



**2021
ESG Report**

About This Report

The Brady Corporation (“Brady” or “Company”) 2021 Environmental, Social and Governance (“ESG”) Report is presented as of July 31, 2021 and covers the period from August 1, 2020 to July 31, 2021, except where noted. We expect this report to be published annually moving forward. 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.





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Brady Corporation and ESG

A better, safer world. That common goal has driven Brady employees forward every day for over 100 years, and it is what drives the Brady team to ensure that our company is sustainable for the next 100 years.



Message from the CEO



It is with great pleasure that I share Brady Corporation's inaugural Environmental, Social and Governance ("ESG") Report. For over 100 years, Brady has conducted business following one of our seven core values: Win the Right Way. This principle guides all aspects of our work. Whether for our customers, our employees, our shareholders or the communities where we operate, Brady prioritizes making responsible choices that create a positive and lasting impact in the world. Although this is Brady's first ESG report, our commitment to corporate social responsibility is deeply rooted in our history.

We pride ourselves on being a global manufacturer of complete solutions that identify and protect people, products and places. Brady's products increase workplace safety and productivity for our customers around the world. In particular, I am extremely proud of our teams for rapidly re-purposing existing products and introducing new custom COVID-19 related products which helped slow the spread of the COVID-19 coronavirus. Our teams helped schools, businesses, and restaurants to safely re-open. Our products help customers improve safety, security, productivity and performance.

We value a culture that cultivates growth opportunities for every employee. Our employees are the backbone of our organization. It is critical that we provide a safe working environment and an inclusive culture where every employee's background, ideas and perspectives are embraced. In addition, we have the responsibility to give back to our local communities. Brady is located in 32 different countries globally. Brady has been and will continue to be committed to giving back to local organizations that share our values.

Within the following pages, we provide some highlights of our current ESG initiatives. You will learn more about the environmental initiatives at a local level, as well as at a global level, focusing on energy and waste reduction. You will see that we have taken to heart the need to cultivate a diverse workforce through intentional hiring practices along with the creation of an inclusive work environment with our employee resource groups. We donated \$802,000 to organizations that share our corporate values and mean the most to our employees. You will also find information on the Company's strong governance practices including our Board of Directors' structure and the Company's Code of Ethics. Finally, you'll see our steadfast commitment to operating Brady with the utmost integrity.

We acknowledge there is more to do, and the work won't simply stop when we achieve the goals we have set for ourselves. There will always be new expectations and challenges, and we look forward to tackling each one together as a team.

Whether you're a customer, a supplier, an investor, a potential or current employee or a member of the community, when reading this inaugural ESG report, I hope that you'll see how deeply committed Brady is to helping make the world a better, safer place.

Regards,

Russell R. Shaller
President and CEO

Our Business and Values

We are a global manufacturer and supplier of identification solutions and workplace safety products that identify and protect people, products and places. The ability to provide customers with a broad range of proprietary, customized and diverse products for use in various applications across multiple industries and geographies, along with a commitment to quality and service, have made Brady a leader in many markets.

Our business is broken down into two reportable segments: Identification Solutions (“IDS”) and Workplace Safety (“WPS”). The IDS segment is primarily involved in the design, manufacture, and sale of highly-innovative, high-performance identification and healthcare safety products under multiple brands. IDS markets and sells products through multiple channels including distribution, direct sales and digital channels.

The WPS segment provides workplace safety, identification and compliance products under multiple brand names direct to customers in a broad range of end markets. The WPS segment manufactures a broad range of stock and custom identification products, and also sells a broad range of related resale products.

Net Sales By Division

\$841.5M

IDS Segment

\$303.2M

WPS Segment

Financial Information



\$1.145B
Net Sales



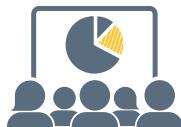
\$167.1M
Operating Income



\$129.7M
Net Income



\$44.6M
R&D Spend



\$2.47
Class A Diluted EPS

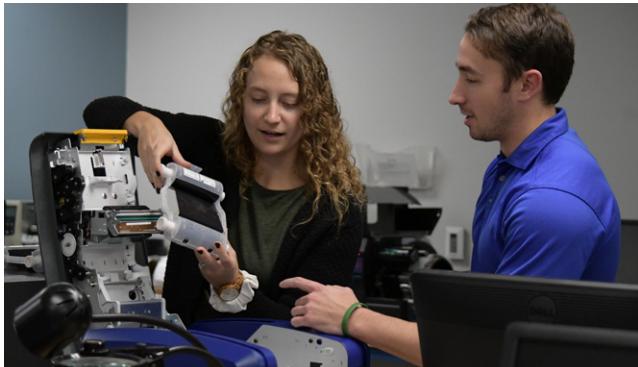
Our Business



5,700
Global Employees



41
Manufacturing and
Distribution Facilities



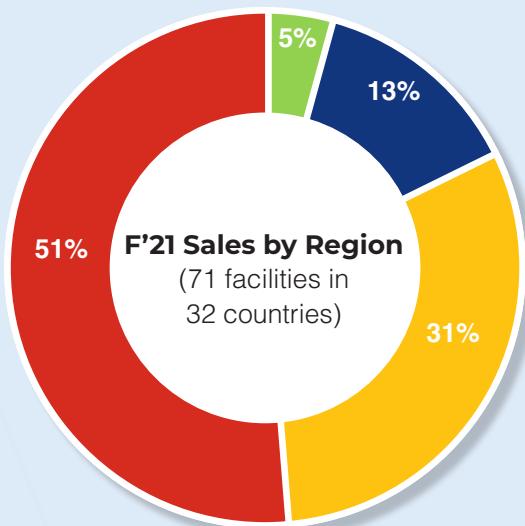
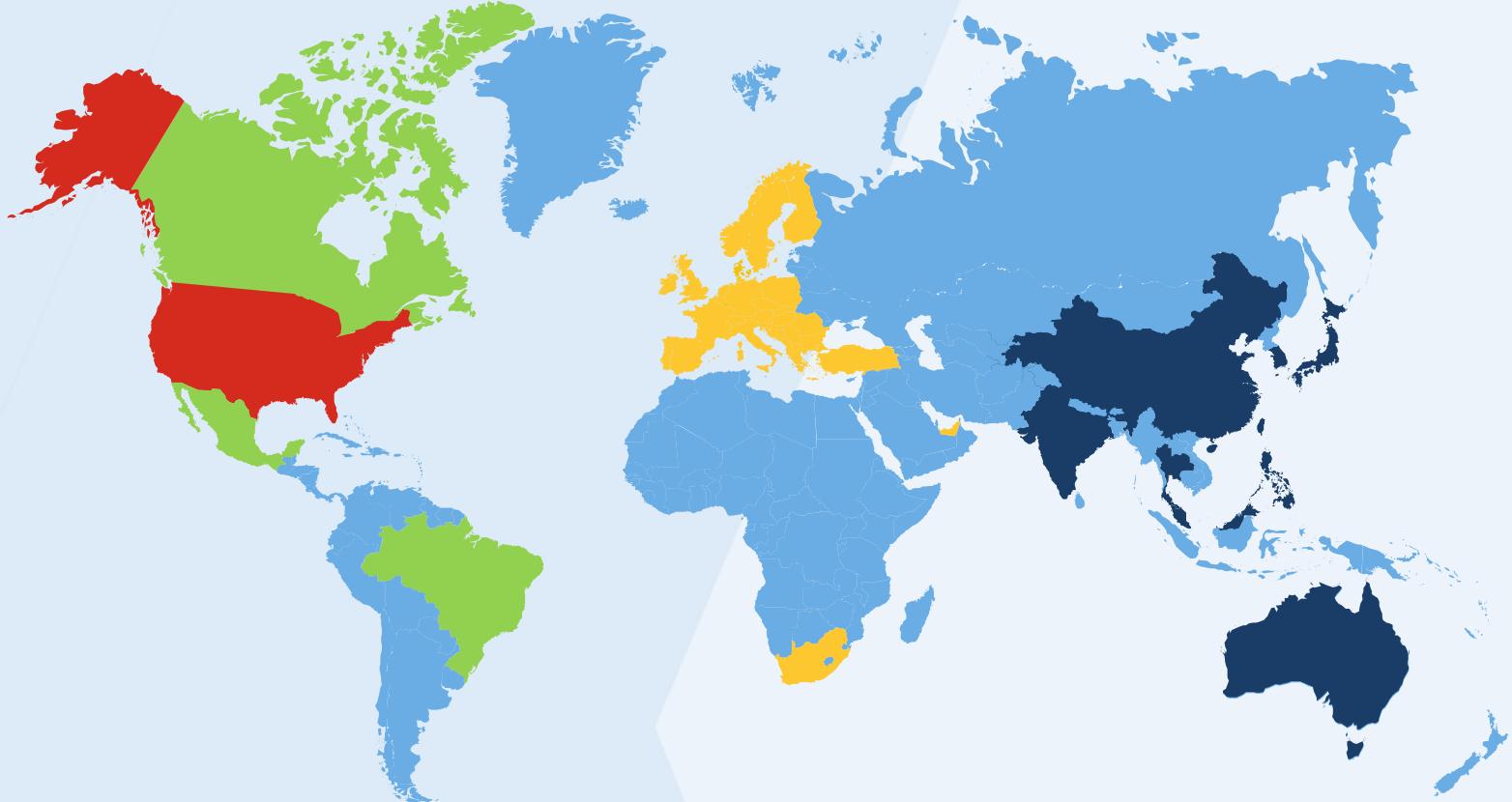
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MAGiCARD

107
Years in Business

3
Acquisitions in Fiscal 2021



Geographical Presence



ID Solutions:

Americas: 66%
EMEA: 23%
Asia: 11%

Workplace Safety:

EMEA: 54%
Americas: 28%
Australia: 18%

U.S.A.

