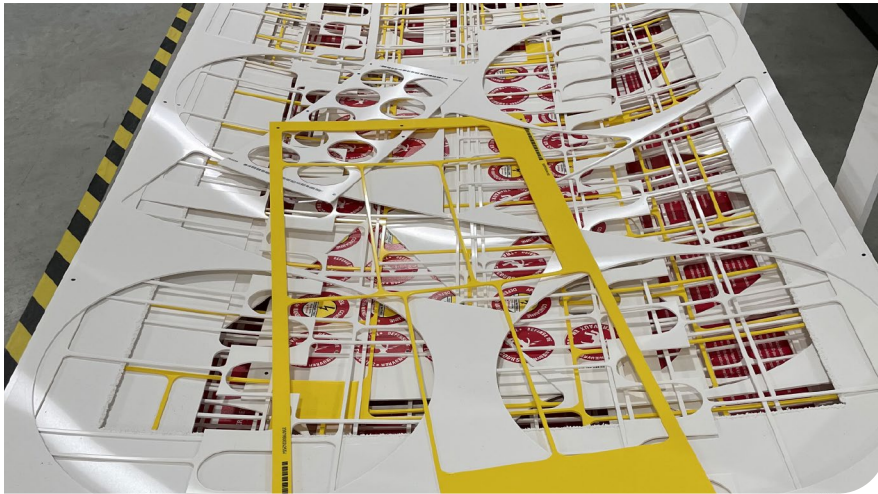
Technical Repair Team

Brady prides itself on making products that last. To help extend the life of our printers, Brady's regional service centers offer technical services, including upgrades, general maintenance and repairs, on all of our benchtop and portable printers in our portfolio. In FY23, Brady's North America Technical Services Team completed 4,273 service requests, all with the goal of giving our printers a longer life. Printers that reach their usable lifetime are sent to an electronic waste recycling contractor.

Our servicing team helps extend the lifetime of our printers, contributing to the circularity of our products

📍 Site Spotlights

Across Brady, we are focusing on ways to reduce our waste to landfill. Here we highlight sites that made great strides in FY23:



▶ France

The Brady Signals site in LaRoche, France launched an initiative to reduce waste to landfill, reducing waste to landfill by 95%. Partnering with a local waste management provider, the site has been able to recycle all of their raw material waste. The site also partnered with a company that is able to reuse their PVC waste for extrusion of tubes and profiles. In FY23, the site recycled over 1.9 metric tons of material.



▶ Germany

In Egelsbach, Germany, there is nearly no waste to landfill. Most of the waste is sent to thermal incineration to generate energy, while paper, metal, wood, and electronics are sent to recycling facilities. This site in particular has been focused on reducing waste to landfill created by their shipments. For larger shipments, the site reuses packaging and filling materials from suppliers, when they are able to. For smaller shipments they have implemented Wave Wrap machines that utilize recyclable corrugated cardboard sheets to create packages that fit the item being shipped. This system reduces the need for package filler and uses up to 80% less packaging material than conventional packaging, reducing the waste being sent to customers.



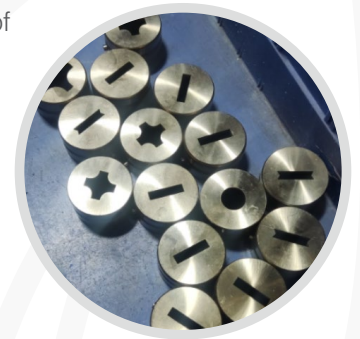
► United States

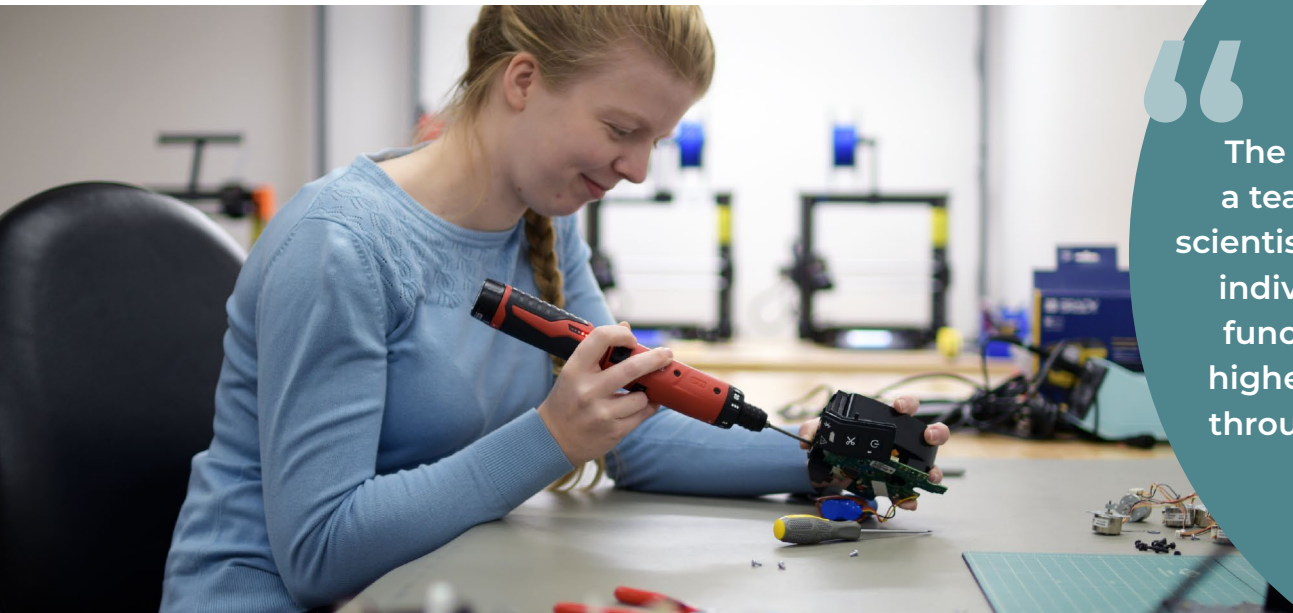
The Brady site in Buffalo, New York eliminated waste to landfill, sending all waste to facilities that are able to reuse, recycle, or use it for waste-to-energy in FY23. For example, all of their unusable pallets are sent to a facility able to reuse stringers and boards to replace broken parts on other pallets. Lumber unable to be reused is ground into mulch and given to local farms to be used as animal bedding.



► Mexico

Every quarter, Brady's Tijuana, Mexico site hosts a Bright Ideas Challenge, encouraging all employees to develop solutions to improve plant operations. Winners receive a prize and their idea is implemented into the plant's operations. In the first quarter of FY23, an employee submitted an idea that allows a rotary die to be repaired on-site, which extends the life of each die and reduces the number of dies sent for disposal as a result of the manufacturing process. After implementation of this idea, 97 dies were repaired.





“ The secret to Brady’s innovative solutions is a team of highly experienced engineers and scientists who possess a deep knowledge of their individual discipline. By collaborating across functions, we continue to come up with the highest performing products, each one going through a formal and rigorous environmental review before it’s launched. ”

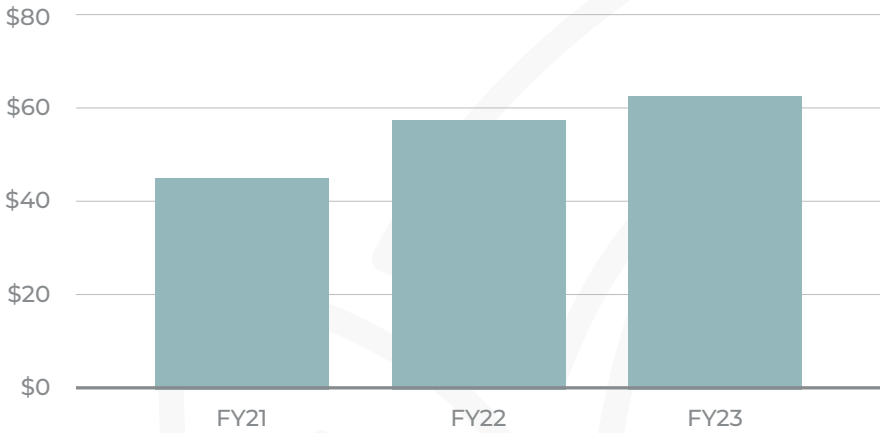


BRIEN CHRISTOPHERSON
VP of R&D

PRODUCT DESIGN AND INNOVATION

Brady focuses its R&D efforts on a variety of track and trace applications, pressure sensitive materials, identification and printing systems, software, and the development of other workplace safety-related products. The majority of Brady’s R&D spend supports our identification products. Material development involves the application of surface chemistry concepts for top coatings and adhesives applied to a variety of base materials. The design of our identification and printing systems integrates materials, embedded software, a variety of printing technologies and product scanning and identification technologies to form a complete solution for customer applications. In addition, the R&D team supports production and marketing efforts by providing application and technical expertise.

R&D SPEND (IN MILLIONS)



Sustainability Focused Development Process

For every new development product, Brady evaluates opportunities to implement sustainable aspects without compromising the integrity of the product. All aspects of the product are evaluated, including manufacturing, design, packaging, sourcing, raw materials, and waste, both industrial and consumer. As the product progresses through the development process, these evaluations are reviewed for additional opportunities.



