

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 13, 2023

**BRADY CORPORATION**  
(Exact name of registrant as specified in its charter)

Commission File Number 1-14959

**Wisconsin**  
(State or other jurisdiction of incorporation or organization)

**39-0178960**  
(IRS Employer Identification No.)

**6555 West Good Hope Road  
Milwaukee, Wisconsin 53223**  
(Address of principal executive offices and Zip Code)

**(414) 358-6600**  
(Registrant's Telephone Number)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Nonvoting Common Stock, par value \$0.01 per share	BRC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 or the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS

(b)(c) On April 14, 2023, Brady Corporation (the "Company") announced the resignation of Aaron J. Pearce, Chief Financial Officer and Treasurer. Pursuant to the terms of a Complete and Permanent Release and Resignation Agreement, dated April 13, 2023 (the "Resignation Agreement"), Mr. Pearce will remain employed by the Company and receive his current base salary and benefits through April 28, 2023 (the "Separation Date"), during which he will be available to the Company in a consultative position to assist with respect to the transition. Pursuant to the Resignation Agreement, Mr. Pearce will receive, among other items, separation benefits in the form of payment of his base salary for twelve months following the Separation Date, payment of 100% of his 2023 annual target cash bonus, and full vesting of his outstanding stock options and restricted stock units that were granted in fiscal 2021 and 2022. Mr. Pearce's resignation is not the result of any dispute or disagreement with the Company, including with respect to any matters relating to the Company's accounting practices or financial reporting.

The Company also announced that as of April 14, 2023, Ann Thornton has been appointed as Chief Financial Officer, Chief Accounting Officer and Treasurer. As a result, Ms. Thornton will remain the principal accounting officer for the Company and will also become the principal financial officer.

Ann Thornton, age 41, has more than 13 years of financial experience with the Company. Most recently, serving as Chief Accounting Officer since 2016 and as Corporate Controller and Director of Investor Relations since 2015. She held the positions of Director of Global Accounting, Corporate Finance Manager, External Reporting Manager, Corporate Accounting Manager and Corporate Accounting Supervisor from 2009 to 2014. Prior to joining the Company, Ms. Thornton was an auditor with PricewaterhouseCoopers from 2005 to 2009.

The Company entered into an employment offer letter dated April 14, 2023 with Ms. Thornton (the "Offer Letter"). The Offer Letter provides that Ms. Thornton will receive an annual base salary of \$450,000, with eligibility for a target annual bonus at 70% of base salary, a fiscal 2024 annual equity award with a grant date value of \$675,000, and will participate in the Company's equity incentive and other benefit plans on a basis similar to other executive officers. Ms. Thornton will have a Company share ownership requirement equal to three times her base salary within five years of her appointment as Chief Financial Officer and Treasurer.

The Company also entered into a Change of Control Agreement with Ms. Thornton. Under the terms of the Change of Control Agreement, in the event of a qualifying termination within 24 months following a change of control (as such events are defined in the Change of Control Agreement), Ms. Thornton will receive two times her annual base salary and two times her target bonus.

A copy of the Company's press release announcing Mr. Pearce's resignation and Ms. Thornton's appointment is attached hereto as Exhibit 99.1 and is incorporated herein by reference. The foregoing descriptions of the Resignation Agreement, the Offer Letter and the Change of Control Agreement are qualified in their entirety by reference to the full text of such agreements, copies of which are attached hereto as Exhibit 10.1, Exhibit 10.2 and Exhibit 10.3, respectively, and are incorporated herein by reference.

Item 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

EXHIBIT NUMBER	DESCRIPTION
10.1	<a href="#">Complete and Permanent Release and Resignation Agreement between the Company and Mr. Pearce dated as of April 13, 2023.</a>
10.2	<a href="#">Employment Offer Letter between the Company and Ms. Thornton dated as of April 14, 2023.</a>
10.3	<a href="#">Change of Control Agreement between the Company and Ms. Thornton dated as of April 14, 2023.</a>
99.1	<a href="#">Press Release of Brady Corporation, dated April 14, 2023.</a>
104	Cover Page Interactive Data File (embedded within Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BRADY CORPORATION

Date: April 19, 2023

/s/ ANN E. THORNTON

Ann E. Thornton

Chief Financial Officer, Chief Accounting Officer and Treasurer

**COMPLETE AND PERMANENT RELEASE AND RESIGNATION AGREEMENT**

Aaron J. Pearce (“Employee”) and Brady Corporation (the “Company”) hereby enter into this Complete and Permanent Release and Resignation Agreement (the “Agreement”) to resolve all matters relating to Employee’s employment with, and resignation from, the Company. Employee and the Company hereby agree as follows:

1. Resignation.

Effective 12:01 a.m. on April 14, 2023 (the “Effective Date”), Employee hereby resigns from Employee’s position as Chief Financial Officer and Treasurer of the Company, and resigns from any other positions with the Company or any of its subsidiaries. Employee agrees to execute any documents reasonably requested by the Company to effectuate his resignation from any positions with the Company or its subsidiaries. From the Effective Date to April 28, 2023 (the “Separation Date”), Employee will remain employed by the Company serving as Special Advisor to the Company’s Chief Executive Officer (the “CEO”), and the Company will continue to pay Employee’s current base salary and fringe benefits through the Separation Date. During that time, Employee will be available to consult with respect to transition issues as requested by the CEO. As of the Effective Date, Employee shall no longer be entitled to receive any grants in connection with any equity plans or other annual or long-term incentive plans with the Company.