Rest of Americas

Europe, Middle East and Africa

Asia-Pacific

Canada, Mexico, Brazil

Belgium, Denmark, Finland,
France, Germany, Hungary, Italy,
Netherlands, Norway, Qatar, Saudi
Arabia, Slovakia, South Africa,
Spain, Sweden, Turkey, UAE, U.K.

Australia, China, India,
Japan, Malaysia, Singapore,
South Korea, Taiwan,
Thailand, Vietnam.

Corporate Values

We have seven core values. Our values help Brady prioritize making responsible choices that create a positive and lasting impact in the world. Brady's commitment to ESG is deeply rooted in our history as well as the values that drive our decisions every day.



Put Our Customers' Experience at the Center

We put the customer at the center and build everything we do around them. They rely on us for our expertise. We earn and keep customer trust and anticipate their needs to deliver a customer experience better than any of our competitors. Through intimate understanding, we partner with and serve our customers in ways others don't and can't.



Be Better Every Day

We are always learning. We continuously define a future state better than the current state. We have relentlessly high standards and courageously challenge the status quo to deliver differentiated products, services and processes. We ensure problems are solved at the root cause resulting in sustained improvements for our business and unique value for our customers.



Differentiate through Innovation

We are pioneers. We expect and require innovation from our teams to delight our customers and lead our markets. Out-of-the box ideas, both large and small, are encouraged and embraced to differentiate us from our competition. In a world of constant change, we are agile and disciplined to detect emerging shifts before our competitors by incorporating customer feedback, early and often.



Unlock Potential in Yourself and Others

We believe employees across all levels and backgrounds can, and do, make a difference in our future. We recognize exceptional talent, and provide exposure and opportunities to our people, to unlock their full potential. We work together beyond ourselves and our teams. We are sincerely open-minded, genuinely listen and utilize diverse viewpoints, backgrounds and experiences to create the best solutions for our customers and the world.



Deliver What You Promise

We instill process rigor in our business practices and are accountable to each other and the commitments we make. We simplify and focus on our most impactful business opportunities and deliver them with the right quality and in a timely fashion. We stay close to our business to understand the key drivers and regularly remove barriers to execution.



Protect Our Future

We are proud of our history and want to ensure the business and our surrounding communities prosper for generations to come. We create innovative solutions and services mindful of the impact on our people, our planet and our profit. We lead responsibly making smart choices with a second century in mind.



Win the Right Way

We win the right way by never compromising integrity. Everywhere in the world, we are committed to the highest standard of ethical behavior, not because we are told to, but because we take pride in knowing that when we win, we win the right way. We are open and honest in our dealings with our customers, our suppliers and each other.

Our Approach to ESG

At Brady, our approach to ESG is focused on doing the right thing in everything that we do.

We believe that an ongoing and consistent commitment to responsible corporate citizenship translates into long-term sustainable value for all of our stakeholders. Our reputation has been built on behaving ethically in everything that we do. Doing the right thing translates directly into all three components of ESG: the environment, social, and governance.

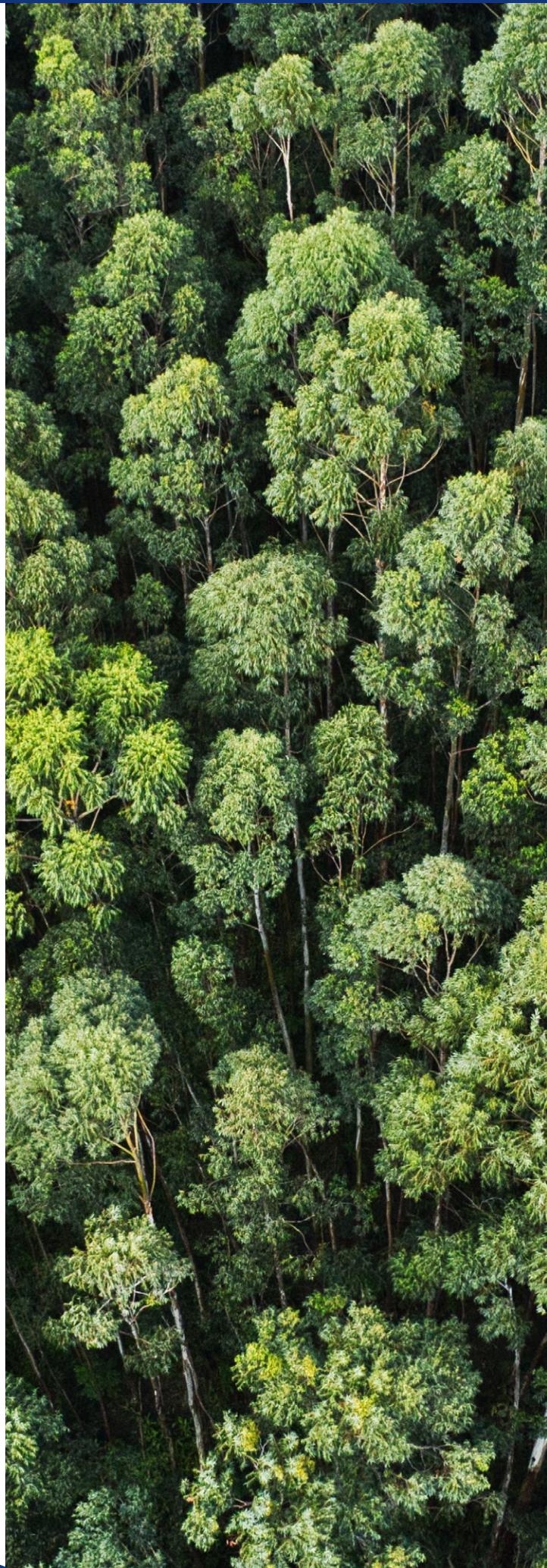
Our Responsibility

Our responsibility is to improve the lives of all our stakeholders through:

1. Minimizing Brady's impact on the environment
2. Creating an inclusive and safe work environment while supporting the communities where we live and work
3. Providing oversight through our Board of Directors and an unwavering commitment by management to fair and ethical business practices.

Commitment to Continuous Improvement

In order to make meaningful improvements in the components of ESG, we need the ideas and the commitment of everyone in our organization. There will always be ways in which Brady can make the world a better place. We intend to regularly evaluate our ESG program and continually foster ideas for new ways we can improve our stakeholders' lives. Our goal is to focus on the areas of ESG in which Brady can have the greatest impact.



Our Environment

We are committed to protecting our world for future generations.

We are continuously working to minimize the environmental impact of our operations and products while also helping our customers become more efficient and reduce their environmental impact.



Environmental Stewardship

Brady has a responsibility to be a good steward of the environment, no matter where we are in the world. Our environmental priorities have been chosen where we know we can make the greatest impact, help the environment and where it makes good business sense. We are not only focused internally on where we can be more efficient in our factories, but we are also looking at how we can help our customers with their own ESG efforts through the development of products that are more environmentally friendly.

In order to make the greatest impact, we have focused on four main priorities that guide our environmental approach:

- Reductions in our energy consumption and our overall carbon footprint
- Reductions in our waste to landfill through recycling and composting initiatives, scrap reductions, redesigning products where possible and replacing packaging materials with sustainable or recyclable materials
- Launching new environmentally sustainable products
- Listening to our customers to ensure that our products can help them in their own environmental initiatives.

We are committed to protecting our environment for future generations. Natural disasters continue to impact many communities, which has resulted in an increased sense of urgency to reduce our impact on the environment. We are committed to doing business the right way in all aspects of our company which includes reducing our impact on the environment. We know there is still work left to do, but we are proud of the steps that we have taken to become a more environmentally conscious company.

In the pages that follow, we will highlight some of the steps we have taken to lessen our impact on the environment and describe a few of our environmentally friendly products which will help to protect our world for future generations.

Brady Facilities with 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.