PRODUCTS WITH A PURPOSE

We pride ourselves on making a safer, more productive world, and our product offering is key to that. From keeping manufacturing facilities running safely using our signage, to identifying newborn babies in a hospital, to cleaning up oil spills, our products make a positive impact around the world. In the sections that follow, we highlight just a few of our products that make the world a better place.

Some of our core products that make the world safer and more productive include:



▶ Printers and identification labels



▶ Safety signage



▶ Pipe markers and valve tags



▶ Floor markings



▶ Lockout/tagout devices



▶ Spill control solutions

We are proud to offer a wide range of products that protect our customers and their operations and are extremely passionate about working with businesses in the renewable energy industry.

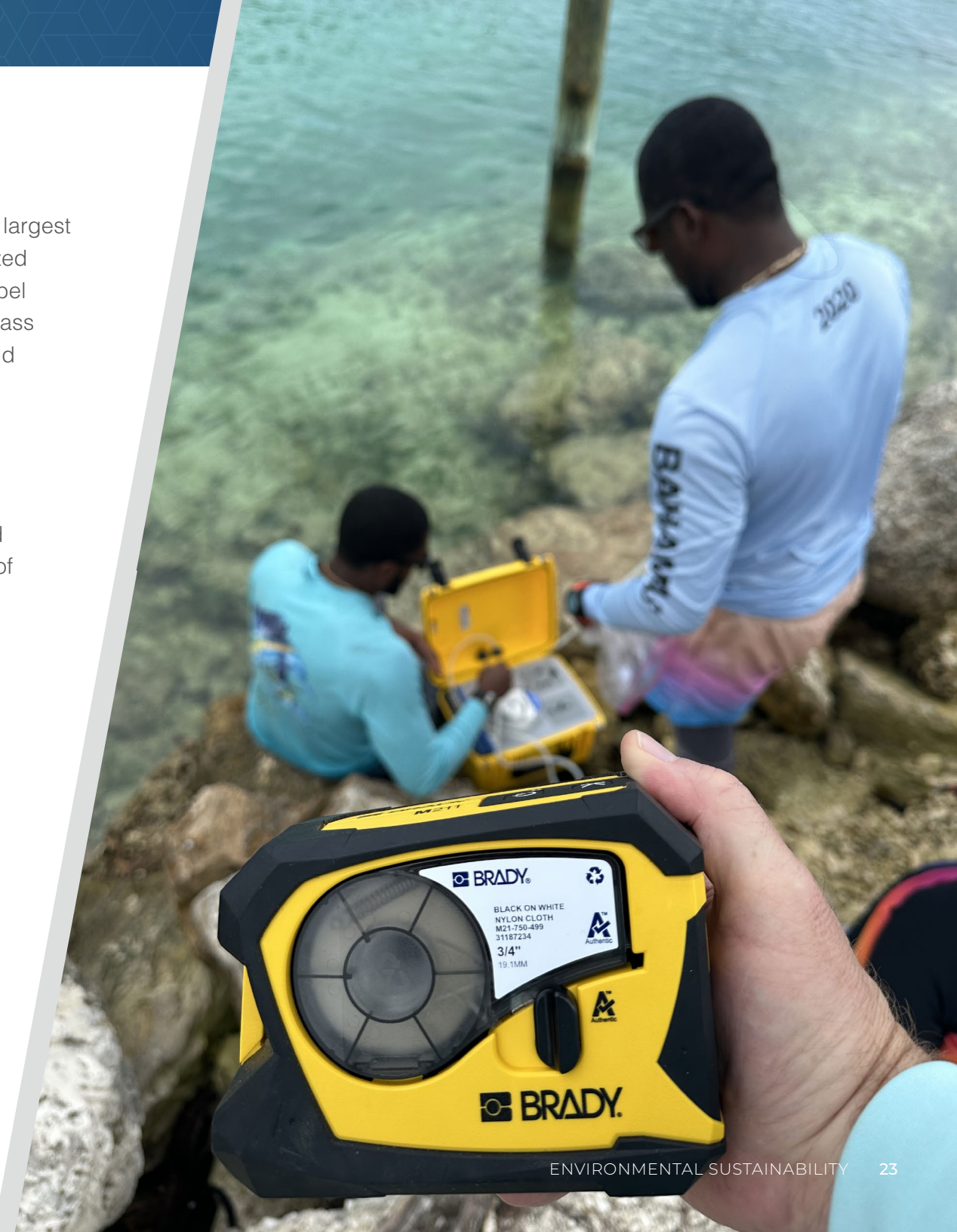
For example, Brady's highly durable labels, floor markings, signage, spill control and lockout/tagout products are helping biomass energy plants and wind turbine and substation operators keep their facilities running safely and efficiently. In addition, Brady's highly visible identification solutions can be found on the largest network of electric vehicle charging stations.

Under the Sea

When Beneath the Waves Enterprises discovered the largest seagrass bed in the world in the Bahamas, they realized they were going to need help with their workflow to label the samples they were taking from the seabed. Seagrass meadows sequester carbon out of the atmosphere and store it in its root systems for hundreds of years.

The marine biology company reached out to Brady to help identify an alternative solution to logging information in three different places. Brady helped remove two steps from the process with a customized app. Brady's M211 printer proved to be the right mix of durability and functionality in an environment with salt spray and large ocean waves, while our nylon cloth labels adhere in wet conditions.

With Brady's solutions, Beneath the Waves will be able to process 72,000 square miles of these ecosystems in the Caribbean and in Europe.





A Shining Example - Brady's Solar Farm Solutions

Helping put energy into Alberta's electric grid

With increasing pressure to transition to green energy, Alberta, Canada has become home to the most solar farms in Canada, and Brady's solutions are critical to both their construction and performance. The Travers Project is one of the largest solar power projects in North America, capable of producing 465-megawatts of power. Online sales giant Amazon was ready and waiting to buy all the electricity the solar farm can harvest in its effort to reduce its company emissions. The project cost \$700 million to become a reality, including the construction of a substation that will take energy from 1.3 million solar panels and put electricity directly into Alberta's electric grid.

With trusted distribution partner Wesco, loyal end-users PCL, PTW and Seacliffe Electric, the specification for Brady products included the following:

- ▶ i3300 printers for arc flash, warning labels and other custom labels
- ▶ i7100 printers for Permasleeves and self-laminating labels
- ▶ Utilization of our custom sign shop in Markham, Ontario to provide necessary site signage
- ▶ Portable printers for contractor use on-site (BMP51's)
- ▶ Locks and Lockout Devices
- ▶ SPC spill kits for contractor vehicles on site



Maintaining 124,000 solar panels in the Netherlands

Vindo Solar, a solar Photovoltaic engineering, design, installation and maintenance company in Europe, needed an efficient solution to quickly and reliably identify the cables and inverters of 124,000 solar panels in the Haringvliet-Zuid renewable energy park in the Netherlands. The labels needed to stay attached and remain legible for 10 years under active UV-radiation and in rough environmental conditions.

Brady offered B-7598 cable tags made out of polyester, B-7593 polyester nameplate alternative labels for the inverters, and the BradyPrinter i3300 Industrial Label Printer to print them at the construction site.

The Haringvliet-Zuid renewable energy park is just one of many solar farms around the world that rely on Brady's identification solutions to help harness the sun's rays.

Making public safety a community effort

Outdoor street lighting is important to create an inviting, safe and secure city-environment. The historic city of Verona, Italy and AGSM Lighting wanted to make it easy for the citizens of Verona to report light pole failures accurately, using their smartphone. AGSM Lighting wanted a way to link every light pole in the city to their web portal with a unique QR code.

Brady's B-595 label material is an easy to apply, self-adhesive vinyl label that is resistant to UV-radiation, humidity and dirt, has a long lifespan, and is available in many colors. Brady's i3300 Industrial Label Printer, equipped with the Brady Workstation software apps, allowed AGSM Lighting to print and label 55,000 light poles with unique QR code information. Each light pole now has an easily visible, unique identifier that improves communication with citizens and the efficiency of maintenance interventions.



SAFETY SERVICES

One way that Brady works to make the world a safer place is by partnering with our customers to provide safety services using our industry-trusted expertise in lockout tagout, arc flash and confined space. Our field engineers help to identify potential safety gaps and help our customers create world-class safety programs in a variety of environments. In FY23, Brady performed:

- ▶ 595 safety services at over 400 customer locations
- ▶ 94 trainings including
 - 62 Lockout Tagout trainings
 - 30 Qualified Electrical Worker trainings
 - 2 confined space trainings
- ▶ 76 arc flash risk assessments
- ▶ 350 Lockout Tagout procedure writing projects, which included approximately 50,000 Lockout Tagout procedures written





CERTIFICATIONS

ISO 14001 Certification

ISO 14001 is a set of standards put forward by the International Organization for Standardization (ISO). Its purpose is to clarify the best practices for organizations that wish to reduce their environmental footprint by adopting an effective environmental management system (EMS). EMS systems are designed to monitor and report upon the environmental sustainability of a firm, for both internal and external stakeholders. The following Brady facilities are ISO 14001-certified.