2. Retirement Plan; Equity Agreements; Welfare Plans.

All of Employee’s balances, including Company stock, within any Company retirement plan will be paid out in accordance with the provisions of each plan and Employee’s elections under such plans. Employee’s rights, as of the Separation Date, to Employee’s accrued but unpaid salary, vested retirement benefits, vested equity awards and benefits under any Company-provided welfare plans, are referred to herein as “Vested Benefits.”

3. Severance Benefits.

If Employee accepts and does not revoke this Agreement, the Company will pay or provide Employee with the following as severance benefits:

(a) Payment of Employee’s base salary for twelve (12) months following the Separation Date, which will be paid in accordance with the Company’s normal payroll practices;

(b) Payment of 100% of Employee’s annual target cash bonus for fiscal year 2023 (regardless of the level of achievement of performance), which will be paid on the Separation Date (or if later, the first pay date following the date this Agreement becomes effective);

(c) Healthcare benefits under COBRA in accordance with the Company’s healthcare plans and applicable law, with the first 12 months of COBRA premiums being charged to Employee at active employee rates and the remaining period of COBRA benefits will be at regular COBRA rates, subject to Employee’s timely election of COBRA;

(d) Full vesting upon the Separation Date (or if later, when this Agreement becomes effective) of Employee’s outstanding stock options and restricted stock units that were granted on September 30, 2020 and September 16, 2021. All vested outstanding stock options, as of the Separation Date, that were granted prior to September 17, 2021, shall retain their original expiration date as stated in their respective award agreements. All other equity awards, including all performance shares units, held by Employee that are not vested on the Separation Date shall be forfeited on such date; and

(e) Employee may retain his Company issued mobile phone and related phone number.

In the event that Employee resigns from his position prior to the Separation Date, it shall constitute a material breach of this Agreement, and the Company shall be entitled to seek all relief and recover all damages

available to it under any legal theory, and for its damages the Company shall have, in addition to other allowable damages, the right to be relieved of any of its obligations set forth in this Section 3.

If Employee should die while any amounts are still payable to him pursuant to this Agreement, all such amounts shall be paid in accordance with the terms of this Agreement to Employee's estate.

#### 4. Adequate Consideration.

Employee acknowledges that the Company is under no pre-existing obligation to continue Employee's employment (including the continuation of Employee's current base salary) through the Separation Date, to provide the severance benefits described in Section 3, or to provide a release of claims, and that the right to such continued employment, severance benefits, and provision by the Company of the release set forth in Section 5 (collectively, the "Additional Benefits"), are all adequate consideration for Employee's commitments in this Agreement, including the commitments described in Exhibit A. The parties agree that the foregoing, along with the Vested Benefits, constitute all of the payments and benefits to be provided to Employee under this Agreement, and that they are in full settlement of all payments and benefits, including but not limited to, claims for wages, vacation pay, sick pay, bonuses, commissions, relocation costs, severance payments, stock options, or any other compensation.

#### 5. Mutual Release of All Claims.

In consideration of the Additional Benefits, and to the fullest extent allowed by law, Employee, for Employee, Employee's spouse, heirs, successors and assigns, hereby releases and forever discharges the Company, its owners, parents, successors, subsidiaries, affiliates, directors, officers, employees and all other representatives, and the Company's benefit plans and fiduciaries (collectively, the "Released Parties"), from any and all charges, claims, suits and expenses (including attorneys' fees and costs), whether known or unknown, including, but not limited to, claims under the Fair Labor Standards Act and the Wisconsin Wage Payment and Collection Law; federal, state and local fair employment law(s); the Wisconsin Fair Employment Act; Title VII of the Civil Rights Act of 1964; Sections 1981 through 1988 of the Civil Rights Act of 1866; the Civil Rights Act of 1991; the Equal Pay Act; the Age Discrimination in Employment Act, as amended; the Older Workers Benefit Protection Act of 1990; the Americans with Disabilities Act; state or federal family and/or medical leave acts including, but not limited to, the Family and Medical Leave Act and the Wisconsin Family and Medical Leave Act; the Consolidated Omnibus Budget Reconciliation Act of 1985; the Employee Retirement Income Security Act of 1974, as amended; the Occupational Safety and Health Act; the Fair Credit Reporting Act; the Genetic Information Nondiscrimination Act; the Occupational Safety and Health Act; federal, state, and local whistleblower laws (to the extent permitted by law); any laws that provide for the payment of attorneys' fees, costs, expenses or punitive, exemplary or statutory damages; the common law of Wisconsin; and any other federal, state or local laws, ordinances, or regulations of any kind, whether statutory or decisional. This release also includes, but is not limited to, a release of any claims for wrongful termination, tort, breach of contract, defamation, misrepresentation, violation of public policy, infliction of emotional distress, or invasion of privacy claims. This release also includes a release of any claims arising out of any Company policy, practice, program, contract, or agreement, but does not include a release of any claims for State Unemployment Compensation or Workers Compensation.