- 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



Environmental Stewardship

Green Tier Participation

On March 8, 2022, the Wisconsin Department of Natural Resources recognized the Brady Milwaukee Florist Avenue and Good Hope Road locations as Tier 1 Green Tier participants for our long-term and ongoing efforts to drive sustainability in operations. The Green Tier program is designed to encourage, recognize and reward companies that are committed to superior environmental performance. On the date of recognition into the Green Tier program, there were only 50 companies in 167 facilities across the state of Wisconsin that had received the Tier 1 participation.

In order to achieve Tier 1 status, the Brady Florist Avenue and Good Hope Road locations demonstrated a strong environmental record and the commitment to continue to improve our environmental impacts. Some specific improvements our two facilities have made include:

At Florist Avenue:

- Replaced 12 energy-inefficient, industrial HVAC units
- Updated lighting to LED
- Completed compressed air surveys and repaired any air leaks
- Installed motion sensors and programmable lighting that will operate based on room occupancy and will decrease electrical usage

In the next 18 months, Florist Avenue plans to:

- Replace five additional industrial HVAC units
- Install large-scale lighting upgrades to LEDs in six different manufacturing areas

At Good Hope Road:

- Installed a new cooling tower to increase HVAC efficiency
- Upgraded lighting to LED
- Completed compressed air surveys to reduce energy consumption
- Installed motion sensors and programmable lighting that will operate based on room occupancy and will decrease electrical usage
- Made capital investments in new, more efficient manufacturing equipment
- Completed electrical surveys to identify and resolve deficiencies in the facility
- Expanded the building to house a new AutoStore automated storage system

In the next 18 months, Good Hope Road plans to:

- Complete the AutoStore automated storage system



Environmental Stewardship

Brady Branches

On Earth Day 2021, we announced the Brady Branches initiative, which encouraged all Brady locations globally to plant trees in order to help offset carbon emissions and create a more beautiful work environment. This program focuses on one of our core values: *Protect Our Future*.

Since the start of the program, we are proud to have planted trees on every continent - except for Antarctica. In the locations where we rent our office space, local teams made donations to local tree planting organizations, ensuring that we still made an impact. As of March 31, 2022, nearly 4,000 trees were planted globally. The trees represent nearly 240 metric tons of carbon dioxide that will be absorbed over ten years; the equivalent of 27,000 gallons of gasoline consumed in a year.

At our corporate headquarters in Milwaukee, we planted 70 trees in the natural prairie that we maintain next to our property, which represents some of the last original farmland in the municipality of Milwaukee. At our site in Tijuana, Mexico, where there is very little land for tree planting, each employee was given a tree to take home and plant with their family – a total of 1,000 trees were planted. At our facility in South Africa we faced space constraints, so instead of planting trees our teams planted a variety of 50 indigenous flowers outside our building. Our entire team is passionate about the Brady Branches initiative.

We are proud of the work that has been done with the Brady Branches campaign. We are living out our core value of Protect our Future, one tree at a time.



Products with a Purpose

We pride ourselves on making the world a better, safer place. One of the ways we contribute is through our product offering. 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 on our communities. In the sections that follow, we highlight just a few of our products that make the world a better place.

Manufacturing Safety Products

Brady's core business is to protect people, products and places. Some of our core products include:

- Printers and Identification Labels
- Floor Markings
- Safety Signage
- Lockout/Tagout Devices
- Pipe Markers and Valve Tags
- Spill Control Solutions

We are proud to offer a wide range of products that protect our customers and their operations. We 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 to 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.



M210 Label Printer



A5500 Flag Printer Applicator



Specialized and Durable Label Solutions



Wire and Cable Labels



Safety Lockout Padlocks



Valve Tags

Products with a Purpose

Healthcare Industry Products

In 2012, we acquired Precision Dynamics Corporation ("PDC") which significantly increased Brady's presence in the healthcare industry. Our products in the healthcare industry include:

- Patient Identification Solutions
- Employee Identification Solutions
- Visitor Management Solutions
- Access Control Software & Solutions
- Label Solutions
- Identification Accessories
- Medical Records & Filing Solutions
- Medical Imaging Products
- Time & Temperature Indicators
- Equipment Covers
- Mammography Products
- Labor & Delivery Products

We are proud to be a leading provider in the healthcare industry. From safety and identification of newborns to labeling hospital patient samples, our identification solutions are vital in the healthcare industry.



90%
U.S. hospitals rely upon
PDC products today

75%
Babies born in the U.S.
wear PDC wristbands



Products with a Purpose

Brady Spill Control and Containment Solutions

Brady's Sorbent Products Company ("SPC") manufactures some of the most sophisticated absorbent and spill containment solutions in the industry. The SPC absorbent pads, rolls, pillows, drum covers, and boom products are used to clean-up chemical spills in our customers' facilities as well as to absorb unwanted fluids such as oil spills in lakes, rivers, streams and coastal shorelines. SPC products were used to clean up many of the world's worst oil spills, including the Deepwater Horizon oil rig explosion in April 2010, where oil absorbent booms assisted with the clean-up of some of the four million barrels of spilled oil in the Gulf of Mexico. The SPC product line includes absorbents that are designed to rapidly deploy in emergency situations and float on water to contain and absorb a variety of marine fuels and oils.



Products with a Purpose

COVID-19 Related Products

Since the start of the COVID-19 pandemic in early 2020, we have been manufacturing, distributing and selling products used around the world to fight against the spread of COVID-19 and to help businesses safely re-open. We were able to quickly re-purpose existing products to create custom COVID-19 related products. Some of our COVID-19 related products include:

- Floor markings for social distancing
- Custom signs noting CDC guidelines
- Labels for COVID-19 test kits
- Personal protective equipment such as gloves, masks, hand sanitizer and disinfectants
- COVID-19 wristbands
- Printers for mobile hospitals

We are proud to have helped so many different businesses re-open safely. Our COVID-19 related products can be found in airports, train stations, grocery stores, coffee shops, cafes, retailers, logistics hubs, pharmaceutical companies, nursing homes, hospitals, schools, universities, aircraft and autos.

We helped schools re-open with new 3D child-friendly floor markings which assisted with social distancing for young students. In addition, we introduced faucet and drinking fountain safety covers to help limit the spread of COVID-19 in high-touch public areas. We were also able to produce custom signage for maximum room occupancy and signage describing CDC recommendations and guidelines.

All of the ideas for new COVID-19 related products came from either our customers or our employees. We are thankful to the entire Brady team for stepping up during this unprecedented time.



Products with a Purpose

Environmentally Friendly Products

One of the most critical aspects of Brady's impact on the environment is our products. We are passionate to not only improve our environmental impact through more efficient manufacturing in our facilities, but we also want to help our customers with their own ESG journey through our product offering. In recent years, our customers have been asking for and we have been developing more environmentally friendly products. Here are just a few of the products we have recently introduced:

1 NextLife™ Fully-Compostable People Identification Product Line

Identification Product Line: In February 2022, Brady PDC introduced a breakthrough in sustainable ID products. We are the first-and-only people identification company with a product line in which all of our components – lanyard, attachment, breakaway and badge holders – are fully-compostable.

2 Eco-Friendly Labels: In fiscal 2021, the IDS division introduced a white, matte label which is made with an environmentally friendly film that contains at least 25% recycled polyethylene terephthalate ("PET") and utilizes 20% less material due to the film being cavitated, meaning it contains tiny voids in the film. The paper liner for this product is produced with paper fibers sourced from sustainable forests and harvested according to a sustainable standard. The IDS business plans to launch even more labels in this portfolio in the coming months.

3 M21-Cartridges: Except for the electronic smart chip, all remaining components in the M21 cartridges are 100% recyclable. This substantially reduces the amount of waste that goes to a landfill for one of our top-selling consumable products.



4 Biodegradable Flagging Tape: The IDS division offers a biodegradable flagging tape manufactured with 69% wood fiber which is nontoxic in order to not harm wildlife, livestock or the environment. Depending on the environmental conditions, the bright tape will completely biodegrade within 6 to 12 months.

5 Sorbent Products: Our SPC absorbent products include an eco-friendly Re-Form™ product line, which are manufactured using recycled cellulose. In addition, we offer QUICKWIK granular absorbents which is a premium absorbent manufactured from 100% recycled material. The QUICKWIK granular has four times the absorption power of clay granulars which reduces waste.

Products with a Purpose

Our Products Make Our Customers More Efficient

One of the ways our products help our customers is by making their operations more efficient. Some specific examples of our products include:



i5300 Printer:

The i5300 industrial label printer is self-calibrating and prints on the first label with zero waste. Our competitors' printers typically require a calibration process that almost always results in numerous wasted labels before printing the first usable label, costing time, money and environmentally detrimental scrap. This is only one example of a Brady printer that results in zero waste which highlights our commitment to environmentally friendly products.