- ▶ Milwaukee, Wisconsin (Good Hope Road)
- ▶ Milwaukee, Wisconsin (Florist Avenue)
- ▶ Zele, Belgium
- ▶ Stockport, United Kingdom
- ▶ Ipswich, United Kingdom
- ▶ Penang, Malaysia
- ▶ Singapore
- ▶ Wuxi, China
- ▶ Beijing, China
- ▶ Shenzhen, China
- ▶ Bangalore, India
- ▶ Tokyo, Japan

Green Tier

Both Brady's manufacturing sites in the Milwaukee, Wisconsin area, including the global headquarters, continue to be active Tier 1 participants in the State of Wisconsin's Green Tier program. Green Tier is a voluntary program that recognizes companies using a systemic approach to achieve superior environmental performance.

For more information, check out our [Green Tier Webpage](#)





OUR PEOPLE





Power your
Potential

OUR PEOPLE

We believe in fostering a culture where teams are empowered to make decisions based on data and take ownership of their actions. In turn, we ensure that people are appropriately rewarded and recognized for the work that they do.

The best solutions for our customers and the best outcomes for our stakeholders comes from a diversity of ideas and input. This collaborative culture that values employee voices is what drives Brady's future success.

In the last three years, Brady has not implemented any large scale headcount reductions, and works diligently to retrain our employees rather than eliminate roles as new automation technologies are introduced. Additionally, Brady limits the use of non-regular employees, with less than 15% serving as temporary or contract workers.



“ At Brady, we understand deeply the importance of safety in our global manufacturing operations. Our commitment to maintaining and enhancing a safe working environment is unwavering, as evidenced by our robust safety KPIs. We continually strive for improvement, recognizing that the well-being of our employees is paramount. By integrating innovative safety practices and fostering a culture of awareness and responsibility, we aim to set new standards in workplace safety, with the goal that every team member returns home safely each day. ”



OLIVIER BOJARSKI

President,
Americas and Asia

EMPLOYEE HEALTH AND SAFETY

The health and safety of all our employees is always our top priority, and we apply principles and practices of safety in every phase of our operations. Our commitment to conducting business in a manner that protects the health and safety of our employees involves:

- ▶ Engaging all employees in proactively managing workplace risks to achieve zero injuries
- ▶ Providing workplaces that are safe and healthy for our employees, visitors, contractors, customers and the communities in which we operate
- ▶ Meeting or exceeding all applicable laws, regulations and other requirements regarding the safety, health and environmental impact of our operations and products
- ▶ Monitoring progress toward our goals and continuously improving our environmental, health and safety management system



Maintaining a safe work environment is the responsibility of all Brady employees and requires teamwork.

Our company is guided by an overall global [Employee Health and Safety policy statement](#) that sets the stage for business operations throughout the world. Additionally, a policy manual has been developed to aid in understanding the more detailed intricacies of our company policy, while allowing for varying regulations and customs. This manual provides guidance through a Plan-Do-Check-Act approach (PDCA) to addressing the various risks a business may encounter. Over time, Brady has arrived at certain internal standards and follows applicable external industry standards that are known for their reliability in yielding high quality products and for consistency in communicating accepted industry best practices. Such standards for risk assessment, machine safeguarding, lock out tag out (LOTO) procedures, ventilation, due diligence, and equipment design/installation have been identified and followed.

All Brady sites are subject to the company's Environment, Health, and Safety policies. The extent of the programs at each site are dictated by the level of risk and the characteristics of the operation as well as local rules and regulations. Many of the elements in this document are focused on manufacturing operations, however, all sites have covered elements.

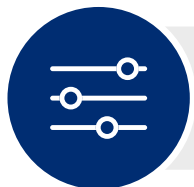
Various scenarios where exposure to hazards may exist are addressed throughout this policy. In order to mitigate the risks of exposure, the following hierarchy shall be followed for managing potential chemical exposure in our operations:



▶ Eliminate hazardous materials where possible



▶ Choose less hazardous substitutes to reduce potential hazards



▶ Utilize engineering controls to control potential exposures



▶ Utilize administrative controls to reduce potential exposure



▶ Utilize personal protective equipment to reduce exposure

Independent of the control measures taken, each site must meet the American Conference of Governmental Industrial Hygienists' (ACGIH) Threshold Limit Values, manufacturer's recommendation, or the country requirement, whichever is the most stringent. Sites must use or retain a qualified person to evaluate employee exposure to chemical and physical agents.

Brady uses an internal system to track all workplace incidents. Users can input, track and manage work-related injuries as well as report unsafe conditions. Brady collects data for three types of workplace incidents:

01

Near misses and close calls -
Situations in which no injuries actually occurred, but there was an opportunity for an injury due to an unsafe situation

02

First aid events -
Minor workplace injuries that only required first aid

03

OSHA-reportable events -
Workplace injuries that are required to be reported to OSHA or the non-US equivalent organization

	FY21	FY22	FY23
TRIR	0.69	0.53	0.60
LTCR	0.32	0.32	0.28

Data may change over time due to case management processes. Results are reported as of close of fiscal year.

*** Total Recordable Incident Rate** = (Total Number of OSHA Reportable Events * 200,000) / total number of hours worked by employees per year

Lost Time Case Rate = (Total Number of Lost Time Injuries * 200,000) / total number of hours worked by employees

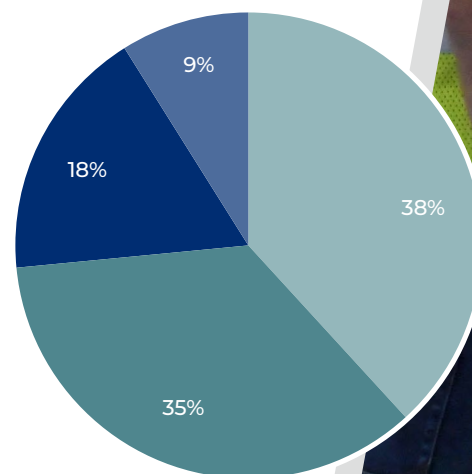
Note: While the calculation is OSHA-based, it is applied globally to standardize our metrics.

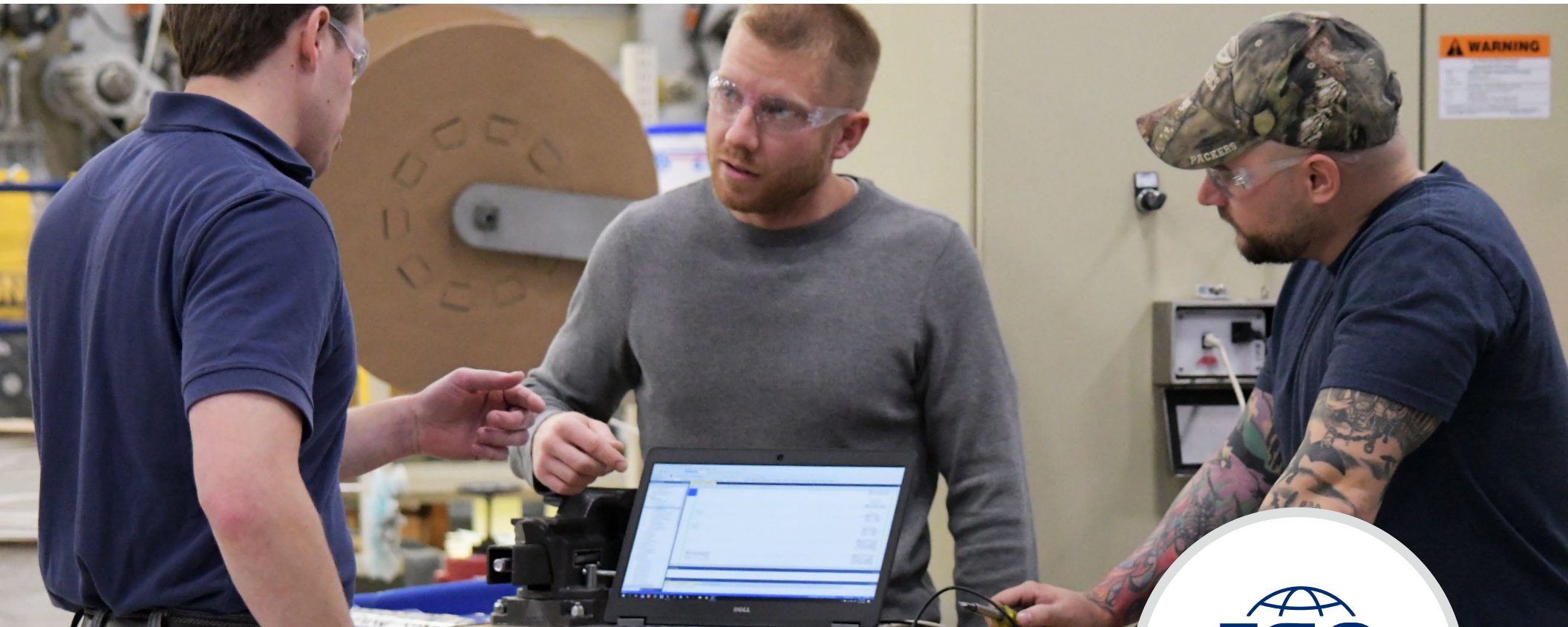
Audits and inspections of facilities

As part of our commitment to providing a safe work environment, Brady conducts internal safety and environmental audits at our manufacturing, laboratory operations, and distribution facilities. The team performs two safety and environmental audits of critical program elements (CPE). One audit focuses on compliance with internal policies as well as local laws and regulations. The second audit focuses on industry best risk management practices. Brady utilizes the best risk management practices audit as an indicator of proactive, incident preventing measures that go beyond regulatory compliance. Each audit utilizes a scoring system to quantify and benchmark performance. Each location receives a score as well as documented findings and opportunities for improvement. Site management are responsible for creating action plans in response to the audit findings. In addition, Brady engages an external third-party to perform independent audits at our larger locations on a rotating basis. The external audit focuses on safety, compliance with Brady's internal policies as well as local laws and regulations.

