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

FORM 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended July 31, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 1-14959

BRADY CORPORATION

(Exact name of registrant as specified in charter)

Wisconsin	**39-0178960**
(State or other jurisdiction of incorporation or organization)	(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, including area code)

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

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐	Emerging growth company	☐
Non-accelerated filer	☐	Smaller reporting company	☐		

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

The aggregate market value of the non-voting common stock held by non-affiliates of the registrant as of January 31, 2024, was approximately $2,593,760,582 based on the closing sale price of $60.23 per share on that date as reported for the New York Stock Exchange. As of September 4, 2024, there were 44,045,649 outstanding shares of Class A Nonvoting Common Stock (the "Class A Common Stock"), and 3,538,628 shares of Class B Common Stock. The Class B Common Stock, all of which is held by affiliates of the registrant, is the only voting stock.

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PART I

Forward-Looking Statements

In this Annual Report on Form 10-K for Brady Corporation ("Brady," "Company," "we," "us," or "our"), statements that are not reported financial results or other historic information are “forward-looking statements.” These forward-looking statements relate to, among other things, the Company's future financial position, business strategy, targets, projected sales, costs, income, capital expenditures, debt levels and cash flows, and plans and objectives of management for future operations.

The use of words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “should,” “project” or “plan” or similar terminology are generally intended to identify forward-looking statements. These forward-looking statements by their nature address matters that are, to different degrees, uncertain and are subject to risks, assumptions, and other factors, some of which are beyond Brady's control, that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. For Brady, uncertainties arise from:

- Increased cost of raw materials and labor as well as material shortages and supply chain disruptions
- Decreased demand for the Company's products
- Ability to compete effectively or to successfully execute the Company's strategy
- Ability to develop technologically advanced products that meet customer demands
- Ability to identify, integrate, and grow acquired companies, and to manage contingent liabilities from divested businesses
- Difficulties in protecting websites, networks, and systems against security breaches and difficulties in preventing phishing attacks, social engineering or malicious break-ins
- Risks associated with the loss of key employees
- Extensive regulations by U.S. and non-U.S. governmental and self-regulatory entities
- Global climate change and environmental regulations
- Litigation, including product liability claims
- Foreign currency fluctuations
- Changes in tax legislation and tax rates
- Potential write-offs of goodwill and other intangible assets
- Differing interests of voting and non-voting shareholders and changes in the regulatory and business environment around dual-class voting structures
- Numerous other matters of national, regional and global scale, including major public health crises and government responses thereto and those of a political, economic, business, competitive, and regulatory nature contained from time to time in Brady's U.S. Securities and Exchange Commission filings, including, but not limited to, those factors listed in the “Risk Factors” section within Item 1A of Part I of this Annual Report on Form 10-K

These uncertainties may cause Brady's actual future results to be materially different than those expressed in its forward-looking statements. Brady does not undertake to update its forward-looking statements except as required by law.

Item 1. *Business*

General Development of Business

Brady was incorporated under the laws of the state of Wisconsin in 1914. Brady is a global manufacturer and supplier of identification solutions and workplace safety products that identify and protect premises, products and people. 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 of its markets.

The Company is organized and managed on a geographic basis with two reportable segments: Americas & Asia and Europe & Australia. This regional operating structure allows the Company to further integrate its businesses, support continued growth through the application of the best go-to-market strategies in key geographies, facilitate new product development within recent acquisitions and further simplify and scale the global business.

The Company’s primary objective is to build upon its market position and increase shareholder value by enabling a highly competent and experienced organization to focus on the following key competencies:

- Innovative products — Technologically-advanced, internally-developed proprietary products that drive revenue growth and sustain gross profit margins

- Customer service — Understanding customer needs and providing a high level of customer service
- Global leadership position in niche markets
- Digital capabilities
- Compliance expertise
- Operational excellence — Continuous productivity improvement, automation, and product customization capabilities

Brady's long-term sales growth and profitability will depend not only on the overall economic environment and our ability to successfully navigate changes in the macro environment, but also on our ability to develop and market innovative products, deliver a high level of customer service, advance our digital capabilities, and continuously improve the efficiency of our global operations. Our strategy for growth includes an increased focus on certain industries and products, streamlining our product offerings, expanding into higher growth end-markets, improving the overall customer experience, developing technologically advanced, innovative and proprietary products, and improving our digital capabilities.

The following were key initiatives supporting the strategy in fiscal 2024:

- Investing in organic growth by enhancing our research and development process and utilizing customer feedback and observations to develop innovative new products that solve customer needs and improve environmental sustainability.
- Providing with the highest level of customer service by aligning with customers' preferred communication channels and leveraging technology to enhance the customer experience.
- Expanding and enhancing our sales capabilities through an improved digital presence and the use of data-driven marketing automation tools.
- Maintaining profitability through pricing mechanisms to mitigate the impacts of supply chain disruptions and inflationary pressures while ensuring prices are market competitive.
- Executing our reorganization to a regional operating structure to support continued growth in key geographies, facilitating new product development in our recent acquisitions, and simplifying and further integrating our businesses.
- Integrating recent acquisitions to further enhance our strategic position and accelerate long-term sales growth.
- Driving operational excellence and executing sustainable efficiency gains within our selling, general and administrative structures and within our global operations including insourcing of critical products and manufacturing activities while reducing our environmental footprint.
- Building on our culture of diversity, equity and inclusion to increase employee engagement and enhance recruitment and retention practices in order to drive differentiated performance and execute our strategy.

Narrative Description of Business

Overview

The Company is organized and managed on a geographic basis with two reportable segments: Americas & Asia and Europe & Australia. Below is a summary of sales by reportable segment during the years ended July 31:

	2024	2023	2022
Americas & Asia	66.1 %	66.7 %	66.1 %
Europe & Australia	33.9 %	33.3 %	33.9 %
Total	100.0 %	100.0 %	100.0 %

Within each of the reportable segments, the Company markets, sells and distributes a broad range of identification and safety products and solutions across the following primary product categories:

- Safety and facility identification and protection, which includes safety signs, traffic signs and control products, floor-marking tape, pipe markers, labeling systems, spill control products, lockout/tagout devices, personal protection equipment, first aid products, and software and services for safety compliance auditing, procedures writing and training.
- Product identification, which includes materials, printing systems, radio frequency identification (“RFID”) and barcode scanners for product identification, brand protection labeling, work in process labeling, finished product identification, asset tracking labels, asset tags and industrial track and trace applications.
- Wire identification, which includes handheld printers, wire markers, sleeves, and tags.
- Healthcare identification, which includes wristbands, labels, printing systems, and other products used in hospital, laboratory, and other healthcare settings for tracking and improving the safety of patients.
- People identification, which includes name tags, badges, lanyards, rigid card printing systems, and access control software.

The Company markets and sells its products through multiple channels, including distributors, a direct sales force, and digital channels. Brady has long-standing relationships with a broad range of electrical, safety, industrial and other domestic and international distributors. The direct sales force within each region partners with end-users and distributors by providing technical application and product expertise. The Company provides access to its products through brand-specific websites and catalogs.

The Company markets its products under a variety of brand names:

- Brady: product identification labels, wire identification products, printers, software, safety and facility identification products, lock-out/tag-out products, brand protection labels, people identification products, and specialty materials
- Seton, Emedco, Signals, Safety Signs Service, and Pervaco: Safety and facility identification products
- PDC, PDC Healthcare, MAGiCARD, and Promovision: People and healthcare identification products
- Code: Barcode scanners
- Nordic ID: RFID products
- SPC: Spill control products
- Electromark: Identification products for the utility industry
- Securimed, Accidental Health and Safety and Trafalgar: First aid products
- Carroll: Wire identification products

The Company manufactures differentiated, proprietary products, most of which have been internally developed. These internally developed products include materials; printing, identification and tracking systems; and software. Materials manufactured by the Company generally require a high degree of precision and the application of adhesives with chemical and physical properties suited for specific uses. The Company’s manufacturing processes include compounding, coating, converting, printing, melt-blown operations, software development and printer design and assembly.

Competition is based upon several factors, including product innovation, customer service, breadth of product offering, product quality, price, expertise, production capabilities, and for multinational customers, our global footprint. Competition is highly fragmented, ranging from smaller companies offering minimal product variety, to some of the world's largest adhesive and electrical product companies offering competing products as part of their overall product lines.

These products serve customers in many industries within each reportable segment, which industries include industrial manufacturing, electronic manufacturing, healthcare, chemical, oil, gas, alternative energy, automotive, aerospace, governments, mass transit, mechanical contractors, construction, utilities, education, leisure and entertainment and telecommunications, among others.

Research and Development

The Company focuses its research and development ("R&D") efforts on track and trace applications, pressure sensitive materials, identification and printing systems, software, and the development of other workplace safety-related products. The Company spent $67.7 million, $61.4 million, and $58.5 million on its R&D activities during the years ended July 31, 2024, 2023, and 2022, respectively. The majority of R&D spend supports the Company's identification products. Material development involves the application of surface chemistry concepts for top coatings and adhesives applied to a variety of base materials. The design of our identification and printing systems integrates materials, embedded software, a variety of printing technologies and product scanning and identification technologies to form a complete solution for customer applications. In addition, the R&D team supports production and marketing efforts by providing application and technical expertise.

The Company owns patents and tradenames relating to certain products in the United States and internationally. Although the Company believes patents are a significant driver in maintaining its position for certain products, technology in the areas covered by many of the patents continues to evolve and may limit the value of such patents. The Company's business is not dependent on any single patent or group of patents. Patents applicable to specific products extend for up to 20 years according to the date of patent application filing or patent grant, depending upon the legal term of patents in the various countries where patent protection is obtained. The Company's tradenames are generally valid ten years from the date of registration, and are typically renewed on an ongoing basis.

Operations

The materials used in the products manufactured by the Company consist of a variety of plastic and synthetic films, paper, metal and metal foil, cloth, fiberglass, inks, dyes, adhesives, pigments, natural and synthetic rubber, organic chemicals, polymers, and solvents for consumable identification products in addition to molded parts, electronic components, chips, and sub-assemblies for identification and printing systems. The Company operates coating facilities that manufacture bulk rolls of label stock for internal and external customers. In addition, the Company purchases finished products for resale.

The Company purchases raw materials, components and finished products from many suppliers. Overall, we are not dependent upon any single supplier for our most critical base materials or components. However, we have chosen in certain situations to sole source, or limit the sources of materials, components, or finished items for design or cost reasons. As a result, disruptions in supply could have an impact on results for a period of time, but we believe any disruptions would simply require qualification of new suppliers and the disruption would be modest. In certain instances, the qualification process could be more costly or take a longer period of time and in certain situations, such as a global shortage of critical materials or components, the financial impact could be material.

The Company carries working capital mainly related to accounts receivable and inventory. Inventory consists of raw materials, work in process and finished goods. Generally, custom products are made to order while an on-hand quantity of stock product is maintained to provide customers with timely delivery. Average time to fulfill customer orders varies from same-day to one month, depending on the type of product, customer request, and whether the product is stock or custom-designed and manufactured. Normal and customary payment terms primarily range from net 10 to 90 days from date of invoice and vary by geography.

The Company has a broad customer base, and no individual customer represents 10% or more of total net sales.

Human Capital Management

As of July 31, 2024, the Company employed approximately 5,700 individuals worldwide, of which approximately 1,600 were employed in the United States and approximately 4,100 were employed outside the United States.

The Company’s Vice President of Human Resources is responsible for developing the Company’s human capital strategy, which includes the attraction, acquisition, development, engagement and retention of talent to deliver on the Company’s strategy as well as the design of employee compensation and benefits programs. Management is responsible for executing the Company's human capital strategy. The Vice President of Human Resources is also responsible for developing the Company’s diversity, equity, and inclusion framework for the organization. The Company’s Board of Directors and its committees receive regular updates on the operation and status of these initiatives and human capital trends and activities from the Vice President of Human Resources, the CEO and others within senior management.

Key areas of focus with respect to human capital include:

Health and Safety: The Company’s health and safety programs are designed around global standards with appropriate variations addressing the multiple jurisdictions and regulations, specific hazards and unique working environments of the Company’s manufacturing, distribution and headquarter operations. The Company requires each of its locations to perform regular safety audits to ensure proper safety policies, program procedures, analyses and trainings are in place. The Company utilizes a mixture of leading and lagging indicators to assess the health and safety performance of its operations. Lagging indicators include the OSHA Total Recordable Incident Rate (“TRIR”) and the Lost Time Case Rate (“LTCR”) based upon the number of incidents per 100 employees. Leading indicators include reporting and closure of all near miss events. The Company also utilizes trainings such as Environmental, Health and Safety (“EHS”) coaching and engagement conversations as preventative measures. During the year ended July 31, 2024, the Company had a TRIR of 0.52, a LTCR of 0.23 and no work-related fatalities.

Diversity, Equity, and Inclusion: Fostering a culture of diversity, equity and inclusion in the workplace means employees are and believe that they are valued and listened to, and the Company has made this a top priority. The Company believes that its culture of diversity, equity and inclusion enables it to create, develop and fully leverage the strengths of its workforce to exceed customer expectations and successfully pursue its growth objectives. To this end, the Company engages employees through various employee resource groups staffed by employees with diverse backgrounds, experiences and characteristics who share a common interest in professional development, improving corporate culture and delivering improved business results. Each employee resource group is sponsored and supported by senior leaders throughout the organization.

The Company has implemented several steps to drive accountability for increasing diversity, equity and inclusion throughout the global organization. The CEO and other senior leaders have diversity, equity and inclusion objectives embedded in their annual performance goals. The Company also strives to build a diverse talent pipeline by partnering with its business units in their workforce planning to develop initiatives and goals to recruit diverse talent across defined organizational levels and skill areas. The Company trains its recruiting workforce in diversity sourcing strategies and partners with external organizations that develop and supply diverse talent. The Company has also expanded its university outreach programs to access diverse organizations, has implemented interview guides to mitigate bias in interviewing, has implemented mentoring programs and employee resource groups to increase employee engagement and retention and has implemented required training for all managers on diversity, equity and inclusion compliance and unconscious bias. As of July 31, 2024, 40% of the members of the Company’s Board of Directors were women and 60% of Board committee chairs were women.

Training and Talent Development: The Company is committed to the continued development of its people. Strategic talent reviews and succession planning occur on a planned cadence annually. The CEO and the Vice President of Human Resources convene meetings with senior Company leadership and the Board of Directors to review top enterprise talent and discuss succession planning for key leadership roles.

The Company provides technical training to employees, customers and suppliers who work for or with the Company's products. Training is provided in a variety of formats to accommodate the respective learner's style, pace, location, technical knowledge and access.

Compensation and Benefits: The Company values its people and strives to deliver compensation and benefit programs and plans that are competitive with the external market. The Company provides subsidized health and welfare benefits, as well as postretirement, incentive and equity-based compensation plans and programs to eligible employees. Refer to the Compensation Discussion & Analysis for additional information regarding the Company's compensation and benefits programs.

Information Available on the Internet

The Company's Corporate Internet address is www.bradyid.com. The Company makes available, free of charge, on or through its website, copies of its Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to all such reports as soon as reasonably practicable after such reports are electronically filed with or furnished to the Securities and Exchange Commission ("SEC"). The Company is not including the information contained on or available through its website as part of, or incorporating such information by reference into, this Annual Report on Form 10-K.

Item 1A. ***Risk Factors***

Investors should carefully consider the risks set forth below and all other information contained in this report and other documents we file with the SEC. The risks and uncertainties described below are those that we have identified as material, but are not the only risks and uncertainties facing us. Our business is also subject to general risks and uncertainties that affect many other companies, such as market conditions, geopolitical events, changes in laws or accounting rules, fluctuations in interest rates, terrorism, wars or conflicts, major health concerns, natural disasters or other disruptions of expected economic or business conditions. Additional risks and uncertainties not currently known to us or that we currently believe are immaterial also may impair our business and financial results.

Business Risks

Raw material and other cost inflation as well as product shortages could adversely affect our business and financial results.

We manufacture certain parts and components of our products and therefore require raw materials from suppliers, which could be interrupted for a variety of reasons, including availability and pricing. Our prices and lead times for raw materials and other components necessary for production have continued to fluctuate over the past year, including increased raw production costs, increased wage rates, and extended lead times. Significant increases could adversely affect our profit margins and results of operations. Changes in trade policies; supply chain disruptions; and the imposition of duties and tariffs and potential retaliatory countermeasures could adversely impact the price or availability of raw materials, which could adversely affect our profit margins and results of operations. In addition, labor shortages or an increase in the cost of labor could adversely affect our profit margins and results of operations. Due to competitive pressures or other factors, we may not be able to pass along increased raw material and component part costs to our customers in the form of price increases or our ability to do so could be delayed, which could adversely impact our business and financial results.

While we have implemented certain cost containment measures and selective price increases, as well as taken other actions to offset recent inflationary pressures in our supply chain, we may not be able to offset all of the increases in our operational costs, which could adversely impact our business and financial results.

Demand for our products may be adversely affected by numerous factors, some of which we cannot predict or control. This could adversely affect our business and financial results.

Numerous factors may affect the demand for our products, including:

- Deterioration of economic conditions in major markets served
- Catastrophic events, including epidemics, major health concerns, or natural disasters
- Economic and operational impact of the war between Russia and Ukraine or other wars
- Consolidation in the marketplace allowing competitors to be more efficient and more price competitive
- Competitors entering the marketplace

- Decreasing product life cycles
- Changes in customer preferences
- Ability to achieve strong operational performance, including the manufacture and sale of high-quality products and the ability to meet customer delivery expectations

If any of these factors occur, the demand for our products could suffer, and this could adversely impact our business and financial results.

Failure to compete effectively or to successfully execute our strategy may have a negative impact on our business and financial results.

We actively compete with companies that produce and market the same or similar products, and in some instances, with companies that sell different products that are designed for the same target markets. Competition may force us to reduce prices or incur additional costs to remain competitive in an environment in which business models, including the development and use of artificial intelligence technologies, are changing rapidly. We compete on the basis of several factors, including customer support, product innovation, product offering, product quality, price, expertise, digital capabilities, production capabilities, and for multinational customers, our global footprint. Present or future competitors may develop and introduce new and enhanced products, offer products based on alternative technologies and processes, accept lower profit, have greater financial, technical or other resources, or have lower production costs or other pricing advantages. Any of these could put us at a disadvantage by threatening our share of sales or reducing our profit margins, which could adversely impact our business and financial results.

Additionally, throughout our global business, distributors and customers may not accept our price increases or may seek lower cost sourcing opportunities, which could result in a loss of business that may adversely impact our business and financial results.

Our strategy is to expand into higher-growth adjacent product categories and markets with technologically advanced new products, as well as to grow our sales generated through the digital channel. While traditional direct marketing channels such as catalogs are an important means of advertising and selling our products, an increasing number of customers are purchasing products on the internet. Our strategy to increase sales through the digital channel is an investment in our internet sales capabilities. There is a risk that we may not continue to successfully implement this strategy, or if successfully implemented, we may not realize its expected benefits due to increased competition and pricing pressure brought about by the internet. Our failure to successfully implement our strategy could adversely impact our business and financial results.

Failure to develop or acquire technologically advanced products that meet customer demands, including price expectations, could adversely impact our business and financial results.

We develop technologically advanced new products to promote our organic growth and profitability. Technology is changing rapidly and our competitors are innovating quickly. If we do not keep pace with developing technologically advanced products, we risk product commoditization, deterioration of the value of our brand, and reduced ability to effectively compete. We must continue to develop innovative products, as well as acquire and retain the necessary intellectual property rights in these products. If we fail to innovate, or we launch products with quality problems, or if customers do not accept our products, then our business and financial results could be adversely affected.

The failure to properly identify, integrate and grow acquired companies, and to manage contingent liabilities from divested businesses could adversely affect our business and financial results.

Our historical growth has included acquisitions and our future growth strategy includes acquisitions. Acquisitions place significant demands on management, operational, and financial resources. Recent and future acquisitions will require integration of operations, sales and marketing, information technology, finance, and administrative operations, which could decrease the time available to focus on our other growth strategies. We cannot assure that we will be able to successfully integrate acquisitions, that these acquisitions will operate profitably, or that we will be able to achieve the desired sales growth or operational success. Our sales, results of operations, cash flow, and liquidity could be adversely affected if we do not successfully integrate acquired businesses, including realizing synergies, or if our other businesses suffer due to the increased focus on the acquired businesses.

We continually assess the strategic fit of our existing businesses and may divest businesses that we determine do not align with our strategic plan, or that are not achieving the desired return on investment. Divestitures pose risks and challenges that could negatively impact our business. When we decide to sell a business or specific assets, we may be unable to do so on satisfactory terms or within our anticipated timeframe, and even after reaching a definitive agreement to sell a business, the sale is typically subject to pre-closing conditions which may not be satisfied. In addition, the impact of the divestiture on our revenue and net income may be larger than projected, which could distract management, and disputes may arise with buyers.

We have retained responsibility for and have agreed to indemnify buyers against certain contingent liabilities related to several businesses that we have sold. The resolution of these contingencies has not had a material adverse impact on our financial results, but we cannot be certain that this pattern will continue.

Global Operating Risks

Our failure or the failure of third-party service providers to protect our sites, networks and systems against security breaches, to protect our confidential information, or to facilitate our digital strategy, could adversely affect our business and financial results.

Our business systems collect, transmit and store data about our customers, vendors and others, including credit card information and personally identifiable information. We also employ third-party service providers that store, process and transmit proprietary, personal and confidential information on our behalf. We rely on encryption and authentication technology licensed from third parties in an effort to securely transmit confidential and sensitive information, including credit card numbers. Our security measures, and those of our third-party service providers, may not detect or prevent all attempts to hack our systems, denial-of-service attacks, viruses, malicious software, break-ins, phishing attacks, social engineering, security breaches or other similar disruptions that may jeopardize the security of information stored in or transmitted by our sites, networks and systems or that we or our third-party service providers otherwise maintain. We engage third-party service providers to assist with certain of our website and digital platform upgrades, which may result in a decline in sales when initially deployed, which could have an adverse effect on our business and financial results.

We and our service providers may not have the resources or technical sophistication to anticipate or prevent all types of attacks, and techniques used to obtain unauthorized access to or to sabotage systems change frequently and may not be known until launched against us or our third-party service providers. In addition, security breaches can also occur as a result of non-technical issues, including intentional or inadvertent breaches by our employees or by persons with whom we have commercial relationships. Although we maintain privacy, data breach and network security liability insurance, we cannot be certain that our coverage will be adequate or will cover liabilities actually incurred, or that insurance will continue to be available to us on economically reasonable terms, or at all. Any compromise or breach of our security measures, or those of our third-party service providers, could adversely impact our ability to conduct business, violate applicable privacy, data security and other laws, and cause significant legal and financial exposure, adverse publicity, and a loss of confidence in our security measures, which could have an adverse effect on our business and financial results.

We depend on key employees and the loss of these individuals could have an adverse effect on our business and financial results.

Our financial results could be adversely affected by increased competition for employees, difficulty in recruiting employees, higher employee turnover or increased compensation and benefit costs. Our employees are important to our success and we are dependent on our ability to retain the services of our employees in key roles. We have built our business on a set of core values, and we attempt to hire and retain employees who are committed to these values and our culture of providing exceptional service to our customers. In order to compete and to continue to grow, we must attract, retain and motivate our employees. We need qualified managers and skilled employees with technical and industry experience to operate our business successfully. If we are unable to attract and retain qualified individuals, or if our costs to do so increase significantly, or if internal realignment of responsibilities are not executed properly, our business and financial results could be adversely affected.

We are a global company headquartered in the United States. We are subject to extensive regulations by U.S. and non-U.S. governmental and self-regulatory entities at various levels of the governing bodies. Failure to comply with laws and regulations could adversely affect our business and financial results.

Approximately 50% of our sales are derived outside of the United States. Our operations are subject to the risks of doing business domestically and globally, including the following:

- Delays or disruptions in product deliveries and payments in connection with international manufacturing and sales.
- Regulations resulting from political and economic instability and disruptions.
- Imposition of new or changes in existing duties, tariffs and trade agreements, which could have a direct or indirect impact on our ability to manufacture products, on our customers' demand for our products, or on our suppliers' ability to deliver raw materials.
- Import, export and economic sanction laws.
- Current and changing governmental policies, regulatory, and business environments.
- Disadvantages from competing against companies from countries that are not subject to U.S. laws and regulations including the Foreign Corrupt Practices Act.
- Local labor regulations.

- Regulations relating to climate change, air emissions, wastewater discharges, handling and disposal of hazardous materials and wastes.
- Regulations relating to product content, health, safety and the protection of the environment.
- Imposition of trade or travel restrictions as a result of any effects of pandemics or global health crises.
- Specific country regulations where our products are manufactured or sold.
- Regulations relating to compliance with data protection and privacy laws throughout our global business.
- Laws and regulations that apply to companies doing business with the government, including audit requirements of government contracts related to procurement integrity, export control, employment practices, and the accuracy of records and recording of costs.

Further, these laws and regulations are constantly evolving and it is difficult to accurately predict the effect they may have upon our business and financial results.

We cannot provide assurance that our internal controls and compliance systems will always protect us from acts committed by employees, agents or business partners that would violate U.S. and/or non-U.S. laws, including the laws governing payments to government officials, bribery, fraud, anti-kickback and false claims rules, competition, export and import compliance, money laundering and data privacy. Any such improper actions could subject us to civil or criminal investigations in the U.S. and in other jurisdictions, lead to substantial civil or criminal, monetary and non-monetary penalties and related lawsuits by shareholders and others, damage our reputation, and adversely impact our business and financial results.

Global climate change and related emphasis on environmental matters by various stakeholders could negatively affect our business and financial results.

Increased public awareness and concern regarding global climate change may result in more regional and/or federal requirements to reduce or mitigate the effects of greenhouse gas emissions. There continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty. Further, our customers and the markets we serve may impose emissions or other environmental standards through regulation, market-based emissions policies or consumer preference that we may not be able to timely meet due to the required level of capital investment or technological advancement.

Additionally, the enhanced stakeholder focus on Environmental, Social and Governance (“ESG”) issues relating to our business requires the continuous monitoring of various and evolving standards and the associated reporting requirements. A failure to adequately meet stakeholder expectations may result in the loss of business, diluted market valuation, an inability to attract customers or an inability to attract and retain top talent.

We are subject to litigation that could adversely impact our business, financial results, and reputation.

We are, or may become, a party to litigation that arises in the normal course of our business operations, including product liability and recall (strict liability and negligence) claims, patent and trademark matters, contract disputes and environmental, employment and other litigation matters. We face an inherent risk that our competitors will allege that aspects of our products infringe their intellectual property or that our intellectual property is invalid, such that we could be prevented from manufacturing and selling our products or prevented from stopping others from manufacturing and selling competing products. We face an inherent business risk of exposure to product liability claims in the event that the use of our products is alleged to have resulted in injury or other damage. To date, we have not incurred material costs related to these types of claims. However, while we currently maintain insurance coverage for certain types of claims that we believe is adequate, we cannot be certain that we will be able to maintain this insurance on acceptable terms or that this insurance will provide sufficient coverage against potential liabilities that may arise. Any claims brought against us, with or without merit, may have an adverse effect on our business, financial results and reputation as a result of potential adverse outcomes. The expenses associated with defending such claims and the diversion of our management’s resources and time may have an adverse effect on our business and financial results.

Financial and Security Ownership Risks

The global nature of our business exposes us to foreign currency fluctuations that could adversely affect our business and financial results.

Approximately 50% of our sales are derived outside the United States. Sales and purchases in currencies other than the U.S. dollar expose us to fluctuations in foreign currencies relative to the U.S. dollar, and may adversely affect our financial results. Increased strength of the U.S. dollar could increase the effective price of our products sold in currencies other than U.S. dollars into other countries. Decreased strength of the U.S. dollar could adversely affect the cost of materials, products, and services purchased overseas. Our sales and expenses are translated into U.S. dollars for reporting purposes, and further strengthening of the U.S. dollar could result in unfavorable translation effects, which occurred during fiscal year 2023 and

2022. In addition, certain of our subsidiaries may invoice customers in a currency other than its functional currency or may be invoiced by suppliers in a currency other than its functional currency, which could result in unfavorable translation effects on our business and financial results.

Changes in tax legislation or tax rates could adversely affect results of operations and financial statements. Additionally, audits by taxing authorities could result in tax payments for prior periods.

We are subject to income taxes in the U.S. and in many non-U.S. jurisdictions. As such, our income is subject to risk due to changing tax laws and tax rates around the world. Our tax filings are subject to audit by U.S. federal, state and local tax authorities and by non-U.S. tax authorities. If these audits result in payments or assessments that differ from our reserves, our future net income may be adversely impacted.