Wraptor™ Printer Product Line:

The Wraptor™ printer product line saves our customers time and energy by providing a solution that prints and wraps wires in less than 7 seconds which is half the time it takes to hand wrap wires. Wraptor™ printers turn a series of labor-intensive, inefficient tasks into a modern, automated process with substantial ergonomic benefits. Wraptor™ printers establish Brady as a leader in automated wire labeling.



Track and Trace Solutions:

With the acquisitions of Code Corporation and Nordic ID in the fourth quarter of fiscal 2021, we are working towards providing our customers with a robust and integrated track and trace solution. We are helping our customers build and implement their smart factory using advanced barcoding and labeling technologies, RFID, machine connectivity, and business system integrations. We are excited to deliver the next generation of digital identification solutions that provide significant efficiency and automation benefits.



B-403 Water Dissolvable Paper Labels:

Simple paper labels are notoriously difficult to remove once applied. To solve this problem, Brady developed a paper label that completely dissolves in warm water within 30 seconds, leaving no adhesive residue behind. The dissolvable labels are ideal for the laboratory setting where the easy removal reduces waste of expensive laboratory supplies.

Products with a Purpose

Case Study: 100% Faster Vial Tube Labeling

Challenge: Promise Proteomics, based in Grenoble, France, provides solutions for next-generation therapeutic drug monitoring. In order to keep up with their increased test kit production, the company needed an automated labeling solution for the vials in the test kits they develop and manufacture to check biological samples for cancer and inflammatory diseases.

Solution: Brady proposed the BradyPrinter i7100 Label Printer to automate Promise Proteomics' vial labeling process. The i7100 Label Printer labels vial tubes twice as fast as a manual label application process. Labels can be printed and applied in a few seconds on tubes with a 10 to 17 mm diameter and a 38 to 105 mm length. Once labeled, tubes are ejected into a tray, or removed manually. Vial label printing and application can be triggered with a foot pedal, a sensor or a programmable controller.

In addition, Brady suggested the use of the B-7425 polypropylene label to assist in the vial labeling process as this label is ideally suited for print and apply. The B-7425 label is designed to adhere to curved surfaces such as laboratory vials, and it can withstand refrigerator and freezer environments.

Result: Promise Proteomics is now able to label vial tubes twice as fast as the previous manual process. With several labeled vials per test kit, the increased labeling speed achieved by the BradyPrinter i7100 Label Printer better supports the growing production output for Promise Proteomics.

As an added benefit, label positioning on the vials is now standardized, precise and supports an improved design of the finalized product.



Energy and Emissions

We Constantly Strive to Limit Energy Usage and Reduce Emissions

We continuously make improvements in our manufacturing process in order to protect our environment for future generations. Our most direct impact on the environment relates to the natural resources and energy we consume. We have collected consumption information related to our Scope 1 (direct) and Scope 2 (indirect) emissions from our operating facilities around the globe. In the future, we intend to expand these efforts by including additional sources and Scope 3 (indirect) value chain emissions. More information on Brady's ESG commitments and targets will be shared in future reports.

Environmental Metrics

	2021	2020
Carbon Intensity (GHG Emissions / Net Sales)	3.3%	3.5%
Global Energy Consumption (GWh):		
Scope 1 - Natural Gas	46.0	44.7
Scope 2 - Electricity	54.2	55.3
Total	100.2	100.0
Greenhouse Gas Emissions (Metric Tons of CO₂e, in thousands):		
Scope 1 - Natural Gas	8.3	8.1
Scope 2 - Electricity	28.9	29.3
Total	37.2	37.4

Carbon Intensity: Ratio of Scope 1 and Scope 2 Greenhouse Gas Emissions in terms of metric tons of CO₂e per unit of net sales as reported in Brady's Form 10-K for the years ended July 31, 2021 and 2020. Brady's carbon intensity decreased from 2020 to 2021.

Gigawatt hour ("GWh"): 1,000,000 kilowatts of electricity used per hour.

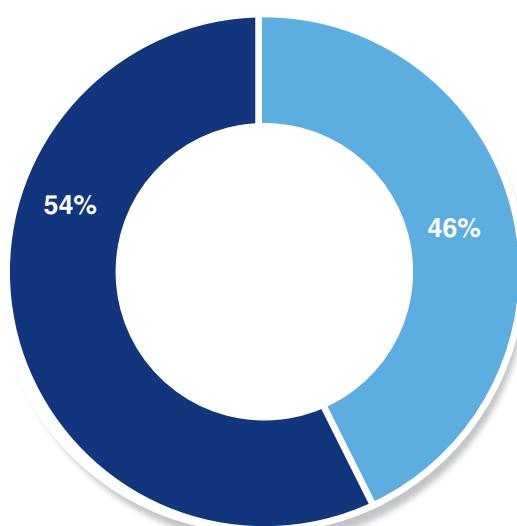
Scope 1 Emissions: Direct greenhouse gas emissions from operations that are owned or controlled by a registrant.

Scope 2 Emissions: Indirect greenhouse gas emissions from the generation of purchased or acquired electricity, steam, heat, or cooling that is consumed by operations owned or controlled by a registrant.

Greenhouse Gas Emissions ("GHG Emissions"): Global energy consumption converted to Greenhouse Gas Emissions in accordance with conversion guidance provided by the Greenhouse Gas protocol (presented in thousands).

2021 Energy Consumed by Source:

- Scope 1
- Scope 2



Energy Generation

During the last several years, Brady has installed solar technology to make the most of the sun's natural energy at certain facilities around the world. These solar panels partially offset our Company's energy usage, thus reducing our environmental footprint.

Buffalo, New York

When the Buffalo site needed a new roof in 2020, the local team used the opportunity to install solar panels with the new roof. Between August and December 2020, 1,856 solar panels were installed on the roof of our Buffalo facility. In the first 12 months after installation, the solar panels produced 712,000 kilowatt hours of electrical output which reduced our carbon emissions by approximately 82 metric tons of carbon dioxide on an annual basis.



Buffalo, New York

Port Orange, Florida

In May 2020, a solar panel system consisting of 837 individual 345-watt solar panels were installed at our Port Orange, Florida location. The solar panel system can generate electrical output of as much as 305 kilowatt hours and is expected to offset up to 70% of the building's annual electrical usage. The high voltage DC electricity produced by the rooftop solar panels is converted into usable AC current by a bank of seven Solar Edge inverters. Each inverter can generate output of up to 43.2 kilowatt hours. On sunny days, our Port Orange facility has the ability to run entirely on solar power and sell excess electricity generated back to the local electric company.



Port Orange, Florida

Perth, Australia

In December 2021, our Perth location completed the installation of 86 individual 460-watt solar panels on the roof of the facility. In the three months after installation, our average monthly electric bill decreased by approximately 60%.

Randburg, South Africa

At the end of 2021, we installed 22 solar panels at our Randburg, South Africa facility. The solar panels are expected to generate over 50% of our current electricity usage which will reduce our monthly electric bill substantially.

Waste and Recycling

Our manufacturing plants operate with a consistent mindset to reduce the waste of materials used and generated in the manufacturing process. Not only does it make good business sense to reduce our scrap and waste, but it also saves our environment. We strive to be as efficient in our manufacturing process as possible. Our employees are always generating new ideas for how we can be more efficient in production and reduce the amount of our waste.

One of the primary areas where we are focusing on reducing waste is within our packaging process. Our distribution centers are coming up with new techniques to ensure our products are packed efficiently, safely and with minimal impact on the environment. For example, we are reducing or replacing plastic packaging with recyclable or biodegradable materials. In addition, plastic packing pillows have been replaced by kraft paper boxes, where possible.

As part of our commitment to reducing waste, before a Brady product is ever launched, it undergoes a deep screening for regulatory and environmental compliance. Each new product is reviewed based on several criteria:

- The use of natural resources during manufacture and distribution
- The use (and elimination) of classified toxic or hazardous materials
- Opportunities to use recycled or renewed products in its production
- Efficient packaging
- Recyclability of the product

If a new product would be inefficient to manufacture or would result in a substantial amount of waste in the manufacturing process, it would be retooled or removed from our new product pipeline during this review.



Supply Chain Responsibility

From our banking relationships to our suppliers to our distributors, we are committed to doing business with companies that operate with the highest level of integrity and ethical standards. All of the companies in our supply chain are expected to follow our environmental, social and governance principles. Our **Brady Global Standards** establish principles to ensure that working conditions in our supply chain are safe, that workers are treated with respect and dignity and that business operations are environmentally responsible. All Brady suppliers, regardless of industry or location, are expected to follow the Brady Global Standards. In addition, we maintain a **Brady Supplier Manual** which provides the general requirements and expectations for doing business with Brady.

Forced Labor and Human Trafficking

As part of our commitment to human rights, 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**.



Our Social Responsibility

We prioritize our employees' well-being as they are essential to our long-term success. We strive to attract, develop and retain top talent throughout the employment experience. We are committed to cultivating a diverse and inclusive workplace, a safe working environment and competitive compensation and benefits while also contributing to the communities in which we operate.