BEST RISK MANAGEMENT PRACTICES AUDIT SITES PERFORMANCE

- Improved performance from year before
- Same performance as previous year
- Not evaluated the year before
- Declined performance from previous year





Employee training

Staying true to our own purpose to make the world a safer, more productive place, Brady requires thorough training for all employees on their individual job responsibilities. All new employees receive health and safety training as part of their onboarding process. In addition, job-specific training related to our health and safety protocols are conducted regularly. Required safety training is recorded and tracked at all ISO14001 Brady facilities.

📍 Site Spotlights



► Buffalo, New York

This year our site in Buffalo, New York, exceeded their previous record for number of days without an OSHA-recordable incident: 449 days. Brady Buffalo focuses on proactive measures to prevent incidents from occurring, including involving all employees in their safety committee's inspections.



► Milwaukee, Wisconsin

In April 2023, our corporate headquarters site in Milwaukee, Wisconsin, was recognized as one of the 2022 Corporate Safety Award winners by the Wisconsin Safety Council (WSC). Every year, the WSC recognizes companies for their dedication to prioritizing a culture of safety in the workplace and has maintained exceptional safety records. To be considered for this award, the team submitted data about their calendar year 2022 safety records and provided information about Brady's leadership, training programs and safety-related accomplishments and goals. An independent panel of safety, health and insurance professionals selected the winners.



► Egelsbach, Germany

The Seton plant in Egelsbach, Germany, celebrated over 1,000 days without a recordable incident. This milestone was achieved through a combination of recurring safety events, meetings, instructions and reminders that put safety at the top of every employee, supervisor and manager. At the highest level, there are safety instructions and tutorials that each employee has to take at least annually. Once a quarter, the company's safety committee reviews all relevant safety aspects and concerns with an external, independent safety advisor and the company physician. Lastly, every two weeks leaders go on a "safety inspection tour".



► Tijuana, Mexico

Our Tijuana facility held an event to raise awareness about the importance of personal protective equipment. Employees were asked to bring their safety helmets home with them. Their family members wrote messages or drew on the helmets to express the importance of staying safe while at work.



“ A company is only as strong as the people who make up its workforce. Our success depends on the right people, in the right roles, who are given the opportunities to grow as Brady grows. We are committed to attracting diverse talent, providing development opportunities along the way, and ensuring that employees are rewarded for their results and their commitment to the company. ”



DANIELLE SCHROEDER
VP of Human Resources

TALENT ATTRACTION, ENGAGEMENT, AND RETENTION

Complete compensation and benefits

We believe that a meaningful career is more than just the work that our employees do. That's why we pride ourselves in offering competitive benefits - and so much more. No matter where our employees are in the world, Brady's goal is to provide employees with a compensation and benefits package that is externally competitive, internally fair and rewards outstanding performance. As a global company, we tailor our compensation and benefits to align with local practices.

In the United States, we offer generous health and financial benefits, including:

Health

- ▶ Medical, Dental and Vision Coverage
- ▶ Employee, Spouse and Dependent Life Insurance Coverage
- ▶ Disability Insurance Coverage
- ▶ Tobacco Cessation Program
- ▶ Healthy Pregnancy Program
- ▶ Discounts to a large network of gyms, nutritional programs, and other fitness-related merchandise
- ▶ Employee Assistance Programs that provide mental health support and assistance, and that can help solve personal problems including family issues, financial concerns and finding childcare
- ▶ Paid vacation and holidays
- ▶ Adoption, fertility and surrogacy assistance
- ▶ Parental leave

Financial

- ▶ Brady-contributed Health Savings Account
- ▶ Flexible Spending Accounts for medical and dependent care
- ▶ 401(k) retirement savings program with options to contribute on a pre-tax or roth (after-tax) basis, with Company matching contributions
- ▶ Other Brady-sponsored retirement saving plans to encourage our employees to save for retirement
- ▶ Auto, Homeowners and Renters Insurance Coverage
- ▶ Identity theft protection
- ▶ Employee Stock Purchase Plan
- ▶ Tuition reimbursement

Social

- ▶ Matching gift program
- ▶ Dollars for Doers, which provides a monetary contribution to non-profit organizations where Brady employees volunteer
- ▶ Scholarship program for children of Brady employees



Transparency in our total compensation package

At the beginning of each new calendar year, Brady employees in the United States receive a statement of their total compensation package for the previous year. The statement details their total pay, inclusive of overtime, bonuses or profit sharing, as well as the monetary value of the benefits they have elected. Employee contributions and corporate matches to 401k plans and other retirement benefits are also clearly detailed.

A culture of flexibility

We strive to ensure our employees are supported when things happen - from kids getting sick to a flooded basement and everything in between. An open door policy gives employees the ability to work with management when the unexpected happens or when greater flexibility is called for.

Brady Scholarship Program

Administered through the National Merit Scholarship Program, Brady is proud to offer up to five, \$20,000 scholarships each year to eligible children of Brady employees.

Rewarding academic excellence

Longtime Brady employee Laxmi Vungturi, Senior Business Analyst, is the proud mother of two scholarship recipients. Manasvi is a junior Computer Science major at Rice University, and Tejasvi graduated in 2022 from Rice University, majoring in Cell Biology and Genetics and is now in medical school.

“Current cutting edge developments in medicine are made at the level of individual human cells and genetics. My bachelor's degree in cell biology and genetics help me get a deeper understanding of the treatments and conditions I learn everyday in medical school. The Brady Scholarship during four years of undergrad was a great contributor to reaching my dream of going to medical school,” said Tejasvi. (center)

“I chose computer science because it's a vast industry that is constantly evolving, and I love to create innovative solutions that will positively impact those around me using technology. The scholarship is something I am forever grateful for because it contributed to helping me achieve my goals academically,” said Manasvi (on the right).

“I feel proud as a Brady employee that my family was supported financially. Especially for first generation children here in the United States, the scholarship definitely motivated us and gave us strength,” said Laxmi.





EMPLOYEE ENGAGEMENT AND INPUT

The input and engagement of our employees is key to our long term success and strength as a company. Our 2023 employee engagement survey had a global participation rate of 97%, with favorability ratings in several key areas scoring at or above the manufacturing benchmarks.

More importantly, we launched several global initiatives as a result of the feedback, focusing on employee development, communication and recognition.

There are lots of other avenues for employees to offer input into our processes and products. We embrace the ideas that our employees come up with, from identifying operational efficiencies with the Bright Ideas challenge in our Tijuana, Mexico plant, to Innovation Days, a cross-functional hack-a-thon style competition held twice a year for engineering and marketing teams.

Our 2023 employee engagement survey had a **global participation rate of 97%**



Developing our employees

We believe that employees drive their own development – but we give them the tools to grow and develop in their roles and beyond.

In addition to required trainings, we offer unique-to-Brady courses on topics like having difficult conversations, and honing one's interviewing skills.

The Brady Mentoring Video Series gives employees the opportunity to hear from Brady leaders around the world on a variety of topics, including inclusive leadership, effective communication and negotiation skills.

Our Global Learning Center offers personalized learning content so employees can learn at their own pace on a variety of topics relevant to them.



Communication and recognition

We believe in transparency and accountability, and have committed to regular, ongoing communications with employees across all levels of the organization.

Quarterly manager update calls offer company management the opportunity to hear directly from CEO Russell Shaller and other members of the leadership team, as well as ask any questions they'd like. Bi-annual town halls led by regional presidents give all employees the chance to learn about the direction of the business and how they can contribute to its success.

These town halls provide leaders with opportunities to recognize employees for their unique or significant contributions in front of an audience of their peers.



“By looking holistically at our communities, we are striving for diverse workplaces that are reflective of the communities where we operate. We are committed to hiring diverse talent and to ensuring that we offer a collaborative, inclusive environment where all employees can be successful.”



KATE VENNE

Senior Director, Corporate Communications and Social Responsibility

DIVERSITY, EQUITY AND INCLUSION

- ▶ True to our purpose to help make a safer, more productive world, **so is our commitment to our own workplaces.**

We are One Brady – made up of unique people who bring their individual talents, experiences and backgrounds to work every day. We thrive when each person has the opportunity to reach their full potential. By committing to a diverse workforce, we are committing to developing an employee base that is fully representative of race, ethnicity, gender identity, sexual orientation, education level, experience, age, ability, and so much more. And by being able to safely bring their full selves to work, our employees can embrace and contribute to the collaborative culture that drives Brady's growth.