This release includes any and all matters in connection with or relating in any way to Employee's employment with the Company and Employee's resignation from the Company, provided, however, that nothing herein shall release, diminish, or otherwise affect Employee's Vested Benefits. Notwithstanding the foregoing, this release excludes any claims: (a) arising after the execution of this Agreement; (b) to enforce the terms of this Agreement; or (c) for rights to indemnification Employee may have pursuant to the Company's Bylaws, Articles of Incorporation or applicable laws.

Employee further agrees not to file, pursue or participate in any lawsuits against any of the Released Parties with respect to any matter arising out of or in connection with Employee's employment with the Company or the termination of that employment (other than pursuing a claim for any Unemployment Compensation benefits to which Employee may be entitled).

The Company, on behalf of its owners, parents, successors, subsidiaries, affiliates, directors, officers, employees and all other representatives, hereby releases and forever discharges Employee from any and all charges,

claims, suits and expenses (including attorneys' fees and costs) within the actual knowledge of the Board of Directors as of the date hereof which it ever had or may presently have against Employee from the beginning of time up to and including the date of Employee's execution of this Agreement. Notwithstanding the foregoing, this release excludes any claims: (a) arising after the execution of this Agreement; (b) to enforce the terms of this Agreement; or (c) to enforce any of the Company's rights under any Company clawback policy in effect as of the date hereof or that becomes applicable to Employee hereafter to the extent required by law or the listing standards of the exchange on which the Company's shares are listed.

6. Non-Admission.

Employee and the Company agree that this Agreement shall not constitute an admission by the Company that it has acted wrongfully with respect to Employee or that it has discriminated against Employee or against any other individual.

7. Confidential Agreement.

Employee hereby agrees to keep the terms of this Agreement confidential, and Employee agrees that Employee shall neither directly nor indirectly disclose the terms of this Agreement to any other person or entity except to Employee's attorneys, tax preparers or financial advisors, and immediate family members, but only on the condition that they agree to abide by the terms of this confidentiality clause, unless compelled by law or until such time as it has been publicly disclosed by the Company.

8. Existing Obligations; Return of Confidential Information.

This Agreement does not amend any of Employee's existing obligations which, shall continue in full force and effect after the Separation Date in accordance with their terms. Employee agrees to use Employee's best efforts to return or delete any Company confidential information in Employee's possession or control promptly following the Separation Date and that if Employee discovers any such information after the Separation Date, Employee agrees to either return it to the Company or to delete it.

9. Covenants; Effect of Breach.

In consideration of the Additional Benefits, Employee agrees to comply with the provisions set forth in the "Employee Covenants Agreement" attached hereto as Exhibit A.

EMPLOYEE HAS READ EXHIBIT A IN ITS ENTIRETY AND AGREES THAT THE ADDITIONAL BENEFITS PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREES THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE RESTRICTIONS ON HIS ACTIVITIES SET FORTH IN EXHIBIT A ARE LIKEWISE FAIR AND REASONABLE.

In the event of a breach or threatened breach by Employee of any of the provisions of Exhibit A, Employee acknowledges and agrees that the Company will be irreparably harmed and that the Company shall be entitled to, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction. The aforementioned equitable relief shall be in addition to, and not in lieu of, legal remedies, monetary damages, and other available forms of relief.

Further, Employee expressly understands and agrees that any breach of his obligations in Section 8 or Exhibit A shall constitute a material breach of this Agreement, and in addition to all other rights and remedies that the Company may have, the Company shall be entitled to recover the value of the amounts paid or benefits provided hereunder as of the time of such breach, as well as the right to cease making further payments or provide further benefits pursuant to this Agreement.

10. Section 409A.

The intent of the parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance

promulgated thereunder (collectively, "Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. Notwithstanding anything contained herein to the contrary, if at the Separation Date Employee is a specified employee as defined in Section 409A and any of the payments or benefits provided hereunder constitute deferred compensation under Section 409A, then, and only to the extent required by such provisions, the date of payment of such payments or benefits otherwise provided shall be delayed for a period of six (6) months following the separation from service.

11. Entire Agreement; Severability; Waiver; Governing Law.

This Agreement, including Exhibit A, sets forth the entire agreement between the parties and fully supersedes any and all prior agreements or understandings between Employee and the Company with respect to the matters addressed herein. If any portion of this Agreement or Exhibit A is found to be unenforceable, all other portions that can be separated from it, or appropriately limited in scope, shall remain fully valid and enforceable. Specifically, the parties agree that a court of competent jurisdiction is expressly authorized to modify overbroad provisions so as to make them enforceable to the maximum extent permitted by law and is further authorized to strike whole provisions that cannot be so modified.

No waiver by either party of any breach of any condition or provision of this Agreement, including Exhibit A, to be performed by the other party shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either party in exercising any right, power, or privilege under this Agreement, including Exhibit A, operate as a waiver to preclude any other or further exercise of any right, power, or privilege.