Our People

Brady is a global company with approximately 5,700 employees located in more than 30 countries. At Brady, we prioritize the employee experience. There will always be areas for improvement, but we believe in a culture that fosters the well-being and professional development of all our employees.

Our goal is to be one of the best-performing industrial companies in the world. In order to accomplish this goal, we need a dedicated and passionate workforce.

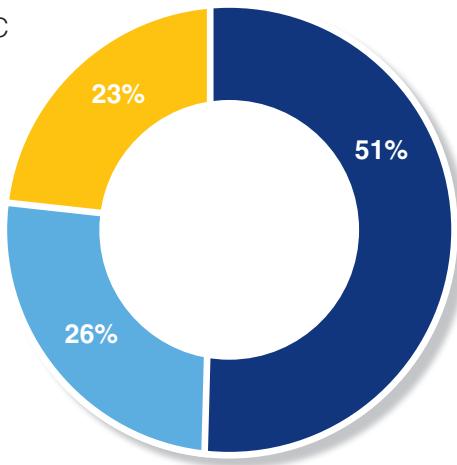
Our commitment to our employees goes much farther than simply take-home pay. We work to foster an inclusive and open workplace where all of our employees' ideas are heard and uniqueness is embraced.

In the pages that follow, you will read more information on how Brady encourages an inclusive work environment and a safe workplace. In addition, we will highlight how Brady has given back to the communities in which we operate.

Average Brady Employee Tenure
7.4 years

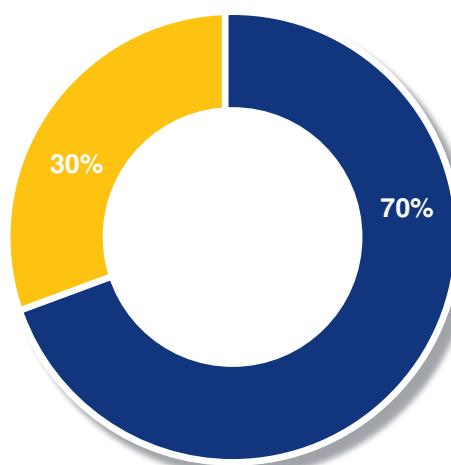
Employees by Region:

- Americas
- EMEA
- APAC



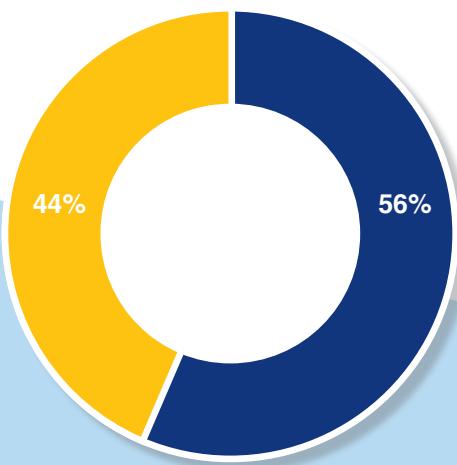
Employee by Ethnicity:

- Caucasian
- Persons of Color



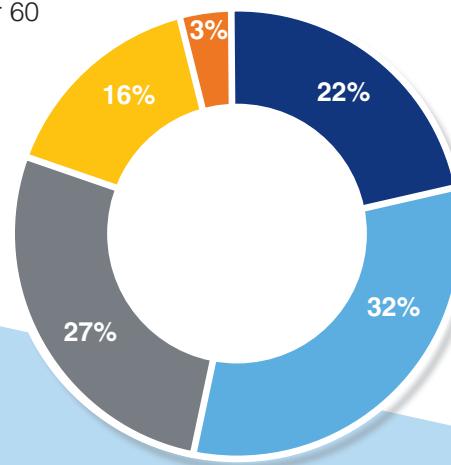
Employee by Gender:

- Male
- Female



Employees by Age:

- Under 30
- 31-40
- 41-50
- 51-60
- Over 60



Diversity, Equity & Inclusion

CEO Statement on Diversity, Equity & Inclusion

Recent events in the United States have put a spotlight on racial inequality and injustice and the need for change and action. At Brady, we have zero tolerance for racism, injustice or hatred of any kind.

Our corporate commitment to diversity, equity and inclusion is reflected in our longstanding values. However, the recent events brought to light the need to do more. In response, we have adjusted our recruiting practices to build a more diverse representation in our workforce, we directed a larger monetary donation from the Brady Foundation to support organizations that are fighting racism and supporting communities of color in the U.S. cities where Brady has a presence, and we introduced an Unconscious Bias training that was mandatory for all managers globally. This is not an inclusive list of all that we have done, but only a few examples.

Brady is committed to a global culture of inclusion that promotes dignity and respect for all. This creates a positive environment for all employees and allows everyone to contribute to their full potential. We know that our ability to succeed depends on attracting and retaining strong, diverse talent. An inclusive environment takes into account different backgrounds and experiences and allows all individuals to know that their thoughts and ideas are valued and heard. We believe that diversity includes, but is not limited to, gender, age, ethnicity, religion, nationality, disability, sexual orientation and socioeconomic background.

Our commitment to inclusion and diversity means:

- Cultivating diverse leadership, talent and innovation
- Providing training, workshops and other educational resources
- Funding organizations that promote equality in our communities
- Promoting employee resource groups
- Creating a safe environment that has zero tolerance for discrimination, bullying or harassment.

I am committed to leading a company that fully embraces diversity, equity and inclusion. This environment is reflective of our strong company values and is key to our future success in the global marketplace.

Russell R. Shaller
President and CEO



Diversity, Equity & Inclusion

A Holistic Approach

Brady is committed to continuing to foster an inclusive culture - one that values diversity across ethnicity, gender and global perspectives, experiences and viewpoints. We strive to cultivate an environment where all of our employees feel valued, their ideas are heard and their uniqueness is embraced. It is not only the right thing to do, it is woven into the framework of who we are.

We believe that a diverse workplace and an inclusive work environment are vital to Brady's success. That is why we have worked for many years to integrate diversity, equity and inclusion into the way we work every day, from our Company Values to our Core Competency Model and beyond. In order to create an inclusive and diverse work environment, we are purposeful and intentional in our recruiting strategies, which emphasize a diverse candidate slate to ensure we are hiring the best people for the job. At Brady, we believe our workforce should reflect the communities where we operate. This helps make our workplaces more diverse and sets our teams up for success.

Integrating Inclusion and Diversity into the Way We Work

Brady's commitment to inclusion and diversity is deeply integrated into our global policies, processes and programs and has become a standard in our daily operations. Two of our core values speak directly to that commitment:



Unlock Potential in Yourself and Others

We believe that employees across all levels and backgrounds can, and do, make a difference in our future. We recognize exceptional talent, and provide exposure and opportunities to our people to unlock the potential we see in them. We work together beyond ourselves and our teams. We are sincerely open-minded, we genuinely listen and we utilize diverse viewpoints, backgrounds and experiences to create the best solutions for our customers and the world.



Deliver What You Promise

We instill process rigor in our business practices and are accountable to each other and the commitments we make. Our commitment to inclusion and diversity is no exception.

We have a long-standing Core Competency Model. This competency model describes the motivation we expect to be behind every decision our employees make. To show our commitment to our Core Competency Model, part of our annual employee performance evaluation is based on Brady's six core competencies, one of which is Value Differences. We ensure that we regularly evaluate our employees on their ability to work with individuals from a variety of backgrounds and with multiple perspectives.

We provide a training curriculum for our employees and management to expand their understanding on diversity, equity and inclusion. In fiscal 2021, all salaried managers completed Unconscious Bias training. Outside of this training, Brady maintains a global learning center which offers a variety of diversity, equity and inclusion content along with internal and external instructor-led courses.

2021 Employee Engagement Survey*

80%
Favorable View of how Brady Values Differences
(6% above manufacturing benchmark)

81%
Favorable View of Brady's Manager Effectiveness
(8% above manufacturing benchmark)

* Brady's 2021 Employee Engagement Survey was sent to employees in 10 countries representing 39% of the total employee population.

Diversity, Equity & Inclusion

Diversity in Our Hiring

We are proud to be a global company with our diverse group of employees speaking more than 25 languages. Our employees represent a wide variety of backgrounds, experiences and education. Our recruiting practices include intentional outreach to communities of color, and emphasizes that each candidate slate be comprised of *at least 50 percent people of diverse backgrounds and includes persons of color*. We seek to improve the selection and evaluation process by making sure we have a diverse candidate pool with varied experiences and backgrounds.

To ensure a strong and diverse talent pipeline, we have built partnerships with local universities whose student body aligns with our hiring priorities and have robust internal diversity programs. Through these partnerships, we have hired diverse interns as well as diverse new college graduates. Over 60% of our interns in 2021 were diverse.