▶ Global Female Representation

▶ Total Women

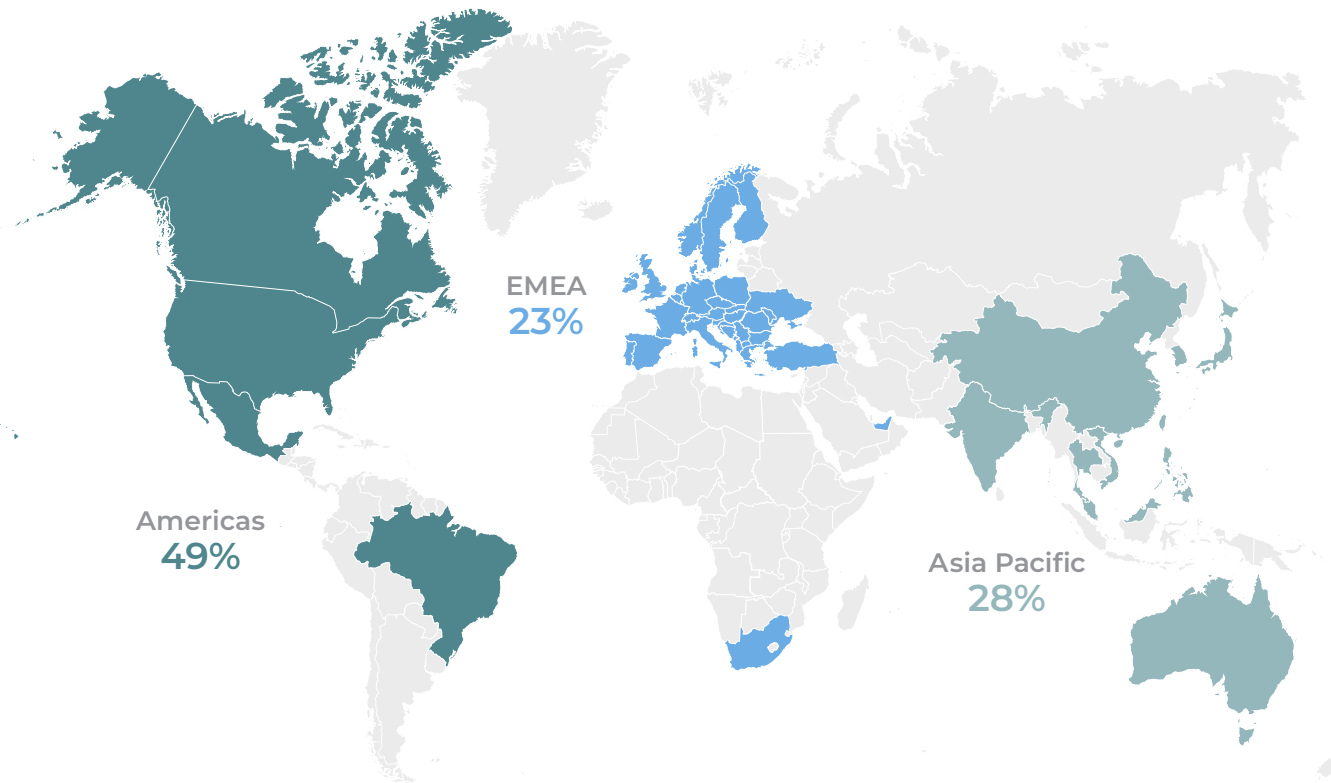
42%
Female

▶ Total Women in Management Roles

36%

Management Levels		
	Male	Female
Executive	60%	40%
Senior Management	79%	21%
Middle Management	64%	36%
Lower Management	50%	50%

▶ Employee Breakdown by Region



▶ Average Tenure

8.1
years

▶ US Ethnicity

33%
BIPOC*

*Black, Indigenous, and people of color



A more diverse workplace

Leading the way in gender diversity

A more diverse workplace includes diversity at the highest levels in our organization. Brady is proud to lead the way among publicly-traded companies in the State of Wisconsin, with 50% female representation on our Board of Directors.

- ▶ Since 2004, Milwaukee Women Inc has published an annual research report on the percentage of women serving on the boards of directors of the 50 largest Wisconsin public companies. Brady continues to be in the top 10 year after year.





Diversity in our hiring

We are proud to be a global company with a diverse group of employees speaking more than 25 languages. Our employees represent a wide variety of backgrounds, experiences, and education, with their own unique racial, ethnic, and gender identities.

Brady follows the U.S. Equal Employment Opportunity (EEO) policies, which prohibit unlawful discrimination and harassment and affords equal employment opportunities to employees and applicants without regard to race, color, creed, ancestry, religion, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, age, national origin, citizenship, disability status, genetic information, protected veteran status (including service in the military), or any other characteristic protected by applicable law. Equal employment opportunity applies to all aspects of employment such as recruitment, promotions, transfers, compensation, leaves of absence and any other terms or conditions of employment.

We are committed to recruiting diverse talent and have begun building a foundation that will further the representation of underrepresented groups at Brady. We will continue to work towards our goal of aligning representation among our employee population with that of the broader workforce in the communities where we operate.

A culture of inclusion

Brady's emphasis on collaboration is reliant upon a culture that values inclusion. Further, Brady has a zero tolerance policy for workplace harassment or abusive behavior.

Employee-driven ERGs

In the United States, employees are encouraged to participate in our Employee Resource Groups, all of which were formed and are led by employees who were passionate about providing a place for their colleagues to network and grow.



- ▶ Brady's oldest and largest ERG is the **Women's Leadership Alliance**, whose mission is to engage, encourage and empower female employees. Activities include virtual and in-person guest speakers, panels, and an annual networking lunch.

In addition to the Milwaukee chapter, the WLA is represented with a chapter in India and within our healthcare business.



- ▶ **Brady's Emerging Professionals** group offers opportunities for networking and career-focused programming for early career professionals. They also help to make connections on topics that matter to members, including talking about mental health and the benefits Brady offers.



▶ **The Alliance's** purpose is to attract, retain, empower, and inspire Black employees, and to help members achieve their fullest potential across the spectrum of professional development and employment opportunities at Brady. This year, Alliance members took part in Milwaukee's Juneteenth Day celebration, one of the nation's longest running Juneteenth celebrations.



▶ The **Pan Asian Allies** at Brady is focused on fostering an inclusive and empowering environment for all employees across Brady's US locations. With representatives from several Asian countries, the group has been educating their peers about the unique cultures and customs associated with their Asian heritage.





SOCIAL IMPACT





SOCIAL IMPACT

COMMITTED TO OUR COMMUNITIES

Brady is proud to be a steady presence in communities around the world – in some cases, for more than half a century.



In FY23, teams in Sweden and Germany celebrated 50 year anniversaries. In Zele, Belgium, where we are building a new, state-of-the-art manufacturing, warehouse and office building, the team celebrated their 60 year anniversary. And in Canada, the team celebrated its 65th anniversary.

We are proud to hire local talent and invest in the communities who have given us so much over the years.

Brady has a proud history of taking care of the communities around us. We are always seeking ways to support our employees so that they can bring their best selves to work every day. And we continue to invest in our communities through the Brady Corporation Foundation and several other initiatives. Our philanthropic contributions are focused on US-based, 501 c(3) organizations. We do not fund sectarian organizations for religious purposes or partisan political activities. To learn more about eligibility requirements, visit our [Foundation website](#).



INVESTING IN OUR COMMUNITIES THROUGH THE BRADY FOUNDATION

▶ OUR VISION

The Brady Corporation Foundation supports organizations in the communities where we operate. We fund organizations that develop leaders, support educational programs and strengthen communities. We believe that the best outcomes happen when data, research and proven methodologies intersect with lived experiences, inclusive representation, and diverse leadership. Through this, our goal is to make our communities better, safer, and more equitable places to live and work.

Brady has a proud legacy of giving back, from the days when Bill Brady founded the company. Today the Brady Corporation Foundation believes in funding organizations where we can be part of the solution – through our employees, our company resources and even in the jobs we need to fill. Brady’s philanthropic giving is primarily focused in three areas: Leadership, Educational Programming, and Strengthening Communities.

A portion of the Foundation’s annual giving is targeted to specifically support organizations that address racial equity issues and have targeted programming that seeks to improve the lives of black, indigenous, and people of color (BIPOC) in our communities. We are particularly interested providing support for the following areas:

- ▶ Support for early childhood, elementary and secondary education programming to help BIPOC students achieve success.
- ▶ Support for basic needs programming that helps address gaps that low-income BIPOC people are confronted by, including housing stability and other initiatives that build strong families.



FY23 CORPORATE GIVING

\$1.1M in FY23

\$617,000 IN
RACIAL EQUITY GRANTS

INVESTING IN A STEM PIPELINE

Our investment in the community includes strategically aligning our philanthropic and community engagement work with long term talent needs in Brady communities. Nearly 50% of all Brady Foundation giving supports the education pipeline from Pre-K through college graduation. In FY23, 31% of all Foundation grants supported non-profits whose work enhances or supplements curriculum taught in K-12 schools.



- ▶ Members of Brady's R&D team hosted an all-girls high school robotics team at our Camden location in Milwaukee. The Brady team shared how our multidisciplinary engineering team works together and gave a tour of the facility. In turn, the girls shared the robot they created and talked about their process, challenges and how they used different engineering disciplines.



- ▶ Finalists in Marquette University's entrepreneurial pitch competition get a first-hand look at the product development process, from ideation to launch.

HANDS-ON EXPERIENCES WITH BRADY PRODUCTS

In 2022 Brady was proud to sponsor the development Curiosity Works Lab, a special learning space within the Discovery World Museum on Milwaukee's lakefront. The lab is put to good use by museum staff and guest educators alike, including members of Brady's R&D team.