This Agreement, including Exhibit A, shall be governed and construed in accordance with the laws of the State of Wisconsin, without reference to conflict of law principles thereof, and shall be binding upon the parties hereto and their respective successors and assigns. Any action or proceeding by either party regarding this Agreement, including Exhibit A, shall be brought only in the state or federal courts located in the State of Wisconsin, County of Milwaukee. The parties hereby irrevocably submit to the exclusive jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

12. Employee Rights.

EMPLOYEE ACKNOWLEDGES THAT EMPLOYEE IS HEREBY ADVISED TO SEEK LEGAL COUNSEL BEFORE SIGNING THIS AGREEMENT, THAT EMPLOYEE HAS TWENTY-ONE (21) DAYS TO CONSIDER THIS AGREEMENT, THAT UPON EMPLOYEE'S ACCEPTANCE EMPLOYEE HAS SEVEN (7) DAYS TO REVOKE EMPLOYEE'S ACCEPTANCE, AND THAT THIS AGREEMENT WILL NOT BECOME EFFECTIVE UNTIL THAT SEVEN (7) DAY PERIOD HAS EXPIRED. TO REVOKE ACCEPTANCE, EMPLOYEE MUST PROVIDE WRITTEN NOTICE OF REVOCATION TO THE COMPANY'S GENERAL COUNSEL. EMPLOYEE AGREES THAT EMPLOYEE HAS READ, UNDERSTANDS AND VOLUNTARILY ACCEPTS THE TERMS OF THIS AGREEMENT.

[signature page follows]

April 13, 2023

Date

/s/ AARON J. PEARCE

Aaron J. Pearce

BRADY CORPORATION

April 13, 2023

Date

/s/ RUSSELL R. SHALLER

Russell R. Shaller

President and Chief Executive Officer



**EXHIBIT A**  
**Employee Covenants Agreement**

For purposes hereof, the term “Employer” refers to Brady Corporation, or its employing subsidiary, affiliate, or parent, and the Employer and Employee are collectively referred to as the “Parties”. Other capitalized terms used, but not defined, herein shall have the meanings given in the Complete and Permanent Release and Resignation Agreement in effect between the Parties (the “Agreement”), of which this Exhibit A forms a part.

1. **Non-Disclosure of Confidential Information.** “Confidential Information” refers to proprietary information belonging to the Employer that is not generally known in the industry or by the public, the disclosure of which could be harmful to the Employer. It includes, but is not limited to, proprietary production information, technical information, merchandizing information, software (source code and object code), marketing plans, pricing plans and strategies, business plans and strategies, unpublished financial information, financial projections and forecasts, research and development, production methods and techniques, pricing and costs, policies, procedures, practices, customer information, supplier information, vendor information, and product specifications. Confidential Information includes information created by Employee in performing Employee’s duties for Employer. Confidential Information does not include information which: (i) is already available to the public without wrongful act or breach by Employee; (ii) becomes available to the public through no fault of Employee; or (iii) is required to be disclosed pursuant to a court order or order of government authority, provided that Employee promptly notifies Employer of such request so Employer may seek a protective order.

For a two (2)-year period after the Separation Date, Employee shall not use or disclose Confidential Information. This two (2)-year temporal limit shall not apply to Confidential Information that constitutes a trade secret under applicable law. Employee shall not use or disclose Confidential Information constituting a trade secret for so long as such information constitutes a trade secret.

2. **Post-Employment Customer Non-Solicitation Agreement.** For two (2) years following the Separation Date, Employee will not contact—or assist others in contacting—current customers with whom Employee had significant business contact during the last year of Employee’s employment with Employer, for the purpose of selling or providing products or services competitive with those offered by Employer (“Competitive Products”). If Employee’s work for Employer during Employee’s last year of employment was limited to particular products or services, then the term “Competitive Products” shall be limited to products or services competitive with those products or services.

3. **Post-Employment Non-Solicitation Agreement Based Upon Customer Knowledge.** For two (2) years following the Separation Date, Employee will not contact—or assist others in contacting—current customers (a) about whom Employee possesses Confidential Information or (b) for whom Employee supervised others in serving during the last year of Employee’s employment with Employer, for the purpose of selling or providing products or services competitive with those offered by Employer (“Competitive Products”). If Employee’s work for Employer during Employee’s last year of employment was limited to particular products or services, then the term “Competitive Products” shall be limited to products or services competitive with those products or services.

4. **Post-Employment Non-Compete Agreement.** For two (2) years following the Separation Date, Employee will not, within the United States, provide services similar to those Employee provided to Employer during the last year of Employee’s employment with Employer to a competitor of Employer or to a person or entity planning to compete with Employer.

5. **Post-Employment Restriction on Working With Competitive Products.** For two (2) years following the Separation Date, Employee will not, within the United States and for a competitor of Employer (or to a person or entity planning to compete with Employer), work in the development, design, modification, improvement, or creation of products or services competitive with any products or services with which Employee was involved in the development, design, modification, improvement or creation for Employer during the last two (2) years of Employee’s employment.

6. **Post-Employment Restriction on Position Likely to Use Confidential Information.** For two (2) years following the Separation Date, Employee will not, within the United States, work in a position that would

likely require the application of, disclosure of, reliance on, or use of Employer's Confidential Information for a competitor of Employer or to a person or entity planning to compete with Employer.

7. Post-Employment Restriction on Advising Investors. For two (2) years following the Separation Date, Employee will not advise a private equity firm or other investor regarding buying, investing in, or divesting from Employer or any of its competitors.