We review the probability of the realization of our deferred tax assets quarterly based on forecasts of taxable income in both the U.S. and foreign jurisdictions. As part of this review, we utilize historical results, projected future operating results, eligible carry-forward periods, tax planning opportunities, and other relevant considerations. Changes in profitability and financial outlook in both the U.S. and/or foreign jurisdictions, or changes in our geographic footprint may require modifications in the valuation allowance for deferred tax assets. At any point in time, there are a number of tax proposals at various stages of legislation throughout the globe. For example, many countries have enacted, or plan to enact, legislation and other guidance to align with the Organisation for Economic Co-operation and Development’s (“OECD”) Inclusive Framework on Base Erosion and Profit Shifting Pillar Two (“Pillar Two”) model rules. The OECD’s Pillar Two model rules aim to establish a global minimum tax rate of 15 percent for large multinational enterprise groups. The OECD has continued to issue new administrative guidance on the Pillar Two model rules throughout 2024. While we continue to monitor legislative adoption by country of the Pillar Two model rules, including additional administrative guidance from the OECD, there is significant uncertainty that exists regarding the interpretation of the detailed Pillar Two model rules, whether such rules will be implemented consistently across taxing jurisdictions, how such rules interact with existing national tax laws and whether such rules are consistent with existing tax treaty obligations. Accordingly, the final adoption, interpretation and implementation of Pillar Two across all jurisdictions where we conduct business could adversely affect our business and financial results. While it is impossible for us to predict whether other tax proposals will be enacted, many will likely have an impact on our business and financial results.

Failure to execute our strategies could result in impairment of goodwill or other intangible assets, which may negatively impact income and profitability.

We have goodwill of $589.6 million and other intangible assets of $51.8 million as of July 31, 2024, which represent 42.3% of our total assets, and we have recognized impairment charges in the past. We evaluate goodwill and other intangible assets for impairment on an annual basis, or more frequently if impairment indicators are present, based upon the fair value of each respective asset. The valuations prepared for the required impairment test include management's estimates of sales, profitability, cash flow generation, capital structure, cost of debt, interest rates, capital expenditures, and other assumptions. Significant negative industry or economic trends, disruptions to our business, inability to achieve sales projections or cost savings, inability to effectively integrate acquired businesses, unexpected changes in the use of the assets, and divestitures may adversely impact the assumptions used in the valuations. If the estimated fair value of our goodwill or other intangible assets change in future periods, we may be required to record an impairment charge, which would reduce net income in such period.

Substantially all of our voting stock is controlled by two shareholders, while our public investors hold non-voting stock. The interests of the voting and non-voting shareholders could differ, potentially resulting in decisions that affect the value of the non-voting shares.

Substantially all of our voting stock is controlled by Elizabeth P. Bruno, one of our directors, and William H. Brady III, both of whom are descendants of the Company's founder. All of our publicly traded shares are non-voting. Therefore, the voting shareholders have control in most matters requiring approval or acquiescence by shareholders, including the composition of our Board of Directors and many corporate actions, and their interests may not align with those of the non-voting shareholders. Such concentration of ownership may discourage a potential acquirer from making a purchase offer that our public shareholders may find favorable and it may adversely affect the trading price for our non-voting common stock because investors may perceive disadvantages in owning stock in companies whose voting stock is controlled by a limited number of shareholders. Additionally, certain private investors, mutual funds and index sponsors have implemented rules restricting ownership, or excluding from indices, companies with non-voting publicly traded shares. For example, the Company was removed from the Russell 2000 Index in the fourth quarter of fiscal year 2023 for not meeting the minimum voting rights hurdle.

Item 1B. *Unresolved Staff Comments*

None.

Item 1C. ***Cybersecurity***

Brady has strategically included cybersecurity risk management into an integrated Company-wide risk management framework, which consists of administrative, operational, physical, and technical processes that we believe are appropriate to the scope and nature of our business. We believe this integrated approach allows cybersecurity considerations to form an integral part of our corporate and strategic decision-making processes. Management works closely with our information technology security team to continuously evaluate and address cybersecurity risks in alignment with our business and operational needs. Our cybersecurity policies and practices follow the cybersecurity framework of the Center for Internet Security (“CIS”) Controls.

Our cybersecurity strategy focuses on continued strengthening of our cybersecurity defense model, improvement of cybersecurity operational efficiencies, and preparedness for evolving business and technology needs including the detection, analysis, and response to known, anticipated and unexpected cybersecurity threats, management of material risks related to cybersecurity threats and resilience against cybersecurity incidents. We regularly assess potential threats and make investments to mitigate the risk of these threats against our critical information and assets by implementing a broad set of information security and cybersecurity measures, including comprehensive monitoring and enhancement of our networks and systems, intrusion prevention defense, rapid detection and response, and threat management capabilities. To supplement our internal resources, we engage external consultants to conduct independent assessments, perform penetration testing, and provide other cybersecurity-related services as needed. In addition, we engage external vendors to review and test key controls within our cybersecurity program.

Cybersecurity awareness and training is provided to new employees and annually for current Brady employees, which is designed to educate employees on recognizing information security and cybersecurity concerns, how they can help protect the organization and how to inform the information technology security team of potential incidents. In addition, we implement processes to manage risks associated with our third-party providers, including security assessments prior to engagement and monitoring their compliance with our cybersecurity standards on an ongoing basis.

The Audit Committee of our Board of Directors is responsible for the oversight of risks from cybersecurity threats. Management updates the Audit Committee on a quarterly basis regarding our cybersecurity programs. As part of its oversight responsibilities, the Audit Committee regularly discusses and reviews with management, among other items, Brady’s compliance and cybersecurity programs, and any significant cybersecurity matters and related strategic risk management decisions are escalated to the Board of Directors.

Our information technology security team reports to our Chief Information Officer (the “CIO”) and is headed by our Vice President of Global IT (the “VP of IT”). Our CIO is an experienced information technology professional with extensive cybersecurity and information technology risk management experience. The information technology security team regularly informs our CIO, General Counsel and Chief Financial Officer with regard to cybersecurity risks and incidents, and our executive management team evaluates cybersecurity issues quarterly or as needed.

Brady has a detailed incident response plan that provides the process and workflow of communication for escalation of cybersecurity incidents to executive leadership to determine if there is a breach warranting further action. The information technology security team, in conjunction with various departments, including finance, corporate communications, legal, regional presidents and the VP of IT, are charged with reviewing any incident under our materiality framework to assess whether further escalation and reporting is required and if an incident could constitute a material cybersecurity incident.

Although we have not experienced any material cybersecurity incidents to date, cybersecurity threats could materially affect the implementation of our business strategy, results of operations, or financial condition, as further discussed in our risk factors in Part I, Item 1A of this report.

Item 2. ***Properties***

The Company currently operates 38 manufacturing and distribution facilities across the globe and are split by reporting segment as follows:

Americas & Asia: Twenty-one manufacturing and distribution facilities are used for our Americas & Asia business. Six facilities are located in the United States; four in China; two each in Brazil, India, and Mexico; and one each in Canada, Japan, Malaysia, Singapore, and Thailand.

Europe & Australia: Seventeen manufacturing and distribution facilities are used for our Europe & Australia business. Four facilities each are located in Belgium and the United Kingdom, three are located in France; two are located in Australia; and one each in Germany, Norway, South Africa, and Turkey.

The Company believes that its equipment and facilities are modern, well maintained, and adequate for present needs.

Item 3. ***Legal Proceedings***

The Company is, and may in the future be, named as a defendant in various legal proceedings and claims that arise in the normal course of business in which claims are asserted against the Company. The Company records a liability for these legal actions when a loss is known or considered probable and the amount can be reasonably estimated. The Company is not currently a party to any material pending legal proceedings in which management believes the ultimate resolution would have a material effect on the Company's consolidated financial statements.

Item 4. ***Mine Safety Disclosures***

Not applicable.

PART II

Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Market Information

Brady Corporation Class A Nonvoting Common Stock trades on the New York Stock Exchange ("NYSE") under the symbol BRC. There is no trading market for the Company's Class B Voting Common Stock.

Holders

As of August 31, 2024, there were approximately 1,000 Class A Common Stock shareholders of record and approximately 12,000 beneficial shareholders. There are three Class B Common Stock shareholders.

Dividends

The Company has historically paid quarterly dividends on outstanding common stock. Before any dividend may be paid on the Class B Common Stock, holders of the Class A Common Stock are entitled to receive an annual, noncumulative cash dividend of $0.01665 per share (subject to adjustment in the event of future stock splits, stock dividends or similar events involving shares of Class A Common Stock). Thereafter, any further dividend in that fiscal year must be paid on all shares of Class A Common Stock and Class B Common Stock on an equal basis. The Company believes that based on its historic dividend practice, this requirement will not impede it in following a similar dividend practice in the future.

During the two most recent years ended July 31 and for the first quarter of fiscal 2025, the Company declared the following dividends per share on its Class A and Class B Common Stock:

	2025	2024				2023			
	1st Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Class A	$ 0.2400	$ 0.2350	$ 0.2350	$ 0.2350	$ 0.2350	$ 0.2300	$ 0.2300	$ 0.2300	$ 0.2300
Class B	0.2234	0.2184	0.2350	0.2350	0.2350	0.2134	0.2300	0.2300	0.2300

Issuer Purchases of Equity Securities

The Company has a share repurchase program for the Company's Class A Nonvoting Common Stock. The program may be implemented by purchasing shares in the open market or in privately negotiated transactions, with repurchased shares delivered to treasury and available for use in connection with the Company's stock-based plans and for other corporate purposes. On August 30, 2023, the Company's Board of Directors authorized an increase in the Company's share repurchase program, authorizing the repurchase of an additional $100.0 million of the Company's Class A Nonvoting Common Stock, with no expiration date associated with the authorization. As of July 31, 2024, there were $37.8 million worth of shares authorized to purchase remaining pursuant to this share repurchase program.

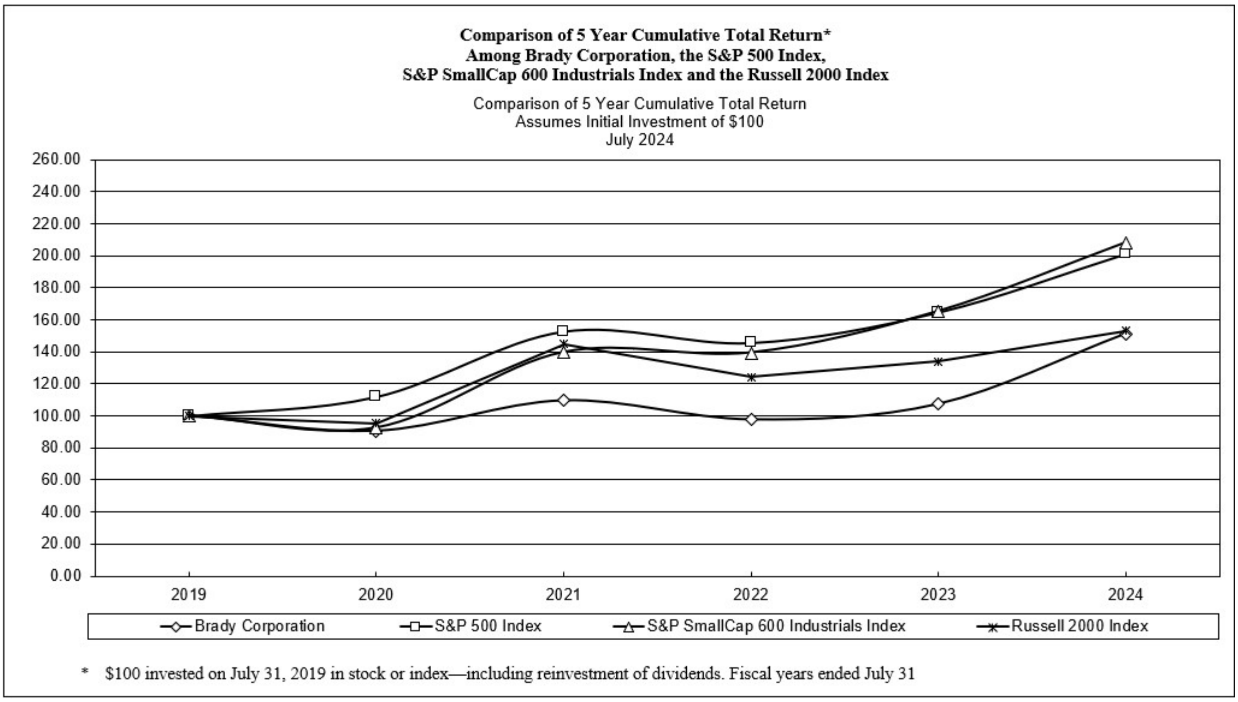
On September 4, 2024, the Company's Board of Directors authorized an increase in the Company's share repurchase program, authorizing the repurchase of an additional $100.0 million of the Company's Class A Nonvoting Common Stock.

The following table provides information with respect to the purchases by the Company of Class A Nonvoting Common Stock during the three months ended July 31, 2024:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan (Dollars in Thousands)
May 1, 2024 - May 31, 2024	—	$ —	—	$ 37,788
June 1, 2024 - June 30, 2024	—	—	—	37,788
July 1, 2024 - July 31, 2024	—	—	—	37,788
Total	—	$ —	—	$ 37,788

Common Stock Price Performance Graph

The graph below shows a comparison of the cumulative return over the last five fiscal years had $100 been invested at the close of business on July 31, 2019, in each of Brady Corporation Class A Common Stock, the Standard & Poor's ("S&P") 500 Index, the S&P SmallCap 600 Industrials Index, and the Russell 2000 Index.



	2019	2020	2021	2022	2023	2024
Brady Corporation	$ 100.00	$ 90.46	$ 109.49	$ 97.58	$ 107.24	$ 151.22
S&P 500 Index	100.00	111.96	152.76	145.67	164.63	201.10
S&P SmallCap 600 Industrials Index	100.00	92.42	139.59	139.32	165.17	208.03
Russell 2000 Index	100.00	95.41	144.99	124.27	134.10	153.21

Item 6. ***[Reserved]***

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

Overview

Brady Corporation is a global manufacturer and supplier of identification solutions and workplace safety products that identify and protect premises, products and people. The Company is organized and managed on a geographic basis with two reportable segments: Americas & Asia and Europe & Australia.

Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with our audited consolidated financial statements and the notes to those statements (Item 8) in this Annual Report on Form 10-K. The following discussion is intended to help the reader understand the results of operations and financial condition of the Company for the year ended July 31, 2024 compared to the year ended July 31, 2023.

References in this Annual Report on Form 10-K to "organic sales" refer to sales calculated in accordance with U.S. GAAP, excluding the impact of foreign currency translation, sales recorded from divested companies up to the first anniversary of their divestiture and sales recorded from acquired companies prior to the first anniversary date of their acquisition. The Company's organic sales disclosures exclude the effects of foreign currency translation as foreign currency translation is subject to volatility that can obscure underlying business trends. Management believes that the non-GAAP financial measure of organic sales is meaningful to investors as it provides them with useful information to aid in identifying underlying sales trends in our businesses and facilitating comparisons of our sales performance with prior periods.

Macroeconomic Conditions and Trends

The Company continues to be impacted by inflationary pressures to raw material and labor costs, supply chain disruptions, and other global macroeconomic challenges. While we experienced material increases to raw material and labor costs and supply chain disruptions in previous years, fiscal 2024 showed signs of easing, with a moderation of raw material and labor cost inflation and improved supply chain stability, which we anticipate will persist into fiscal 2025. The Company has taken and will continue to take actions to mitigate inflationary pressures through targeted pricing actions and a commitment to driving long-term efficiency improvements.

We believe our financial strength positions us well to continue investing in acquisitions and organic growth opportunities, such as expanded sales channels, marketing programs, and R&D. We remain focused on driving sustainable efficiency gains and automation across our operations and selling, general and administrative ("SG&A") functions, while also returning capital to our shareholders through dividends and share repurchases. At July 31, 2024, we had cash of $250.1 million, as well as a credit agreement with $207.3 million available for future borrowing, which can be increased up to $1,042.3 million at the Company's option and subject to certain conditions, for total available liquidity of $1,292.4 million.

We believe that our financial resources and liquidity levels, including the undrawn portion of our credit agreement and our ability to increase that credit line if necessary, are sufficient to manage the continuing impact of economic or geopolitical events that could potentially reduce sales, net income, or cash provided by operating activities. Refer to Risk Factors, included in Part I, Item 1A of this Annual Report on Form 10-K for the year ended July 31, 2024, for further discussion of the possible impact of global economic or geopolitical events on our business.

Results of Operations

The comparability of the operating results for the year ended July 31, 2024 to the year ended July 31, 2023 has been impacted by the divestiture of two non-core businesses, one in March 2023 and another in October 2023. Both divestitures impacted the Americas & Asia reportable segment.

A comparison of results of operating income for the years ended July 31, 2024, 2023, and 2022 is as follows:

(Dollars in thousands)	2024	% Sales	2023	% Sales	2022	% Sales
Net sales	$ 1,341,393		$ 1,331,863		$ 1,302,062	
Gross margin	687,884	51.3 %	657,275	49.4 %	631,552	48.5 %
Operating expenses:						
Research and development	67,748	5.1 %	61,365	4.6 %	58,548	4.5 %
Selling, general and administrative	376,722	28.1 %	370,697	27.8 %	379,992	29.2 %
Total operating expenses	444,470	33.1 %	432,062	32.4 %	438,540	33.7 %
Operating income	$ 243,414	18.1 %	$ 225,213	16.9 %	$ 193,012	14.8 %

Net sales increased 0.7% to $1,341.4 million in fiscal 2024 compared to $1,331.9 million in fiscal 2023, which consisted of organic sales growth of 2.6% and an increase from foreign currency translation of 0.2%, partially offset by a decrease of 2.1% due to divestitures. Organic sales grew 3.1% in the Americas & Asia segment and 1.6% in the Europe & Australia segment.

Gross margin increased 4.7% to $687.9 million in fiscal 2024 compared to $657.3 million in fiscal 2023. As a percentage of net sales, gross margin increased to 51.3% in fiscal 2024 from 49.4% in fiscal 2023. The increase in gross margin as a percentage of net sales was primarily due to organic sales growth in higher gross margin product lines, improvements in inventory management and reductions in freight expenses.

R&D expenses increased 10.4% to $67.7 million in fiscal 2024 compared to $61.4 million in fiscal 2023. As a percentage of net sales, R&D expenses increased to 5.1% in fiscal 2024 compared to 4.6% in fiscal 2023. The increase in R&D spending in fiscal 2024 was primarily due to increased headcount. The Company remains committed to investing in new product development to increase sales within our businesses. Investments in new printing systems, materials and the build out of industrial track and trace solutions continued to be the primary focus of R&D expenditures in fiscal 2024.

SG&A expenses include selling and administrative costs directly attributed to the Americas & Asia and Europe & Australia segments, as well as certain other corporate administrative expenses including finance, information technology, human resources and other administrative expenses. SG&A expenses increased 1.6% to $376.7 million in fiscal 2024 compared to $370.7 million in fiscal 2023. As a percentage of net sales, SG&A expense increased to 28.1% in fiscal 2024 compared to 27.8% in fiscal 2023. The increase in SG&A expenses in fiscal 2024 was due to increased headcount in sales and technology-related roles and investments in digital advertising and broader omnichannel strategies, which was partially offset by a decrease in selling expenses from divested businesses and a decrease in amortization expense.

Operating income increased 8.1% to $243.4 million in fiscal 2024 compared to $225.2 million in fiscal 2023. As a percentage of sales, operating income increased to 18.1% in fiscal 2024 compared to 16.9% in fiscal 2023. The increase in operating income in fiscal 2024 was primarily due to the increase in segment profit in the Americas & Asia segment as a result of organic sales growth, improved gross profit margin primarily due to growth in higher gross profit margin product lines and operational efficiencies throughout the region.

OPERATING INCOME TO NET INCOME

The following is a reconciliation of operating income to net income for the years ended July 31:

(Dollars in thousands)	2024	% Sales	2023	% Sales	2022	% Sales
Operating income	$ 243,414	18.1 %	$ 225,213	16.9 %	$ 193,012	14.8 %
Other income (expense):						
Investment and other income	7,553	0.6 %	4,022	0.3 %	244	0.0 %
Interest expense	(3,126)	(0.2)%	(3,539)	(0.3)%	(1,276)	(0.1)%
Income before income taxes	247,841	18.5 %	225,696	16.9 %	191,980	14.7 %
Income tax expense	50,626	3.8 %	50,839	3.8 %	42,001	3.2 %
Net income	$ 197,215	14.7 %	$ 174,857	13.1 %	$ 149,979	11.5 %

Investment and other income was $7.6 million in fiscal 2024 compared to $4.0 million in fiscal 2023. The increase in investment and other income in fiscal 2024 was primarily due to an increase in interest income driven by a larger cash balance invested and higher interest rates throughout the year, and an increase in the market value of securities held in deferred compensation plans.

Interest expense decreased to $3.1 million in fiscal 2024 compared to $3.5 million in fiscal 2023. The decrease in interest expense in fiscal 2024 was primarily due to a decrease in outstanding borrowings on the Company's credit agreement, which was partially offset by an increase in interest rates on the Company's credit agreement compared to fiscal 2023.

The Company's income tax rate was 20.4% in fiscal 2024. Refer to Note 11, "Income Taxes" for additional information on the Company's income tax rates.

Business Segment Operating Results

The Company evaluates short-term segment performance based on segment profit and customer sales. Interest expense, investment and other income, income tax expense, and certain corporate administrative expenses are excluded when evaluating segment performance.

The following is a summary of segment information for the years ended July 31:

	2024	2023	2022
SALES GROWTH INFORMATION			
Americas & Asia			
Organic	3.1 %	4.4 %	10.3 %
Currency	(0.2)%	(0.9)%	(0.1)%
Divestiture	(3.2)%	(0.3)%	— %
Acquisition	— %	— %	6.9 %
Total	(0.3)%	3.2 %	17.1 %
Europe & Australia			
Organic	1.6 %	7.6 %	7.9 %
Currency	1.1 %	(7.1)%	(7.0)%
Acquisition	— %	— %	6.9 %
Total	2.7 %	0.5 %	7.8 %
Total Company			
Organic	2.6 %	5.5 %	9.4 %
Currency	0.2 %	(3.0)%	(2.6)%
Divestiture	(2.1)%	(0.2)%	— %
Acquisition	— %	— %	6.9 %
Total	0.7 %	2.3 %	13.7 %
SEGMENT PROFIT AS A PERCENT OF NET SALES			
Americas & Asia	22.2 %	20.3 %	18.3 %
Europe & Australia	15.5 %	14.8 %	14.3 %
Total	19.9 %	18.5 %	16.9 %

Americas & Asia

Americas & Asia net sales decreased 0.3% to $886.5 million in fiscal 2024 compared to $888.9 million in fiscal 2023. Organic sales growth of 3.1% was offset by a decline from divestitures of 3.2% and a decrease from foreign currency translation of 0.2%.

Organic sales in the Americas increased in the low-single digits in fiscal 2024. The increase in organic sales was primarily due to growth in the wire identification, product identification and safety and facility identification product lines, which was partially offset by a decline in the people identification product line.

Organic sales in Asia increased in the low-single digits in fiscal 2024. The organic sales increase was primarily driven by growth in Singapore, India and Japan, which was partially offset by a decline in volume in China.

Segment profit increased 9.1% to $196.8 million in fiscal 2024 from $180.5 million in fiscal 2023. As a percent of net sales, segment profit increased to 22.2% in fiscal 2024 from 20.3% in fiscal 2023. The increase in segment profit was primarily due to organic sales growth in higher gross margin product lines, particularly in the Americas, and a decrease in selling expenses from divested businesses, which was partially offset by increased headcount in sales, technology and R&D-related roles.

Europe & Australia

Europe & Australia sales increased 2.7% to $454.9 million in fiscal 2024 compared to $443.0 million in fiscal 2023. The net sales increase consisted of organic sales growth of 1.6% and an increase from foreign currency translation of 1.1%.

Organic sales in Europe increased in the low-single digits in fiscal 2024. Organic sales grew in the safety and facility identification, product identification and wire identification product lines, which was partially offset by a decline in the people identification product line. The increase in organic sales in Europe was primarily driven by growth in Western Europe and the Nordic region, partially offset by a decline in the United Kingdom.

Organic sales in Australia increased in the low-single digits in fiscal 2024. Organic sales growth was primarily driven by the wire identification product line, which was partially offset by a decline in the safety and facility identification product line.

Segment profit increased 7.4% to $70.6 million in fiscal 2024 compared to $65.7 million in fiscal 2023. As a percentage of net sales, segment profit increased to 15.5% in fiscal 2024 compared to 14.8% in fiscal 2023. The increase in segment profit was primarily due to organic sales growth in higher margin product lines, reductions in freight expenses and improvements in inventory management, which was partially offset by increased headcount in sales and technology-related roles

Financial Condition

Liquidity & Capital Resources

The Company's cash balances are generated and held in numerous locations throughout the world. At July 31, 2024, approximately 98% of the Company's cash and cash equivalents were held outside the United States. The Company's organic and inorganic growth has historically been funded by a combination of cash provided by operating activities and debt financing. The Company believes that its cash flow from operating activities and its borrowing capacity are sufficient to fund its anticipated requirements for working capital, capital expenditures, research and development, common stock repurchases, dividend payments, and strategic acquisitions for the next 12 months and beyond. Although the Company believes these sources of cash are currently sufficient to fund domestic operations, annual cash needs could require repatriation of cash to the U.S. from foreign jurisdictions, which may result in additional tax payments.

Cash Flows

Cash and cash equivalents were $250.1 million at July 31, 2024, an increase of $98.6 million from July 31, 2023. The following summarizes the cash flow statement for the years ended July 31:

(Dollars in thousands)	**2024**	**2023**	**2022**
Net cash flow provided by (used in):			
Operating activities	$ 255,074	$ 209,149	$ 118,449
Investing activities	(81,047)	(11,214)	(43,071)
Financing activities	(70,528)	(163,568)	(102,089)
Effect of exchange rate changes on cash	(4,913)	3,096	(6,555)
Net increase (decrease) in cash and cash equivalents	$ 98,586	$ 37,463	$ (33,266)

Net cash provided by operating activities was $255.1 million during fiscal 2024 compared to $209.1 million in fiscal 2023. The increase in cash provided by operating activities was primarily due to an increase in profit, as well as continued reductions in inventory levels in fiscal 2024.

Net cash used in investing activities was $81.0 million during fiscal 2024, which primarily consisted of capital expenditures of $79.9 million. Net cash used in investing activities was $11.2 million in fiscal 2023, which consisted of capital expenditures of $19.2 million partially offset by proceeds of $8.0 million from the divestiture of a business. Capital expenditures were elevated in fiscal 2024 due to the purchase of a facility that was previously leased as well as other facility construction costs to support continued growth in the Americas and Europe.

Net cash used in financing activities was $70.5 million during fiscal 2024 compared to $163.6 million in fiscal 2023. The decrease in cash used in financing activities was primarily due to increased net borrowings to fund elevated capital expenditures in fiscal 2024, as well as year-end borrowings to fund the acquisition of Gravotech Holding, which was completed on August 1, 2024.

Material Cash Requirements

Our material cash requirements for known contractual obligations include capital expenditures, borrowings on credit facilities and lease obligations. We believe that net cash provided by operating activities will continue to be adequate to meet our liquidity and capital needs for these items over the next 12 months and in the long-term beyond the next 12 months. We also have cash requirements for purchase orders and contracts for the purchase of inventory and other goods and services, which are based on current and anticipated customer needs and are fulfilled by our suppliers within short time horizons. We do not have significant agreements for the purchase of inventory or other goods or services specifying minimum order quantities. In addition, we may have liabilities for uncertain tax positions, but we do not believe that the cash requirements to meet any of these liabilities will be material. A discussion of income taxes is contained in Note 11 of the Notes to Consolidated Financial Statements.

Credit Facilities and Covenant Compliance

Refer to Item 8, Note 6, "Debt" for information regarding the Company's credit facilities and covenant compliance.

Inflation and Changing Prices

Essentially all of the Company’s revenue is derived from the sale of its products and services in competitive markets. Because prices are influenced by market conditions, it is not always possible to fully recover cost increases through pricing. Changes in product mix from year to year, timing differences in instituting price changes, and the large amount of custom products make it impracticable to accurately define the impact of inflation on profit margins.

Critical Accounting Estimates

Management’s discussion and analysis of the Company’s financial condition and results of operations are based upon the Company’s Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. The Company bases these estimates and judgments on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgments.

The Company believes the following accounting estimates are most critical to an understanding of its financial statements. Estimates are considered to be critical if they meet both of the following criteria: (1) the estimate requires assumptions about material matters that are uncertain at the time the accounting estimates are made, and (2) material changes in the estimates are reasonably likely from period to period. For a detailed discussion on the application of these and other accounting estimates, refer to Note 1 to the Company’s Consolidated Financial Statements.