Brady engineer Jon Jellison shows kids how to use a voltmeter, an instrument used for measuring electrical potential in volts. Erin Eggert demonstrates the Brady BMP21 printer for a group of girls interested in STEM.





WALKING THE WALK

Every year, Brady employees at each US site on the same day channel their passion and participate in the Brady Walk. Driven entirely by employees, people nominate, vote on and select which non profit organizations they'd like to support each year.

Brady Walk has contributed more than \$1 million over the last 13 years to organizations that our employees care deeply about.

Brady employees have walked for suicide prevention, cancer care and treatment, pet and wildlife rescues, veterans housing, and so much more, but each cause shares one common and prevailing theme – they have a personal connection to Brady employees.

In 2023, Brady donated **\$113,500** to **19 organizations** around the country just through the Brady Walk.

SCAN OR CLICK
TO PLAY VIDEO





GOVERNANCE, ETHICS & INTEGRITY





GOVERNANCE, ETHICS & INTEGRITY

We are committed to the highest level of ethical conduct every day at all of our facilities around the world. Driven by the oversight of the Board of Directors and the Brady leadership team, the tone at the top of the organization prioritizes ethical conduct in every aspect of our business.

It is a priority for Brady's Board of Directors and leadership team to advance ESG and align with a philosophy that continues to promote, implement and sustain these programs within the company.



BOARD OF DIRECTORS

Brady is committed to a governance structure that is independent and responsive to the interests of our shareholders. Our Board of Directors regularly meets, at least annually, in executive session without management, to facilitate communication among the independent directors. For more information regarding the composition of our Board of Directors and the charters for each committee, please see our [Corporate Governance](#) section on our website.



Board Diversity and Independence

Ultimate responsibility for the governance of Brady Corporation resides with the Board of Directors. The nine-member team of directors includes four female directors, and all non-executive directors are independent. Annually the Board reviews each director's eligibility to be determined independent under NYSE listing standards and applicable law. All directors are elected annually by the holders of Brady's Class B voting shares. The Board engages in strong governance practices including the following: having separate independent Chair of the Board and CEO positions; conducting annual Board and committee self-evaluations; providing director access to Brady's management and independent advisors; and director stock ownership guidelines. We value a board made up of individuals with an impressive blend of personal and professional attributes to ensure a diverse and healthy representation with different points of view. Our directors are highly qualified and have a diverse set of skills, backgrounds and perspectives, with 25% of our independent directors representing a diverse racial or ethnic background. Two of our board members are financial experts under the rules of the SEC and NYSE.

The chart below illustrates the tenure and diverse backgrounds represented on our Board (as of July 31, 2023):

	Patrick Allender	Dr. David S. Bem	Dr. Elizabeth P. Bruno	Joanne Collins Smee	Nancy L. Gioia	Vineet Nargolwala	Bradley C. Richardson	Dr. Michelle E. Williams
Tenure	16	4	20	1	10	1	16	4
Age	76	54	56	66	63	50	65	62
Gender	M	M	F	F	F	M	M	F
Race / Ethnicity	W	W	W	W	W	A	W	B

Key

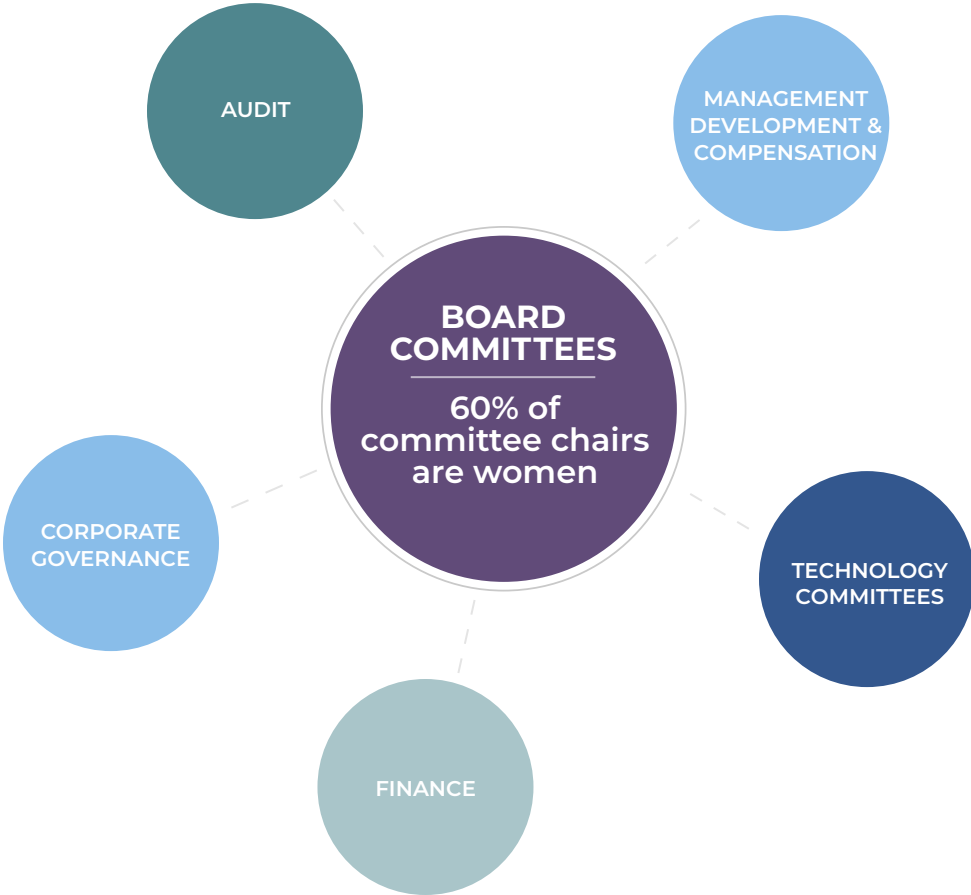
White: W

Asian: A

Black: B

Board Committees

The Board of Directors has five standing committees including Audit, Management Development & Compensation, Corporate Governance, Finance, and Technology Committees. Each committee plays a critical role in various environmental, social and governance topics.



Dr. Michelle Williams
- ESG Liaison

ESG Governance

Our board plays a critical role in determining the strategic direction and risk management oversight especially as it pertains to ESG within Brady. Dr. Michelle Williams serves as the board’s ESG Liaison to further efforts around sustainability and inclusivity within the organization. ESG efforts are reported to the full board annually in May. Each quarter, board committees review an update on their respective ESG areas of oversight.

EXECUTIVE LEADERSHIP

Brady's executive leadership team is made up of experienced professionals with deep knowledge in their field. Four of the executive leaders are female, and two are financial experts.

Executive compensation: Committed to best practices

As part of the Brady's pay-for-performance philosophy, the Company's compensation program includes several features that maintain alignment with shareholders:



Emphasis on variable compensation



Performance thresholds and caps



Stock ownership requirements



Insider trading and anti-hedging policy



Clawback provisions



Annual risk reviews



Executive compensation philosophy and objectives:

We seek to align the interests of our executives with those of our shareholders by evaluating performance on the basis of key financial measurements that we believe closely correlate to long-term shareholder value. To this end, we have structured our compensation program to accomplish the following:

- ▶ Allow the Company to attract, retain, motivate, develop and reward talented executives;
- ▶ Deliver compensation plans that are both internally equitable when comparing similar roles and levels within the Company and externally competitive when comparing to the external market and the Company's designated peer group;
- ▶ Maintain an appropriate balance between base salary and short-term and long-term incentive opportunities;
- ▶ Provide integrated compensation programs aligned to the Company's annual and long-term financial goals and realized performance in order to reward the successful creation of long-term shareholder value;
- ▶ Recognize and reward individual initiative and achievement with the amount of compensation each executive receives reflective of the executive's level of proficiency within his or her role and their level of sustained performance;
- ▶ Institute a pay-for-performance philosophy where the level of rewards is aligned to Company performance results.

Elements of executive compensation

Our total compensation program includes five elements used to attract, retain, motivate, develop and reward our executives:

- Base salary
- Annual cash incentives
- Long-term equity incentives
- Employee benefits
- Perquisites

Our compensation philosophy is to allocate a significant portion of total compensation to long-term compensation (equity incentive awards) in order to align the achievement of performance goals for our executives with shareholder interests.

For fiscal 2023, equity incentive awards comprised 61% of Mr. Shaller's total target compensation in his role as President, Chief Executive Officer and Director of the Company and on average, 33% of the total target compensation of the other named executive officers.

Our compensation structure is designed to be competitive, with a significant portion delivered as performance-based.