Brady has a long history of supporting diverse college students through scholarships, mentoring and tutoring programs. We partner with universities at the local level, engaging their diversity organizations to support our hiring goals. By partnering with strong local institutions, we are able to attract and retain talent from our own backyards. At several sites around the U.S., we have also partnered with local non-profit organizations that provide job-training and mentoring to people looking to gain employment.

We are proud of what we've done to create a diverse workforce, and we are committed to making even greater progress in the future.

Employment Partnerships



In 2021, Brady partnered with United Neighborhood Centers of Milwaukee ("UNCOM"). The program seeks to hire people who have recently attained or are working to earn their GED or High School Equivalency Degree and provide training in entry-level roles with strong career paths for future growth. In addition to receiving mentoring from UNCOM staff, Brady assigns each new hire a "buddy" to help new employees from this program navigate the workplace in what may be their first job.



Brady professionals serve as guest speakers in engineering, business and supply chain courses at the University of Wisconsin- Milwaukee ("UWM"). Additionally, UWM students have had the opportunity to tour Brady facilities and experience our technology in action. This regular contact gives us the opportunity to recruit top talent from UWM's diverse, local student population.



Etablissements et Services d'Aide par le Travail

One of Brady's French businesses, Securimed, partnered with Etablissements et Services d'Aide par le Travail ("ESAT") to provide work opportunities for people with disabilities. Securimed employs over 30 people from the ESAT program. This partnership allows people from the program to gain access to specialized training and helps them adjust to work environments.

Diversity, Equity & Inclusion

Employee Resource Groups

We are committed to growing and maintaining an inclusive environment that brings out the best in people and drives engagement. One way we achieve this is through our Employee Resource Groups ("ERGs"). Our ERGs foster an environment where different views are valued and respected. All of Brady's ERGs were founded and led by our employees. We support these employee-driven resource groups as a way for employees to embrace what makes them unique, while finding strength in numbers. Our ERGs strengthen a diverse and inclusive workplace, advance our business goals, improve corporate culture, enhance members' professional development and increase inclusion and diversity awareness in the community. At Brady, we currently have two primary ERGs.

Women's Leadership Alliance

More than ten years ago, a group of women leaders founded Brady's first ERG, the Women's Leadership Alliance ("WLA"). The WLA was established to **engage, encourage and empower** women at Brady. The mission of the WLA is to form a network of employees that promotes:

- Professional development and mentoring
- Cross-functional networking
- Relationship building, sharing and support
- Leadership outside traditional work roles
- Corporate awareness and advancement of women's issues.

Brady's WLA has grown to more than 200 members from sites in the United States and India. The WLA hosts regularly-scheduled monthly activities which include having guest speakers on various career and professional development topics such as goal setting, work-life balance, public speaking and many other topics. In addition, other WLA events include a book club and networking events such as monthly Lunch Connections. These lunches create opportunities for employees to interact with leadership in a relaxed, small group setting. The ultimate goal of the WLA is to help women excel in their careers at Brady.

Brady's Emerging Professionals

In 2018, the Brady Emerging Professionals group ("BEP") was founded to provide additional development and networking opportunities for emerging leaders with ten or fewer years of work experience. This group has over 100 members in Milwaukee. The BEP meets on a monthly basis for events such as volunteering at local food shelters, meeting for coffee with our President and CEO and listening to an external speaker on navigating generational differences in the workplace. The BEP is committed to developing the emerging professionals of Brady through engagement in the Company and community.



Employee Safety

The health and safety of all our employees around the globe is one of our top priorities. Our goal is to apply principles and practices of safety in every phase of our operations. We continue to work toward our ultimate goal: zero workplace injuries. We are committed to conducting business in a manner that protects the health and safety of our employees.

In order to provide a safe working environment, we strive to:

- Engage all employees to proactively manage risks in the workplace and achieve zero injuries
- Provide workplaces that are safe and healthy for our employees, visitors, contractors, customers and the communities in which we operate
- Meet or exceed all applicable laws, regulations and other requirements regarding the safety, health and environmental impact of our operations and products
- Monitor progress toward our goals and continuously improve our environmental, health and safety management system.

Creating a safe work environment is the responsibility of all Brady employees and requires teamwork. In order to guide the day-to-day responsibilities of our employees, Brady follows the Brady Corporation Global Environmental, Health and Safety Policy Manual. This manual describes Brady's overall Environmental, Health and Safety Program along with policies and procedures that all Brady locations are required to follow.

Employee Training

In order to create a safe working environment and minimize the number of workplace injuries, 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 trainings related to the Company's health and safety protocols are conducted regularly.

Audits and Inspections of Facilities

As part of our commitment to providing a safe work environment, Brady's Environmental, Health and Safety ("EHS") team leads safety and environmental audits at all of our manufacturing and distribution facilities. The EHS team performs safety and environmental audits to ensure Brady locations are compliant with internal policies as well as local laws and regulations. Each audit location receives a score as well as documented findings and opportunities for improvement. Local EHS site personnel and site management are responsible for creating action plans in response to the audit findings, which are monitored by the EHS team to ensure corrective actions have been taken.

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.



Employee Safety

Reporting

Brady utilizes an internal system to track all workplace incidents. This system allows users to input, track and manage work-related injuries as well as report unsafe conditions. Brady collects data for the following three types of workplace incidents:

1 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

2 First-Aid Events

Minor workplace injuries that only required first aid

3 OSHA Reportable Events

Workplace injuries that are required to be reported to OSHA or the non-U.S. equivalent organization to OSHA.

Ultimately, it is the responsibility of our employees and managers to report and categorize these types of events. Brady's EHS team assesses all reported incidents. The team focuses on every incident and determines the root cause of the situation and the necessary corrective actions to prevent a similar situation from occurring in the future.

Employee Safety by the Numbers*

0.69

**Total Recordable
Incident Rate**

0.32

Lost Time Case Rate

0

Fatalities

We are proud to report that fewer than half of our recordable incidents result in lost work time.



* 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

Compensation & Benefits

In return for everything our team members do, we are committed to providing a competitive compensation and benefits package to our employees. We use our compensation and benefits package to attract and retain our talented workforce around the globe.

Our comprehensive compensation and benefits program is designed to meet the diverse needs of our team members to support them physically, mentally and financially. As a global company, we tailor our compensation and benefits to align with local practices. For our U.S. employees, some of the benefits we offer to our employees include:

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 to help solve personal problems including family issues, financial concerns and finding childcare
- Paid vacation and holidays
- Adoption Assistance.



Financial

- 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/Community

- Brady Employee Scholarship Program
- Employee Volunteer Program
- Matching Gift Program
- Dollars for Doers Program which provides a monetary award to not-for-profit organizations where Brady employees volunteer.



Community Involvement

At Brady, we do not just talk about community, we truly live it. We pride ourselves on actively contributing to the communities we call home. Our philanthropic mission is to support organizations that align with our values. Through the Brady Corporation Foundation, we support organizations that inspire and motivate our people to improve and enhance the communities where we live and work.

The Brady Corporation Foundation

Brady Corporation has a long history of giving back to the communities where we live. This started in 1954, when William H. Brady Jr. founded the Brady foundation. This foundation contributed millions of dollars to civic and educational organizations

In 2006, the Brady Corporation Foundation ("Foundation") was established to carry on Mr. Brady's philanthropy. Since 2006, the Foundation has donated over \$11 million to various organizations in our communities. Our Foundation's mission is to support organizations that inspire our employees in the communities where they live and work.

Our Foundation focuses its support within the following three primary categories:

- **Leadership:** We support programs, projects and organizations that inspire people of all ages - from youth to adults - to be better leaders. We support organizations that provide the tools, confidence and training to support strong leaders at school, at work and in the community.
- **Strengthening Communities:** We support programs that build strong communities. Whether through fighting poverty, feeding the hungry, restoring neighborhoods, stopping violence, or other initiatives, we support organizations that help their communities thrive.
- **Educational Programming:** We support programs that provide educational initiatives in our communities. From early childhood through post-secondary education, there is always a need for additional learning opportunities.

In the summer of 2020, the Brady Corporation Foundation fully embraced the opportunity to live out our core values and drive action when our community needed it the most. The Foundation increased its annual giving and targeted a portion of its grants to organizations that are working towards racial equity.

The Foundation is committed to ensuring a more equitable world for all people. That is why the Foundation pledged additional funding to organizations specifically addressing racial equity issues. Our giving in this area is concentrated in two categories:

- **Building the Pipeline:** Support for early childhood, elementary and secondary education programming to help students of color achieve success.
- **Bridging the Gap:** Support for basic-needs programming that addresses particular gaps that low-income people of color may struggle with, including housing stability and other initiatives that build strong families.

As a further commitment to diversity, equity and inclusion initiatives, any organization that applies for a grant from the Foundation is required to provide information regarding representation of people of color within their leadership and on their board of directors.