Income Taxes

The Company operates in numerous taxing jurisdictions and is subject to regular examinations by U.S. federal, state and non-U.S. taxing authorities. Its income tax positions are based on research and interpretations of the income tax laws and rulings in each of the jurisdictions in which the Company does business. Due to the ambiguity of laws and rulings in each jurisdiction, the differences and interplay in tax laws between those jurisdictions, the uncertainty of how underlying facts may be construed and the inherent uncertainty in estimating the final resolution of complex tax audit matters, the Company's estimates of income tax liabilities may differ from actual payments or assessments.

While the Company has support for the positions it takes on tax returns, taxing authorities may assert different interpretations of laws and facts and may challenge cross-jurisdictional transactions. The Company generally re-evaluates the technical merits of its tax positions and recognizes an uncertain tax benefit when (i) there is completion of a tax audit; (ii) there is a change in applicable tax laws including a tax case ruling or legislative guidance; or (iii) there is an expiration of the statute of limitations. The liability for unrecognized tax benefits, excluding interest and penalties, was $22.6 million and $20.9 million as of July 31, 2024 and 2023, respectively. If recognized, $19.4 million of unrecognized tax benefits would reduce the Company's income tax rate as of both July 31, 2024 and 2023. Accrued interest and penalties related to unrecognized tax benefits were $6.1 million and $5.3 million as of July 31, 2024 and 2023, respectively. The Company recognizes interest and penalties related to unrecognized tax benefits in income tax expense on the Consolidated Statements of Income. The Company believes it is reasonably possible that the amount of gross unrecognized tax benefits could be reduced by up to $4.2 million in the next 12 months as a result of the resolution of worldwide tax matters, tax audit settlements, amended tax filings, and/or statute expirations, which would be the maximum amount that would be recognized as an income tax benefit in the Consolidated Statements of Income.

The Company recognizes deferred tax assets and liabilities for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. The Company establishes valuation allowances for its deferred tax assets if it is more likely than not that some or all of the deferred tax asset will not be realized. This requires management to make judgments regarding: (i) the timing and amount of the reversal of taxable temporary differences, (ii) expected future taxable income or loss, and (iii) the impact of tax planning strategies. The Company recognized valuation allowances for its deferred tax assets of $47.2 million and $52.8 million as of July 31, 2024 and 2023, respectively, which were primarily related to foreign tax credit carryforwards and net operating loss carryforwards in its various tax jurisdictions.

Goodwill

The allocation of purchase price for business combinations requires management estimates and judgment as to expectations for future cash flows of the acquired business and the allocation of those cash flows to identifiable intangible assets in determining the estimated fair value. If the actual results differ from these estimates, it could result in an impairment of intangible assets and goodwill or require acceleration of the amortization expense of finite-lived intangible assets. In addition, goodwill and other indefinite-lived intangible assets must be tested for impairment at least annually. If circumstances or events prior to the date of the required annual assessment indicate that, in management's judgment, it is more likely than not that there has been a reduction of fair value of a reporting unit below its carrying value, the Company performs an impairment analysis at the time of such circumstance or event. Changes in management's estimates or judgments could result in an impairment charge, and such a charge could have an adverse effect on the Company's financial condition and results of operations.

The Company has identified six reporting units within its two reportable segments, Americas & Asia and Europe & Australia, with the following goodwill balances as of July 31, 2024: North America, $436.3 million; Europe, $150.4 million; and Latin America, $2.9 million. The other three identified reporting units each have a goodwill balance of zero. The Company has the option to first assess qualitative factors in order to determine if it is more likely than not that the fair value of the reporting unit is greater than its respective carrying value. If the qualitative assessment leads to a determination that the fair value of a reporting unit may be less than its carrying value, or if the Company elects to bypass the qualitative assessment altogether, the Company performs a quantitative impairment test by calculating the fair value of the reporting unit and comparing the fair value with its associated carrying value. When the Company performs the quantitative test for goodwill, the Company establishes the fair value for the reporting unit based on the income approach, in which a discounted cash flow model is utilized, the market approach, in which market multiples of comparable companies are utilized, or a combination of both approaches. The income approach requires the use of significant estimates and assumptions, including forecasted sales growth, operating income projections, and discount rates and changes in these assumptions may adversely impact the fair value assessments. Significant negative industry or macroeconomic trends, disruptions to the Company's business, loss of significant customers, inability to effectively integrate acquired businesses, unexpected significant changes or planned changes in use of the assets or in entity structure, and divestitures may adversely impact the assumptions used in the valuations.

The Company completes its annual goodwill impairment analysis on May 1 of each fiscal year and evaluates its reporting units for potential triggering events on a quarterly basis in accordance with ASC 350, "Intangibles - Goodwill and Other." In addition to the metrics listed above, the Company considers multiple internal and external factors when evaluating its reporting units for potential impairment, including (i) GDP growth for the respective geography, (ii) industry and market factors such as competition and changes in the market for the reporting unit's products, (iii) new product development, (iv) competing technologies, (v) overall financial performance such as cash flows, actual and planned revenue and profitability, and (vi) changes in the strategy of the reporting unit. In the event the fair value of a reporting unit is less than the carrying value, the Company would recognize an impairment charge for the amount by which the carrying amount of the reporting unit exceeds the fair value. If necessary, the Company may consult valuation specialists to assist with the assessment of the estimated fair value of the reporting unit.

On May 1, 2024, the Company performed the qualitative assessment for all three reporting units and determined that it is more likely than not that the fair value exceeds the carrying value for each reporting unit, and as such, goodwill was not considered impaired.

Other Indefinite-Lived Intangible Assets

Other indefinite-lived intangible assets, which consists of tradenames, are tested for impairment in accordance with the Company's policy outlined above using the income approach. Fair value is estimated using the income approach based upon current sales projections applying the relief from royalty method. If the carrying value of the indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. As a result of the analysis performed on May 1, 2024, all indefinite-lived tradenames had fair value in excess of their carrying value.

New Accounting Standards

The information required by this Item is provided in Note 1 of the Notes to Consolidated Financial Statements contained in Item 8 — Financial Statements and Supplementary Data.

Item 7A. ***Quantitative and Qualitative Disclosures About Market Risk***

The Company's business operations give rise to market risk exposure due to changes in foreign exchange rates. To manage that risk effectively, the Company enters into hedging transactions according to established guidelines and policies that enable it to mitigate the adverse effects of this financial market risk.

The global nature of the Company's business requires active participation in the foreign exchange markets. The Company has manufacturing facilities and sells and distributes its products throughout the world and therefore has assets, liabilities and cash flows in currencies other than the U.S. dollar. As a result, the Company's financial results could be significantly affected by factors such as changes in foreign currency exchange rates or weak macroeconomic conditions in the foreign markets in which the Company manufactures, distributes and sells its products. The Company's operating results are principally exposed to changes in exchange rates between the U.S. dollar and the Euro, the British Pound, the Mexican Peso, the Canadian dollar, the Australian dollar, the Singapore dollar, the Malaysian Ringgit, and the Chinese Yuan.

The objective of the Company's foreign currency exchange risk management is to minimize the impact of currency movements on non-functional currency transactions. To achieve this objective, the Company hedges a portion of known exposures using forward contracts. As of July 31, 2024, the notional amount of outstanding forward foreign exchange contracts designated as cash flow hedges was $59.2 million. The Company uses Euro-denominated debt of €48.7 million and British Pound-denominated debt of £10.3 million designated as hedge instruments to hedge portions of the Company's net investment in its Euro-denominated and British Pound-denominated businesses. The Company's multi-currency revolving credit agreement allows it to borrow up to $200 million in currencies other than U.S. dollars. Debt issued in currencies other than U.S. dollars acts as a natural hedge to the Company's exposure to the associated currency.

The Company also faces exchange rate risk from transactions with customers in countries outside the United States and from intercompany transactions between affiliates. Although the Company has a U.S. dollar functional currency for reporting purposes, it has manufacturing sites throughout the world and a significant portion of its sales are generated in foreign currencies. Costs incurred and sales recorded by subsidiaries operating outside of the United States are translated into U.S. dollars using exchange rates in effect during the respective period. As a result, the Company is exposed to movements in the exchange rates of various currencies against the U.S. dollar. In particular, the Company has more sales in European currencies than it has expenses in those currencies. Therefore, when European currencies strengthen or weaken against the U.S. dollar, operating profits are increased or decreased, respectively. Currency exchange rates increased fiscal 2024 net sales by 0.2% compared to fiscal 2023 as the U.S. dollar depreciated, on average, against other major currencies throughout the year.

Changes in foreign currency exchange rates for the Company's foreign subsidiaries reporting in local currencies are generally reported as a component of stockholders' equity. The Company's currency translation adjustments recorded during the years ended July 31, 2024, 2023, and 2022, as a separate component of stockholders' equity, were unfavorable by $14.5 million, favorable by $16.0 million, and unfavorable by $53.4 million, respectively. As of July 31, 2024 and 2023, the Company's foreign subsidiaries had net current assets (defined as current assets less current liabilities) subject to foreign currency translation risk of $324.5 million and $207.6 million, respectively. The potential decrease in net current assets as of July 31, 2024, from a hypothetical 10 percent adverse change in quoted foreign currency exchange rates would be approximately $32.5 million. This sensitivity analysis assumes a parallel shift in all major foreign currency exchange rates versus the U.S. dollar. Exchange rates rarely move in the same direction relative to the U.S. dollar due to positive and negative correlations of the various global currencies. This assumption may overstate the impact of changing exchange rates on individual assets and liabilities denominated in a foreign currency.

The Company could be exposed to interest rate risk through its corporate borrowing activities. The objective of the Company's interest rate risk management activities is to manage the levels of the Company's fixed and floating interest rate exposure to be consistent with the Company's preferred mix. The interest rate risk management program allows the Company to enter into approved interest rate derivatives if there is a desire to modify the Company's exposure to interest rates. As of July 31, 2024, the Company had no interest rate derivatives and no fixed rate debt outstanding.

Item 8. ***Financial Statements and Supplementary Data***

BRADY CORPORATION & SUBSIDIARIES

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Brady Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Brady Corporation and subsidiaries (the “Company”) as of July 31, 2024 and 2023, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows, for each of the three years in the period ended July 31, 2024, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of July 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended July 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of July 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated September 6, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Taxes — Valuation Allowances — Refer to Notes 1 and 11 to the financial statements

Critical Audit Matter Description

The Company recognizes deferred income tax assets and liabilities for the estimated future tax effects attributable to temporary differences and carryforwards. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized in the future. Future realization of deferred tax assets depends on the existence of sufficient taxable income within the carryback or carryforward period of the appropriate character under the relevant tax law. Sources of taxable income include future reversals of deferred tax assets and liabilities, future taxable income (exclusive of the reversals of deferred tax assets and liabilities), taxable income in prior carryback year(s) if permitted under the tax law, and tax planning strategies. The Company’s valuation allowance for deferred tax assets was $47.2 million as of July 31, 2024.

The Company’s determination of the valuation allowance involves estimates. Management’s primary estimate in determining whether a valuation allowance should be established is the projection of future sources of taxable income. Auditing management’s estimate of future sources of taxable income, which affects the recorded valuation allowances, required a high degree of auditor judgment and an increased extent of effort, including the need to involve our income tax specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to estimated future sources of taxable income included the following, among others:

- We tested the effectiveness of management’s controls over the estimates of future sources of taxable income.
- With the assistance of our income tax specialists, we considered relevant tax laws and regulations in evaluating the appropriateness of management’s estimates of future sources of taxable income.
- We evaluated management’s ability to accurately estimate future sources of taxable income by comparing actual results to management’s historical estimates. Further, we evaluated the reasonableness of management’s estimates of future sources of taxable income by comparing the estimates to historical sources of taxable income or losses and evaluating whether there have been any changes that would affect management's estimates of future sources of taxable income.
- With the assistance of our income tax specialists, we evaluated whether the estimated future sources of taxable income were of the appropriate character to utilize the deferred tax assets under tax law.
- We evaluated management’s assessment that it is more likely than not that sufficient taxable income will be generated in the future to utilize the net deferred tax assets.

/s/ DELOITTE & TOUCHE LLP

Milwaukee, Wisconsin
September 6, 2024

We have served as the Company's auditor at least since 1981; however, an earlier year cannot be reliably determined.

BRADY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
July 31, 2024 and 2023
(Dollars in thousands)

	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 250,118	$ 151,532
Accounts receivable, net of allowance for credit losses of $6,749 and $8,467, respectively	185,486	184,420
Inventories	152,729	177,078
Prepaid expenses and other current assets	11,382	11,790
Total current assets	599,715	524,820
Property, plant and equipment—net	195,758	142,149
Goodwill	589,611	592,646
Other intangible assets	51,839	62,096
Deferred income taxes	15,596	15,716
Operating lease assets	38,504	29,688
Other assets	24,546	22,142
Total	$ 1,515,569	$ 1,389,257
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 84,691	$ 79,855
Accrued compensation and benefits	77,954	71,470
Taxes, other than income taxes	14,061	13,575
Accrued income taxes	7,424	12,582
Current operating lease liabilities	13,382	14,726
Other current liabilities	67,170	65,828
Total current liabilities	264,682	258,036
Long-term debt	90,935	49,716
Long-term operating lease liabilities	25,342	16,217
Other liabilities	67,952	74,369
Total liabilities	448,911	398,338
Stockholders' equity:		
Class A nonvoting common stock — Issued 51,261,487 shares, and outstanding 44,042,462 and 45,008,724 shares, respectively (aggregate liquidation preference of $42,716)	513	513
Class B voting common stock — Issued and outstanding 3,538,628 shares	35	35
Additional paid-in capital	353,654	351,771
Retained earnings	1,174,025	1,021,870
Treasury stock — 7,219,025 and 6,252,763 shares, respectively, of Class A nonvoting common stock, at cost	(351,947)	(290,209)
Accumulated other comprehensive loss	(109,622)	(93,061)
Total stockholders' equity	1,066,658	990,919
Total	$ 1,515,569	$ 1,389,257

See Notes to Consolidated Financial Statements.

BRADY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
Years Ended July 31, 2024, 2023 and 2022
(Dollars in thousands, except per share amounts)

	2024	2023	2022
Net sales	$ 1,341,393	$ 1,331,863	$ 1,302,062
Cost of goods sold	653,509	674,588	670,510
Gross margin	687,884	657,275	631,552
Operating expenses:			
Research and development	67,748	61,365	58,548
Selling, general and administrative	376,722	370,697	379,992
Total operating expenses	444,470	432,062	438,540
Operating income	243,414	225,213	193,012
Other income (expense):			
Investment and other income	7,553	4,022	244
Interest expense	(3,126)	(3,539)	(1,276)
Income before income taxes	247,841	225,696	191,980
Income tax expense	50,626	50,839	42,001
Net income	$ 197,215	$ 174,857	$ 149,979
Net income per Class A Nonvoting Common Share:			
Basic	$ 4.10	$ 3.53	$ 2.92
Diluted	$ 4.07	$ 3.51	$ 2.90
Net income per Class B Voting Common Share:			
Basic	$ 4.08	$ 3.51	$ 2.91
Diluted	$ 4.05	$ 3.49	$ 2.89
Weighted average common shares outstanding:			
Basic	48,119	49,591	51,321
Diluted	48,496	49,869	51,651

See Notes to Consolidated Financial Statements.

BRADY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Years Ended July 31, 2024, 2023 and 2022
(Dollars in thousands)

	2024	2023	2022
Net income	$ 197,215	$ 174,857	$ 149,979
Other comprehensive (loss) income:			
Foreign currency translation adjustments	(14,477)	16,009	(53,402)
Cash flow hedges:			
Net gain recognized in other comprehensive (loss) income	517	2,680	1,282
Reclassification adjustment for gains included in net income	(2,221)	(2,140)	(909)
	(1,704)	540	373
Pension and other post-retirement benefits:			
Net gain (loss) recognized in other comprehensive (loss) income	227	(465)	424
Net actuarial gain amortization	(605)	(417)	(1,043)
	(378)	(882)	(619)
Other comprehensive (loss) income, before tax	(16,559)	15,667	(53,648)
Income tax (expense) benefit related to items of other comprehensive (loss) income	(2)	349	524
Other comprehensive (loss) income, net of tax	(16,561)	16,016	(53,124)
Comprehensive income	$ 180,654	$ 190,873	$ 96,855

See Notes to Consolidated Financial Statements.

BRADY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
Years Ended July 31, 2024, 2023 and 2022
(Dollars in thousands, except per share amounts)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss
Balances at July 31, 2021	$ 548	$ 339,125	$ 788,369	$ (109,061)	$ (55,953)
Net income	—	—	149,979	—	—
Other comprehensive loss, net of tax	—	—	—	—	(53,124)
Issuance of shares of Class A Common Stock under stock plan	—	(4,478)	—	434	—
Tax benefit and withholdings from deferred compensation distributions	—	115	—	—	—
Stock-based compensation expense (Note 7)	—	10,504	—	—	—
Repurchase of shares of Class A Common Stock	—	—	—	(109,229)	—
Cash dividends on Common Stock:					
Class A — $0.90 per share	—	—	(42,805)	—	—
Class B — $0.88 per share	—	—	(3,126)	—	—
Balances at July 31, 2022	$ 548	$ 345,266	$ 892,417	$ (217,856)	$ (109,077)
Net income	—	—	174,857	—	—
Other comprehensive income, net of tax	—	—	—	—	16,016
Issuance of shares of Class A Common Stock under stock plan	—	(1,069)	—	3,119	—
Tax benefit and withholdings from deferred compensation distributions	—	66	—	—	—
Stock-based compensation expense (Note 7)	—	7,508	—	—	—
Repurchase of shares of Class A Common Stock, including excise taxes	—	—	—	(75,472)	—
Cash dividends on Common Stock:					
Class A — $0.92 per share	—	—	(42,207)	—	—
Class B — $0.90 per share	—	—	(3,197)	—	—
Balances at July 31, 2023	$ 548	$ 351,771	$ 1,021,870	$ (290,209)	$ (93,061)
Net income	—	—	197,215	—	—
Other comprehensive loss, net of tax	—	—	—	—	(16,561)
Issuance of shares of Class A Common Stock under stock plan	—	(5,627)	—	11,016	—
Tax benefit and withholdings from deferred compensation distributions	—	149	—	—	—
Stock-based compensation expense (Note 7)	—	7,361	—	—	—
Repurchase of shares of Class A Common Stock, including excise taxes	—	—	—	(72,754)	—
Cash dividends on Common Stock:					
Class A — $0.94 per share	—	—	(41,793)	—	—
Class B — $0.92 per share	—	—	(3,267)	—	—
Balances at July 31, 2024	$ 548	$ 353,654	$ 1,174,025	$ (351,947)	$ (109,622)

See Notes to Consolidated Financial Statements.

BRADY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended July 31, 2024, 2023 and 2022
(Dollars in thousands)

	2024	2023	2022
Operating activities:			
Net income	$ 197,215	$ 174,857	$ 149,979
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	29,873	32,370	34,182
Stock-based compensation expense	7,361	7,508	10,504
Gain on sale of business	—	(3,770)	—
Deferred income taxes	(9,399)	(12,472)	(1,645)
Other	1,401	(308)	1,197
Changes in operating assets and liabilities (net of effects of business acquisitions):			
Accounts receivable	(6,581)	2,380	(25,330)
Inventories	21,697	14,972	(62,907)
Prepaid expenses and other assets	(743)	(1,023)	807
Accounts payable and accrued liabilities	19,198	(9,459)	6,826
Income taxes	(4,948)	4,094	4,836
Net cash provided by operating activities	255,074	209,149	118,449
Investing activities:			
Purchases of property, plant and equipment	(79,892)	(19,226)	(43,138)
Sale of business	—	8,000	—
Other	(1,155)	12	67
Net cash used in investing activities	(81,047)	(11,214)	(43,071)
Financing activities:			
Payment of dividends	(45,060)	(45,404)	(45,931)
Proceeds from exercise of stock options	8,186	4,091	1,082
Payments for employee taxes withheld from stock-based awards	(2,797)	(2,041)	(5,127)
Purchase of treasury stock	(72,225)	(74,996)	(109,229)
Proceeds from borrowing on credit facilities	175,103	127,660	243,716
Repayment of borrowing on credit facilities	(133,884)	(172,944)	(186,716)
Other	149	66	116
Net cash used in financing activities	(70,528)	(163,568)	(102,089)
Effect of exchange rate changes on cash and cash equivalents	(4,913)	3,096	(6,555)
Net increase (decrease) in cash and cash equivalents	98,586	37,463	(33,266)
Cash and cash equivalents, beginning of period	151,532	114,069	147,335
Cash and cash equivalents, end of period	$ 250,118	$ 151,532	$ 114,069
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest	$ 2,930	$ 3,408	$ 1,082
Income taxes	62,073	58,829	33,834

See Notes to Consolidated Financial Statements.

BRADY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended July 31, 2024, 2023 and 2022
(In thousands, except share and per share amounts)

1. Summary of Significant Accounting Policies

Nature of Operations — Brady Corporation is a global manufacturer and supplier of identification solutions and workplace safety products that identify and protect premises, products and people. The ability to provide customers with a broad range of proprietary, customized, and diverse products for use in various applications, along with a commitment to quality and service, a global footprint, and multiple sales channels, have made Brady a world leader in many of its markets.

Principles of Consolidation — The accompanying consolidated financial statements include the accounts of Brady Corporation and its wholly owned subsidiaries. All intercompany accounts and transactions between consolidated subsidiaries have been eliminated in consolidation.

Use of Estimates — The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Acquisitions — The Company recognizes assets acquired, liabilities assumed, contractual contingencies and contingent consideration at their fair value on the acquisition date. The operating results of the acquired companies are included in the Company's consolidated financial statements from the date of acquisition. Acquisition-related costs are expensed as incurred and changes in deferred tax asset valuation allowances and income tax uncertainties after the measurement period are recorded in income tax expense.

Cash Equivalents — The Company considers all highly-liquid investments purchased with original maturities of three months or less to be cash equivalents.

Concentration of Credit Risk — The Company places temporary cash investments with global financial institutions of high credit quality. The Company performs periodic evaluations of the relative credit standing of its financial institutions and limits the amount of credit exposure with any one financial institution. In addition, the Company has a broad customer base representing many diverse industries throughout the globe. Consequently, no significant concentration of credit risk is considered to exist.

Accounts Receivable — The Company's policy for estimating the allowance for credit losses on accounts receivables considers several factors including historical loss experience, the age of delinquent receivable balances due, and economic conditions. Specific customer reserves are made during review of significant outstanding balances due, in which customer creditworthiness and current economic trends may indicate that it is probable the receivable will not be recovered. Accounts receivable are written off after collection efforts occur and the receivable is deemed uncollectible. Adjustments to the allowance for credit losses are recorded in SG&A expense.

Inventories — Inventories are stated at the lower of cost or net realizable value and include material, labor, and overhead. Cost has been determined using the last-in, first-out ("LIFO") method for certain inventories in the U.S. (13.0% of total inventories at July 31, 2024, and 9.6% of total inventories at July 31, 2023) and the first-in, first-out ("FIFO") or average cost methods for all other inventories. Had all inventories been accounted for on a FIFO basis instead of on a LIFO basis, the carrying value of inventories would have increased by $11,582 and $11,312 as of July 31, 2024 and 2023, respectively.

Inventories consist of the following as of July 31:

	2024	2023
Finished products	$ 89,430	$ 103,350
Work-in-process	24,601	26,884
Raw materials and supplies	38,698	46,844
Total inventories	$ 152,729	$ 177,078

Property, Plant and Equipment — Property, plant and equipment are stated at cost, less accumulated depreciation. Depreciation is computed primarily on a straight-line basis over the estimated useful lives of the related assets. Leasehold improvements are depreciated over the shorter of the lease term or the estimated useful life of the respective asset. The estimated useful lives range from 3 to 33 years as shown below.

Property, plant and equipment consist of the following as of July 31:

	Range of Useful Lives	2024	2023
Land		$ 30,604	$ 12,273
Buildings and improvements	10 to 33 Years	147,767	130,004
Machinery and equipment	3 to 10 Years	288,885	282,870
Construction in progress		32,701	9,682
Property, plant and equipment—gross		499,957	434,829
Accumulated depreciation		(304,199)	(292,680)
Property, plant and equipment—net		$ 195,758	$ 142,149

Depreciation expense was $20,452, $20,631, and $19,216 for the years ended July 31, 2024, 2023 and 2022, respectively.

Goodwill — The Company tests goodwill for impairment on an annual basis on the first day of the fourth quarter of each fiscal year, or more frequently if events or changes in circumstances indicate that it may be impaired. Under U.S. GAAP, the Company has the option to first assess qualitative factors in order to determine if it is more likely than not that the fair value of one of its reporting units is greater than its carrying value (“Step 0”). If the qualitative assessment leads to a determination that the reporting unit’s fair value is less than its carrying value, or if the Company elects to bypass the qualitative assessment altogether, it is required to perform a quantitative impairment test (“Step 1”) by calculating the fair value of the reporting unit and comparing the fair value with its associated carrying value. During the fiscal year 2024 annual impairment test, the Company first assessed goodwill recoverability qualitatively using the Step 0 approach for each reporting unit. For the qualitative assessment, the Company considered the most recent quantitative analysis, which was performed during the fourth quarter of fiscal year 2023 for all three reporting units, including assumptions used, such as discount rates, indicated fair values, and the amounts by which those fair values exceeded their carrying amounts. Further, the Company compared actual performance in fiscal year 2024 to the internal financial projections used in the prior quantitative analyses. Additionally, the Company considered various other factors including macroeconomic conditions, relevant industry and market trends, and factors specific to the Company that could indicate a potential change in the fair value of the reporting units. Lastly, the Company evaluated whether any events have occurred or any circumstances have changed since that time that would indicate that goodwill may have become impaired since the last quantitative tests. Based on these qualitative assessments, the Company determined it is more likely than not that the fair value of each reporting unit exceeds its respective carrying value and as such, goodwill was not considered impaired as of May 1, 2024, and the Step 1 quantitative goodwill impairment analysis was not necessary. No goodwill impairment charges were recognized during the year ended July 31, 2024.

Other Intangible and Long-Lived Assets — Intangible assets with definite lives are amortized on a straight-line basis over their estimated useful lives to reflect the pattern of economic benefits consumed. Intangible assets with indefinite lives as well as goodwill are not subject to amortization. These assets are assessed for impairment on an annual basis or more frequently if events or changes in circumstances have occurred that indicate the asset may not be recoverable or that the remaining estimated useful life may warrant revision. In addition, the Company performs qualitative assessments on a quarterly basis of significant events and circumstances, such as historical and current results, assumptions regarding future performance, and strategic initiatives and overall economic factors.

The Company evaluates indefinite-lived intangible assets for impairment by comparing the estimated fair value of the asset to the carrying value. Fair value is estimated using the income approach based upon current sales projections applying the relief from royalty method. If the carrying value of the indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. The Company evaluates long-lived assets, including finite-lived intangible assets, operating lease assets, and property, plant, and equipment, for recoverability by comparing an estimate of undiscounted future cash flows, derived from internal forecasts, over the remaining life of the primary asset to the carrying amount of the asset group. To the extent the undiscounted future cash flows attributable to the asset are less than the carrying amount, an impairment loss is recognized for the amount by which the carrying value of the asset exceeds its fair value.

In fiscal 2024, long-lived and other intangible assets were analyzed for potential impairment. As a result of the analysis, no impairment charges were recorded.

Leases — The Company accounts for leases in accordance with Accounting Standards Codification ("ASC") 842 "Leases." The Company determines whether an arrangement contains a lease at contract inception based on whether the arrangement provides the Company with the right to direct the use of and the right to obtain substantially all of the economic benefits from an identified asset in exchange for consideration. The Company recognizes a right-of-use ("ROU") asset and lease liability for its lease commitments with initial terms greater than one year.

The initial measurement of ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the expected lease term. The ROU asset also includes any lease payments made on or before the commencement date, initial direct costs incurred, and is reduced by any lease incentives received. Some of the Company’s leases include options to extend the lease agreement, of which the exercise is at the Company’s sole discretion. The majority of renewal options are not included in the calculation of ROU assets and liabilities as they are not reasonably certain to be exercised. Some of the Company's lease agreements include rental payments that are adjusted periodically for inflation or the change in an index or rate. These variable lease payments are generally excluded from the initial measurement of the ROU asset and lease liability and are recognized in the period in which the obligation for those payments is incurred. The Company has lease agreements that include both lease and non-lease components, which the Company elected to account for as a single lease component.

The Company determines the present value of future lease payments using its incremental borrowing rate, as the discount rate implicit within the Company’s leases generally cannot be readily determined. The incremental borrowing rate is estimated based on the sovereign credit rating for the countries in which the Company has its largest operations, adjusted for several factors, such as internal credit spread, lease terms, and other market information available at the lease commencement date.