The following table describes the purpose of each compensation element and how that element is related to our pay-for-performance approach:

Compensation Element	Purpose	Performance Alignment
Base salary	A fixed level of income used to attract and retain executives by compensating for the primary functions and responsibilities of the position.	Base salary increase depends upon individual performance, job proficiency and market competitiveness.
Annual cash incentive award	To attract, retain, motivate and reward executives for achieving or exceeding annual performance goals at total Company and division levels.	Financial performance and individual performance of each executive determines the amount of the respective executive's annual cash incentive award.
Annual long-term equity incentive awards: time-based stock options, time-based RSUs and PRSUs	To attract, retain, motivate and reward executives for the successful creation of long-term shareholder value.	<p>An assessment of executive leadership, experience and expected future contribution, combined with market data, are used to determine the amount of equity granted to each executive.</p> <p>Time-based stock options are inherently performance-based in that the value is dependent upon the increase in the Company's stock price.</p> <p>Time-based RSUs are intended to facilitate retention and to align executives with the creation of long-term shareholder value.</p> <p>PRSUs are intended to align executives with long-term financial goals and the creation of long-term shareholder value.</p>



“ At Brady, we are proud to conduct business honestly, ethically, lawfully, and in accordance with our values. We never compromise on integrity and we believe that maintaining high standards of ethics and compliance is critical to our success today and in the future. Our Code of Ethics facilitates our proper behavior and ethical business decision-making. It also provides us with a common language and a framework of rules that must be followed to help us live our values. Setting the highest ethical standards inspires trust among our coworkers, customers, business partners and other stakeholders. ”



ANDREW GORMAN

General Counsel and
Corporate Secretary

BUSINESS ETHICS & INTEGRITY

The Brady [Code of Ethics \(“Code”\)](#) is the foundation of our global commitment to ethical and legal requirements, and is reviewed annually by the Board of Directors. The Code applies to all Brady employees, officers and members of the Board of Directors. We also expect our suppliers, sales agents, consultants, representatives, independent contractors and other professional service providers to observe the same standards of conduct and business ethics when conducting business with or for Brady.

The Code is available in 14 languages and establishes a clear set of ethical and behavioral standards for our entire company to follow.

The Code is periodically updated to reflect changes in laws, regulations and company policies. All employees must annually complete an ethics training course and a review of our Code. The training requires participants to navigate through hypothetical situations in which employees face ethical dilemmas in the workplace. Globally, we require 100 percent completion of the ethics training by all of our employees. The completion status of the annual employee training module is reported to the Audit Committee of the Board of Directors.



Ethics Hotline & Reporting

Employees are encouraged and expected to immediately report all potential unethical conduct. Any potential violations of our Code of Ethics, company policy or the law should be reported by our employees through one of the following channels:

- ▶ Their direct manager or local human resources representative
- ▶ Any manager senior to their manager in their manager's reporting structure
- ▶ Brady's General Counsel by phone at (414) 358-6608
- ▶ The Internal Audit Department
- ▶ The Ethics Hotline by phone at (877) 781-9309 or by email through www.bradyethics.com

An independent third party administers our Ethics Hotline, which is available globally 24 hours per day, seven days per week and allows callers to confidentially raise an ethics or compliance concern. The Director of Internal Audit and Brady's legal team are automatically notified when a new claim is submitted to the hotline. The Internal Audit Director is responsible for responding, reviewing and investigating claims reported through the Ethics Hotline. Quarterly, the Internal Audit Director informs the Audit Committee of the Board of Directors of the claims that have been reported through the Ethics Hotline or from any other sources.





INTEGRITY

A core Brady value and our commitment to the highest standard of ethical behavior

Our non-retaliation policy

We encourage our employees to voice any questions or concerns regarding unethical conduct. Therefore, we will never tolerate retaliation against anyone for reporting a possible violation in good faith or for participating in an investigation. Reporting in good faith means that an employee must provide a complete and honest report of a concern. Anyone who deliberately makes a false accusation will be subject to discipline.

Anti-corruption and anti-bribery policies

Brady's anti-corruption compliance policy establishes requirements for employees, directors, officers and other representatives performing duties on Brady's behalf, to comply with ethical and legal standards. The policy also establishes anti-corruption standards that our third parties (including distributors, agents, service providers, customers, and others with whom we do business) should consult and to which they should adhere. This policy requires compliance with not only the US Foreign Corrupt Practices Act ("FCPA"), but other applicable anti-bribery laws where we do business.

Brady's Code of Ethics also states that any kind of commercial bribery will not be tolerated, whether done directly or through a third party. The anti-corruption policy described above helps employees to understand what is considered acceptable regarding business gifts and entertainment.

Insider trading policy and required training

Brady's Insider Trading Policy prohibits hedging and other monetization transactions in Company securities by officers, directors and employees. The prohibition of hedging transactions includes financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. The Insider Trading Policy also prohibits the pledging of Company stock as collateral for loans or holding Company securities in a margin account by officers, directors or employees. Employees who are identified as "insiders" are required to take annual training on our Insider Trading policy, which is documented in our Global Learning Center.

Expense reimbursement and travel policy

Our Expense Reimbursement & Travel Policy applies to all employees of Brady Corporation, its subsidiaries, and its affiliates, with respect to business-related expenses and travel. The policy covers travel and related expenses, entertainment and employee engagement activities, meals, miscellaneous expenses including gifts, and personal expenses. The policy describes approval requirements for all business expenses.

Political contributions

As stated in our Code of Ethics, Brady has a policy against making contributions to political candidates or campaigns. The code also states that employees are prohibited from using Company property, facilities, time or funds for political campaigns. The Brady Foundation also states in its bylaws that it may not make contributions to political candidates or campaigns.

Brady Facilities with Quality Management Systems Certifications

Brady is committed to providing safe, quality products to all of our end users. To ensure this, Brady has adopted applicable Quality Management Systems (QMS) at the below facilities:

- ▶ Milwaukee, Wisconsin
- ▶ Good Hope Road [AS9100 & ISO 9001]
- ▶ Florist Avenue [ISO 9001]
- ▶ Camden R&D Facility [AS9100]
- ▶ Zele, Belgium [ISO 9001]
- ▶ Banbury, United Kingdom [IATF 16949]
- ▶ Egelsbach, Germany [IATF 16949]
- ▶ Roncq, France [IATF 16949]
- ▶ Bratislava, Slovakia [IATF 16949]
- ▶ Penang, Malaysia [ISO 9001]
- ▶ Xiamen, China [ISO 9001]



Enterprise and risk management

Risk is a part of doing business - which also makes it part of day-to-day management. Brady aims to develop and formalize risk management activities to ensure that risks and mitigation plans are well understood at all levels within the company and are transparent to all stakeholders. It is management's responsibility to manage risk.

As a global industrial company, Brady has many different areas of risks which include strategic, operational, financial, compliance and many others. Brady has an Enterprise Risk Management ("ERM") program in order to identify, assess and manage our risk exposure.

Consistent with our leadership structure, our Board of Directors provides a risk oversight role while management has the day-to-day responsibility of assessing and managing our risk exposure. Brady's ERM committee includes members from our business, operations, finance, HR, IT, legal and compliance departments. This committee is responsible for understanding and actively managing Brady's strategic, operational, financial and compliance risks. On an annual basis, the ERM committee performs a Company-wide risk assessment during which the likelihood and potential impact of various risks in our business are assessed to arrive at an overall risk rating. Any ESG related-risks are included and evaluated as part of the ERM process. Additionally, the ERM committee is responsible for maintaining well-defined risk response plans for Brady's highest-rated risks. At least annually, Brady's management presents the ERM committee's material risks and their potential impact to the Audit Committee of the Board of Directors.

More information regarding Brady's significant risks can be found on pages 8-12 of our fiscal [2023 Form 10-K](#).



PRODUCT SOURCING & SUPPLY CHAIN MANAGEMENT

Forced Labor and Human Trafficking

As part of our commitment to human rights, Brady does not use or do business with companies who use slave labor, and we have a dedicated policy on Forced Labor and Human Trafficking. In accordance with various global, regional, country- or state-specific regulations, including the California Transparency in Supply Chains Act of 2010 and the U.K. Modern Slavery Act of 2015, we are committed to monitoring our global supply chain to avoid involvement in any kind of forced labor and/or human trafficking and enforcing controls designed to ensure forced labor and human trafficking are not present in our supply chain. We require our suppliers, contractors and other business partners to comply with our Forced Labor and Human Trafficking policy. Any suppliers who provide Brady with products or services greater than \$500,000 annually are required to certify on an annual basis their conformity with our expectations on freely chosen employment, child labor avoidance and humane treatment of employees.

Conflict Minerals

We require all of our suppliers to follow our Conflict Minerals Policy. This policy establishes the expectation that our suppliers will not source any Conflict Minerals (cassiterite, columbite-tantalite, gold and wolframite and their derivatives, tin, tantalum and tungsten) from the eastern provinces of the Democratic Republic of Congo and the adjoining countries. We expect all of our suppliers to source materials from socially responsible suppliers. It is our policy to comply with all applicable regulations issued by the Securities and Exchange Commission regarding conflict minerals, including annually publishing a [Conflict Minerals Report](#).

“Brady believes that sustainability means taking care of people, the environment, and communities; a premise that delivers stable and better business results, happier employees, and a healthy society. Brady only conducts business with companies who operate with integrity and the highest of ethical standards. No matter where in the world we source from, all of our suppliers and partners are expected to follow our environmental, societal and governance principles. Our ability to source regionally in many instances allows us to develop stronger relationships and greater visibility in whether our principles on sustainability are being preserved.”