Brady Corporation Foundation Giving in Fiscal 2021

\$802K
Total Donated
84
Organizations Supported
\$512K
Donated to
Racial Equity Organizations

Community Involvement

Brady Walk

For the past 11 years, each U.S. location has participated in the annual Brady Walk to fundraise for not-for-profit organizations in our local communities. The Brady Walk is entirely driven by our employees, who nominate, vote and ultimately select not-for-profit organizations to sponsor each year.

Each U.S. location participates on the same day and a donation is presented to each of the not-for-profit organizations involved.

Since its inception, the Brady Walk has contributed over \$1 million to organizations that mean the most to our employees.



The 2021 Brady Walk took place in September. The Brady Corporation Foundation donated \$106,000 to 14 organizations including:

- American Foundation for Suicide Prevention - Wisconsin Chapter
- Canine Cupids
- Children's Cancer Foundation, Inc.
- Children's Hospital of Los Angeles
- Dress for Success Tampa Bay
- Girls on the Run Southeastern Wisconsin
- Ice Age Trail Alliance
- Inland Valley Down Syndrome Association
- Merrimack Valley Food Bank
- Michael Hoefflin Foundation
- PAWS Chicago
- Ten Lives Club
- The Children's Foundation of America
- WNY Heroes, Inc.



Community Involvement

The Fight Against Hunger in Our Communities

Our employees are passionate about supporting our communities in the fight against hunger. According to the United States Department of Agriculture, in 2020 more than 38 million people in the United States, including 12 million children, were food insecure. The communities in which Brady operates are included in those figures.

In order to contribute to the fight against hunger, our employees donated their time, talents and money. Some examples of our employees' actions include:

- As part of the 2021 Brady Walk in Milwaukee, our employees donated over 600 pounds of food and over \$3,000 to the Hunger Task Force.
- During the February 2022 Brady Emerging Professionals event, the BEP members assembled stock boxes of healthy foods for local senior citizens in need at the Hunger Task Force of Milwaukee.
- In November 2021, we partnered with COA Youth & Family Centers and our employees donated over \$1,000 and 300 bags of food as part of Brady's 9th Annual Thanksgiving Food Drive.
- The Brady Brazil team held an Easter food drive in April 2021 to assist families facing difficult times due to the Covid-19 pandemic. In total, the team donated over 1,000 pounds of food.



Community Involvement

Preparing Youth for Future Success

Our employees generously donate their time, experience and advice with youth in our community. Preparing young people for future success is one of the primary ways our employees give back to our communities. The following paragraphs highlight a few of these events.

Lead2Change Virtual Career Exploration Day

In March 2021, Brady employees in Milwaukee participated in Lead2Change's virtual career exploration day. Lead2Change is a career-readiness organization that engages young people in leadership opportunities and equips them with essential tools to be successful in college, their career and the community. The goal of the virtual career exploration event was to provide students the opportunity to be exposed to professionals in a variety of careers and a real-world perspective. Our Brady professionals spoke to students about their backgrounds, careers, interests and skills.

PEARLS and Operation Dream

Career Exploration Day

The Milwaukee chapter of our WLA hosted several exploration events with high school students from PEARLS for Teen Girls. PEARLS supports girls in the 5th through 12th grades as they work through the upheavals of adolescence along with interpersonal, educational and socioeconomic challenges. As part of the career exploration day, the girls attended tours of our Good Hope Road facility and learned about a variety of career opportunities, engaged with leadership and WLA members and performed hands-on applications with Brady products. The PEARLS for Teen Girls organization has been a Brady Foundation partner for many years. Our employees are extremely passionate about their mission to improve the quality of life and strengthen our community one girl at a time.

A similar career exploration and plant tour day was sponsored with Operation DREAM, an organization that provides mentoring to young men primarily of color in Milwaukee.



Community Involvement

Making a Difference in Our Own Backyards

Brady employees contribute their time, expertise and donate Brady products to the communities they call home. Our employees step up to make an impact, especially when our communities are hit with natural disasters or difficult situations. The following three stories highlight how our employees made a difference in the time of need.

Germany Flood Response

Heavy rains swept across Western Germany in July 2021 which resulted in devastating flood damage to the region. The Brady team in Germany supported clean-up and rescue efforts with a donation of much needed materials. Employees donated a full pallet of materials which included rubber boots, work pants, gloves and disinfectant gels.

Australian Wildfires Response

From September 2019 through March 2020, Australia was hit with a devastating outbreak of wildfires. During those 9 months, over 46 million acres were burned throughout the country. Fortunately for Brady, our two Australian facilities in Greystanes (Sydney) and Perth were not directly affected by the wildfires.

In order to support the response to the natural disaster, the Brady team in Australia donated hydration sticks to the New South Wales Rural Fire Service. In addition, our business donated first-aid products to vets and animal shelters that supported the care for a large number of animals such as koalas and kangaroos that were injured during the wildfires. Brady employees also donated funds which were used to purchase a pallet of drinking water for the fire service.



Community Involvement

Making a Difference in Our Own Backyards

Brady Japan COVID-19 Pandemic Assistance

Brady Japan has been an active member in the community of Hachioji City since we opened this facility 14 years ago. When the COVID-19 pandemic began to impact this area, our employees visited the Hachioji City Health Center to learn how they could help. Our employees found manual operations and an outdated system with limited network access which resulted in an over worked and tired workforce. To help with the health center's struggles, our team developed the "COVID Patient Management Database System." The database system was installed in December 2020 and resolved the health center's network access issues and reduced their staff's workload. In addition, Brady Japan donated a variety of Brady products to the health center which included: ethanol resistant labels, BBP12 label printers, barcode readers, social distancing signage and many other products.



The mayor of Hachioji City presented an award to Brady Japan for their contributions to fight the spread of the COVID-19 coronavirus.



八王子市長
石森 孝志

令和三年十月一日

基づき表彰いたします
よって八王子市表彰条例に
本市行政の進展に多大の
貢献をされました



表彰状

日本ブレイディ株式会社
代表取締役 荒井 康志様

Our Governance

We are committed to the highest level of ethical conduct every day at all of our 70+ facilities around the world. Driven by the oversight of the Board of Directors and the Brady leadership team, the tone at the top our organization prioritizes ethical conduct in every aspect of our business.



Board of Directors*

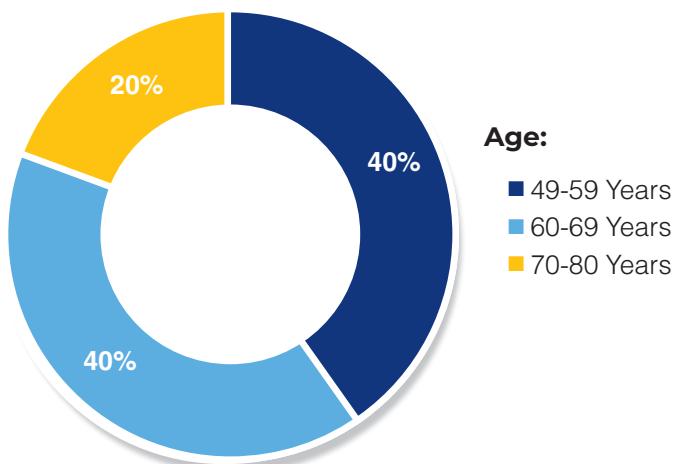
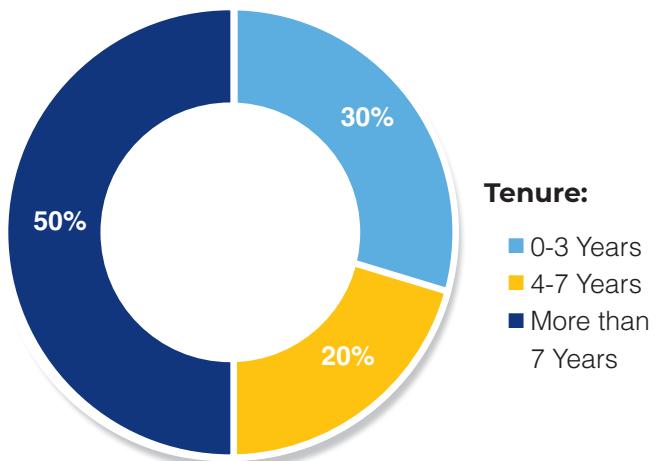
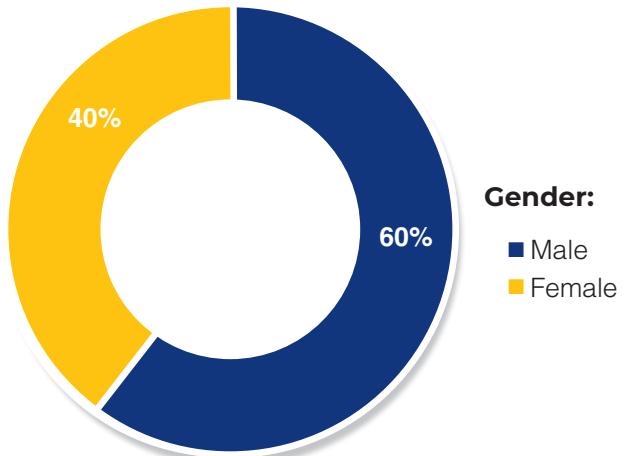
Brady is committed to a governance structure that is independent and responsive to the interests of our shareholders.