As of July 31, 2024, all leases are accounted for as operating leases, with lease expense being recognized on a straight-line basis over the lease term. Operating leases are reflected in “Operating lease assets,” “Current operating lease liabilities,” and “Long-term operating lease liabilities” in the accompanying Consolidated Balance Sheets. Operating lease expense is recognized in either cost of goods sold or selling, general, and administrative expenses in the Consolidated Statements of Income, based on the nature of the lease. ROU assets are evaluated for impairment in the same manner as long-lived assets. No impairment charges were recognized related to operating lease assets during the year ended July 31, 2024.

Revenue Recognition — The Company recognizes revenue when a sales arrangement with a customer exists, the transaction price is fixed or determinable and the Company has satisfied its performance obligations per the sales arrangement. The majority of the Company’s revenue relates to the sale of identification and safety products and revenue is recognized at the point in which the customer obtains control of the products. The Company considers control to have transferred when legal title, physical possession, and the significant risks and rewards of ownership of the asset have transferred to the customer and the collection of the transaction price is reasonably assured, most of which occur upon the shipment or delivery of goods to customers. Revenue is measured at the determinable transaction price, net of estimated sales returns, including product returns and credit memos, and sales rebates. The Company estimates product returns and credit memos based on historical return rates. As of July 31, 2024 and 2023, the allowance for product returns and credit memos was $4,210 and $4,801, respectively.

Shipping and Handling Costs — Shipping and handling fees billed to a customer in a sale transaction are reported as net sales and the related costs incurred for shipping and handling are reported in cost of goods sold.

Advertising Costs — Advertising costs are expensed as incurred. Advertising expense for the years ended July 31, 2024, 2023, and 2022 was $50,296, $53,591, and $55,568, respectively.

Stock-Based Compensation — The Company measures and recognizes the compensation expense for all share-based awards made to employees and directors based on estimated grant-date fair values. The Black-Scholes option valuation model is used to determine the fair value of stock option awards on the date of grant. The Company recognizes the compensation cost, net of estimated forfeitures, of all share-based awards on a straight-line basis over the vesting period of the award. If it is determined that it is unlikely the award will vest, the expense recognized to date for the award is generally reversed in the period in which this is evident and the remaining expense is not recorded.

The Black-Scholes model requires the use of assumptions which determine the fair value of stock-based awards. The Company uses historical data regarding stock option exercise behaviors to estimate the expected term of options granted based on the period of time that options granted are expected to be outstanding. Expected volatilities are based on the historical volatility of the Company’s stock. The expected dividend yield is based on the Company’s historical dividend payments and historical yield. The risk-free interest rate is based on the U.S. Treasury yield curve in effect on the grant date for the length of time corresponding to the expected term of the option. The market value is calculated as the average of the high and the low stock price on the date of the grant. Refer to Note 7, “Stockholders' Equity” for more information regarding the Company’s incentive stock plans.

Research and Development — Amounts expended for research and development are expensed as incurred.

Other Comprehensive Income — Other comprehensive income consists of net unrealized gains and losses from cash flow hedges, the unamortized gain on defined-benefit pension plans net of their related tax effects, and foreign currency translation adjustments, which includes the impact of foreign currency translations, the settlements of net investment hedges, and long-term intercompany loan translation adjustments.

Foreign Currency Translation — The assets and liabilities of subsidiaries whose functional currency is a currency other than the U.S. dollar are translated into U.S. dollars at end of period rates of exchange, and income and expense accounts are translated at the average rates of exchange for the period. Resulting foreign currency translation adjustments are included in other comprehensive income.

Income Taxes — The Company accounts for income taxes in accordance with ASC 740 "Income Taxes." Deferred income tax assets and liabilities are recognized for the expected future tax consequences attributable to differences between the financial reporting and tax basis of assets and liabilities. Deferred tax assets and liabilities are measured using the currently enacted tax laws and rates applicable to the periods in which the differences are expected to be realized or settled. Valuation allowances are established when it is estimated that it is more likely than not that the tax benefit of the deferred tax asset will not be realized. The Company recognizes the benefit of income tax positions only if those positions are more likely than not to be sustained upon examination by the tax authority. Changes in recognition or measurement are reflected in the period in which a change in judgment occurs.

Fair Value of Financial Instruments — The Company believes that the carrying amount of its financial instruments (cash and cash equivalents, accounts receivable, accounts payable, and other current liabilities) approximates fair value due to the short-term nature of these instruments. Refer to Note 6, "Debt" for more information regarding the fair value of long-term debt and Note 13, "Fair Value Measurements" for information regarding fair value measurements.

Foreign Currency Hedging — The objective of the Company's foreign currency exchange risk management is to minimize the impact of currency movements on non-functional currency transactions and minimize the foreign currency translation impact on the Company's foreign operations. While the Company's risk management objectives and strategies are driven from an economic perspective, the Company attempts, where possible and practical, to ensure that the hedging strategies it engages in qualify for hedge accounting and result in accounting treatment where the earnings effect of the hedging instrument provides substantial offset (in the same period) to the income effect of the hedged item.

The Company recognizes derivative instruments as either assets or liabilities in the accompanying Consolidated Balance Sheets at fair value. Gains and losses resulting from changes in fair value of the derivatives designated as hedges are recorded as a component of Accumulated Other Comprehensive Income ("AOCI") in the accompanying Consolidated Balance Sheets and in the Consolidated Statements of Comprehensive Income and are reclassified into the same income statement line item in the period or periods during which the hedged transaction affects income. Refer to Note 14, "Derivatives and Hedging Activities" for more information regarding the Company's derivative instruments and hedging activities.

New Accounting Standards

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures." The guidance requires expanded interim and annual disclosures of segment information including the disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within segment profit and loss. The guidance is effective for the Company's fiscal year 2025 Form 10-K and interim periods thereafter. The adoption of this guidance is not anticipated to have a material impact on the consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The guidance requires expanded annual disclosures including the standardization and disaggregation of income tax rate reconciliation categories and the amount of income taxes paid by jurisdiction. The guidance is effective for the Company's fiscal year 2026 Form 10-K. The adoption of this guidance is not anticipated to have a material impact on the consolidated financial statements.

2. Goodwill

Changes in the carrying amount of goodwill by reportable segment for the years ended July 31, 2024 and 2023, were as follows:

	IDS	WPS	Americas & Asia	Europe & Australia	Total
Balance as of July 31, 2022	$ 556,151	$ 30,681	$ —	$ —	$ 586,832
Translation adjustments	3,319	625	1,079	2,745	7,768
Reallocation due to change in segments	(559,470)	(31,306)	442,290	148,486	—
Divestiture of business	—	—	(1,954)	—	(1,954)
Balance as of July 31, 2023	$ —	$ —	$ 441,415	$ 151,231	$ 592,646
Translation adjustments	—	—	(2,236)	(799)	(3,035)
Balance as of July 31, 2024	$ —	$ —	$ 439,179	$ 150,432	$ 589,611

Effective February 1, 2023, the Company is organized and managed within two regions: Americas & Asia and Europe & Australia, which are the reportable segments. Prior to February 1, 2023, the Company was organized and managed on a global basis within two business platforms: Identification Solutions ("IDS") and Workplace Safety ("WPS"). As a result, goodwill was allocated to the new reportable segments in accordance with ASC 350, "Intangibles - Goodwill and Other."

Goodwill decreased $3,035 during the year ended July 31, 2024 due to the negative effects of foreign currency translation.

Goodwill increased $5,814 during the year ended July 31, 2023 mainly due to the positive effects of foreign currency translation, which was partially offset by a reduction due to the sale of our PremiSys business within the Americas & Asia segment.

The qualitative assessment performed on May 1, 2024, in accordance with ASC 350, "Intangibles - Goodwill and Other" indicated that it is more likely than not that the fair value exceeds the carrying value for each of the three reporting units with goodwill (North America, Europe and Latin America).

3. Other Intangible Assets

Other intangible assets include customer relationships, tradenames, and technology with finite lives being amortized in accordance with the accounting guidance for other intangible assets. The Company also has unamortized indefinite-lived tradenames that are classified as other intangible assets.

Other intangible assets as of July 31, 2024 and 2023 consisted of the following:

	July 31, 2024				July 31, 2023			
	Weighted Average Amortization Period (Years)	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted Average Amortization Period (Years)	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Amortized other intangible assets:								
Tradenames	3	$ 600	$ (600)	$ —	3	$ 1,114	$ (947)	$ 167
Customer relationships	9	64,430	(23,279)	41,151	9	64,513	(15,947)	48,566
Technology	5	9,300	(6,182)	3,118	5	9,313	(4,235)	5,078
Unamortized other intangible assets:								
Tradenames	N/A	7,570	—	7,570	N/A	8,285	—	8,285
Total		$ 81,900	$ (30,061)	$ 51,839		$ 83,225	$ (21,129)	$ 62,096

The decrease in the gross carrying amount of amortized other intangible assets as of July 31, 2024 compared to July 31, 2023 was primarily due to the disposal of a discontinued tradename.

Amortization expense on intangible assets during the years ended July 31, 2024, 2023, and 2022 was $9,421, $11,739, and $14,966, respectively. Amortization expense over each of the next five fiscal years is projected to be $9,145, $8,268, $7,759, $7,351, and $7,006 for the fiscal years ending July 31, 2025, 2026, 2027, 2028, and 2029, respectively.

4. Leases

The Company leases certain manufacturing facilities, warehouses and office space, computer equipment, and vehicles accounted for as operating leases. Lease terms typically range from one year to ten years. As of July 31, 2024 and 2023, the Company did not have any finance leases.

Short-term lease expense, variable lease expenses, and sublease income were immaterial to the Consolidated Statements of Income for the year ended July 31, 2024.

The following table summarizes lease expense recognized during the years ended July 31, 2024, 2023 and 2022:

	Consolidated Statements of Income Location	July 31, 2024	July 31, 2023	July 31, 2022
Operating lease cost	Cost of goods sold	$ 6,257	$ 6,589	$ 7,893
Operating lease cost	Selling, general, and administrative expenses	9,220	9,424	9,822

The following table summarizes the maturity of the Company's lease liabilities as of July 31, 2024:

Years ending July 31,	Operating Leases
2025	$ 15,033
2026	11,693
2027	7,125
2028	3,418
2029	2,869
Thereafter	2,817
Total lease payments	$ 42,955
Less: interest	(4,231)
Present value of lease liabilities	$ 38,724

The weighted average remaining lease terms and discount rates for the Company's operating leases as of July 31, 2024 and 2023 were as follows:

	July 31, 2024	July 31, 2023
Weighted average remaining lease term (in years)	3.8	2.6
Weighted average discount rate	5.1 %	4.3 %

Supplemental cash flow information related to the Company's operating leases during the years ended July 31, 2024 and 2023 were as follows:

	2024	2023
Operating cash outflows from operating leases	$ 16,496	$ 17,739
Operating lease assets obtained in exchange for new operating lease liabilities (1)	23,438	12,583

(1) Includes new leases and remeasurements or modifications of existing leases.

The Company evaluates right-of-use assets for impairment in the same manner as long-lived assets. No impairment charges were recorded during the years ended July 31, 2024, 2023 or 2022.

5. Employee Benefit Plans

The Company provides postretirement medical benefits (the “Plan”) for eligible regular full and part-time domestic employees (including spouses) who retired prior to January 1, 2016, as outlined by the Plan. The Plan is unfunded, and the liability, unrecognized gain, and associated income statement impact are immaterial. The current portion and non-current portion of the liabilities for postretirement medical benefits are included in “Other current liabilities” and “Other liabilities," respectively, on the accompanying Consolidated Balance Sheets as of July 31, 2024 and 2023. The unrecognized gain is reported as a component of AOCI.

The Company also has two deferred compensation plans, the Executive Deferred Compensation Plan and the Director Deferred Compensation Plan which allow for compensation to be deferred into either the Company's Class A Nonvoting Common Stock or in other investment funds. Neither plan allows funds to be transferred between the Company's Class A Nonvoting Common Stock and the other investment funds. The Company has an additional non-qualified deferred compensation plan, the Brady Restoration Plan, which allows an equivalent benefit to the Matched 401(k) Plan and the Funded Retirement Plan for executives' income exceeding the IRS limits for participation in a qualified 401(k) plan. Deferred compensation of $20,029 and $18,288 was included in "Other liabilities" in the accompanying Consolidated Balance Sheets as of July 31, 2024 and 2023, respectively.

The Company has retirement and profit-sharing plans covering substantially all full-time domestic employees and certain employees of its foreign subsidiaries. Contributions to the plans are determined annually or quarterly, according to the respective plan, based on income of the respective companies and employee contributions. Accrued retirement and profit-sharing contributions of $3,656 and $3,717 were included in "Other current liabilities" in the accompanying Consolidated Balance Sheets as of July 31, 2024 and 2023, respectively. The amounts charged to expense for these retirement and profit sharing plans were $16,134, $15,089, and $15,063 during the years ended July 31, 2024, 2023 and 2022, respectively.

6. Debt

On August 1, 2019, the Company and certain of its subsidiaries entered into an unsecured $200 million multi-currency credit agreement with a group of five banks.

On December 21, 2021, the Company and certain of its subsidiaries entered into an amendment to the credit agreement dated August 1, 2019, which replaced the variable benchmark rate from LIBOR to other benchmark rates, including SOFR, SONIA, Euribor and TIBOR.

On November 14, 2022, the Company and certain of its subsidiaries entered into a Second Amendment to Credit Agreement (“Amendment No. 2”) with a group of six banks, which amended the original credit agreement dated August 1, 2019. Amendment No. 2 amended the credit agreement to, among other items, (a) increase the lending commitments by $100 million for total lending commitments of $300 million, (b) extend the final maturity date to November 14, 2027, (c) increase the interest rate on certain borrowings by 0.125%, and (d) increase the available amount under the credit agreement, at the Company's option and subject to certain conditions, from $300 million up to (i) an amount equal to the incremental borrowing necessary to bring the Company's consolidated net debt-to-EBITDA ratio as defined in the credit agreement to 2.5 to 1.0 plus (ii) $200 million. Borrowings under Amendment No. 2 are unsecured and are guaranteed by certain of the Company's domestic subsidiaries.

As of July 31, 2024, the outstanding balance on the credit agreement was $90.9 million. The maximum amount outstanding on the credit agreement during the year ended July 31, 2024 was $90.9 million. As of July 31, 2024, there was $207.3 million available for future borrowing, which can be increased to $1,042.3 million at the Company's option, subject to certain conditions. The credit agreement has a final maturity date of November 14, 2027. As such, borrowings are classified as long-term on the Consolidated Balance Sheets.

The Company’s credit agreement requires it to maintain certain financial covenants, including a ratio of debt to trailing twelve months EBITDA, as defined in the agreement, of not more than a 3.5 to 1.0 ratio (leverage ratio) and trailing twelve months EBITDA to interest expense of not less than a 3.0 to 1.0 ratio (interest expense coverage ratio). As of July 31, 2024, the Company was in compliance with these financial covenants, with a ratio of debt to EBITDA, as defined by the agreements, equal to 0.3 to 1.0 and the interest expense coverage ratio equal to 93.2 to 1.0.

As of July 31, 2024 and 2023, borrowings on the credit agreement were as follows:

	July 31, 2024		July 31, 2023	
	Amount Outstanding (thousands)	Weighted Average Interest Rate	Amount Outstanding (thousands)	Weighted Average Interest Rate
Revolving credit agreement (1)	$ 90,935	5.3 %	$ 49,716	5.2 %

(1) Borrowings under the revolving credit agreement as of July 31, 2024 included USD-denominated, British pound-denominated and Euro-denominated borrowings of $32,000, $10,267 and $48,668, respectively. The weighted average interest rate of the USD-denominated, British pound-denominated and Euro-denominated borrowings was 6.3%, 6.1% and 4.5%, respectively, as of July 31, 2024.

Borrowings under the revolving credit agreement as of July 31, 2023 included USD-denominated, British pound-denominated and Euro-denominated borrowings of $13,000, $10,280 and $26,436. The weighted average interest rate of the USD-denominated, British pound-denominated and Euro-denominated borrowings was 6.3%, 5.8% and 4.4%, respectively, as of July 31, 2023.

Due to the variable interest rate pricing of the Company's revolving debt, it is determined that the carrying value of the debt equals the fair value of the debt.

The Company had outstanding letters of credit of $1,766 and $1,995 at July 31, 2024 and 2023, respectively.

7. Stockholders' Equity

Information as to the Company’s capital stock as of July 31, 2024 and 2023 was as follows:

	July 31, 2024			July 31, 2023		
	Shares Authorized	Shares Issued	Amount (thousands)	Shares Authorized	Shares Issued	Amount (thousands)
Preferred Stock, $.01 par value	5,000,000			5,000,000		
Cumulative Preferred Stock: 6% Cumulative	5,000			5,000		
1972 Series	10,000			10,000		
1979 Series	30,000			30,000		
Common Stock, $.01 par value: Class A Nonvoting	100,000,000	51,261,487	$ 513	100,000,000	51,261,487	$ 513
Class B Voting	10,000,000	3,538,628	35	10,000,000	3,538,628	35
			$ 548			$ 548

Before any dividend may be paid on the Class B Common Stock, holders of the Class A Common Stock are entitled to receive an annual, noncumulative cash dividend of $0.01665 per share. Thereafter, any further dividend in that fiscal year must be paid on each share of Class A Common Stock and Class B Common Stock on an equal basis.

Other than as required by law, holders of the Class A Common Stock are not entitled to any vote on corporate matters, unless, in each of the three preceding fiscal years, the $0.01665 preferential dividend described above has not been paid in full. Holders of the Class A Common Stock are entitled to one vote per share for the entire fiscal year immediately following the third consecutive fiscal year in which the preferential dividend is not paid in full. Holders of Class B Common Stock are entitled to one vote per share for the election of directors and for all other purposes.

Upon liquidation, dissolution or winding up of the Company, and after distribution of any amounts due to holders of Preferred Stock, if any, holders of the Class A Common Stock are entitled to receive the sum of $0.8333 per share before any payment or distribution to holders of the Class B Common Stock. Thereafter, holders of the Class B Common Stock are entitled to receive a payment or distribution of $0.8333 per share. Thereafter, holders of the Class A Common Stock and Class B Common Stock share equally in all payments or distributions upon liquidation, dissolution or winding up of the Company.

The preferences in dividends and liquidation rights of the Class A Common Stock over the Class B Common Stock will terminate at any time that the voting rights of Class A Common Stock and Class B Common Stock become equal.

The following is a summary of other activity in stockholders' equity during the years ended July 31, 2024, 2023, and 2022:

	Deferred Compensation	Shares Held in Rabbi Trust, at cost	Total
Balances at July 31, 2021	$ 10,534	$ (10,534)	$ —
Shares at July 31, 2021	315,916	315,916	
Sale of shares at cost	$ (721)	$ 721	$ —
Purchase of shares at cost	1,242	(1,242)	—
Balances at July 31, 2022	$ 11,055	$ (11,055)	$ —
Shares at July 31, 2022	318,285	318,285	
Sale of shares at cost	$ (739)	$ 739	$ —
Purchase of shares at cost	1,067	(1,067)	—
Balances at July 31, 2023	$ 11,383	$ (11,383)	$ —
Shares at July 31, 2023	318,198	318,198	
Sale of shares at cost	$ (889)	$ 889	$ —
Purchase of shares at cost	1,217	(1,217)	—
Balances at July 31, 2024	$ 11,711	$ (11,711)	$ —
Shares at July 31, 2024	312,124	312,124	

Deferred Compensation Plans

The Company has two deferred compensation plans, the Executive Deferred Compensation Plan and the Director Deferred Compensation Plan that allow for compensation to be deferred into either the Company's Class A Nonvoting Common Stock or into other investment funds. Neither plan allows funds to be transferred between the Company's Class A Nonvoting Common Stock and the other investment funds.

At July 31, 2024, the deferred compensation balance in stockholders' equity represents the investment at the original cost of shares held in the Company's Class A Nonvoting Common Stock for the deferred compensation plans. The balance of shares held in the Rabbi Trust represents the investment in the Company's Class A Nonvoting Common Stock at the original cost of all the Company's Class A Nonvoting Common Stock held in deferred compensation plans.

Incentive Stock Plans

The Company has an incentive stock plan under which the Board of Directors may grant nonqualified stock options to purchase shares of Class A Nonvoting Common Stock, restricted stock units ("RSUs"), performance-based restricted stock units ("PRSUs"), or restricted and unrestricted shares of Class A Nonvoting Common Stock to employees and non-employee directors. Certain awards may be subject to pre-established performance goals. The majority of the Company's annual share-based awards are granted in the first quarter of the fiscal year.

As of July 31, 2024, the Company has reserved 1,474,258 shares of Class A Nonvoting Common Stock for outstanding stock options and RSUs and 4,862,004 shares of Class A Nonvoting Common Stock remain for future issuance of stock options and restricted and unrestricted shares under the active plans. The Company uses treasury stock or will issue new Class A Nonvoting Common Stock to deliver shares under these plans.

Total stock-based compensation expense recognized during the years ended July 31, 2024, 2023, and 2022, was $7,361, $7,508, and $10,504, respectively. The total income tax benefit recognized in the consolidated statements of income was $1,014, $1,497 and $507 during the years ended July 31, 2024, 2023, and 2022, respectively.

Stock Options

The stock options issued under the plan have an exercise price equal to the fair market value of the underlying stock at the date of grant and generally vest ratably over a three-year period, with one-third becoming exercisable one year after the grant date and one-third additional in each of the succeeding two years. Options issued under the plan, referred to herein as "time-based" options, generally expire 10 years from the date of grant.

The Company has estimated the fair value of its time-based stock option awards granted during the years ended July 31, 2024, 2023, and 2022, using the Black-Scholes option valuation model. The weighted-average assumptions used in the Black-Scholes valuation model are reflected in the following table:

Black-Scholes Option Valuation Assumptions	**2024**	**2023**	**2022**
Expected term (in years)	5.40	5.71	6.23
Expected volatility	30.23 %	29.64 %	30.04 %
Expected dividend yield	1.89 %	2.01 %	2.26 %
Risk-free interest rate	4.72 %	3.66 %	1.27 %

The following is a summary of stock option activity for the year ended July 31, 2024:

Time-Based Options	**Options Outstanding**	**Weighted Average Exercise Price**	**Weighted Average Remaining Contractual Term (Years)**	**Aggregate Intrinsic Value**
Outstanding as of July 31, 2023	1,546,783	$ 42.05		
Granted	53,062	54.74		
Exercised	(352,983)	35.20		
Forfeited	(24,816)	48.08		
Outstanding as of July 31, 2024	1,222,046	$ 44.46	5.5	$ 33,087
Exercisable as of July 31, 2024	1,038,471	$ 43.70	5.1	$ 28,906

The following table summarizes additional stock option information:

	2024	**2023**	**2022**
Weighted-average fair value of options granted during the period	$ 16.41	$ 12.14	$ 11.55
Intrinsic value of options exercised during the period (in thousands)	8,860	1,822	4,269
Fair value of options vested during the period (in thousands)	2,020	3,384	2,446
Cash received from the exercise of stock options during the period (in thousands)	8,186	4,091	1,082
Tax benefit on options exercised during the period (in thousands)	2,215	455	1,067

As of July 31, 2024, total unrecognized compensation cost related to options that are expected to vest was $911 pre-tax, net of estimated forfeitures, which the Company expects to recognize over a weighted-average period of 1.6 years.

RSUs

RSUs issued under the plan have a grant date fair value equal to the market price of the Company's stock at the date of grant and generally vest ratably over three years, with one-third vesting one year after the grant date and one-third additional in each of the succeeding two years.

The following tables summarize the RSU activity during the year ended July 31, 2024:

RSUs	Shares	Weighted Average Grant Date Fair Value
Non-vested RSUs as of July 31, 2023	133,868	$ 46.55
Granted	95,145	55.43
Vested	(69,001)	45.98
Forfeited	(11,021)	50.36
Non-vested RSUs as of July 31, 2024	148,991	$ 52.20

The RSUs granted during the years ended July 31, 2023 and 2022, had a weighted-average grant-date fair value of $45.22 and $48.96, respectively.

The total fair value of time-based RSUs vested during the years ended July 31, 2024, 2023 and 2022, was $3,888, $3,734, and $3,669, respectively.

As of July 31, 2024, total unrecognized compensation cost related to RSUs that are expected to vest was $3,178 pre-tax, net of estimated forfeitures, which the Company expects to recognize over a weighted-average period of 1.9 years.

PRSUs

PRSUs are contingent on the achievement of predetermined market and performance targets. The PRSUs granted under the plan vest at the end of a three-year performance period provided the service period and specified performance targets are met. For the PRSUs granted during the year ended July 31, 2024, awards will vest based on achievement of performance conditions relating to Company revenue and diluted EPS targets. For the PRSUs granted during the years ended July 31, 2023 and 2022, the vesting criteria for 50% of the grant is based upon the Company's total shareholder return ("TSR") relative to the S&P 600 SmallCap Industrials Index over a three-year performance period, and the vesting criteria for the remaining 50% of the grant is based upon Company revenue targets.

The PRSUs granted during the year ended July 31, 2024 had a fair value determined by the average of the high and low stock price on the date of grant.

The following tables summarize the PRSU activity during the year ended July 31, 2024:

PRSUs	Shares	Weighted Average Grant Date Fair Value
Non-vested PRSUs as of July 31, 2023	63,448	$ 58.39
Granted	65,956	51.16
Vested	(2,786)	60.73
Forfeited	(23,397)	59.47
Non-vested PRSUs as of July 31, 2024	103,221	$ 53.46

The PRSUs granted during the year ended July 31, 2023 and 2022, had a weighted-average grant-date fair value of $55.77 and $61.76, respectively. The total fair value of PRSUs vested during the years ended July 31, 2024, 2023 and 2022, was $141, $889, and $4,098, respectively.

As of July 31, 2024, total unrecognized compensation cost related to PRSUs that are expected to vest was $3,227 pre-tax, net of estimated forfeitures, which the Company expects to recognize over a weighted-average period of 1.9 years.

8. Accumulated Other Comprehensive Loss

Other comprehensive loss consists of foreign currency translation adjustments which includes net investment hedges and long-term intercompany loan translation adjustments, unrealized gains from cash flow hedges, and the unamortized gain on post-retirement plans, net of their related tax effects.

The following table illustrates the changes in the balances of each component of accumulated other comprehensive loss, net of tax, for the periods presented:

	Unrealized gain on cash flow hedges	Unamortized gain on postretirement plans	Foreign currency translation adjustments	Accumulated other comprehensive loss
Ending balance, July 31, 2022	$ 954	$ 1,436	$ (111,467)	$ (109,077)
Other comprehensive income (loss) before reclassification	2,292	(352)	16,009	17,949
Amounts reclassified from accumulated other comprehensive loss	(1,605)	(328)	—	(1,933)
Ending balance, July 31, 2023	$ 1,641	$ 756	$ (95,458)	$ (93,061)
Other comprehensive (loss) income before reclassification	(124)	160	(14,477)	(14,441)
Amounts reclassified from accumulated other comprehensive loss	(1,666)	(454)	—	(2,120)
Ending balance, July 31, 2024	$ (149)	$ 462	$ (109,935)	$ (109,622)

The increase in accumulated other comprehensive loss as of July 31, 2024 compared to July 31, 2023 was primarily due to the appreciation of the U.S. dollar against certain other currencies during the fiscal year. Of the amounts reclassified from accumulated other comprehensive loss during the years ended July 31, 2024 and 2023, unrealized gains on cash flow hedges were reclassified into "Cost of goods sold" and net unamortized gains on post-retirement plans were reclassified into "Investment and other income" on the Consolidated Statements of Income.

The following table illustrates the income tax benefit (expense) on the components of other comprehensive (loss) income:

	Years Ended July 31,		
	2024	2023	2022
Income tax (expense) benefit related to items of other comprehensive (loss) income:			
Cash flow hedges	$ (86)	$ 147	$ (148)
Pension and other post-retirement benefits	84	202	167
Other income tax adjustments and currency translation	—	—	505
Income tax (expense) benefit related to items of other comprehensive (loss) income	$ (2)	$ 349	$ 524

9. Revenue Recognition

The Company recognizes revenue when control of the product or service transfers to the customer at an amount that represents the consideration expected to be received in exchange for those products and services.

Nature of Products

The Company’s revenues are primarily from the sale of identification solutions and workplace safety products that are shipped and billed to customers. All revenue is from contracts with customers and is included in “Net sales” on the Consolidated Statements of Income. See Note 10 “Segment Information” for the Company’s disaggregated revenue disclosure.

Performance Obligations

The Company’s contracts with customers consist of purchase orders, which in some cases are governed by master supply or distributor agreements. For each contract, the Company considers the commitment to transfer tangible products, which are generally capable of being distinct, to be separate performance obligations.