8. Post-Employment Restriction on Soliciting Employees. For two (2) years following the Separation Date, Employee will not solicit Key Employees (as defined below) of Employer to work for or otherwise provide services similar to those the Key Employee provided to Employer during the last year of their employment with Employer to a competitor of Employer or to a person or entity planning to compete with Employer. This restriction shall only prohibit any such Key Employee from providing the above-referenced services in the same geographic area to which the Key Employee was assigned to or responsible for during their last year of employment with Employer or, if no such geographic area exists, then in the United States (the Parties' acknowledging that Employer's business is global in nature and that such a restriction is reasonable). "Key Employees" are employees whom Employee supervised, who supervised Employee, or with whom Employee regularly worked during Employee's last year of employment with Employer and who work for or serve Employer as an engineer, manager, executive, sales employee, professional, or director.

9. Non-Disparagement and Social Media. Employee agrees not to disparage Employer or any of its officers, directors, or employees on social media, on any public platform, or to persons external to Employer when such comments have the potential to harm Employer (*i.e.*, making disparaging comments about Employer or any of its employees to distributors, customers, suppliers, etc.). Employee also agrees that upon the Separation Date, Employee shall immediately update all of Employee's social media profiles so that they no longer indicate a current affiliation between Employee and Employer.

10. Inventions and Work Product. Employee agrees to disclose in writing to Employer promptly and fully, no later than the Separation Date, all inventions, improvements, designs, developments, original works of authorship, formulas, processes, compositions of matter, computer software programs, databases, mask works, and trade secrets that Employee made, conceived, or created, either alone or jointly with others, during the period of Employee's employment, whether or not reduced to tangible form or first reduced to practice in the course of Employee's employment, that result from or are suggested by any work that Employee may have performed for Employer, that resulted from information derived from Employer or its employees, products, or services, that were developed using equipment, supplies, facilities, or trade secrets of Employer, that resulted from work performed by Employee for Employer, or that related to Employer's business, whether or not such Inventions are patentable, copyrightable, or protectable as trade secrets (the "Inventions"). Employee acknowledges and agrees that any copyrightable works prepared by Employee within the scope of Employee's employment are "works for hire" under the Copyright Act and that Employer will be considered the author and owner of such copyrightable works. Employee agrees that all Inventions, patents, patent applications, copyrights, mask works, trade secrets, and other intellectual property rights, including but not limited to rights in database and copyrightable works prepared by Employee (including and all "Moral Rights" as existing under judicial or statutory law of any country or subdivision thereof in the world) (collectively the "Assigned Intellectual Property") are to be the sole and exclusive property of Employer and Employee hereby irrevocably assigns to Employer all right, title, and interest around the world in and to the Assigned Intellectual Property, including any royalty rights or rights to other consideration in connection with the Assigned Intellectual Property. Employee agrees to assist Employer and its nominees after the Separation Date, as they may reasonably require (at Employer's or its nominee's reasonable expense) to obtain for Employer or its nominee's benefit and enforce the Assigned Intellectual Property. "Assigned Intellectual Property" does not include inventions for which no equipment, supplies, facilities, or trade secret information of Employer was used and which were developed entirely on Employee's own time, unless the invention relates directly to the business of Employer (or actual demonstrably anticipated research or development of Employer) or the invention results from any work Employee performed for Employer.

11. Notice of Immunity. In accordance with the Defend Trade Secrets Act, Employee is hereby advised:

An individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. An individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.

12. Other Laws. This Exhibit A is not intended to restrict or impede Employee from exercising protected rights to the extent that such rights cannot be waived by agreement. To the extent any portion of this Exhibit A does so, this Exhibit A shall be modified so as to not infringe Employee's rights. Further, this Exhibit A is not intended to restrict or impede Employee from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or order. Employee shall promptly provide written notice of any such order to a member of Employer's legal group.

13. Waiver of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION, PROCEEDING, CAUSE OF ACTION OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS EXHIBIT A AND THE PARTIES' RELATIONSHIP GENERALLY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) IT HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (B) IT MAKES THIS WAIVER KNOWINGLY AND VOLUNTARILY, AND (C) IT HAS BEEN INDUCED TO ENTER INTO THIS EXHIBIT A BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Brady Corporation  
6555 West Good Hope Road  
P.O. Box 571  
Milwaukee, WI USA  
53201-0571

April 14, 2023

Ann Thornton

Dear Ann,

On behalf of Brady Corporation (the “Company”), I am pleased to offer you the position of Chief Financial Officer (CFO), working at the Company’s headquarters at 6555 West Good Hope Road in Milwaukee, Wisconsin. In this role, you will be reporting directly to Russell Shaller, President and Chief Executive Officer.

Outlined below are the terms and conditions of your employment. In developing this offer, our goal has been to provide you with an attractive and competitive compensation package as you undertake your new position effective April 14, 2023 (the “Effective Date”).

**Annual Base Salary.** In your new position as Chief Financial Officer, your annual base salary will be \$450,000, payable in accordance with the Company’s standard payroll practice and subject to applicable withholding taxes. Your annual base salary will be reviewed annually.

**Annual Bonus Plan.** You are eligible to participate in the Company’s annual incentive program. Bonus awards are based on attainment of specified Company operating and financial goals as well as achievement of defined individual objectives. Your targeted annual incentive opportunity is 70% of annual base salary with upside potential to 300% of this target depending on individual performance and corporate results.

**Annual Stock Incentives.** You are eligible to participate in the Company’s annual equity incentive program. For fiscal 2024, you will receive a stock incentive award with a grant date value of \$675,000 (the “Initial Annual Grant”). The form of the Initial Annual Grant will be made in alignment with the Company’s long-term incentive program as in effect as of August 1, 2023, and will be set forth by separate equity award agreement.