The Brady Board of Directors is comprised of ten directors, all but one of whom are independent. The composition of the board includes four women and six men. All directors are elected annually by the holders of Brady's Class B voting shares. Our directors are highly qualified and have a diverse set of skills, backgrounds and perspectives. We value a board comprised of individuals with an impressive blend of personal and professional attributes to ensure a healthy representation with different points of view. 20% of our directors are people with a diverse racial or ethnic background.

The Board of Directors has five standing committees: Audit, Management Development & Compensation, Corporate Governance, Finance, and Technology Committees. 60% of our committee chairs are women. Each committee plays a critical role in various environmental, social and governance topics.

The ultimate responsibility for the governance of Brady Corporation resides with the Board of Directors. Our board plays a critical role in determining the strategic direction and risk management oversight of Brady. Our Board of Directors regularly meets in executive sessions, 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 the Company's website.



MILWAUKEE
WOMEN INC.

Recognized by Milwaukee Women Inc. for being among the top 10 of Wisconsin's largest public companies for female board representation.

* All information related to the Board of Directors relates to the composition as of April 1, 2022.

Board of Directors



Patrick W. Allender
Executive Vice President
and Chief Financial Officer
(ret.), Danaher Corp.



Dr. Frank W. Harris
President and CEO, Akron
Polymer Systems



Dr. David S. Bem
Vice President, Science
and Technology and Chief
Technology Officer, PPG



Vineet Nargolwala
Executive Vice President,
Sensing Solutions, Sensata
Technologies



Dr. Elizabeth P. Bruno
Ph.D., President, Brady
Education Foundation



Bradley C. Richardson
Executive Vice President
and CFO (ret.), Avient
Corporation



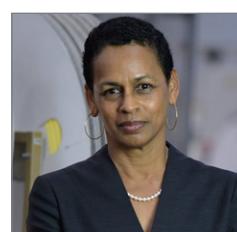
Joanne Collins Smee
Chief Commercial, SMB
and Channels Officer, Xerox
Corporation



Russell R. Shaller
President and CEO, Brady
Corporation

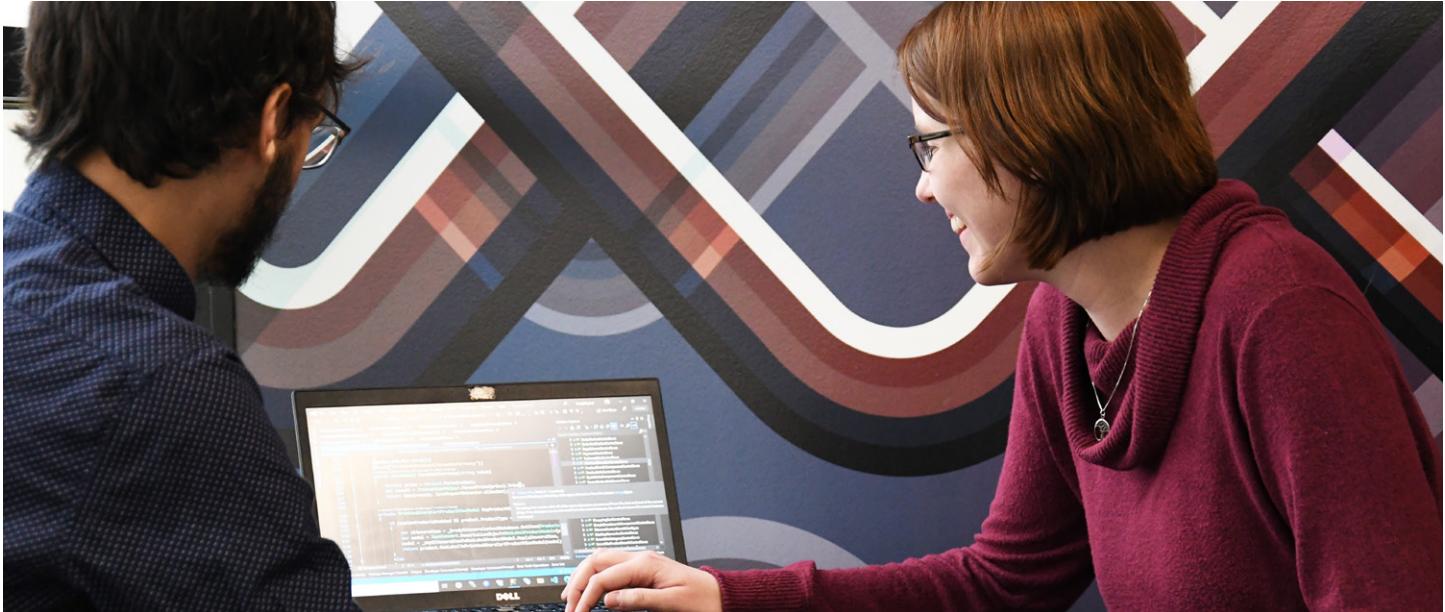


Nancy L. Gioia
Director, Global
Connectivity, Electrical and
User Experience (ret.),
Ford Motor Company



Dr. Michelle E. Williams
Global Group President
(former), Altuglas
International

Ethics & Integrity



Throughout our history of over 100 years, Brady has built a reputation for integrity in everything that we do. For us, doing business with integrity is the only way to do business.

The **Brady Code of Ethics (“Code”)** is the foundation of Brady’s global commitment to ethical and legal requirements. This commitment to ethical behavior is and always has been an essential Brady philosophy.

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, as well as with our customers, distributors and other business partners.

Our Code is a guidebook that sets forth the behaviors expected of our employees. It aims to help our employees carry out their daily activities in accordance with the highest ethical standards and uphold Brady’s Values. By upholding these standards in our daily work, we preserve the trust we have built with our various stakeholders, including our fellow employees, customers, suppliers, shareholders and local communities.

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 Brady employees are expected to act with integrity and honesty in their business activities. Brady has thrived for more than 100 years and this is fundamental to what will carry us into the next 100 years.

Annually, all employees must 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.

The Code is publicly available to anyone, including employees, customers, suppliers, and other third parties, on our Brady website. Employees also have access to the Code of Ethics on the Company’s intranet.

Ukraine Response

Our Brady family has been affected by the Russian invasion of Ukraine. We have employees in Europe that are Russian and Ukrainian, and we have employees worldwide with family impacted by the war in Ukraine. We understand that this conflict is not an issue of one nationality against another. We support all people who want good in this world regardless of nationality or ethnic origin.

As a response to Russia's invasion of Ukraine, we are in the process of dissolving our Russian legal entity. We do not have any employees in Russia or Ukraine.

As part of our support for the people of Ukraine, the Brady Securimed team in France shipped 10 pallets of gloves, FFP2 masks, medical instruments and supplies to EliseCare, a non-governmental organization that provides medical and psychological aid to civilian populations living in conflict zones. The supplies were taken to Lviv, Ukraine, where they were then dispatched to hospitals in the war zone. We are extremely proud of Brady Securimed's quick response to the crisis.

In order to help our own employees affected by the war, we offered supportive services for individuals wishing to speak to a counselor. In Europe, we provided access to a direct hotline staffed by mental health professionals. We are committed to all of our employees' well-being – mental, physical and emotional.

We believe history will judge us based upon how we act in moments of crisis. Our swift response to the war in Ukraine will show our commitment to being on the right side of history.



Ethics Hotline and Reporting

We expect our employees 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.

We utilize an independent third party to administer our Ethics Hotline. The hotline is globally available 24 hours per day, seven days per week. The hotline allows callers to confidentially raise an ethics or compliance concern to the Company.

The Director of Internal Audit and Brady's legal team are automatically notified when a new claim is submitted to our Ethics 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.

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.



"At Brady, we all have the responsibility to conduct ourselves in a professional, ethical and legal manner. This starts on every employee's first day at Brady. We require all new employees to take an ethics training their first day. Acting ethically in everything that we do has been a core value throughout Brady's 100+ year history. Our continued commitment to integrity and ethical conduct in all business activities is vital to maintaining Brady's reputation for excellence."

– Justin Zaeske, Internal Audit Director

Enterprise Risk Management

Risk is a part of doing business which makes risk a 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. Our ERM Committee includes members from the Company's 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 2021 **Form 10-K**.



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GRI Index

Brady has referenced GRI Standards in the preparation of this ESG Report. This GRI Content Index references the location of disclosure where the information can be found. In some cases, the referenced information partially satisfies the referenced disclosure standard.

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GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016		
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