The majority of the Company's revenue is earned and recognized at a point in time through ship-and-bill performance obligations where the customer typically obtains control of the product upon shipment or delivery, depending on freight terms. The Company considers control to have transferred if legal title, physical possession, and the significant risks and rewards of ownership of the asset have transferred to the customer and the Company has a present right to payment. In almost all cases, control transfers once a product is shipped or delivered, as this is when the customer is able to direct and obtain substantially all of the remaining benefits associated with use of the asset.

Transaction Price and Variable Consideration

Revenue is measured as the amount of consideration the Company expects to be entitled to in exchange for the transfer of product to a customer. The transaction price is generally the price stated in the contract specific for each item sold, adjusted for all applicable variable considerations. Variable consideration generally includes discounts, returns, credits, rebates, or other allowances that reduce the transaction price. Certain discounts and price assurances are fixed and known at the time of sale.

The Company estimates the amount of variable consideration and reduces the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. The expected value method is used to estimate expected returns and allowances based on historical experience. The most likely amount method is used to estimate customer rebates, which are offered retrospectively and typically defined in the master supply or distributor agreement.

Payment Terms

While the Company’s standard payment terms are net 30 days, the specific payment terms and conditions in its contracts with customers vary by type and location of the customer. Cash discounts may be offered to certain customers. The Company has payment terms in its contracts with customers of less than one year, and therefore, does not recognize the time value of money or any financing component of such contracts.

Warranties

The Company offers standard warranty coverage on substantially all products which provides the customer with assurance that the product will function as intended. This standard warranty coverage is accounted for as an assurance warranty and is not considered to be a separate performance obligation. The Company records a liability for product warranty obligations at the time of sale based on historical warranty experience that is included in cost of goods sold.

The Company also offers extended warranty coverage for certain products, which it accounts for as service warranties. In most cases, the extended service warranty is included in the sales price of the product and is not sold separately. The Company considers the extended service warranty to be a separate performance obligation and allocates a portion of the transaction price to the service warranty based on the estimated stand-alone selling price. At the time of sale, the extended warranty transaction price is recorded as deferred revenue on the Consolidated Balance Sheets and is recognized on a straight-line basis over the life of the service warranty period. The deferred revenue is considered a contract liability as the Company has a right to payment at the time the product with the related extended service warranty is shipped or delivered and therefore, payment is received in advance of the Company's performance.

Contract Balances

The balance of contract liabilities associated with service warranty performance obligations was $2,947 and $2,757 as of July 31, 2024 and 2023, respectively. This also represents the amount of unsatisfied performance obligations related to contracts that extend beyond one year. The current portion and non-current portion of contract liabilities are included in “Other current liabilities” and “Other liabilities," respectively, on the accompanying Consolidated Balance Sheets. During the year ended July 31, 2024, the Company recognized revenue of $1,329 that was included in the contract liability balance at the beginning of the period from the amortization of extended service warranties. Of the contract liability balance outstanding at July 31, 2024, the Company expects to recognize 41% by the end of fiscal 2025, an additional 28% by the end of fiscal 2026, and the balance thereafter.

Costs of Obtaining a Contract

The Company expenses incremental direct costs of obtaining a contract (e.g., sales commissions) when incurred because the amortization period is generally twelve months or less. Contract costs are included in "Selling, general and administrative expense" on the Consolidated Statements of Income.

10. Segment Information

The Company is organized and managed within two regions: Americas & Asia and Europe & Australia, which are the reportable segments. The Company evaluates short-term segment performance based on segment profit and customer sales. Gain or loss on sale of businesses, interest expense, investment and other income, income taxes, and certain corporate administrative expenses are excluded when evaluating segment performance.

The following is a summary of segment information as of and for the years ended July 31, 2024, 2023 and 2022:

	2024	2023	2022
Net sales:			
Americas & Asia:			
Americas	$ 784,576	$ 787,426	$ 750,391
Asia	101,952	101,431	110,693
Total	$ 886,528	$ 888,857	$ 861,084
Europe & Australia:			
Europe	399,462	387,743	388,618
Australia	55,403	55,263	52,360
Total	$ 454,865	$ 443,006	$ 440,978
Total Company	$ 1,341,393	$ 1,331,863	$ 1,302,062
Depreciation & amortization:			
Americas & Asia	$ 22,716	$ 25,269	$ 26,950
Europe & Australia	7,157	7,101	7,232
Total Company	$ 29,873	$ 32,370	$ 34,182
Segment profit:			
Americas & Asia	$ 196,842	$ 180,503	$ 157,307
Europe & Australia	70,612	65,742	63,058
Total Company	$ 267,454	$ 246,245	$ 220,365
Assets:			
Americas & Asia	$ 849,844	$ 829,562	$ 868,922
Europe & Australia	415,607	408,163	384,341
Corporate	250,118	151,532	114,069
Total Company	$ 1,515,569	$ 1,389,257	$ 1,367,332
Expenditures for property, plant & equipment:			
Americas & Asia	$ 54,460	$ 13,256	$ 24,051
Europe & Australia	25,432	5,970	19,087
Total Company	$ 79,892	$ 19,226	$ 43,138

The following is a reconciliation of segment profit to income before income taxes for the years ended July 31, 2024, 2023 and 2022:

	Years Ended July 31,		
	2024	2023	2022
Total profit from reportable segments	$ 267,454	$ 246,245	$ 220,365
Unallocated costs:			
Administrative costs	(24,040)	(24,802)	(27,353)
Gain on sale of business	—	3,770	—
Investment and other income	7,553	4,022	244
Interest expense	(3,126)	(3,539)	(1,276)
Income before income taxes	$ 247,841	$ 225,696	$ 191,980

The following is a summary of sales by product category for the years ended July 31, 2024, 2023 and 2022:

	Years Ended July 31,		
	2024	2023	2022
Safety and Facility Identification	$ 607,235	$ 608,938	$ 581,914
Product Identification	274,429	259,164	275,836
Wire Identification	228,415	209,284	203,919
Healthcare Identification	141,767	145,225	135,364
People Identification	89,547	109,252	105,029
Total Company	$ 1,341,393	$ 1,331,863	$ 1,302,062

During fiscal 2024, the Company divested operations related to the safety and facility identification product line, while in fiscal 2023, the divested business was associated with the people identification product line.

The following is a summary of sales and long-lived assets by geographic region for the years ended July 31, 2024, 2023 and 2022:

	Revenues* Years Ended July 31,			Long-Lived Assets** As of July 31,		
	2024	2023	2022	2024	2023	2022
Geographic information:						
United States	$ 783,775	$ 790,596	$ 764,930	$ 515,193	$ 524,258	$ 543,187
Other	631,748	610,553	613,433	360,519	302,321	288,477
Eliminations	(74,130)	(69,286)	(76,301)	—	—	—
Consolidated total	$ 1,341,393	$ 1,331,863	$ 1,302,062	$ 875,712	$ 826,579	$ 831,664

* Revenues are attributed based on country of origin.

** Long-lived assets consist of property, plant and equipment, goodwill, other intangible assets, and operating lease assets.

11. Income Taxes

Income before income taxes consists of the following:

	Years Ended July 31,		
	2024	2023	2022
United States	$ 111,647	$ 92,053	$ 92,985
Other Nations	136,194	133,643	98,995
Total	$ 247,841	$ 225,696	$ 191,980

Income before income taxes in the United States increased to $111,647 in fiscal 2024 from $92,053 in fiscal 2023 primarily due to organic sales growth and improved gross profit margin.

The increase in income before income taxes in Other Nations to $133,643 in fiscal 2023 from $98,995 in fiscal 2022 was primarily due to intercompany royalty payments to the United States that occurred in fiscal 2023 which reduced Other Nations income before income taxes by $32,857.

Income tax expense consists of the following:

	Years Ended July 31,		
	2024	2023	2022
Current income tax expense:			
United States	$ 22,637	$ 26,324	$ 8,639
Other Nations	32,121	31,093	31,851
States (U.S.)	5,267	5,894	3,156
	$ 60,025	$ 63,311	$ 43,646
Deferred income tax (benefit) expense:			
United States	$ (7,999)	$ (10,577)	$ 970
Other Nations	(133)	251	(2,377)
States (U.S.)	(1,267)	(2,146)	(238)
	$ (9,399)	$ (12,472)	$ (1,645)
Total income tax expense	$ 50,626	$ 50,839	$ 42,001

The tax effects of temporary differences are as follows as of July 31, 2024 and 2023:

	July 31, 2024		
	Assets	Liabilities	Total
Inventories	$ 7,462	$ (59)	$ 7,403
Employee compensation and benefits	9,248	—	9,248
Accounts receivable	1,828	—	1,828
Fixed assets	3,507	(8,148)	(4,641)
Intangible assets	639	(48,248)	(47,609)
Capitalized R&D expenditures	20,252	—	20,252
Deferred and equity-based compensation	9,071	—	9,071
Postretirement benefits	2,463	(52)	2,411
Tax credit and net operating loss carry-forwards	43,929	—	43,929
Valuation allowances	(47,224)	—	(47,224)
Other, net	20,346	(5,462)	14,884
Total	$ 71,521	$ (61,969)	$ 9,552

	July 31, 2023		
	Assets	Liabilities	Total
Inventories	$ 8,526	$ (64)	$ 8,462
Employee compensation and benefits	8,556	—	8,556
Accounts receivable	2,202	—	2,202
Fixed assets	3,118	(9,238)	(6,120)
Intangible assets	760	(49,267)	(48,507)
Capitalized R&D expenditures	9,986	—	9,986
Deferred and equity-based compensation	9,937	—	9,937
Postretirement benefits	2,683	(100)	2,583
Tax credit and net operating loss carry-forwards	51,387	—	51,387
Valuation allowances	(52,750)	—	(52,750)
Other, net	19,826	(4,798)	15,028
Total	$ 64,231	$ (63,467)	$ 764

Tax credit carry-forwards as of July 31, 2024 consist of the following:

- Foreign net operating loss carry-forwards of $89,282, of which $69,753 have no expiration date and the remainder of which expire from fiscal 2025 to fiscal 2040.
- State net operating loss carry-forwards of $24,527, of which $2,103 have no expiration date and the remainder of which expire in fiscal 2032.
- Foreign tax credit carry-forwards of $16,054, which expire from fiscal 2025 to fiscal 2034.
- State credit carry-forwards of $13,635, which expire from fiscal 2025 to fiscal 2039.

Rate Reconciliation

A reconciliation of the income tax rate computed by applying the statutory U.S. federal income tax rate to income before income taxes to the total income tax expense is as follows:

	Years Ended July 31,		
	2024	2023	2022
Tax at statutory rate	21.0 %	21.0 %	21.0 %
International rate differential [(1)]	0.7 %	1.7 %	4.2 %
Adjustments to tax accruals and reserves	0.2 %	0.2 %	(0.1)%
Research and development tax credits	(1.6)%	(1.3)%	(1.6)%
Valuation allowance against foreign tax credits and foreign net operating loss carry-forwards	0.2 %	1.2 %	(1.2)%
Deferred tax and other adjustments, net	(0.1)%	(0.3)%	(0.4)%
Income tax rate	20.4 %	22.5 %	21.9 %

(1) Represents the foreign income tax rate differential when compared to the U.S. statutory income tax rate for the years ended July 31, 2024, 2023, and 2022.

Uncertain Tax Positions

The Company follows the guidance in ASC 740, "Income Taxes" regarding uncertain tax positions. The guidance requires application of a more-likely-than-not threshold to the recognition and de-recognition of income tax positions. A reconciliation of unrecognized tax benefits (excluding interest and penalties) is as follows:

Balance as of July 31, 2021	$ 21,912
Additions based on tax positions related to the current year	3,233
Additions for tax positions of prior years	435
Reductions for tax positions of prior years	(122)
Lapse of statute of limitations	(3,226)
Settlements with tax authorities	(1,129)
Cumulative translation adjustments and other	(539)
Balance as of July 31, 2022	$ 20,564
Additions based on tax positions related to the current year	2,902
Additions for tax positions of prior years	792
Reductions for tax positions of prior years	(19)
Lapse of statute of limitations	(2,682)
Settlements with tax authorities	(782)
Cumulative translation adjustments and other	124
Balance as of July 31, 2023	$ 20,899
Additions based on tax positions related to the current year	3,130
Additions for tax positions of prior years	1,594
Reductions for tax positions of prior years	(43)
Lapse of statute of limitations	(2,666)
Settlements with tax authorities	(257)
Cumulative translation adjustments and other	(67)
Balance as of July 31, 2024	$ 22,590

Of the $22,590 of unrecognized tax benefits, if recognized, $19,350 would affect the Company's income tax rate. The Company has classified $19,527 and $17,587, excluding interest and penalties, of the reserve for uncertain tax positions in "Other liabilities" on the Consolidated Balance Sheets as of July 31, 2024 and 2023, respectively. The Company has classified $3,063 and $3,312, excluding interest and penalties, as a reduction of long-term deferred income tax assets on the accompanying Consolidated Balance Sheets as of July 31, 2024 and 2023, respectively.

Interest expense is recognized on the amount of potentially underpaid taxes associated with the Company's tax positions, beginning in the first period in which interest starts accruing under the respective tax law and continuing until the tax positions are settled. The Company recognized interest expense of $893, $700, and $701 on the reserve for uncertain tax positions during the years ended July 31, 2024, 2023, and 2022, respectively. The Company also recognized benefits related to penalties of $38, $281, and $82 during the years ended July 31, 2024, 2023, and 2022, respectively. These amounts are net of reversals due to reductions for tax positions of prior years, statute of limitations, and settlements. At July 31, 2024 and 2023, the Company had $4,448 and $3,581, respectively, accrued for interest on unrecognized tax benefits. Penalties are accrued if the tax position does not meet the minimum statutory threshold to avoid the payment of a penalty. At July 31, 2024 and 2023, the Company had $1,631 and $1,674, respectively, accrued for penalties on unrecognized tax benefits. Interest expense and penalties are recorded as a component of "Income tax expense" in the Consolidated Statements of Income.

The Company estimates that it is reasonably possible that the unrecognized tax benefits may be reduced by up to $4,151 in the next 12 months as a result of the resolution of worldwide tax matters, tax audit settlements, amended tax filings, and/or the expiration of statute of limitations, all of which, if recognized, would result in an income tax benefit in the Consolidated Statements of Income.

During the year ended July 31, 2024, the Company recognized $3,708 of tax benefits (including interest and penalties) associated with the lapse of statutes of limitations.

The Company and its subsidiaries file income tax returns in the U.S., various states, and foreign jurisdictions. The following table summarizes the open tax years for the Company's major jurisdictions:

Jurisdiction	Open Tax Years
United States — Federal	F’21 — F’24

12. Net Income per Common Share

Reconciliations of the numerator and denominator of the basic and diluted per share computations for the Company’s Class A and Class B common stock are summarized as follows:

	Years ended July 31,		
	2024	2023	2022
Numerator (in thousands):			
Net Income (Numerator for basic and diluted income per Class A Nonvoting Common Share)	$ 197,215	$ 174,857	$ 149,979
Less:			
Preferential dividends	(748)	(769)	(803)
Preferential dividends on dilutive stock options	(5)	(3)	(8)
Numerator for basic and diluted income per Class B Voting Common Share	$ 196,462	$ 174,085	$ 149,168
Denominator (in thousands):			
Denominator for basic income per share for both Class A and Class B	48,119	49,591	51,321
Plus: Effect of dilutive equity awards	377	278	330
Denominator for diluted income per share for both Class A and Class B	48,496	49,869	51,651
Net income per Class A Nonvoting Common Share:			
Basic	$ 4.10	$ 3.53	$ 2.92
Diluted	$ 4.07	$ 3.51	$ 2.90
Net income per Class B Voting Common Share:			
Basic	$ 4.08	$ 3.51	$ 2.91
Diluted	$ 4.05	$ 3.49	$ 2.89

Potentially dilutive securities attributable to outstanding stock options and restricted stock units were excluded from the calculation of diluted earnings per share where the combined exercise price and average unamortized fair value were greater than the average market price of Brady's Class A Nonvoting Common Stock because the effect would have been anti-dilutive. The amount of anti-dilutive shares were 113,641, 549,031, and 497,307 for the years ended July 31, 2024, 2023, and 2022, respectively.

13. Fair Value Measurements

In accordance with fair value accounting guidance, the Company determines fair value based on the exchange price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The inputs used to measure fair value are classified into the following hierarchy:

Level 1 — Unadjusted quoted prices in active markets for identical instruments that are accessible as of the reporting date.

Level 2 — Other significant pricing inputs that are either directly or indirectly observable.

Level 3 — Significant unobservable pricing inputs, which result in the use of management's own assumptions.

The following table summarizes the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis at July 31, 2024 and July 31, 2023, according to the valuation techniques the Company used to determine their fair values.

	July 31, 2024	July 31, 2023	Fair Value Hierarchy
Assets:			
Deferred compensation plan assets	$ 20,029	$ 18,288	Level 1
Foreign exchange contracts	137	492	Level 2
Liabilities:			
Foreign exchange contracts	$ 730	$ 189	Level 2

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

Deferred compensation plan assets: The Company’s deferred compensation investments consist of investments in mutual funds, which are included in "Other assets" on the accompanying Consolidated Balance Sheets. These investments were classified as Level 1 as the shares of these investments trade with sufficient frequency and volume to enable us to obtain pricing information on an ongoing basis.

Foreign exchange contracts: The Company’s foreign exchange contracts were classified as Level 2 as the fair value was based on the present value of the future cash flows using external models that use observable inputs, such as interest rates, yield curves and foreign exchange rates. See Note 14, “Derivatives and Hedging Activities,” for additional information.

There have been no transfers of assets or liabilities between the fair value hierarchy levels, outlined above, during the years ended July 31, 2024 and July 31, 2023.

See Note 6 for information regarding the fair value of the Company's long-term debt.

14. Derivatives and Hedging Activities

The Company utilizes forward foreign exchange currency contracts to reduce the exchange rate risk of specific foreign currency denominated transactions. These contracts typically require the exchange of a foreign currency for U.S. dollars at a fixed rate at a future date, with maturities of less than 18 months, which qualify as cash flow hedges or net investment hedges under the accounting guidance for derivative instruments and hedging activities. The primary objective of the Company’s foreign currency exchange risk management program is to minimize the impact of currency movements due to transactions in other than the respective subsidiaries’ functional currency and to minimize the impact of currency movements on the Company’s net investment denominated in a currency other than the U.S. dollar. To achieve this objective, the Company hedges a portion of known exposures using forward foreign exchange contracts.

Main foreign currency exposures are related to transactions denominated in the British Pound, Euro, Canadian dollar, Australian dollar, Mexican Peso, Chinese Yuan, Malaysian Ringgit and Singapore dollar. Generally, these risk management transactions will involve the use of foreign currency derivatives to minimize the impact of currency movements on non-functional currency transactions.

The U.S. dollar equivalent notional amounts of outstanding forward exchange contracts were as follows as of July 31, 2024 and 2023:

	July 31, 2024	July 31, 2023
Designated as cash flow hedges	$ 59,207	$ 39,661
Non-designated hedges	4,459	4,803
Total foreign exchange contracts	$ 63,666	$ 44,464

Cash Flow Hedges

The Company has designated a portion of its forward foreign exchange contracts as cash flow hedges and recorded these contracts at fair value on the accompanying Consolidated Balance Sheets. For these instruments, the gain or loss on the derivative is reported as a component of other comprehensive income ("OCI") and reclassified into income in the same period or periods during which the hedged transaction affects income. At July 31, 2024 and 2023, unrealized losses of $124 and unrealized gains of $1,580 have been included in AOCI, respectively.

Net Investment Hedges

The Company has designated certain third party foreign currency denominated debt borrowed under its credit agreement as net investment hedges. These debt obligations, denominated in Euros and British Pounds, were designated as net investment hedges to hedge portions of the Company's net investment in its European operations. The Company's foreign currency denominated debt obligations are valued under a market approach using publicized spot prices, and the net gains or losses attributable to the changes in spot prices are recorded as cumulative translation within AOCI and are included in the foreign currency translation adjustments section of the consolidated statements of comprehensive income. As of July 31, 2024 and July 31, 2023, the cumulative balance recognized in accumulated other comprehensive income were losses of $1,237 and $1,746, respectively, on any outstanding foreign currency denominated debt obligations.

The following table summarizes the amount of pre-tax gains and losses related to derivatives designated as hedging instruments:

	July 31, 2024	July 31, 2023	July 31, 2022
Gains (losses) recognized in OCI:			
Forward exchange contracts (cash flow hedges)	$ 517	$ 2,680	$ 1,282
Foreign currency denominated debt (net investment hedges)	509	(1,746)	—
Gains reclassified from OCI into cost of goods sold:			
Forward exchange contracts (cash flow hedges)	2,221	2,140	909

Fair values of derivative and hedging instruments in the accompanying Consolidated Balance Sheets were as follows:

	July 31, 2024			July 31, 2023		
	Prepaid expenses and other current assets	Other current liabilities	Long-term obligations	Prepaid expenses and other current assets	Other current liabilities	Long-term obligations
Derivatives designated as hedging instruments:						
Foreign exchange contracts (cash flow hedges)	$ 137	$ 726	$ —	$ 485	$ 189	$ —
Foreign currency denominated debt (net investment hedges)	—	—	34,060	—	—	36,716
Derivatives not designated as hedging instruments:						
Foreign exchange contracts (non-designated hedges)	—	4	—	7	—	—
Total derivative instruments	$ 137	$ 730	$ 34,060	$ 492	$ 189	$ 36,716

15. Contingencies

In the normal course of business, the Company is subject to a variety of investigations, claims, suits, and other legal proceedings, including but not limited to, intellectual property, employment, unclaimed property, tort, and breach of contract matters. Any legal proceedings are subject to inherent uncertainties, and these matters and their potential effects may change in the future. The Company records a liability for contingencies when a loss is deemed to be probable and the loss can be reasonably estimated. The Company currently believes that the outcomes of such proceedings will not have a material adverse impact on its business, financial position, results of operations or cash flows.

16. Subsequent Events

On August 1, 2024, the Company acquired Gravotech Holding ("Gravotech"), a global company that specializes in engraving marking and cutting solutions, headquartered in Lyon, France, for a cash purchase price of approximately €120,000, subject to a working capital adjustment provision. The Company expects to allocate a significant portion of the purchase price to goodwill and intangible assets. The assignment of goodwill to the Company's existing reporting units is not complete as of the financial statements issuance date.

On September 5, 2024, the Company announced an increase in the annual dividend to shareholders of the Company's Class A Common Stock, from $0.94 to $0.96 per share. A quarterly dividend of $0.24 will be paid on October 31, 2024, to shareholders of record at the close of business on October 10, 2024. This dividend represents an increase of 2.1% and is the 39th consecutive annual increase in dividends.

On September 4, 2024, the Company's Board of Directors authorized an increase in the Company's share repurchase program, authorizing the repurchase of an additional $100.0 million of the Company's Class A Nonvoting Common Stock. The share repurchase program may be implemented from time to time on the open market or in privately negotiated transactions and has no expiration date. The repurchased shares will be available for use in connection with the Company's stock-based plans and for other corporate purposes.

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

Disclosure Controls and Procedures:

Brady Corporation maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed by the Company in the reports filed by the Company under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports the Company files under the Exchange Act is accumulated and communicated to the Company's management, including the Company's principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. The Company carried out an evaluation, under the supervision and with the participation of its management, including its President and Chief Executive Officer and its Chief Financial Officer and Treasurer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act. Based on that evaluation, the Company's President and Chief Executive Officer and Chief Financial Officer and Treasurer concluded that the Company's disclosure controls and procedures are effective as of the end of the period covered by this report.

Management's Report on Internal Control Over Financial Reporting:

The management of Brady Corporation and its subsidiaries is responsible for establishing and maintaining adequate internal control over financial reporting for the Company, as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

With the participation of the President and Chief Executive Officer and Chief Financial Officer and Treasurer, management conducted an evaluation of the effectiveness of our internal control over financial reporting as of July 31, 2024, based on the framework and criteria established in *Internal Control — Integrated Framework (2013)*, issued by the Committee of

Sponsoring Organizations of the Treadway Commission. Based on the assessment, management concluded that, as of July 31, 2024, the Company's internal control over financial reporting is effective based on those criteria.

Because of the inherent limitations of internal control over financial reporting, misstatements may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's internal control over financial reporting, as of July 31, 2024, has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is included herein.

Changes in Internal Control Over Financial Reporting:

There were no changes in the Company's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the Company's most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Brady Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Brady Corporation and subsidiaries (the "Company") as of July 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of July 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended July 31, 2024, of the Company and our report dated September 6, 2024 expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

Milwaukee, Wisconsin
September 6, 2024

Item 9B. ***Other Information***

During the three months ended July 31, 2024, no director or Section 16 officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. ***Disclosure Regarding Foreign Jurisdictions That Prevent Inspections***

None.

PART III

Item 10. *Directors, Executive Officers and Corporate Governance*

Name	Age	Title
Russell R. Shaller	61	President, CEO and Director
Ann E. Thornton	42	Chief Financial Officer, Chief Accounting Officer and Treasurer
Olivier Bojarski	45	President – Americas & Asia
Thomas F. DeBruine	57	Chief Operating Officer
Andrew T. Gorman	44	General Counsel and Secretary
Brett Wilms	50	President – EMEA & Australia
Patrick W. Allender	77	Director
David S. Bem	55	Director
Elizabeth P. Bruno	57	Director
Joanne Collins Smee	67	Director
Nancy L. Gioia	64	Director
Christopher M. Hix	62	Director
Vineet Nargolwala	52	Director
Bradley C. Richardson	66	Director
Michelle E. Williams	63	Director

Russell R. Shaller – Mr. Shaller joined the Company in 2015 and has served on the Company's Board of Directors and as the Company's President and CEO since April 2022 after serving as the Company's Senior Vice President and President - Identification Solutions from 2015 to 2022. From 2008 to 2015, he served as President, Teledyne Microwave Solutions. Before joining Teledyne, Mr. Shaller held a number of positions of increasing responsibility at W.L. Gore & Associates, including Division Leader, Electronic Products Division from 2003 to 2008 and General Manager of Gore Photonics from 2001 to 2003. Prior to joining W.L. Gore in 1993, Mr. Shaller worked in engineering and program management positions at Westinghouse Corporation. In 2023, Mr. Shaller was elected to the Board of Directors of Quaker Houghton (NYSE: KWR). Mr. Shaller holds a bachelor's degree in electrical engineering from the University of Michigan, a master's degree in electrical engineering from Johns Hopkins University and a master's degree in business administration from the University of Delaware.

Ann E. Thornton – Ms. Thornton joined the Company in 2009 and was named Chief Financial Officer and Treasurer in April 2023 after serving as Brady's Chief Accounting Officer since 2016 and Corporate Controller and Director of Investor Relations since 2015. She held the positions of Corporate Accounting Supervisor, Corporate Accounting Manager, External Reporting Manager, Corporate Finance Manager and Director of Global Accounting from 2009 to 2014. Prior to joining the Company, Ms. Thornton was an auditor with PricewaterhouseCoopers from 2005 to 2009. She has a bachelor's degree in business administration and a master of accountancy degree from the University of Wisconsin - Madison and is a certified public accountant.

Olivier Bojarski – Mr. Bojarski joined the Company in August 2022 as President – Identification Solutions, before assuming the role of President – Americas & Asia in February 2023. From 2016 to 2022, Mr. Bojarski held several positions of increasing responsibility at Belden Incorporated and served as Executive Vice President, Broadband and 5G from 2019 to 2022. Before joining Belden, Mr. Bojarski was General Manager of a business unit within the electrification division of ABB Ltd. Prior to joining ABB, Mr. Bojarski held a number of positions of increasing responsibility at Panduit Corporation. He holds a bachelor's degree in electrical engineering from the Georgia Institute of Technology and a master's degree in business administration from Georgia State University.

Thomas F. DeBruine - Mr. DeBruine joined the Company in November 2000 and was named Chief Operating Officer in June 2024 after serving as Vice President, Global Operations since 2022 and Director of Operations - Americas since 2016. Prior to 2016, Mr. DeBruine held local, regional and global roles in manufacturing, procurement and engineering within the Company. Prior to joining the Company, Mr. DeBruine held various operating leadership roles in automotive tier one supply and electric motor manufacturing industries. He holds a bachelor of science degree in industrial technology from the University of Wisconsin – Platteville.

Andrew T. Gorman – Mr. Gorman joined the Company as General Counsel and Corporate Secretary in April 2020. Prior to joining the Company, he was employed at AptarGroup, Inc., beginning in 2012. At AptarGroup, he served as Vice President, General Counsel, North America, Compliance Officer and Assistant Secretary. Before joining AptarGroup, he counseled corporate clients in private practice, including as an attorney at Mayer Brown, LLP in Chicago, where Mr. Gorman started his legal career. He holds a juris doctor from Loyola University Chicago School of Law, a master in professional accounting from The University of Texas at Austin, a bachelor of business administration from The University of Texas at Austin and is a certified public accountant.