The actual grant date value and form of any equity awards made thereafter during your employment shall be determined at the discretion of the Management Development and Compensation Committee after taking into account the Company’s and your performance and other relevant factors.

**Stock Ownership.** You will be required to acquire and hold, directly or indirectly shares equal to three (3) times your base salary within five (5) years of the Effective Date. For this purpose, share ownership shall be determined in accordance with the Company’s share ownership policy. No selling of Company stock is allowed (other than as withholding or sale for taxes at your highest applicable tax rate) until the ownership requirement has been satisfied.

**Clawbacks.** All bonuses and equity grants are subject to the Company’s clawback policies as in effect from time to time, including any established under the Dodd-Frank Wall Street Reform.

**Car Allowance.** You will receive a car allowance in the amount of \$18,000 per year or \$692.31 per bi-weekly pay period.

**Employee Benefits.** You will continue to be eligible for an excellent package of employee benefits, which includes medical, dental, vision, life insurance, and other programs. Please see the attached Summary of Executive Benefits for full details.

**Vacation and Holidays.** You are eligible for 4 weeks of vacation annually. In addition, you will enjoy 9 Company paid holidays and 3 floating holidays.

**Employment At-Will.** Please understand that this offer letter is not a contract of employment for any specific or minimum term. This means that your employment is at-will that may be terminated at any time by you or the Company, with or without cause and with or without advance notice.

**Change in Control Agreement.** You will be provided with a separate Change in Control agreement that in the event of a qualifying termination within 24 months following a change in control, you will receive two times your annual base salary and two times your target bonus.

Please indicate your acceptance of this offer by signing where indicated below and returning an executed copy of this offer to me at your earliest convenience.

Sincerely,

/s/ RUSSELL R. SHALLER  
\_\_\_\_\_  
Russell R. Shaller  
President and Chief Executive Officer  
Brady Corporation

#### ACKNOWLEDGEMENT

I acknowledge that I have carefully read this agreement and that I understand and accept the terms and conditions of this offer of employment with Brady Corporation.

/s/ ANN E. THORNTON  
\_\_\_\_\_  
Ann E. Thornton

April 18, 2023  
\_\_\_\_\_  
Date

**BRADY CORPORATION**  
**CHANGE OF CONTROL AGREEMENT**

AGREEMENT, made as of April 14, 2023, between Brady Corporation, a Wisconsin corporation, ("Corporation") and Ann Thornton ("Executive").

WHEREAS, the Executive is now serving as an executive of the Corporation in a position of importance and responsibility; and

WHEREAS, the Executive possesses intimate knowledge of the business and affairs of the Corporation and its policies, markets and financial and human resources, and the Executive has acquired certain confidential information and data with respect to the Corporation; and

WHEREAS, the Corporation wishes to continue to receive the benefit of the Executive's knowledge and experience and, as an inducement for continued service, is willing to offer the Executive certain payments due to severance as a result of change of control as set forth herein;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Executive and Corporation agree as follows:

**SECTION 1. DEFINITIONS.**

(a) Change of Control. For purposes of this Agreement, a "Change of Control" shall occur if and when any person or group of persons (as defined in Section 13(d)(3) of the Securities and Exchange Act of 1934) other than the members of the family of William H. Brady, Jr. and their descendants, or trusts for their benefit, and the William H. Brady, Jr. Family Trust, collectively, directly or indirectly controls in excess of 50% of the voting common stock of the Corporation.

(b) Termination Due to Change of Control. A "Termination Due to Change of Control" shall occur if within the 24-month period beginning with the date a Change of Control occurs (i) the Executive's employment with the Corporation is involuntarily terminated (other than by reason of death, disability or Cause) or (ii) the Executive's employment with the Corporation is voluntarily terminated by the Executive subsequent to (A) any reduction in the total of the Executive's annual base salary (exclusive of fringe benefits) and the Executive's target bonus in comparison with the Executive's annual base salary and target bonus immediately prior to the date the Change of Control occurs, (B) a significant diminution in the responsibilities or authority of the Executive in comparison with the Executive's responsibility and authority immediately prior to the date the Change of Control occurs, or (C) the imposition of a requirement by the Corporation that the Executive relocate to a principal work location more than 50 miles from the Executive's principal work location immediately prior to the date the Change of Control occurs.

(c) "Cause" means (i) the Executive's willful and continued failure to substantially perform the Executive's duties with the Corporation (other than any such failure resulting from physical or mental incapacity) after written demand for performance is given to the Executive by the Corporation which specifically identifies the manner in which the Corporation believes the Executive has not substantially performed and a reasonable time to cure has transpired, (ii) the Executive's conviction of (or plea of nolo contendere for the commission of) a felony, or (iii) the Executive's commission of an act of dishonesty or of any willful act of misconduct which results in or could reasonably be expected to result in significant injury (monetarily or otherwise) to the Corporation, as determined in good faith by the Board of Directors of the Corporation.