BRETT WILMS

President,
Europe and Australia





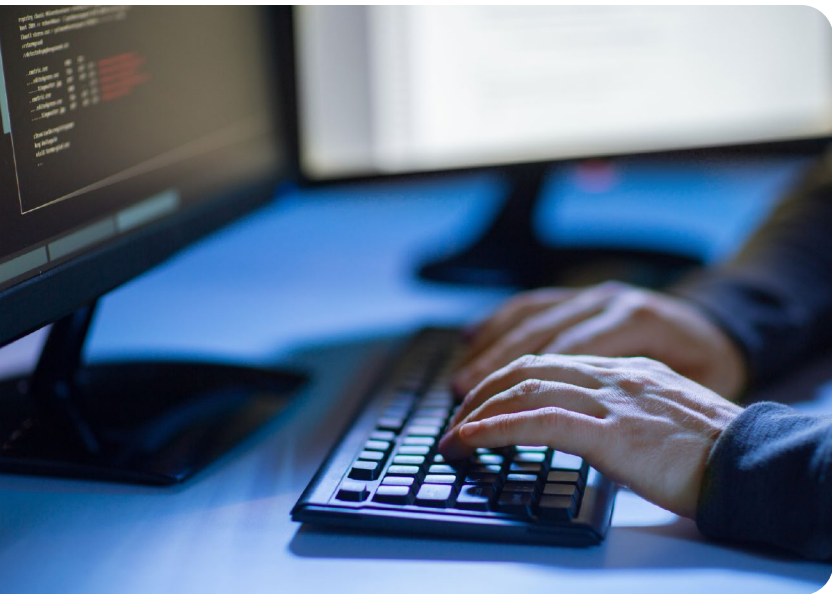
CYBERSECURITY

Brady regularly assesses risks in areas including legal, regulatory, marketplace, technology, and external security threats. In our continuous improvement efforts, we seek opportunities to identify, analyze, and mitigate those risks.

Central to our approach is our risk framework, which provides the insight, controls, and technology we need to anticipate and proactively address risks. Our cybersecurity framework serves as the foundation for safeguarding the confidentiality, integrity, and availability of information assets. The comprehensive framework fulfills regulatory, operational, and contractual requirements. Our practices include regular internal and external audits, vulnerability assessments, penetration testing, and measures to monitor and respond to cybersecurity incidents.

Brady's risk framework is aligned to multiple industry standards, such as the Payment Card Industry Data Security Standard, Sarbanes Oxley, and Center for Internet Security. Our company also has Cyber Essentials certification for certain businesses.

We leverage a defense-in-depth model for cybersecurity, employing multiple layers of protection against threats. Our controls help us prevent, defend, and rapidly respond to security risks for both our internal and customer-facing services.



Our comprehensive risk management functions cover a broad spectrum of risks facing our company and include groups focused on:

- ▶ Advanced phishing and social engineering detection capabilities
- ▶ Frequent security awareness campaigns educating our employees, including a phishing simulation
- ▶ An extensive continuous vulnerability management program to reduce risk
- ▶ Modernizing infrastructure with advanced cyber capabilities

The success of our risk management program is largely dependent on our employees' understanding of what is expected of them in terms of protecting our customers, people, and company. To ensure this understanding, we have a dedicated team focused on making risk management efficient and effective.

Assessment outcomes are shared with our leadership, including our elected Board of Directors. Brady's Internal Audit group provides an independent assessment of the effectiveness of our controls in mitigating important risks, reporting its findings directly to the Audit Committee of the Board of Directors.

DATA PRIVACY

Brady and its subsidiaries recognize and respect the privacy rights of individuals (data subjects) concerning any personally identifiable information (PII) that Brady collects, processes, or maintains, and we give control over that PII to the data subject.

Brady's policies, as well as its data protection and privacy program, seek to establish and maintain the highest standards of data protection and privacy in compliance with leading jurisdictions. We specifically look to the European General Data Protection Regulation (GDPR), as well as the California privacy regulations known as CCPA and CPRA, for guidance. Brady has voluntarily chosen to apply these high standards globally in order to minimize data risks to our customers, vendors, and employees by providing a comprehensive and consistent level of data protection and privacy everywhere we do business. We make adjustments to meet local requirements where necessary.

We commit that any PII we collect will be:

- 1 Collected and processed lawfully, fairly, and in a transparent manner
- 2 Collected for specified, explicit, and legitimate purposes and that Brady will be transparent in how the PII is going to be used
- 3 Adequate, relevant, and limited to only what is necessary
- 4 Accurate and, where necessary, kept up-to-date
- 5 Retained only for as long as necessary
- 6 Processed and stored in an appropriate manner to maintain security

We have established procedures for responding to data subject requests and data breaches or other incidents, including when and how to engage with internal management, stakeholders and regulatory bodies.



GRI CONTENT INDEX WITH REFERENCE

Statement of use	Brady Corporation has reported the information cited in this GRI content index for the period August 1, 2022 - July 31, 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Pages 6-9 and 62 Brady Corporation 2023 Form 10-K - Pages 3-7
	2-2 Entities included in the organization's sustainability reporting	Pages 8 and 46
	2-3 Reporting period, frequency and contact point	Pages 3 and 81
	2-7 Employees	Pages 8, 30, and 46 Brady Corporation 2023 Form 10-K - Page 7
	2-8 Workers who are not employees	Page 30
	2-9 Governance structure and composition	Pages 60-64 Brady Corporation 2023 Form 10-K - Pages 58-62
	2-10 Nomination and selection of the highest governance body	Page 62 Brady Corporation 2023 Form 10-K - Pages 60-62
	2-11 Chair of the highest governance body	Brady Corporation 2023 Form 10-K - Page 60
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 73 Brady Corporation 2023 Form 10-K - Page 61
	2-13 Delegation of responsibility for managing impacts	Page 73 Brady Corporation 2023 Form 10-K - Page 61
	2-14 Role of the highest governance body in sustainability reporting	Page 64 Brady Corporation 2023 Form 10-K - Page 61
	2-15 Conflicts of interest	Brady Corporation 2023 Form 10-K - Pages 60, 98-99
	2-16 Communication of critical concerns	Page 70 Brady Corporation 2023 Form 10-K - Pages 61, 99
	2-17 Collective knowledge of the highest governance body	Pages 60-64 Brady Corporation 2023 Form 10-K - Pages 58-62
	2-18 Evaluation of the performance of the highest governance body	Pages 60-64 Brady Corporation 2023 Form 10-K - Pages 58-62
	2-19 Remuneration policies	Pages 65-67 Brady Corporation 2023 Form 10-K - Pages 63-99

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	Pages 65-67 Brady Corporation 2023 Form 10-K - Pages 63-99
	2-21 Annual total compensation ratio	Brady Corporation 2023 Form 10-K - Pages 90-91
	2-22 Statement on sustainable development strategy	Pages 4 and 11-12
	2-23 Policy commitments	Pages 68-71
	2-24 Embedding policy commitments	Pages 68-71, 74
	2-26 Mechanisms for seeking advice and raising concerns	Pages 70-71 Brady Corporation 2023 Form 10-K - Pages 61, 99
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Pages 8-9 Brady Corporation 2023 Form 10-K
	201-2 Financial implications and other risks and opportunities due to climate change	Brady Corporation 2023 Form 10-K - Pages 8-12
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 73 Brady Corporation 2023 Form 10-K - Pages 8-12
	205-2 Communication and training about anti-corruption policies and procedures	Pages 70-71 Brady Corporation 2023 Form 10-K - Pages 61, 99
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 15
	302-3 Energy intensity	Page 15
	302-4 Reduction of energy consumption	Page 15
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 15
	305-2 Energy indirect (Scope 2) GHG emissions	Page 15
	305-4 GHG emissions intensity	Page 15
	305-5 Reduction of GHG emissions	Page 15
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Pages 17-19
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 74
	308-2 Negative environmental impacts in the supply chain and actions taken	Page 74
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 40
	401-3 Parental leave	Page 40

GRI STANDARD	DISCLOSURE	LOCATION
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Pages 31-38 Brady Corporation 2023 Form 10-K - Page 7
	403-2 Hazard identification, risk assessment, and incident investigation	Pages 31-38 Brady Corporation 2023 Form 10-K - Page 7
	403-3 Occupational health services	Pages 31-38 Brady Corporation 2023 Form 10-K - Page 7
	403-4 Worker participation, consultation, and communication on occupational health and safety	Pages 31-38 Brady Corporation 2023 Form 10-K - Page 7
	403-5 Worker training on occupational health and safety	Page 36 Brady Corporation 2023 Form 10-K - Page 7
	403-6 Promotion of worker health	Pages 31-38 Brady Corporation 2023 Form 10-K - Page 7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pages 31-38 Brady Corporation 2023 Form 10-K - Page 7
	403-8 Workers covered by an occupational health and safety management system	Pages 8, 31-38 Brady Corporation 2023 Form 10-K - Page 7
	403-9 Work-related injuries	Page 34 Brady Corporation 2023 Form 10-K - Page 7
	403-10 Work-related ill health	Page 34 Brady Corporation 2023 Form 10-K - Page 7
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Pages 36, 44
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 46, 47, 62-63 and 67-69 Brady Corporation 2023 Form 10-K - Pages 7
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 74
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 74
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 51-58
GRI 415: Public Policy 2016	415-1 Political contributions	Page 71



We make products that make the world a safer, more productive place. From the depths of the ocean to outer space, from the factory floor to the delivery room — **we're just about everywhere you look.**

- ▶ For more information or to learn more about our innovative products, visit BradyID.com or call 1-888-272-3946.

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