Brett Wilms – Brett Wilms joined the Company in June 2018 as Managing Director of Identification Solutions EMEA. In October 2022, Mr. Wilms added responsibility as the Interim General Manager of the Workplace Safety business, before being appointed to the role of President – EMEA & Australia in February 2023. Prior to joining Brady, he was Managing Director of a business within Groupe Autajon, a French publicly-traded labels and packaging group with a primary focus on the pharmaceutical market. Before joining Groupe Autajon, Mr. Wilms was Vice President of Operations EMEA for Pentair, Inc. He holds a master's degree in electrical engineering from the University of Brussels and a master's degree in business administration from the University of Minnesota.

Patrick W. Allender – Mr. Allender was elected to the Board of Directors in 2007. He serves as the Chair of the Finance Committee and as a member of the Audit and Corporate Governance Committees. He served as Executive Vice President and CFO of Danaher Corporation from 1998 to 2005 and Executive Vice President from 2005 to 2007. He served as a director of Colfax Corporation (NYSE: CFX) from 2008 to 2022, when ESAB Corporation separated from Colfax Corporation. Mr. Allender joined ESAB Corporation's (NYSE: ESAB) board in 2022, and currently serves as a director. Mr. Allender previously served as a director of Diebold Nixdorf, Inc. (NYSE: DBD) from 2011 to 2020. He has a bachelor's degree in accounting from Loyola University Maryland and is a certified public accountant. Mr. Allender's strong background in finance and accounting, as well as his past experience as the CFO of a public company, provides the Board with financial expertise and insight.

David S. Bem, Ph.D – Dr. Bem was elected to the Board of Directors in 2019. He serves as a member of the Management Development and Compensation, Audit and Technology Committees. Dr. Bem is Vice President, Science and Technology and Chief Technology Officer of PPG. Prior to PPG, he spent 8 years at Dow Chemical Company in a number of research and development roles, most recently as Vice President, Research and Development Consumer Solutions and Infrastructure Solutions, and also worked in research and development roles at Celanese Corporation and UOP/Honeywell International, Inc. He has a bachelor's degree in chemistry from West Virginia University and a doctorate in inorganic chemistry from the Massachusetts Institute of Technology. Dr. Bem's extensive experience in technology and research and development provides the Board with important expertise in new product development and innovation.

Elizabeth P. Bruno, Ph.D – Dr. Bruno was elected to the Board of Directors in 2003. She serves as the Chair of the Corporate Governance Committee and is a member of the Finance and Technology Committees. Dr. Bruno is the President of the Brady Education Foundation in Chapel Hill, North Carolina. Dr. Bruno has a bachelor's degree in psychology from the University of Rochester, a master of child clinical psychology degree from the University of North Carolina Chapel Hill and a doctorate in developmental psychology from the University of North Carolina Chapel Hill. She is the granddaughter of William H. Brady, Jr., the founder of Brady Corporation. As a result of her substantial ownership stake in the Company, as well as her family's history with the Company, she is well positioned to understand, articulate and advocate for the rights and interests of the Company's shareholders.

Joanne Collins Smee – Ms. Collins Smee was elected to the Board of Directors in 2022. She serves as a member of the Audit, Management Development and Compensation and Technology Committees. Ms. Collins Smee was the Executive Vice President and President, Americas, for Xerox Corporation and had been in this role from June 2022 until her retirement in 2023. She was also an Executive Vice President of Xerox Holdings Corporation during that same period. Previously, she was Chief Commercial, SMB and Channels Officer for Xerox from February 2020 to June 2022. Ms. Collins Smee joined Xerox in September 2018 as Senior Vice President and Chief Commercial Officer. Before Xerox, she led Technology Transformation Services for the U.S. Federal Government and spent more than two decades at IBM in global executive roles spanning client sales and delivery of technical products and services. Ms. Collins Smee has a bachelor's degree of arts from Boston College, a master of business administration degree from New York University and a master of arts degree from Columbia University. Ms. Collins Smee's extensive experience in high-technology global business and strong leadership skills, provides the Board with important expertise in product and services innovation.

Nancy L. Gioia – Ms. Gioia was elected to the Board of Directors in 2013. She serves as the Chair of the Management Development and Compensation Committee, and is a member of the Technology Committee. She was the Director, Global Electrical Connectivity and User Experience for Ford Motor Company until her retirement in 2014, where she also held a variety of engineering and technology roles including, Director, Global Electrification; Director, Sustainable Mobility Technologies and Hybrid Vehicle Programs; Director, North America Current Vehicle Model Quality; Engineering Director, Visteon/Ford Due Diligence; Engineering Director, Small Front Wheel Drive/Rear Wheel Drive Car Platforms-North America; and Vehicle Programs Director, Lifestyle Vehicles. She previously served as director of Exelon Corporation (NYSE: EXC), Meggitt PLC (LSE: MGGT), Lucid Group, Inc. (NASDAQ: LCID) and as the Executive Director of Blue Current. She has served on the Board of Directors of Power Integrations (NASDAQ: POWI) since 2022. In 2024, she was elected to the Board of Directors of Exro Technologies Inc. (TSX: EXRO) (OTCQB: EXROF). Ms. Gioia has a bachelor's degree in electrical engineering from the University of Michigan and a master of manufacturing systems engineering degree from Stanford University. Ms. Gioia has a CERT Certificate in Cyber-Risk Oversight from the National Association of Corporate Directors. Ms. Gioia's extensive experience in strategy, technology and engineering solutions, as well as in electrified vehicles, provides the Board with important expertise in product development and operations, and environmental sustainability for products and processes.

Christopher M. Hix - Mr. Hix was elected to the Board of Directors in May 2024, and he serves as a member of the Audit and Finance Committees. He served as the Executive Vice President and Chief Financial Officer of Enovis Corporation (NYSE: ENOV) from 2016 to 2022 (and its predecessor Colfax Corporation). He previously served as the Senior Vice President and Chief Financial Officer of OM Group, and as the Senior Vice President and Chief Financial Officer of Robbins & Myers. Prior to Robbins & Myers, he spent 14 years with Roper Industries (now Roper Technologies) in a variety of operating, financial and strategic roles. Mr. Hix served on the board of ESAB Corporation (NYSE: ESAB) from 2021 through 2024. Mr. Hix has a bachelor's degree in business administration from the University of Southern California and a master of business administration from St. Mary's College of California. He brings to the Company extensive knowledge and background in finance and global business operations from his past experiences as the CFO of public companies. Mr. Hix was originally identified as a director nominee by a third-party search firm through a process conducted by the Corporate Governance Committee of the Board of Directors.

Vineet Nargolwala – Mr. Nargolwala was elected to the Board of Directors in 2022. He serves as a member of the Finance and Management Development and Compensation Committees. Mr. Nargolwala is President, Chief Executive Officer and Director of Allegro MicroSystems, Inc. (NASDAQ: ALGM) and has been in these roles since June 2022. Prior to joining Allegro, Mr. Nargolwala was with Sensata Technologies from 2013 to June 2022, most recently serving as the Executive Vice President, Sensing Solutions, from March 2020 to June 2022. Before joining Sensata, he was with Honeywell International, Inc., in business strategy and leadership roles of increasing responsibility. Mr. Nargolwala has a bachelor's degree in electrical engineering from Maharaja Sayajirao University, a master of science in electrical engineering from the University of Texas-Arlington and a master in business administration from Cornell University. Mr. Nargolwala's extensive experience in high-technology global business and strong leadership skills, provides the Board with important expertise in product and services innovation.

Bradley C. Richardson – Mr. Richardson was elected to the Board of Directors in 2007 and became Chairman of the Board in May 2021. He serves as the Chair of the Board of Directors and the Chair of the Audit Committee and is a member of the Corporate Governance, Finance and Management Development and Compensation Committees. He served as the Executive Vice President and CFO of Avient Corporation from 2013 through 2020. He previously served as the Executive Vice President and CFO of Diebold, Inc. and as Executive Vice President Corporate Strategy and CFO of Modine Manufacturing. Prior to Modine, he spent 21 years with BP Amoco serving in various financial and operational roles. Mr. Richardson has served on the boards of Modine Manufacturing and Tronox, Inc. In 2023, Mr. Richardson was elected to the Board of Directors of Virco Mfg. Corporation (NASDAQ: VIRC). Mr. Richardson has a bachelor's degree in finance and economics from Miami University and a master of business administration in accounting and finance from Indiana University. He brings to the Company extensive knowledge and global experience in the areas of operations, strategy, accounting, tax accounting and finance, which are areas of critical importance to the Company as a global company.

Michelle E. Williams, Ph.D – Dr. Williams was elected to the Board of Directors in 2019. She serves as the Chair of the Technology Committee, the ESG Liaison and is a member of the Corporate Governance and Management Development and Compensation Committees. Dr. Williams served as Global Group President of Altuglas International, a subsidiary of Arkema S.A., through May 2021. Prior to joining Arkema in 2011, she spent 23 years with Rohm and Haas Company and Dow

Chemical in manufacturing, commercial, strategy and general management positions. She was General Manager, Chemical Mechanical Polishing Technologies, and later, General Manager, Adhesives and Sealants. In 2023, Dr. Williams was elected to the Board of Directors of Cabot Corporation (NYSE: CBT). She has a bachelor's degree in chemistry from Pace University and a doctorate in physical chemistry from the University of Utah. Dr. Williams' experience in commercial, technology and business leadership roles provides the Board with important expertise in innovation, new product development and operations.

All directors are elected to serve until their respective successors are elected at the next annual meeting of shareholders. Officers serve at the discretion of the Board of Directors. None of the Company's directors or executive officers has any family relationship with any other director or executive officer.

Board Leadership Structure - The Board does not have a formal policy regarding the separation of the roles of Chief Executive Officer and Chair of the Board, as the Board believes it is in the best interest of the Company to make that determination based on the position and direction of the Company and the membership of the Board. Since September 2015, the Board's leadership structure has included a non-executive Chair of the Board of Directors. Mr. Richardson, an independent director, currently serves in the position of non-executive Chair of the Board. The duties of the non-executive Chair include, among others: chairing meetings of the Board and executive sessions of the non-management directors; meeting periodically with the Chief Executive Officer and consulting as necessary with management on issues facing the Company; facilitating effective communication among the Chief Executive Officer and all members of the Board; and overseeing the Board's shareholder communication policies and procedures.

The Board believes that its current leadership structure enhances the Board's oversight of, and independence from, Company management; the ability of the Board to carry out its roles and responsibilities on behalf of the Company's shareholders; and the Company's overall corporate governance.

Risk Oversight - The Board oversees the Company's risk management processes directly and through its committees. In general, the Board oversees the management of risks inherent in the operation of the Company's businesses, the implementation of its strategic plan, its acquisition and capital allocation program and its organizational structure. Each of the Board's committees also oversees the management of Company risks that fall within the respective committee's areas of responsibility. Specifically, cybersecurity is a critical part of risk management for the Company. The Audit Committee is aware of the rapidly evolving nature of threats presented by cybersecurity incidents and is committed to the prevention, timely detection, and mitigation of the effects of any such incidents on the Company. In 2022, the Board elected Ms. Williams as the ESG Liaison to facilitate the Company's efforts in connection with sustainability and inclusivity. Additionally, the Audit Committee, Corporate Governance Committee, Management Development and Compensation Committee, Technology Committee and the ESG Liaison, each review certain risks, exposures and opportunities relating to the Company's ESG strategies, initiatives, policies and practices. The Company's management is responsible for reporting significant risks to executive management as a part of the disclosure process. The significance of the risk is assessed by executive management and escalated to the respective Board committee or the Board of Directors as deemed appropriate. The Company reviews its risk assessment with the Audit Committee annually.

Audit Committee Financial Expert - The Board of Directors has determined that at least one Audit Committee financial expert is serving on its Audit Committee. Messrs. Richardson, Chair of the Audit Committee; Allender, member of the Audit Committee; and Hix, member of the Audit Committee, are financial experts under the rules of the SEC and financially literate and independent under the rules of the NYSE.

Director Independence - A majority of the directors must meet the criteria for independence established by the Board in accordance with the rules of the NYSE. In determining the independence of a director, the Board must find that a director has no relationship that may interfere with the exercise of his or her independence from management and the Company. In undertaking this determination with respect to the Company's directors other than Mr. Shaller, President and CEO, the Board considered the commercial relationships of the Company, if any, with those entities that have employed the Company's directors. The commercial relationships, which involved the purchase and sale of products on customary terms, did not exceed the maximum amounts proscribed by the director independence rules of the NYSE. Furthermore, the compensation paid to the Company's directors by their employers was not linked in any way to the commercial relationships their employers had with the Company. After consideration of these factors, the Board concluded that the commercial relationships were not material and did not prevent the Company's directors from being considered independent. Based on application of the NYSE independence criteria, all directors, with the exception of Mr. Shaller, are deemed independent. All members of the Audit, Management Development and Compensation, and Corporate Governance Committees are deemed independent.

Meetings of Non-management Directors - The non-management directors of the Board regularly meet without any members of management present. The Chair of the Board, Mr. Richardson, is the presiding director at these sessions. In fiscal

2024, executive sessions were conducted at all regularly scheduled Board meetings. Interested parties can raise concerns to be addressed at these meetings by calling the confidential Brady hotline at 1-877-781-9309.

Audit Committee Members - The Audit Committee, which is a separately-designated standing committee of the Board of Directors, is composed of Messrs. Richardson (Chair), Allender, Bem and Hix and Ms. Collins Smee. Each member of the Audit Committee has been determined by the Board to be independent under the rules of the SEC and NYSE.

Code of Ethics - The Company has a code of ethics. This code of ethics applies to all of the Company's employees, officers and directors. The code of ethics can be viewed at the Company's corporate website, www.bradyid.com, or may be obtained in print by any person, without charge, by contacting Brady Corporation, Investor Relations, P.O. Box 571, Milwaukee, WI 53201 by contacting investor@bradycorp.com. The Company intends to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding an amendment to, or a waiver from, a provision of its code of ethics by placing such information on its website.

Insider Trading Policy - The Company's Board of Directors has adopted insider trading policies and procedures governing the purchase, sale and other dispositions of our securities by directors, officers and employees, that are reasonably designed to promote compliance with insider trading laws, rules and regulations, and any listing standards applicable to us. Our insider trading policy has been filed as Exhibit 19 to this Annual Report on Form 10-K. We reserve the right to purchase securities outside of the scope of the insider trading policy subject to compliance with applicable laws.

Corporate Governance Guidelines - Brady's Corporate Governance Principles, as well as the charters of the Audit, Corporate Governance, Finance, Management Development and Compensation, and Technology Committees, are available on the Company's Corporate website, www.bradyid.com. Shareholders may request printed copies of these documents from Brady Corporation, Investor Relations, P.O. Box 571, Milwaukee, WI 53201 or by contacting investor@bradycorp.com.

Director Qualifications - Brady's Corporate Governance Committee reviews the individual skills and characteristics of the directors, as well as the composition of the Board as a whole. This assessment includes a consideration of independence, diversity, age, skills, expertise, and industry backgrounds in the context of the needs of the Board and the Company. Although the Company has no policy regarding diversity, the Corporate Governance Committee seeks a broad range of perspectives and considers both the personal characteristics and experience of directors and prospective nominees to the Board so that, as a group, the Board will possess the appropriate talent, skills and expertise to oversee the Company's businesses. The Board does not discriminate on the basis of race, national origin, gender, religion, disability, or sexual orientation in selecting director candidates.

DELINQUENT SECTION 16(a) REPORTS

To the Company's knowledge, based solely on a review of the Section 16(a) filings and written representations that no other reports were required, during the fiscal year ended July 31, 2024, all Section 16(a) filing requirements were complied with applicable to the Company's officers, directors and greater than 10 percent beneficial owners.

Item 11. *Executive Compensation*

Compensation Discussion and Analysis

Overview

Our Compensation Discussion and Analysis describes the Company's executive compensation pay-for-performance philosophy and practices, the elements of our executive compensation programs, and the compensation decisions the Management Development and Compensation Committee (the “Committee”) has made under those programs and the factors considered in making those decisions. The Compensation Discussion and Analysis also analyzes the total compensation of Brady’s Chief Executive Officer (principal executive officer), Chief Financial Officer (principal financial officer), and the three other most highly compensated executive officers that were serving as executive officers as of July 31, 2024.

For fiscal 2024, the following named executive officers' (the “NEOs”) compensation is disclosed and discussed in this section:

- Russell R. Shaller, President, Chief Executive Officer and Director;
- Ann E. Thornton, Chief Financial Officer, Chief Accounting Officer and Treasurer;
- Olivier Bojarski, President - Americas & Asia;
- Thomas F. DeBruine, Chief Operating Officer; and
- Andrew T. Gorman, General Counsel and Secretary.

Appointment of Thomas F. DeBruine: Mr. DeBruine was appointed as Chief Operating Officer of the Company, effective June 3, 2024. Prior to June 3, Mr. DeBruine served as Vice President of Global Operations for the Company.

Executive Summary

Fiscal 2024 Business Highlights

Refer to Item 1 “General Development of Business” for a business overview and key initiatives during fiscal 2024. Highlights for fiscal 2024 include:

- Net income per diluted Class A Nonvoting Common Share was an all-time record high of $4.07 for the year ended July 31, 2024, an increase of 16.0% from fiscal 2023 Net income per diluted Class A Nonvoting Common Share of $3.51.
- Income before income taxes was $247.8 million for the year ended July 31, 2024, an increase of $22.1 million (9.8%) from fiscal 2023 income before income taxes of $225.7 million.
- Net sales were $1,341.4 million in fiscal 2024 compared to $1,331.9 million in fiscal 2023, an increase of 0.7%. Organic sales increased sales 2.6% and foreign currency translation increased sales 0.2%, while divestitures decreased sales 2.1%.

Refer to Item 7 “Management's Discussion and Analysis of Financial Condition and Results of Operations” for further discussion of fiscal 2024 results.

Fiscal 2024 Executive Summary

For fiscal 2024, the Board of Directors approved a 10.0% increase in base salary for Mr. Shaller. In addition, Mr. Shaller recommended and the Committee approved increases in base salary for Ms. Thornton and Messrs. Bojarski, DeBruine and Gorman. All increases were made to recognize the performance, current scope of responsibilities and peer company data for each executive and, with regard to Ms. Thornton and Mr. Shaller, to better align their base salary with individuals holding comparable positions at peer companies. Effective June 3, 2024, Mr. DeBruine was appointed as Chief Operating Officer of the Company. As part of Mr. DeBruine's appointment, he was awarded a 30.4% increase in his base salary.

In a change from prior fiscal years, the Company's fiscal 2024 annual equity grants consisted of 50% time-based restricted stock units (“RSUs”) and 50% performance-based restricted stock units (“PRSUs”) to align executive compensation with the creation of long-term shareholder value. The RSUs vest equally over three years and are intended to facilitate retention and align with the creation of long-term shareholder value. The PRSUs reinforce the Company's pay-for-performance philosophy because award payout increases and decreases based on Company performance. Specifically, the PRSU awards granted in fiscal

2024 will vest based on achievement of performance conditions relating to Company revenue and diluted earnings per share (“EPS”) targets as set forth in the below table:

Performance Period	Weighting
August 1, 2023 through July 31, 2024	25%
August 1, 2024 through July 31, 2025	25%
August 1, 2024 through July 31, 2026	25%
August 1, 2023 through July 31, 2026	25%

Payout opportunities will range from 0% to 200% of the target award at the end of the three-year performance period.

Executive Compensation Practices

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

Emphasis on Variable Compensation	A significant portion of each NEO's total compensation opportunity is tied to Company performance, which is intended to drive shareholder value.
Ownership Requirements	The Company believes that the interests of shareholders and executives are aligned when executives are shareholders in possession of a meaningful amount of Company stock. Furthermore, stock ownership requirements encourage positive performance behaviors and discourage executive officers from taking excessive risk. In order to encourage our executive officers and directors to acquire and retain ownership of a significant number of shares of the Company's stock, stock ownership requirements have been established and are equal to a specified multiple of the executive officer's base salary. Our NEOs are expected to obtain the required ownership levels within five years of becoming an executive officer. Refer to the heading "Stock Ownership Requirements" for further discussion of the stock ownership requirements established for each NEO and the actions that the Company may take when an executive is not in compliance with his or her respective stock ownership requirement.
Clawback Provisions	During fiscal 2024, the Committee adopted the Brady Corporation Incentive Recovery Policy, which requires the Company to recover the amount of erroneously awarded incentive-based compensation received by certain covered officers, including the NEOs, in the event of certain accounting restatements. The Incentive Recovery Policy satisfies NYSE listing requirements implementing SEC rules adopted under the Dodd-Frank Wall Street and Consumer Protection Act and applies to incentive-based compensation received on or after the effective date required by the listing requirements. The Incentive Recovery Policy is filed as Exhibit 97 to this Annual Report on Form 10-K and incorporated by reference. In addition to the Incentive Recovery Policy, there is a recoupment policy under which incentive compensation payments and/or awards may be recouped by the Company if such payments and/or awards were based on erroneous results. The recoupment policy applies to executive officers and other key executives who participate in any of the Company's incentive plans and i) have engaged in intentional misconduct that results in a material inaccuracy in the Company's financial statements, ii) have engaged in fraudulent or other willful and deliberate conduct that is detrimental to the Company or iii) there is a material, negative revision of a performance measure for which incentive compensation was paid or awarded. Under the recoupment policy, the Committee may take a variety of actions including, among others, seeking repayment of incentive compensation (cash and/or equity) that is greater than what would have been awarded if the compensation had been based on accurate results and the forfeiture of incentive compensation. As this policy suggests, the Committee believes that any incentive compensation should be based only on accurate and reliable financial and operational information, and, thus, any inappropriately paid incentive compensation should be returned to the Company for the benefit of shareholders. The Committee believes that this recoupment policy enhances the Company's compensation risk mitigation efforts.
Performance Thresholds and Caps	Excessive risk-taking is mitigated by utilizing caps on incentive plan payouts, multiple performance metrics, and different performance metrics for our annual cash incentive program and PRSUs. Our cash incentive awards are determined based on financial results for organic revenue, income before income taxes, division organic revenue and division operating income, which aggregate to a maximum payout of 200% of target. Executive officers then receive a performance rating that results in a multiplier ranging from 0% to 150%, resulting in a maximum payout of 300% of target. We grant equity compensation to executive officers that promotes long-term financial and operating performance by delivering incremental value to the extent that our stock price increases over time. PRSUs incorporate Company performance relative to a benchmark over a three-year period and have a maximum payout of 200% of target.
Insider Trading and Anti-Hedging Policy	Our Insider Trading Policy prohibits executive officers from trading during certain periods each quarter until after we publicly disclose our financial and operating results. We may impose additional restricted trading periods at any time if we believe trading by executives would be inappropriate because of developments that are, or could be, material and which have not been publicly disclosed. The Insider Trading Policy also prohibits the pledging of Company stock as collateral for loans, holding Company securities in a margin account by officers, directors or employees, and the hedging of Company securities.
Annual Risk Reviews	The Company conducts an annual compensation-related risk review and presents findings and suggested risk mitigation actions to both the Audit and Management Development and Compensation Committees.

The Company's compensation programs also maintain alignment with shareholders by not including certain features:

No Excessive Change of Control Payments	Messrs. Shaller, Bojarski and DeBruine and Ms. Thornton's maximum cash benefit is equal to two times their base salary and two times their target annual cash incentive in the year in which the termination occurs. For all other NEOs, their maximum cash benefit is equal to two times salary and two times the average annual cash incentive payment received in the three years immediately prior to the date the change of control occurs. In the event of a change of control, unexercised stock options become fully exercisable or, if canceled, each named executive officer shall be given cash or stock equal to the in-the-money value of the canceled stock options. In the event of a change of control, PRSUs and RSUs become fully vested at target.
No Reloads, Repricing, or Options Issued at a Discount	Stock options issued are not repriced, replaced, or regranted through cancellation or by lowering the option price of a previously granted option.
Policies and Practices Relating to the Timing of Equity Awards	We generally grant annual equity-based awards during the first quarter of our fiscal year based on the Committee's approval of the awards, although such timing may change from year to year. The Committee also may consider and approve interim or mid-year grants, or grants made on another basis, from time to time based on business needs, changing compensation practices or other factors, in the discretion of the Committee. The Committee does not take into account material nonpublic information in determining the timing and terms of equity-based awards, and we have not timed the disclosure of material nonpublic information for the purpose of affecting the value of executive compensation.

Compensation Philosophy and Objectives

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

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

Determining Compensation

Management Development & Compensation Committee's Role

The Committee is responsible for fulfilling the following responsibilities and duties:

- Review, approve and monitor the compensation of the Company's CEO and executive officers
- Review and approve corporate goals and objectives relevant to the CEO and executive officers and evaluate CEO and executive officer performance in light of those goals and objectives
- Review and approve executive compensation, benefits, policies and strategies to support corporate objectives
- Oversee the development process for executives and review development plans of key executives
- Evaluate compensation programs, policies and practices for potential risk and to ensure they do not foster excessive risk taking
- Administer the Company's equity incentive plans
- Consult with management regarding executive compensation

On an annual basis with respect to executive officers, the Committee approves base salary adjustments, long-term equity incentive awards, the annual cash incentives paid for the achievement of performance metrics in the prior fiscal year and the annual cash incentive performance targets for the upcoming fiscal year. In addition, the Committee annually reviews a summary of the elements of compensation for each executive officer in order to evaluate, among other items, how a potential change to an element of our compensation program would affect the respective executive officer's overall compensation. When a new executive officer is hired, the Committee is involved in reviewing and approving base salary, annual incentive target, sign-on incentives, annual equity awards, and other aspects of the executive's compensation.

Consultants' Role

The Committee has historically utilized the services of an executive compensation consulting firm to assist with the review and evaluation of compensation levels and policies on a periodic basis, as well as to provide advice with respect to new or modified compensation programs. In fiscal 2024, the Committee utilized the services of Pay Governance LLC and Pearl Meyer as compensation consultants, each of which were determined to be independent by the Corporate Governance Committee. In fiscal 2024, the compensation consultants completed an analysis of the Company's current compensation peer group, reviewed the Company's short-term and long-term incentive framework relative to market trends and the Company's strategy and objectives, completed a peer group review of CEO annual total compensation, presented to the Board of Directors any significant regulatory changes and executive compensation trends, and worked on ad hoc compensation-related requests from the Management Development & Compensation Committee throughout the year.

Management's Role

To aid in determining compensation for fiscal 2024, management obtained compensation data on peer group executive officer compensation through a subscription with Equilar, Inc. and published survey data from various third parties. Our CEO, Mr. Shaller, used this data to make recommendations to the Committee concerning compensation for each executive officer other than himself. Mr. Shaller made no recommendation with respect to his own compensation. In setting compensation for each executive officer, the Committee takes into consideration these recommendations, along with Company results during the fiscal year, the level of responsibility and demonstrated leadership capability, third-party market compensation data, and the results of annual performance reviews which, for our CEO, included a self-assessment and feedback from his direct reports and each member of the Board of Directors. The Committee also took into consideration the recommendations of Pay Governance LLC with respect to compensation elements for the CEO. Mr. Shaller did not attend the portion of any meeting during which the Committee discussed matters related specifically to his compensation.

Elements of Compensation

Our total compensation program includes five elements: base salary, annual cash incentives, long-term equity incentives, employee benefits, and perquisites. We use these elements of compensation to attract, retain, motivate, develop and reward our executives.

Our compensation philosophy is to allocate a significant portion of total compensation to long-term compensation (equity incentive awards) in order to align the achievement of performance goals for our executives with shareholder interests. For fiscal 2024, equity incentive awards comprised 67% of Mr. Shaller's total target compensation in his role as President, Chief Executive Officer and Director of the Company and on average, 33% of the total target compensation of the other NEOs.

In general, we target each NEO's total of base salary, annual cash incentive, and long-term equity incentive compensation elements to be at or near the market median (50th percentile) with an opportunity for above market median pay (generally up to the 75th percentile) if performance goals for annual and long-term incentives are achieved above target. Our compensation structure is balanced by the payment of below market median compensation to our NEOs when actual financial results or individual performance do not meet expected results. The following table describes the purpose of each compensation element and how that element is related to our pay-for-performance approach:

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

Benchmarking Total Compensation

The Committee uses peer group data to assess the reasonableness and competitiveness of several elements of compensation, including base salaries, annual cash incentives, and long-term equity awards of positions similar to those of our NEOs. The guiding principles of the Company's peer group company selection process includes considerations for company size and scope, industry focus, operational scope, product and workforce. The following 18 companies were included in the fiscal 2024 total compensation analysis conducted using publicly available data:

Albany International Corp.	Franklin Electric Co., Inc.	Methode Electronics, Inc.
Allegion plc	Graco Inc.	MSA Safety Incorporated
Barnes Group Inc.	Helios Technologies, Inc.	Nordson Corporation
EnPro Industries, Inc.	IDEX Corporation	Tennant Company
ESCO Technologies Inc.	Ingevity Corporation	TriMas Corporation
Federal Signal Corp.	Kadant Inc.	Watts Water Technologies, Inc.