(d) "Beneficiary" means any one or more primary or secondary beneficiaries designated in writing by the Executive on a form provided by the Corporation to receive any benefits which may become payable under this Agreement on or after the Executive's death. The Executive shall have the right to name, change or revoke the Executive's designation of a Beneficiary on a form provided by the Corporation. The designation on file

with the Corporation at the time of the Executive's death shall be controlling. Should the Executive fail to make a valid Beneficiary designation or leave no named Beneficiary surviving, any benefits due shall be paid to the Executive's spouse, if living; or if not living, then to the Executive's estate.

- (e) "Code" means the Internal Revenue Code of 1986, as amended.

## SECTION 2. PAYMENTS UPON TERMINATION DUE TO CHANGE OF CONTROL.

(a) Following Termination Due to Change of Control, the Executive shall be paid an amount equal to the total of: (i) two times the annual base salary paid the Executive by the Corporation in effect immediately prior to the date the Change of Control occurs, and (ii) two times the Executive's target bonus amount in effect immediately prior to the date the Change of Control occurs. Such amount shall be paid in 24 monthly installments beginning on the 15<sup>th</sup> day of the month following the month in which the Executive's employment with the Corporation terminates.

(b) If the scheduled payments under paragraph (a) above would result in disallowance of any portion of the Corporation's deduction therefore under Section 162(m) of the Code, the payments called for under paragraph (a) shall be limited to the amount which is deductible, with the balance to be paid during the first taxable year in which the Corporation reasonably anticipates that the deduction of such payment is not barred by Section 162(m). However, in such event, the Corporation shall pay the Executive on a quarterly basis an amount of interest based on the prime rate recomputed each quarter on the unpaid scheduled payments.

(c) It is intended that (A) each payment or installment of payments provided under this Section 2 is a separate "payment" for purposes of Code Section 409A and (B) that the payments satisfy, to the greatest extent possible, the exemptions from the application of Code Section 409A, including those provided under Treasury Regulations 1.409A-1(b)(4) (regarding short-term deferrals), 1.409A-1(b)(9)(iii) (regarding the two-times, two year exception), and 1.409A-1(b)(9)(v) (regarding reimbursements and other separation pay). Notwithstanding anything to the contrary in this Agreement, if the Corporation determines that on the Termination Due to Change of Control the Executive is a "specified employee" (as such term is defined under Treasury Regulation 1.409A-1(i)(1)) of the Corporation and that any payments to be provided to Executive are or may become subject to the additional tax under Code Section 409A(a)(1)(B) or any other taxes or penalties imposed under Code Section 409A ("Section 409A Taxes"), then such payments shall be delayed until the date that is six (6) months after the Termination Due to Change of Control. Any delayed payments shall be made in a lump sum on the first day of the seventh month following the Termination Due to Change of Control, or such earlier date that, as determined by the Corporation, is sufficient to avoid the imposition of any Section 409A Taxes on Executive.

## SECTION 3. EXCISE TAX, ATTORNEY FEES.

(a) If the payments under Section 2 in combination with any other payments which the Executive has the right to receive from the Corporation (the "Total Payments") would result in the Executive incurring an excise tax as a result of Section 280(G) of the Code, the Executive will be solely responsible for such excise tax.

(b) If the Executive is required to file a lawsuit to enforce the Executive's rights under this Agreement and the Executive prevails in such lawsuit, the Corporation will reimburse the Executive for attorney fees incurred up to a maximum of \$25,000.

## SECTION 4. DEATH AFTER THE EXECUTIVE HAS BEGUN RECEIVING PAYMENTS.

Should the Executive die after Termination Due to Change of Control, but before receiving all payments due the Executive hereunder, any remaining payments due shall be made to the Executive's Beneficiary.

## SECTION 5. CONFIDENTIAL INFORMATION AGREEMENT.

The Executive has obligations under one or more separate confidential information agreements which continue beyond the Executive's termination of employment. The payments to be made hereunder are conditioned upon the Executive's compliance with the terms of such confidential information agreements. The payments made

hereunder shall be reduced by any payments the Corporation makes to the Executive under any confidential information agreement. In the event the Executive violates the provisions of a confidential information agreement, no further payments shall be due hereunder and the Executive shall be obligated to repay all previous payments received hereunder.

#### SECTION 6. MISCELLANEOUS.

(a) Non-Assignability. This Agreement is personal to the Executive and, without the prior written consent of the Corporation, shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be binding upon the Corporation and its successors and assigns as well as its parents, subsidiaries, and affiliates, and shall also be enforceable by the Executive's legal representatives.

(b) Successors. The Corporation shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Corporation expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Corporation would have been required to perform it if no such succession had taken place. As used in this Agreement, "Corporation" shall mean both the Corporation as defined above and any such successor that assumes and agrees to perform this Agreement, by operation of law or otherwise.

(c) Governing Law and Forum. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Wisconsin, without reference to principles of conflict of laws, to the extent not preempted by federal law. Any and all disputes between the parties regarding this Agreement shall be resolved solely by and exclusively in the state or federal courts of Wisconsin and the parties hereby consent to jurisdiction in that forum.

(d) Notices. All notices and other communications under this Agreement shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:	Ann Thornton
If to the Corporation:	Brady Corporation 6555 West Good Hope Road Milwaukee, Wisconsin 53223 Attention: CEO

or to such other address as either party furnishes to the other in writing in accordance with this paragraph. Notices and communications shall be effective when actually received by the addressee.

(e) Construction. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. If any provision of this Agreement shall be held invalid or unenforceable in part, the remaining portion of such provision, together with all other provisions of this Agreement, shall remain valid and enforceable and continue in full force and effect to the fullest extent consistent with law. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(f) No Guarantee of Employment. Nothing contained in this Agreement shall give the Executive the right to be retained in the employment of the Corporation or affect the right of the Corporation to dismiss the Executive.

(g) Amendment; Entire Agreement. This Agreement may not be amended or modified except by a written agreement executed by the parties hereto or their respective successors and legal representatives. This Agreement contains the entire agreement between the parties on the subjects covered and replaces all prior writings, proposals, specifications or other oral or written materials relating thereto.



(h) Impact on Other Plans. No amounts paid to the Executive under this Agreement will be taken into account as “wages”, “salary”, “base pay” or any other type of compensation when determining the amount of any payment or allocation, or for any other purpose, under any other qualified or nonqualified plan or agreement of the Corporation, except as otherwise may be specifically provided by such plan or agreement.

(i) Other Agreements. This Agreement supersedes any other severance arrangement or Change of Control Agreement between the Corporation and the Executive. This Agreement does not confer any payments or benefits other than the payments described in Sections 2 and 3 hereof.

(j) Withholding. To the extent required by law, the Corporation shall withhold any taxes required to be withheld with respect to this Agreement by the federal, state or local government from payments made hereunder or from other amounts paid to the Executive by the Corporation.

(k) Facility of Payment. If the Executive or, if applicable, the Executive’s Beneficiary, is under legal disability, the Corporation may direct that payments be made to a relative of such person for the benefit of such person, without the intervention of any legal guardian or conservator, or to any legal guardian or conservator of such person. Any such distribution shall constitute a full discharge with respect to the Corporation and the Corporation shall not be required to see to the application of any distribution so made.

#### SECTION 7. CLAIMS PROCEDURE.

(a) Claim Review. If the Executive or the Executive’s Beneficiary (a “Claimant”) believes that he or she has been denied all or a portion of a benefit under this Agreement, he or she may file a written claim for benefits with the Corporation. The Corporation shall review the claim and notify the Claimant of the Corporation’s decision within 60 days of receipt of such claim, unless the Claimant receives written notice prior to the end of the 60-day period stating that special circumstances require an extension of the time for decision. The Corporation’s decision shall be in writing, sent by mail to the Claimant’s last known address, and if a denial of the claim, must contain the specific reasons for the denial, reference to pertinent provisions of this Agreement on which the denial is based, a designation of any additional material necessary to perfect the claim, and an explanation of the claim review procedure.

(b) Appeal Procedure to the Board. A Claimant is entitled to request a review of any denial by the full Board by written request to the Chair of the Board within 60 days of receipt of the denial. Absent a request for review within the 60-day period, the claim will be deemed to be conclusively denied. The Board shall afford the Claimant the opportunity to review all pertinent documents and submit issues and comments in writing and shall render a review decision in writing, all within 60 days after receipt of a request for review (provided that, in special circumstances the Board may extend the time for decision by not more than 60 days upon written notice to the Claimant.) The Board’s review decision shall contain specific reasons for the decision and reference to the pertinent provisions of this Agreement.

IN WITNESS WHEREOF, the Executive has signed this Agreement and, pursuant to the authorization of the Board, the Corporation has caused this Agreement to be signed, all as of the date first set forth above.

/s/ ANN E. THORNTON

Ann E. Thornton

Chief Financial Officer

BRADY CORPORATION

By: /s/ RUSSELL R. SHALLER

Russell R. Shaller

President and Chief Executive Officer

**For More Information:**

Investor contact: Ann Thornton 414-438-6887

Media contact: Kate Venne 414-358-5176

**Brady Corporation Announces CFO Transition**

MILWAUKEE (April 14, 2023) -- Brady Corporation (NYSE: BRC) ("Brady" or "Company"), today announced that Aaron J. Pearce will step down as Chief Financial Officer and Treasurer to pursue other opportunities. The Company also announced that Ann E. Thornton, the Company's Chief Accounting Officer and Corporate Controller, has been named as Chief Financial Officer and Treasurer, effective April 14, 2023.

"On behalf of Brady, I want to thank Aaron for his leadership and contributions over his almost twenty years with our organization, and we wish him well in his future endeavors," said Brady's President and Chief Executive Officer, Russell R. Shaller.

Mr. Shaller continued, "We are fortunate to have a deep bench of talented leaders at Brady. Ann is well-positioned to serve in the Chief Financial Officer role with over a decade of experience with Brady and a strong knowledge of our business and operations."

Brady Corporation is an international manufacturer and marketer of complete solutions that identify and protect people, products and places. Brady's products help customers increase safety, security, productivity and performance and include high-performance labels, signs, safety devices, printing systems and software. Founded in 1914, the Company has a diverse customer base in electronics, telecommunications, manufacturing, electrical, construction, medical, aerospace and a variety of other industries. Brady is headquartered in Milwaukee, Wisconsin and as of July 31, 2022, employed approximately 5,700 people in its worldwide businesses. Brady's fiscal 2022 sales were approximately \$1.30 billion. Brady stock trades on the New York Stock Exchange under the symbol BRC. More information is available on the Internet at [www.bradyid.com](http://www.bradyid.com).

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