Fiscal 2024 Named Executive Officer Compensation

Base Salaries

The table below reflects the base salary for each NEO in effect at the end of each fiscal year.

Named Executive Officer	July 31, 2024	July 31, 2023	Percentage Change
Russell R. Shaller	$ 874,500	$ 795,000	10.0 %
Ann E. Thornton	472,500	450,000	5.0 %
Olivier Bojarski	466,500	440,000	6.0 %
Thomas F. DeBruine [1]	450,000	320,000	40.6 %
Andrew T. Gorman	345,000	325,500	6.0 %

(1) On October 2, 2023, Mr. DeBruine received a base salary increase to $345,000 at the time annual raises were made to other NEOs. In connection with his appointment to Chief Operating Officer, Mr. DeBruine received a base salary increase to $450,000 to reflect his change in role and more closely align his compensation with market compensation for similar positions among our peer group companies.

Annual Cash Incentive Awards

All executives participate in an annual cash incentive plan. The Company is organized and managed on a global basis within two segments: Americas & Asia and Europe & Australia. Annual cash incentive award payouts to Mr. Bojarski, President of Americas & Asia, are primarily based on segment performance. Payouts to the other NEOs are based on total company performance.

Management and the Committee annually evaluate the performance metrics of the cash incentive award program, and concluded that the elements of the fiscal 2024 plan represent critical elements of the Company's performance that when combined, are designed to result in sustainable long-term sales and profit growth. Set forth below is a description of the fiscal 2024 financial performance metrics for the annual cash incentive plan:

Performance Metric	Definition	Weighting	NEO
Total sales	Total sales is measured as total net sales calculated in accordance with U.S. GAAP, excluding the impact of foreign currency translation and any current year acquisitions or divestitures.	35%	Messrs. Shaller, DeBruine, Gorman and Ms. Thornton
Total income before income taxes	Total income before income taxes is defined as total net sales minus total expenses before deducting income tax expense calculated in accordance with U.S. GAAP, excluding the impact of foreign currency translation and any current year acquisitions or divestitures.	65%	Messrs. Shaller, DeBruine, Gorman and Ms. Thornton
Division sales	Division sales is measured as division net sales calculated in accordance with U.S. GAAP, excluding the impact of foreign currency translation and any current year acquisitions or divestitures.	25%	Mr. Bojarski
Division operating income	Division operating income is measured as division net sales less cost of goods sold, selling expenses, research and development expenses, and administrative expenses calculated in accordance with U.S. GAAP, excluding the impact of foreign currency translation and any current year acquisitions or divestitures.	45%	Mr. Bojarski
Total sales	Total sales is measured as total net sales calculated in accordance with U.S. GAAP, excluding the impact of foreign currency translation and any current year acquisitions or divestitures.	10%	Mr. Bojarski
Total income before income taxes	Total income before income taxes is defined as total net sales minus total expenses before deducting income tax expense calculated in accordance with U.S. GAAP, excluding the impact of foreign currency translation and any current year acquisitions or divestitures.	20%	Mr. Bojarski

The funding level of the fiscal 2024 annual cash incentive plan was determined based on the level of achievement of the annual sales and profit metrics described above compared to stated thresholds that were established at the beginning of the fiscal year. These thresholds are set forth in the tables below for each NEO. The annual cash incentive plan also includes a minimum profit threshold that must be exceeded in order for any cash incentive amount to be funded, regardless of the achievement of revenue. In addition, plan participants must be employed on the payment date to receive the payout of their annual incentive award.

Individual contribution is determined by assessing the level of achievement of each NEO's individual annual goals combined with his or her ability to deliver on the competencies needed to achieve those goals. The competencies include items such as optimizing work processes through continuous improvement initiatives, building strong customer relationships and providing excellent customer service, creating innovative new product solutions, valuing different perspectives and developing our people. Individual annual goals and competencies are included in each NEO's performance assessment to ensure they are focused on initiatives within their area of responsibility that will increase both sales and profitability and drive long-term shareholder value.

While our objective is to set goals that are quantitative and measurable, certain elements of the performance assessment may be subjective. Assessments and rating recommendations for all executive officers, except the CEO, are delivered to the Committee by the CEO in July. The CEO provides the Committee with a self-assessment of his own performance without a rating recommendation and the Committee conducts an annual review and evaluation process to determine the CEO's performance rating.

The Company's rating system consists of five performance levels, each with a predetermined multiplier that is applied to the available annual cash incentive that is earned and payable based upon the NEO's contribution to the fiscal year objectives and their individual annual goals: Unsatisfactory - 0%; Needs Improvement - 50%; Fully Meets Objectives - 100%; Exceeds Objectives - 125%; and Outstanding - 150%. The annual cash incentive target is calculated as a percentage of the NEO's eligible compensation, which is defined as base salary paid during the fiscal year. The achievement of the financial performance metrics defined in the table above is applied to this target for each NEO, and their individual performance rating is then applied, resulting in the annual cash incentive award. The following sections detail this calculation for each NEO.

Messrs. Shaller, DeBruine and Gorman and Ms. Thornton

The cash incentive payable to Messrs. Shaller, DeBruine and Gorman and Ms. Thornton for fiscal 2024 was based on total sales and income before income taxes. For fiscal 2024, an annual cash incentive was funded for the achievement of total sales and income before income taxes. The multiplier for individual performance was applied to the two components to arrive at the final cash incentive award achieved.

The threshold, target, maximum and actual cash incentive award earned for Messrs. Shaller, DeBruine and Gorman and Ms. Thornton were as follows:

				Fiscal 2024 Actual Results		
Performance Measure (weighting)	**Threshold**	**Target**	**Maximum**		**Achievement ($)**	**Achievement (%)**
Sales (35%)(millions)	$1,274.0	$1,352.5	$1,463.4 or more		$1,335.0	78 %
Income Before Income Taxes (65%) (millions)	$214.0	$236.7	$256.2 or more		$249.4	165 %
Individual Performance Multiplier	0 %	100 %	150 %			Varies
Fiscal 2024 Annual Cash Incentive Award:	**Threshold**	**Target**	**Maximum (% of Base Salary)**	**Actual Payout (% of Target)**	**Actual Payout (% of Base Salary)**	**Actual Payout ($)**
R.R. Shaller	0 %	100 %	300 %	168 %	168 %	$1,439,180
A.E. Thornton	0 %	70 %	210 %	134 %	94 %	$439,146
T.F. DeBruine (1)	0 %	60 %	180 %	168 %	101 %	$60,880
T.F. DeBruine (2)	0 %	50 %	150 %	168 %	84 %	$246,016
A.T. Gorman	0 %	60 %	180 %	168 %	101 %	$342,957

(1) This calculation is based upon salary paid to Mr. DeBruine from June 3, 2024 to July 31, 2024 in his role as Chief Operating Officer.
(2) This calculation is based upon salary paid to Mr. DeBruine from August 1, 2023 to June 3, 2024 in his role as Vice President of Global Operations.

Mr. Shaller's individual performance multiplier was the result of his contribution to several fiscal year objectives and individual annual goals as follows:

- Strategy - Objective focused on establishing a new strategic direction for the total company in order to drive long-term sales growth. The Company executed its reorganization to a regional operating structure during fiscal 2024 to take advantage of synergies within the regions, utilize its best go-to-market strategies, and accelerate new product development with increased geographic scale.
- Total organic sales growth - Objective focused on delivering organic sales growth. The Company's organic sales growth rate was 2.6% in fiscal 2024.
- Total income before income taxes - Objective focused on improving income before income taxes while making the investments for sustainable long-term organic sales growth. Income before income taxes improved from $225.7 million in fiscal 2023 to $247.8 million in fiscal 2024, while investments in R&D increased from $61.4 million in fiscal 2023 to $67.7 million in fiscal 2024.

After a review of Mr. Shaller's performance, the Committee determined that Mr. Shaller's resulting performance level was 125% for his individual performance multiplier.

Ms. Thornton's individual performance multiplier for her role as CFO was the result of her contribution to several fiscal year objectives and individual annual goals as follows:

- Selling, general and administrative expenses - Objective focused on reducing selling, general and administrative expenses throughout the Company, with a specific focus on reducing general and administrative expenses in a sustainable manner while continuing to invest in sales-generating resources. As a percentage of net sales, SG&A expenses increased from 27.8% in fiscal 2023 to 28.1% in fiscal 2024 primarily due to investments in sales and technology-related roles.
- Income before income taxes - Objective focused on improving income before income taxes while making the investments for sustainable long-term organic sales growth. Income before income taxes improved from $225.7 million in fiscal 2023 to $247.8 million in fiscal 2024, while investments in R&D increased from $61.4 million in fiscal 2023 to $67.7 million in fiscal 2024.
- Cash flow - Objective focused on delivering strong cash flow in relation to net income. The company's cash flow from operating activities increased from $209.1 million in fiscal 2023 to $255.1 million in fiscal 2024. The Company's cash flow from operating activities as a percentage of net income was 119.6% in fiscal 2023 compared to 129.3% in fiscal 2024.

After a review of Ms. Thornton's performance, the Committee determined that Ms. Thornton's resulting performance level was 100% for her individual performance multiplier.

Mr. DeBruine's individual performance multiplier was the result of his contribution to several fiscal year objectives and individual annual goals as follows:

- Digital enhancement - Objective focused on improving the Company's digital presence and the use of data-driven marketing automation tools to expand and enhance our sales capabilities across both our Americas & Asia and Europe & Australia segments.
- Technology - Objective focused on leading the integration of artificial intelligence ("AI") and other advanced technologies into company processes to enhance efficiency, optimize existing tools, and drive innovation across all operational areas.
- Facilities - Objective focused on overseeing all aspects of physical location management, including site selection and facility ownership or lease rationalization, to ensure optimal operational efficiency and continuity.
- ESG - Objective focused on fostering a culture of sustainability, integrating ESG considerations into daily operations, with a focus on reducing waste.

After a review of Mr. DeBruine's performance, the Committee determined that Mr. DeBruine's resulting performance level was 125% for his individual performance multiplier.

Mr. Gorman's individual performance multiplier was the result of his contribution to several fiscal year objectives and individual annual goals as follows:

- Compliance - Objective focused on ensuring continued compliance with domestic and international laws and regulations, as well as maintaining internal compliance programs.
- Legal structure simplification - Objective focused on simplifying the Company's legal entity structure.

After a review of Mr. Gorman's performance, the Committee determined that Mr. Gorman's resulting performance level was 125% for his individual performance multiplier.

Mr. Bojarski

The cash incentive payable to Mr. Bojarski for fiscal 2024 was based on achievement of Americas & Asia segment sales and operating income. For fiscal 2024, a cash incentive was funded for the achievement of the Americas & Asia segment sales and operating income, as well as total company sales and total company income before income taxes based upon the achievement of the financial targets established at the beginning of the fiscal year. The multiplier for individual performance was applied to the achievement of these components to arrive at the final cash incentive award achieved.

The threshold, target, maximum and actual payout amounts for Mr. Bojarski were as follows:

				Fiscal 2024 Actual Results		
Performance Measure (weighting)	**Threshold**	**Target**	**Maximum**		**Achievement ($)**	**Achievement (%)**
Americas & Asia Division Sales (25%) (millions)	$839.5	$888.4	$961.3 or more		$883.8	91 %
Americas & Asia Division Operating Income (45%)(millions)	$193.5	$215.0	$237.4 or more		$226.0	149 %
Total Company Sales (10%)(millions)	$1,274.0	$1,352.5	$1,463.4 or more		$1,335.0	78 %
Total Company Income Before Income Taxes (20%)(millions)	$214.0	$236.7	$256.2 or more		$249.4	165 %
Individual Performance Multiplier	0 %	100 %	150 %			100 %
Fiscal 2024 Annual Cash Incentive Award:	**Threshold**	**Target**	**Maximum (% of Base Salary)**	**Actual Payout (% of Target)**	**Actual Payout (% of Base Salary)**	**Actual Payout ($)**
O. Bojarski	0 %	75 %	225 %	130 %	98 %	$449,869

Mr. Bojarski's individual performance multiplier was the result of his contribution to several fiscal year objectives and individual annual goals in his role as President - Americas & Asia as follows:

- Americas & Asia segment profit - Objective focused on improving segment profit in the Americas & Asia segment while making the investments for sustainable long-term organic sales growth. Segment profit within the Americas & Asia segment improved from $180.5 million in fiscal 2023 to $196.8 million in fiscal 2024.
- Americas & Asia organic sales growth - Objective focused on delivering organic sales growth in the Americas & Asia segment. Organic sales within the Americas & Asia segment increased by 3.1% in fiscal 2024.
- Innovation development process - Objective focused on implementing sustainable processes to grow the Company’s pipeline of new products and to deliver the new products to market in a timely and cost-effective manner. Numerous new products were launched during fiscal 2024, including several printers introducing expanded software and mobile capabilities. The new product pipeline was streamlined and improved which has reduced the time frame and cost to move from new product idea to product launch.

After a review of Mr. Bojarski's performance, the Committee determined that Mr. Bojarski's resulting performance level was 100% for his individual performance multiplier as President - Americas & Asia.

Long-Term Equity Incentive Awards

For fiscal 2024, the Committee reviewed historical award sizes and median levels of equity awarded to similar positions at our peer companies and other relevant market data. The Committee then approved the fiscal 2024 awards consisting of a combination of RSUs and PRSUs to align executive compensation with the creation of long-term shareholder value. The Committee uses its discretion in combination with peer group data, analysis of actual pay and performance, and advice from its independent compensation consultant to determine the size and type of equity awards granted to the CEO. For all other executives, the Committee also considers the input from the CEO when determining the size and type of annual equity awards.

RSUs: RSUs generally vest one-third annually for three years. The Committee has the ability to vary the vesting schedule for new RSU grants in accordance with the terms of the plan. All RSUs are granted following the Committee's approval, with a fair value equal to the average of the high and low stock price on the grant date.

PRSUs: PRSUs granted in fiscal 2024 include two vesting criteria: 50% of the shares vest based on diluted EPS targets, and 50% of the shares vest based on revenue performance. Each of these metrics is based on achievement over four separate performance periods as discussed in the Executive Summary. The diluted EPS performance measure aligns executive compensation with the creation of long-term shareholder value. If threshold performance is not achieved for a particular performance period, then no award will vest relative to that performance period. PRSUs will vest between 0% and 200% of target depending on the relative three-year achievement of revenue and diluted EPS growth goals over the respective performance periods.

No dividends are paid or accrued on the RSUs or PRSUs prior to the issuance of shares.

The following is a summary of long-term equity incentive awards granted to the Company's NEOs during fiscal 2024:

Named Officers	Total Grant Date Fair Value	PRSUs (at target) Grant Date Fair Value	RSUs Grant Date Fair Value
R.R. Shaller	$ 3,551,028	$ 1,775,508	$ 1,775,520
A.E. Thornton	675,016	337,503	337,513
O. Bojarski	682,053	341,033	341,020
T.F. DeBruine	220,084	110,046	110,038
A.T. Gorman	315,072	157,522	157,550

PRSUs Earned for the Fiscal 2022 - 2024 Performance Period

The table below outlines the performance metrics, performance levels and actual performance achievement for the fiscal 2022 - 2024 PRSU cycle for the TSR and compound annual growth rate (“CAGR”) metrics:

Performance Metric	Threshold (25%)	Target (100%)	Maximum (200%)	Actual Performance	% Payout Achieved
Relative TSR Percentile	25th	50th	75th	56th	126.0 %

Performance Period	Weight	Performance Metric	Threshold (25%)	(1) Target (100%)	Maximum (200%)	Actual Performance	% Payout Achieved
August 1, 2021 - July 31, 2022	25 %	Year 1 CAGR	3.4 %	6.0 %	11.3 %	7.4 %	126.0 %
August 1, 2022 - July 31, 2023	25 %	Year 2 CAGR	4.2 %	5.6 %	8.2 %	4.5 %	39.0 %
August 1, 2023 - July 31, 2024	25 %	Year 3 CAGR	4.1 %	5.0 %	6.7 %	3.1 %	— %
August 1, 2021 - July 31, 2024	25 %	Total CAGR	2.7 %	3.5 %	5.2 %	2.9 %	44.0 %
Total Payout Achieved							52.0 %

(1) The target performance and baseline have been adjusted to reflect divestitures. As the Company divested businesses in fiscal 2023 and fiscal 2024, the corresponding target performance has been modified for these performance periods. The Company's initial target performance was a CAGR of 6% for each of these years.

The PRSUs achieved a total payout of 89% based on half the awards vesting based on the TSR metric and half the awards vesting based on the revenue growth metric.

Other Elements of Compensation

Health and Welfare Benefits: We provide subsidized health and welfare benefits which include medical, dental, life and disability insurance and paid time off. Executive officers are entitled to participate in our health and welfare plans on generally the same terms and conditions as other employees, subject to limitations under applicable law. In addition, the Company maintains a supplemental long-term disability policy for its U.S. executives. The supplemental long-term disability policy provides for an additional 15% of compensation, up to a maximum additional benefit of $5,000 per month. Brady pays the premiums for these benefits; therefore, these benefits represent taxable benefits to the executive.

Retirement Benefits: Brady employees (including NEOs) in the United States and certain expatriate employees working for its international subsidiaries are eligible to participate in the Brady Corporation Matched 401(k) Plan (the “Matched 401(k) Plan”). NEOs in the United States and employees at certain United States locations are also eligible to participate in the Brady Corporation Funded Retirement Plan (“Funded Retirement Plan”). In addition, certain Brady international employees are eligible to participate in Company sponsored statutory and supplementary defined benefit pension plans that are primarily unfunded and provide an income benefit upon termination or retirement.

The Funded Retirement Plan is a defined contribution plan through which the Company contributes 4% of the annual wages of each eligible participant. In addition, participants may elect to defer up to 5% of their annual wages into the Matched 401(k) Plan, which is matched up to an additional 4% contribution from the Company. Participants may elect to contribute an additional 45% of their eligible earnings to their Matched 401(k) Plan account without an additional matching contribution from the Company, which is subject to specified maximum limits allowed by the Internal Revenue Service ("IRS"). The assets of the Matched 401(k) Plan and Funded Retirement Plan credited to each participant are invested by the trustee of the Plans as directed by each plan participant in a variety of investment funds as permitted by the Plans. Participants in the Matched 401(k) Plan become fully vested in employer contributions over a two-year period of continuous service. Employer contributions to the Funded Retirement Plan become fully vested over a six-year period of continuous service.

Benefits are generally payable upon the death, disability, or retirement of the participant, or upon termination of employment before retirement, although benefits may be withdrawn from the Matched 401(k) Plan and paid to the participant in certain circumstances. Under certain specified circumstances, the Matched 401(k) Plan allows a participant to withdraw loans on their account.

Deferred Compensation Arrangements: The Company has two deferred compensation plans, the Executive Deferred Compensation Plan and the Director Deferred Compensation Plan, that allow for compensation to be deferred into either the Company's Class A Nonvoting Common Stock or other investment funds. Both the Director Deferred Compensation and the Executive Deferred Compensation Plans disallow transfers from other investment funds into the Company's Class A Nonvoting Stock, and both disallow transfers from the Company's Class A Nonvoting Stock into other investment funds. The assets in both deferred compensation plans are held in a Rabbi Trust and are invested by the trustee as directed by the participant. Executives and directors may elect whether to receive their account balance following termination of employment in a single lump sum payment or by means of distribution under an annual installment method. Distributions of the Company's Class A Nonvoting Common Stock are made in-kind; distributions of mutual funds are made in cash.

Executives are eligible to participate in the Brady Restoration Plan, which is a non-qualified deferred compensation plan that allows an equivalent benefit to the Matched 401(k) Plan and the Funded Retirement Plan for executives' income exceeding the IRS limits of participation in a qualified 401(k) plan.

Perquisites: Brady generally provides executives with the following perquisites:

- Financial planning and tax preparation;
- Company car or car allowance;
- Physical examination;
- Long-term care insurance; and
- Personal liability insurance.

Stock Ownership Requirements

In order to encourage our executive officers and directors to acquire and retain ownership of a significant number of shares of the Company's stock, stock ownership requirements have been established.

The Board of Directors has established the following stock ownership requirements for our NEOs:

R.R. Shaller	5 times base salary
A.E. Thornton	3 times base salary
O. Bojarski	3 times base salary
T.F. DeBruine	3 times base salary
A.T. Gorman	2 times base salary

Our NEOs are expected to meet their ownership requirement within five years of becoming an executive officer and may not sell shares, other than to cover tax withholding requirements associated with the vesting or exercise of an equity award, until such time as they meet the requirements. All NEOs were in compliance with their respective ownership requirements as of July 31, 2024. If an executive does not meet his or her ownership requirement within five years, the Committee may direct that the executive's after-tax payout on any incentive plans will be in Class A Nonvoting Common Stock in order to satisfy the executive's ownership requirement.

Actual stock ownership of each NEO is reviewed on an annual basis to ensure the guidelines are met. The following equity balances are included for purposes of determining whether an executive meets his or her ownership requirements: the fair market values of Company stock owned, Company stock held in the Executive Deferred Compensation Plan, RSUs, and the value of vested and “in the money” stock options. The fair market value of PRSUs are excluded from the determination of executive ownership levels.

Insider Trading and Anti-Hedging Policy

The Company's Insider Trading Policy prohibits hedging and other monetization transactions in Company securities by officers, directors and employees. The prohibition of hedging transactions includes financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. The Insider Trading Policy also prohibits the pledging of Company stock as collateral for loans or holding Company securities in a margin account by officers, directors or employees.

Employment and Change of Control Agreements

Employment Offer Letters

The Company entered into an employment offer letter dated May 24, 2024 with Mr. DeBruine. The offer letter provided that Mr. DeBruine receive an annual base salary of $450,000, with eligibility for a target annual bonus at 60% of base salary, a recommendation for a fiscal 2025 annual equity award with a grant date value of $475,000 and ability to participate in the Company’s equity incentive and other benefit plans on a basis similar to other executive officers, including a car allowance.

Mr. Shaller also has an employment offer letter providing for certain severance benefits, as described below under “Potential Payments Upon Termination or Change of Control.” None of the other NEOs have any severance agreements or similar arrangements that would apply outside of a change of control.

Change of Control Agreements

The Board of Directors previously approved change of control agreements for all of the NEOs of the Company. The agreements applicable to the NEOs provide a payment of an amount commensurate to a multiple of their salary and annual cash incentive payment, as specified in their respective agreement, prior to the date the change of control occurs in the event of termination or resignation for good cause upon a change of control. All of the NEO's agreements provide for up to $25,000 of attorney fees to enforce the executive's rights under the agreement. Payments under the agreement will be made over two years.

Under the terms of the 2012 Omnibus Incentive Stock Plan and the 2017 and 2023 Omnibus Incentive Plans, in the event of (a) the merger or consolidation of the Company with or into another corporation or corporations in which the Company is not the surviving corporation, (b) the adoption of any plan for the dissolution of the Company, or (c) the sale or exchange of all or substantially all the assets of the Company for cash or for shares of stock or other securities of another corporation, all then-unexercised stock options become fully exercisable and all restrictions placed on restricted stock, and performance-based and time-based restricted stock units will lapse. If any stock option is canceled subsequent to the events described above, the Company or the corporation assuming the obligations of the Company, shall pay an amount of cash or stock equal to the in-the-money value of the canceled stock options. The awards granted under the 2017 and 2023 Omnibus Incentive Plans provide for either accelerated or continuation of vesting of stock options and RSUs upon termination due to retirement, for which the eligibility criteria is 60 years of age and 5 years of service.

Non-Compete/Non-Solicitation/Confidentiality

Equity awards under the Company's 2012 Omnibus Incentive Stock Plan and the 2017 and 2023 Omnibus Incentive Plans contain non-competition, non-solicitation and confidential information covenants applicable to the award recipients. The confidential information covenant prohibits the use, disclosure, copying or duplication of the Company's confidential information other than in the course of authorized activities conducted in the course of the recipient's employment with the Company. The other covenants prohibit the NEOs for 12 months after termination of employment with the Company, from (i) performing duties for or as a competitor of the Company which are the same or similar to those performed by the recipient in the 24 months prior to termination of employment with the Company, (ii) soliciting customers for the sale of competitive products, (iii) soliciting employees to join a competitor or otherwise terminate their relationship with the Company, or (iv) interfering in the Company's relationships with its vendors and suppliers.

Tax Considerations

Section 162(m) of the Internal Revenue Code generally disallows a federal income tax deduction to publicly traded companies for compensation in excess of $1 million per year paid to certain current and former executive officers. Historically, the $1 million deduction limit generally has not applied to compensation that satisfies IRS requirements for qualified performance-based compensation.

The Committee's intent is to preserve the deductibility of executive compensation to the extent reasonably practicable and to the extent consistent with its other compensation objectives. However, the Committee believes Section 162(m) is only one of several relevant considerations in establishing executive compensation and believes Section 162(m) implications should not compromise its ability to design and maintain executive compensation arrangements intended to, among other things, attract, motivate and help retain a highly qualified and successful management team to lead the Company. As a result, the Committee retains the flexibility to provide compensation it determines to be in the best interests of the Company and its shareholders even if that compensation ultimately is not tax deductible.

Accounting Considerations

When reviewing preliminary recommendations and in connection with approving the terms of a given incentive plan, management and the Committee review and consider the accounting implications of a compensation arrangement, including the estimated expense and other accounting and disclosure requirements. With consideration of the accounting treatment associated with an incentive plan design, management and the Committee may alter or modify the incentive award if the award and the related accounting consequences were to adversely affect our financial performance.

Management Development and Compensation Committee Interlocks and Insider Participation

During fiscal 2024, the Committee was composed of Mses. Gioia and Williams and Messrs. Bem, Richardson and Nargolwala. There are no relationships among the Company's executive officers, members of the Committee or entities whose executives serve on the Board that require disclosure under applicable SEC regulations.

Management Development and Compensation Committee Report

The Committee has reviewed and discussed the Compensation Discussion and Analysis with management; based on the review and discussions, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Company's Annual Report on Form 10-K.

Nancy Gioia, Chair

David Bem
Vineet Nargolwala
Bradley Richardson
Michelle Williams

Compensation Policies and Practices

The Company believes that its compensation policies, practices, and procedures for executive officers and all other employees are designed to avoid incentives that create unnecessary or excessive risks that are reasonably likely to have a material adverse effect on the Company. The Company's compensation programs are weighted towards offering long-term incentives that reward sustainable performance; do not offer significant short-term incentives that might drive high-risk investments at the expense of long-term Company value; and are set at reasonable and sustainable levels, as determined by a review of the Company's economic position, as well as the compensation offered by comparable companies. Under the oversight of its Audit and Management Development and Compensation Committees, the Company reviewed its compensation policies, practices and procedures for all employees, including executive officers, to evaluate and ensure that they did not foster risk-taking beyond that deemed acceptable within the Company's business model.

Summary Compensation Table

The following table sets forth compensation awarded to, earned by, or paid to the NEOs, who served as executive officers during the year ended July 31, 2024, for services rendered as an executive officer to the Company and its subsidiaries during the years ended July 31, 2024, July 31, 2023 and July 31, 2022.

Name and Principal Position	Fiscal Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)(2)	All Other Compensation ($)(3)	Total ($)
R.R. Shaller, President, CEO & Director [4]	2024	$ 859,212	$ —	$ 3,551,028	$ —	$ 1,439,180	$ 198,208	$ 6,047,628
	2023	774,808	—	1,164,390	—	1,162,212	141,087	3,242,497
	2022	502,779	—	1,608,387	1,000,505	737,828	119,055	3,968,554
A.E. Thornton, CFO, CAO & Treasurer [5]	2024	$ 468,173	$ —	$ 675,016	$ —	$ 439,146	$ 75,978	$ 1,658,313
	2023	314,614	—	50,025	50,060	203,881	44,423	663,003
	2022	251,631	—	40,031	40,001	188,912	35,516	556,091
O. Bojarski, President - Americas & Asia	2024	$ 461,404	$ —	$ 682,053	$ —	$ 449,869	$ 97,005	$ 1,690,331
	2023	401,077	200,000	600,029	—	387,290	78,133	1,666,529
T.F. DeBruine, Chief Operating Officer	2024	$ 354,327	$ —	$ 220,084	$ —	$ 306,896	$ 80,432	$ 961,739
	2023	317,500	—	151,926	60,063	238,125	68,912	836,526
	2022	259,331	—	125,085	27,319	199,876	41,241	652,852
A.T. Gorman, General Counsel and Secretary	2024	$ 341,250	$ —	$ 315,072	$ —	$ 342,957	$ 69,987	$ 1,069,266
	2023	322,616	—	191,792	75,828	193,569	72,292	856,097
	2022	308,481	—	188,792	75,752	220,564	72,478	866,067

(1) Represents the grant date fair value of RSUs and PRSUs computed in accordance with accounting guidance for equity grants made or modified in the applicable year. The grant date fair value of RSUs is calculated based on the number of shares of Class A Common Stock underlying the RSUs times the average of the high and low stock price of Class A Common Stock on the date of grant. The grant date fair value of PRSUs was calculated based on the number of shares of Class A Common Stock underlying the award times the average of the high and low stock price of Class A Common Stock on the date of grant. The actual value of a RSU will depend on the market value of the Class A Common Stock on the date the stock is sold. The table reflects the grant date fair value at target for PRSUs (100%). The values of the stock awards in fiscal at the grant date if the highest level of performance conditions were to be achieved would be as follows: Mr. Shaller, $5,326,536; Ms. Thornton, $1,012,519; Mr. Bojarski, $1,023,087; Mr. DeBruine, $330,128; and Mr. Gorman, $472,594.

(2) Represents annual cash incentives earned during the listed fiscal years, which was paid during the next fiscal year.

(3) The amounts in the 'All Other Compensation' column include: matching contributions to the Company's Matched 401(k) Plan, Funded Retirement Plan and Restoration Plan, company car or car allowance, the cost of group term life insurance, the cost of long-term care insurance, the cost of disability insurance and other compensation or perquisites. The other compensation includes pay related to severance agreements, settlement agreements and other perquisites including annual allowances for financial and tax planning and the cost of personal liability insurance. Refer to the table following these footnotes.

(4) Upon his appointment to President, Chief Executive Officer and Director on April 1, 2022, Mr. Shaller was awarded $760,500 of stock options and $760,500 of RSUs. In addition, Mr. Shaller was granted an additional $250,000 RSU award at this time. The $760,500 stock option and $760,500 RSU grants related to an early grant of Mr. Shaller's fiscal 2023 equity awards, so he did not receive any stock options or RSUs during fiscal 2023. As such, fiscal 2024 was the first year in which Mr. Shaller received his full Chief Executive Officer compensation and benefits.

(5) Ms. Thornton was appointed as Chief Financial Officer, Chief Accounting Officer and Treasurer effective April 14, 2023. As part of her appointment, Ms. Thornton received a base salary of $450,000. In fiscal 2024, Ms. Thornton began receiving equity awards and other incentive benefits corresponding to her appointment as Chief Financial Officer.

Name	Fiscal Year	Retirement Plan Contributions ($)	Company Car ($)	Group Term Life Insurance ($)	Long-term Care Insurance ($)	Long-term Disability Insurance ($)	Other ($)	Total All Other Compensation ($)
R.R. Shaller	2024	$ 163,895	$ 18,000	$ 1,566	$ 6,475	$ 5,315	$ 2,957	$ 198,208
	2023	108,563	18,000	1,131	6,475	5,239	1,679	141,087
	2022	87,677	18,000	711	6,475	5,209	983	119,055
A.E. Thornton	2024	$ 50,953	$ 18,000	$ 677	$ 3,024	$ 3,324	$ —	$ 75,978
	2023	37,781	4,915	149	756	822	—	44,423
	2022	35,516	—	—	—	—	—	35,516
O. Bojarski	2024	$ 67,123	$ 18,000	$ 871	$ 6,624	$ 2,812	$ 1,575	$ 97,005
	2023	31,880	16,408	527	3,312	2,138	23,868	78,133
T.F. DeBruine	2024	$ 45,854	$ 18,000	$ 709	$ 11,182	$ 3,997	$ 690	$ 80,432
	2023	40,749	18,000	—	6,523	3,640	—	68,912
	2022	36,395	4,846	—	—	—	—	41,241
A.T. Gorman	2024	$ 42,276	$ 18,000	$ 703	$ 3,782	$ 3,122	$ 2,104	$ 69,987
	2023	43,540	18,000	593	3,782	2,726	3,651	72,292
	2022	44,718	18,000	393	3,486	2,024	3,857	72,478

Grants of Plan-Based Awards for 2024

The following table summarizes grants of plan-based awards made during fiscal 2024 to the NEOs.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)			Estimated Future Payouts Under Equity Incentive Plan Awards (2)						
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#) (3)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Stock or Option Awards ($) (4)	Grant Date Fair Value of Stock and Option Awards ($)
R.R. Shaller		$ —	$ 874,500	$ 2,623,500							
	8/1/2023				8,676	34,705	69,410				$ 1,775,508
	10/2/2023							32,400			1,775,520
A.E. Thornton		—	330,750	992,250							
	8/1/2023				1,649	6,597	13,194				337,503
	10/2/2023							6,159			337,513
O. Bojarski		—	349,875	1,049,625							
	8/1/2023				1,667	6,666	13,332				341,033
	10/2/2023							6,223			341,020
T.F. DeBruine		—	183,221	549,663							
	8/1/2023				538	2,151	4,302				110,046
	10/2/2023							2,008			110,038
A.T. Gorman		—	207,000	621,000							
	8/1/2023				770	3,079	6,158				157,522
	10/2/2023							2,875			157,550

(1) At its July 2023 meeting, the Committee approved the values of the annual cash incentive award threshold, target and maximums under the Company's annual cash incentive plan. The structure of the plan is described in the Compensation Discussion and Analysis above and was set prior to the beginning of the fiscal year.

(2) This award represents PRSUs granted August 1, 2023, as part of the annual fiscal 2024 equity grant. These PRSUs have a three-year performance period with the number of shares issued at vesting determined by the Company's achievement of revenue and diluted EPS growth goals over the three-year performance period. Payout opportunities will range from 0% to 200% of the target award. Target payout is set at 100% of award value, with threshold and maximum payouts set at 25% and 200% of target award value, respectively.

(3) The RSU awards vest equally over three years.

(4) The base price for the RSU and PRSU awards is the average of the high and low prices of the Company's Class A Common Stock as reported by the NYSE on the date of the grant.

Outstanding Equity Awards at July 31, 2024

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units, or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units Or Other Rights That Have Not Vested ($)
R.R. Shaller	23,576	—	$ 35.14	9/23/2026				
	21,295	—	36.85	9/22/2027				
	22,012	—	43.98	9/25/2028				
	20,137	—	54.05	9/20/2029				
	25,636	—	39.92	9/30/2030				
	13,664	6,832 (1)	49.79	9/16/2031				
	40,619	20,309 (2)	46.70	4/1/2032				
					1,607 (3)	$ 115,077		
					1,784 (4)	127,752		
					5,428 (5)	388,699		
					32,400 (6)	2,320,164		
							2,897 (7)	$ 207,454
							2,897 (8)	207,454
							10,428 (9)	746,749
							10,428 (10)	746,749
							34,705 (11)	2,485,225
A.E. Thornton	4,080	—	$ 35.14	9/23/2026				
	3,775	—	36.85	9/22/2027				
	3,302	—	43.98	9/25/2028				
	3,021	—	54.05	9/20/2029				
	4,273	—	39.92	9/30/2030				
	2,278	1,138 (1)	49.79	9/16/2031				
	1,334	2,666 (12)	43.50	9/19/2032				
					2,229 (13)	$ 159,619		
					268 (3)	19,191		
					766 (14)	59,317		
					6,159 (6)	441,046		
							6,597 (11)	$ 472,411
O. Bojarski					8,175 (15)	$ 585,412		
					6,223 (6)	445,629		
							6,666 (11)	$ 477,352
T.F. DeBruine	2,162	—	$ 54.05	9/20/2029				
	1,556	777 (1)	49.79	9/16/2031				
	—	3,369 (12)	43.50	9/19/2032				
					167 (3)	$ 11,959		
					730 (16)	52,275		
					920 (14)	65,881		
					2,008 (6)	143,793		
							823 (9)	$ 58,935

Name	Option Awards: Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date	Stock Awards: Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units, or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units Or Other Rights That Have Not Vested ($)
							823 (10)	58,935
							2,151 (11)	154,033
A.T. Gorman	8,736	—	$ 39.92	9/30/2030				
	4,313	2,156 (1)	49.79	9/16/2031				
	2,020	4,039 (12)	43.50	9/19/2032				
					507 (3)	$ 36,306		
					1,161 (14)	83,139		
					2,875 (6)	205,879		
							915 (7)	$ 65,523
							915 (8)	65,523
							1,039 (9)	74,403
							1,039 (10)	74,403
							3,079 (11)	220,487

(1) The remaining options vest on September 16, 2024.

(2) Effective April 1, 2022, Mr. Shaller was awarded 60,928 stock options as part of his appointment to President, CEO and Director. The remaining options vest on April 1, 2025.

(3) This award represents RSUs awarded on September 16, 2021 as part of the annual fiscal 2022 equity grant. The remaining units vest on September 16, 2024.

(4) Effective April 1, 2022, Mr. Shaller was awarded a one-time special equity grant of 5,354 RSUs as part of his appointment to President, CEO and Director. The remaining units vest on April 1, 2025.

(5) Effective April 1, 2022, Mr. Shaller was awarded 16,285 RSUs as part of his appointment to President, CEO and Director. This award represents Mr. Shaller's fiscal 2024 annual equity grant in which he received at an earlier grant date of April 1, 2023 to correspond with timing of his appointment to President, CEO and Director. One-half of the units vest on April 1, 2024, and the remaining units vest on April 1, 2025.

(6) This award represents RSUs awarded on October 2, 2023 as part of the annual fiscal 2024 equity grant. One third of the units vest on October 2, 2024, one-third of the units vest on October 2, 2025 and one-third of the units vest on October 2, 2026.

(7) This award represents PRSUs awarded on August 2, 2021, as part of the annual fiscal 2022 equity grant. These PRSUs have a three-year performance period with the number of shares issued at vesting determined relative to the Company's revenue performance measured with respect to organic revenue growth over four equally-weighted performance periods. Payout opportunities will range from 0% to 200% of the target award. The amounts listed above are based on the target value of each award (100%).

(8) This award represents PRSUs awarded on August 2, 2021, as part of the annual fiscal 2022 equity grant. These PRSUs have a three-year performance period with the number of shares issued at vesting determined by the Company's TSR relative to the S&P 600 SmallCap Industrials Index. Payout opportunities will range from 0% to 200% of the target award. The amounts listed above are based on the target value of each award (100%).

(9) This award represents PRSUs awarded on August 1, 2022, as part of the annual fiscal 2023 equity grant. These PRSUs have a three-year performance period with the number of shares issued at vesting determined relative to the Company's revenue performance measured with respect to organic revenue growth over four equally-weighted performance periods. Payout opportunities will range from 0% to 200% of the target award. The amounts listed above are based on the target value of each award (100%).

(10) This award represents PRSUs awarded on August 1, 2022, as part of the annual fiscal 2023 equity grant. These PRSUs have a three-year performance period with the number of shares issued at vesting determined by the Company's TSR relative to the S&P 600 SmallCap Industrials Index. Payout opportunities will range from 0% to 200% of the target award. The amounts listed above are based on the target value of each award (100%).

(11) This award represents PRSUs awarded on August 1, 2023, as part of the annual fiscal 2024 equity grant. These PRSUs have a three-year performance period with the number of shares issued at vesting determined by the Company's

achievement of revenue and diluted EPS growth goals over the three-year performance period. Payout opportunities will range from 0% to 200% of the target award. The amounts listed above are based on the target value of each award (100%).

(12) One-half of the options vest on September 19, 2024, and the remaining options vest on September 19, 2025.

(13) Effective June 21, 2021, Ms. Thornton was awarded 4,459 RSUs for retention purposes. The remaining units vest on June 21, 2025.

(14) This award represents RSUs awarded on September 19, 2022 as part of the annual fiscal 2023 equity grant. One-half of the units vest on September 19, 2024, and the remaining units vest on September 19, 2025.

(15) Effective August 25, 2022, Mr. Bojarski was awarded 12,263 RSUs as part of his appointment as President - Identification Solutions. One-third of the units vest on August 25, 2023, one-third of the units vest on August 25, 2024 and one-third of the units vest on August 25, 2025.

(16) Effective April 11, 2022, Mr. DeBruine was awarded 2,191 RSUs when he was named Vice President of Global Operations. The remaining units vest on April 11, 2025.

Option Exercises and Stock Vested for Fiscal 2024

The following table summarizes option exercises and the vesting of restricted stock during fiscal 2024 to the NEOs.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($) (1)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($) (2)**
R.R. Shaller	—	$ —	16,100	$ 915,281
A.E. Thornton	—	—	3,195	201,053
O. Bojarski	—	—	4,088	203,848
T.F. DeBruine	12,599	261,165	1,546	88,769
A.T. Gorman	—	—	2,308	125,483

(1) The value realized on exercise of stock options reflects the difference between the option exercise price and the market price at exercise multiplied by the number of shares.

(2) The value realized on vesting of stock awards reflects the number of shares vested multiplied by the market price (average of the high and low of the stock price) of the stock on the vest date.

Pension Benefits for Fiscal 2024

None of the NEOs participated in a defined benefit pension plan during fiscal 2024.

Non-Qualified Deferred Compensation for Fiscal 2024

The following table summarizes the activity within the Executive Deferred Compensation Plan and the Brady Restoration Plan during fiscal 2024 for the NEOs.

Name	**Executive Contributions in Fiscal 2024 ($)**	**Company Contributions in Fiscal 2024 ($)**	**Aggregate Earnings in Fiscal 2024 ($)**	**Aggregate Withdrawals/Distributions ($)**	**Aggregate Balance at July 31, 2024 ($)**
R.R. Shaller	$ 1,332,814	$ 131,645	$ 453,874	$ —	$ 2,717,236
A.E. Thornton	10,940	21,881	11,782	—	116,099
O. Bojarski	282,992	40,272	69,172	—	433,554
T.F. DeBruine	58,474	18,712	51,578	—	371,431
A.T. Gorman	7,743	15,486	14,373	—	102,024

The executive contribution amounts included in this table are derived from the Salary and Non-Equity Incentive Plan Compensation columns of the Summary Compensation Table. The Company's contribution amounts included in this table are reported in the All Other Compensation columns of the Summary Compensation Table. Amounts reported in the aggregate balance at July 31, 2024, net of historical earnings and losses were previously reported as compensation to the NEO in the Summary Compensation Table for previous years. See discussion of the Company's non-qualified deferred compensation plans in the Compensation Discussion and Analysis.

Potential Payments Upon Termination or Change of Control

As described in the Employment and Change of Control Agreements section of the Compensation Discussion and Analysis above, the Company has entered into an employment offer letter with Mr. Shaller and change of control agreements with all of the NEOs that provide for benefits following termination of employment and/or a change of control. In addition, our equity incentive plans provide for certain potential benefits upon a change of control.

The offer letter entered into with Mr. Shaller provides that he is deemed an at-will employee but will receive a severance benefit equal to equal to two times the sum of his base salary and target bonus, payable in monthly installments over a 24-month period, in the event his employment is terminated without cause or he resigns for good reason as described therein. The offer letter also contains 24-month non-competition and non-solicitation provisions, as well as standard confidentiality and non-disparagement provisions. None of the other NEOs have any severance agreements or similar arrangements that would apply outside of a change of control.

The terms of the change of control agreement are triggered if, within a 24-month period beginning with the date a change of control occurs, (i) the executive’s employment with the Company is involuntarily terminated other than by reason of death, disability or cause, or (ii) the executive’s employment with the Company 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 annual cash incentive in comparison with the executive’s annual base salary and target annual cash incentive 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 Company 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.

Following termination due to a change of control, executives shall be paid a multiplier of their annual base salary in effect immediately prior to the date the change of control occurs plus a multiplier of their annual cash incentive payment as discussed in their respective change of control agreements prior to the date the change of control occurs, payable in monthly installments over a 24-month period. If the payments upon termination due to change of control result in any excise tax being incurred by Messrs. Shaller, Bojarski, DeBruine and Gorman and Ms. Thornton as a result of Section 280G of the Internal Revenue Code, the officer will be solely responsible for such excise tax. The Company will also reimburse a maximum of $25,000 of legal fees incurred by the executives in order to enforce the change of control agreement, in which the executive prevails. The Company's change of control agreements contain confidentiality provisions.

The following information and tables set forth the amount of payments to each NEO in the event of termination of employment as a result of a change of control. No other employment agreements providing specified payments upon termination have been entered into between the Company and any of the NEOs in fiscal year 2024.

Assumptions and General Principles

The following assumptions and general principles apply with respect to the tables that follow in this section.

- The amounts detailed in the tables assume that each NEO terminated employment on July 31, 2024. Accordingly, the tables reflect amounts earned as of July 31, 2024, and include estimates of amounts that would be paid to the NEO upon the termination or occurrence of a change of control. The actual amounts that would be paid to an NEO can only be determined at the time of termination.
- The tables below include amounts the Company is obligated to pay the NEO as a result of the severance agreement and executed change of control agreement or under the applicable equity incentive plan. The tables do not include benefits that are paid generally to all salaried employees or a broad group of salaried employees. Therefore, the NEOs would receive benefits in addition to those set forth in the tables.
- An NEO is entitled to receive base salary earned during their term of employment regardless of the manner in which the named executive officer’s employment is terminated. As such, this amount is not disclosed in the tables.

Russell R. Shaller

The following table outlines the amount payable assuming that the terms of the change of control agreement or equity incentive plan were triggered on July 31, 2024, and the NEO was required to legally enforce the terms of the agreement.

Base Salary ($) (1)	Annual Cash Incentive ($) (2)	Restricted Stock Unit Acceleration Gain ($) (3)	Stock Option Acceleration Gain ($) (4)	Legal Fee Reimbursement ($) (5)	Total ($)
$ 1,749,000	$ 1,749,000	$ 7,300,640	$ 654,971	$ 25,000	$ 11,478,611

(1) Represents two times the base salary in effect at July 31, 2024.
(2) Represents two times the target annual cash incentive amount in effect at July 31, 2024.
(3) Represents the closing market price of $71.61 on 101,950 unvested RSUs and PRSU awards that would vest due to change of control (regardless of whether employment were terminated). The restricted stock unit acceleration gain for PRSUs is based on the number of shares earned based on actual performance for the fiscal 2022 award and target performance for the fiscal 2023 and 2024 awards.
(4) Represents the difference between the closing market price of $71.61 and the exercise price on 27,141 unvested, in-the-money stock options that would vest due to change of control.
(5) Represents the maximum reimbursement of legal fees allowed.

The following table outlines the amount payable assuming that the severance terms of Mr. Shaller's offer letter were triggered on July 31, 2024.

Base Salary ($) (1)	Annual Cash Incentive ($) (2)	Total ($)
$ 1,749,000	$ 1,749,000	$ 3,498,000

(1) Represents two times the base salary in effect at July 31, 2024.
(2) Represents two times the target annual cash incentive amount in effect at July 31, 2024.

As Mr. Shaller is eligible for continued vesting of equity awards through the retirement conditions of the applicable equity incentive plan agreements, which requires the employee to reach age 60 and 5 years of service, the following table outlines the amount subject to continued vesting assuming that Mr. Shaller retired on July 31, 2024.

RSU ($) (1)	PRSU ($) (2)	Stock option ($) (3)	Total ($)
$ 2,951,693	$ 2,181,384	$ 654,971	$ 5,788,048

(1) Represents the closing market price of $71.61 on 41,219 unvested RSU awards that would continue vesting as part of satisfying retirement conditions.
(2) Represents the closing market price of $71.61 on 30,462 unvested PRSU awards that would continue vesting as part of satisfying retirement conditions. The value for PRSUs is based on the number of shares earned based on actual performance for the fiscal 2022 award and target performance for the fiscal 2023 and 2024 awards pro-rated for service period satisfied.
(3) Represents the difference between the closing market price of $71.61 and the exercise price on 27,141 unvested, in-the-money stock options that would continue vesting as part of satisfying retirement conditions.

Ann E. Thornton

The following table outlines the amount payable assuming that the terms of the change of control agreement or equity incentive plan were triggered on July 31, 2024, and the NEO was required to legally enforce the terms of the agreement.

Base Salary ($) (1)	Annual Cash Incentive ($) (2)	Restricted Stock Unit Acceleration Gain ($) (3)	Stock Option Acceleration Gain ($) (4)	Legal Fee Reimbursement ($) (5)	Total ($)
$ 945,000	$ 661,500	$ 1,147,121	$ 99,772	$ 25,000	$ 2,878,393

(1) Represents two times the base salary in effect at July 31, 2024.
(2) Represents two times the target annual cash incentive amount in effect at July 31, 2024.
(3) Represents the closing market price of $71.61 on 16,019 unvested RSUs and PRSUs that would vest due to the change of control. The restricted stock unit acceleration gain for PRSUs is based on the number of shares earned based on target performance for the 2024 awards.

(4) Represents the difference between the closing market price of $71.61 and the exercise price on 3,804 unvested, in-the-money stock options that would vest due to change of control.
(5) Represents the maximum reimbursement of legal fees allowed.

Olivier Bojarski

The following table outlines the amount payable assuming that the terms of the change of control agreement or equity incentive plan were triggered on July 31, 2024, and the NEO was required to legally enforce the terms of the agreement.

Base Salary ($) (1)	Annual Cash Incentive ($) (2)	Restricted Stock Unit Acceleration Gain ($) (3)	Stock Option Acceleration Gain ($)	Legal Fee Reimbursement ($) (4)	Total ($)
$ 933,000	$ 699,750	$ 1,508,393	$ —	$ 25,000	$ 3,166,143

(1) Represents two times the base salary in effect at July 31, 2024.
(2) Represents two times the target annual cash incentive amount in effect at July 31, 2024.
(3) Represents the closing market price of $71.61 on 21,064 unvested RSUs and PRSUs that would vest due to the change in control. The restricted stock unit acceleration gain for PRSUs is based on the number of shares earned based on target performance for the 2024 awards.
(4) Represents the maximum reimbursement of legal fees allowed.

Thomas F. DeBruine

The following table outlines the amount payable assuming that the terms of the change of control agreement or equity incentive plan were triggered on July 31, 2024, and the NEO was required to legally enforce the terms of the agreement.

Base Salary ($) (1)	Annual Cash Incentive ($) (2)	Restricted Stock Unit Acceleration Gain ($) (3)	Stock Option Acceleration Gain ($) (4)	Legal Fee Reimbursement ($) (5)	Total ($)
$ 900,000	$ 540,000	$ 545,811	$ 111,657	$ 25,000	$ 2,122,468

(1) Represents two times the base salary in effect at July 31, 2024.
(2) Represents two times the target annual cash incentive amount in effect at July 31, 2024.
(3) Represents the closing market price of $71.61 on 7,622 unvested RSUs and PRSUs that would vest due to the change of control. The restricted stock unit acceleration gain for PRSUs is based on the number of shares earned based on target performance for the 2023 and 2024 awards.
(4) Represents the difference between the closing market price of $71.61 and the exercise price on 4,146 unvested, in-the-money stock options that would vest due to change of control.
(5) Represents the maximum reimbursement of legal fees allowed.

Andrew T. Gorman

The following table outlines the amount payable assuming that the terms of the change of control agreement or equity incentive plan were triggered on July 31, 2024, and the NEO was required to legally enforce the terms of the agreement.

Base Salary ($) (1)	Annual Cash Incentive ($) (2)	Restricted Stock Unit Acceleration Gain ($) (3)	Stock Option Acceleration Gain ($) (4)	Legal Fee Reimbursement ($) (5)	Total ($)
$ 691,000	$ 222,756	$ 811,556	$ 160,580	$ 25,000	$ 1,910,892

(1) Represents two times the base salary in effect at July 31, 2024.
(2) Represents the average annual cash incentive payment received in the last three years ended July 31, 2024, 2023 and 2022.
(3) Represents the closing market price of $71.61 on 11,333 unvested RSUs and PRSUs that would vest due to the change of control. The restricted stock unit acceleration gain for PRSUs is based on the number of shares earned based on actual performance for the fiscal 2022 award and target performance for the fiscal 2023 and 2024 awards.
(4) Represents the difference between the closing market price of $71.61 and the exercise price on 6,195 unvested, in-the-money stock options that would vest due to change of control.
(5) Represents the maximum reimbursement of legal fees allowed.

Potential Payments Upon Termination Due to Death or Disability

In the event of termination due to death or disability, all unexercised, unexpired stock options would immediately vest and all restricted stock unit awards would immediately become unrestricted and fully vested. The following table shows the amount payable to the NEOs should this event occur on July 31, 2024.

Name	Unvested RSUs and PRSUs as of July 31, 2024	RSUs and PRSUs Acceleration Gain $ (1)	Unvested, In-the-Money Stock Options as of July 31, 2024	Stock Option Acceleration Gain $ (2)
R.R. Shaller	101,950	$ 7,300,640	27,141	$ 654,971
A.E. Thornton	16,019	1,147,121	3,804	99,772
O. Bojarski	21,064	1,508,393	—	—
T.F. DeBruine	7,622	545,811	4,146	111,657
A.T. Gorman	11,333	811,556	6,195	160,580

(1) Represents the closing market price of $71.61 on unvested RSUs and PRSUs awards that would vest due to death or disability. The restricted stock unit acceleration gain for PRSUs is based on the number of shares earned based on actual performance for the fiscal 2022 award and target performance for the fiscal 2023 and 2024 awards.

(2) Represents the difference between the closing market price of $71.61 and the exercise price on unvested, in-the-money stock options that would vest due to death or disability.

CEO Pay Ratio Disclosure

Summarized below is the ratio of the total compensation of our CEO, Russell R. Shaller, to the total compensation of our median employee.

For fiscal 2024:

- the median of the annual total compensation of all of our employees, other than the CEO, was $52,698; and
- the annual total compensation of our CEO, as reported in the Summary Compensation Table, was $6,047,828.

Accordingly, the ratio of the CEO’s annual total compensation to the median of the annual total compensation of all other employees was approximately 115:1.

For fiscal 2024, to identify the median of the annual total compensation of all our employees, as well as to determine the annual total compensation of our median employee, we used the following methodology and assumptions:

- A measurement date of May 31, 2024 was used to identify our median employee, which is within three months of the Company's fiscal 2024 year end. As of this date, the Company's total employee population, excluding the CEO, consisted of 5,660 individuals, which comprised all full-time and part-time employees.
- The employee population consisted of 5,660 individuals, of which 1,577 were in the United States and 4,083 were outside of the United States.
- The Company used annual total cash compensation earned by our employees, as compiled from our payroll records, as the consistently applied compensation measure by which to determine the median employee. This reflects the principal forms of compensation delivered to all of our employees and is readily available in each country.
- We annualized the compensation of employees for the full fiscal year and for employees hired during the fiscal year.
- For employees outside of the United States, we used applicable currency exchange rates based on the average exchange rate over the period to convert all compensation data.
- Our median employee's total compensation for 2024 was calculated in the same manner as total compensation for each of the NEOs within the Summary Compensation Table and includes contributions to health and welfare benefits.

Pay Versus Performance

The following Pay Versus Performance table summarizes compensation for our principal executive officers ("PEOs") and the average compensation amounts to all other non-PEO NEOs as reported in the Summary Compensation Table ("SCT") for the past three fiscal years, as well as amounts for Compensation Actually Paid ("CAP") to these groups calculated and reported as required under new SEC disclosure requirements. The below table also includes the Company's Total Shareholder Return ("TSR") results, Peer Group TSR, net income and the Company selected performance measure - Operating Income. We have selected Operating Income as our primary financial measure we consider to be most important in linking performance to compensation actually paid as the Company's overall NEO compensation structure is designed to drive profitable growth leading to long-term shareholder value creation.

Pay Versus Performance Table (1) (2)

	Summary Compensation Table Total for PEO ($)		Compensation Actually Paid to PEO ($) (3)				Value of Initial Fixed $100 Investment Based On:			
Year	Russell R. Shaller	J. Michael Nauman	Russell R. Shaller	J. Michael Nauman	Avg. Summary Compensation Table total for non-PEO NEOs ($)	Avg. Compensation Actually Paid to non-PEO NEOs ($) (3)	Total Shareholder Return ($) (4)	Peer Group Total Shareholder Return ($) (4)	Net Income (in thousands)	Operating Income (in thousands)
2024	$ 6,047,828	$ —	$ 8,594,965	$ —	$ 1,344,912	$ 1,708,664	$ 167	$ 225	$ 197,215	$ 247,841
2023	3,242,497	—	3,538,707	—	1,451,355	1,168,258	119	179	174,857	225,213
2022	3,968,554	5,196,015	3,495,286	1,943,107	1,033,900	737,420	108	151	149,979	193,012
2021	—	6,006,185	—	7,053,521	1,454,883	1,664,845	121	151	129,659	167,127

(1) In fiscal 2022, J. Michael Nauman retired as the Company's PEO effective April 1, 2022. Effective that same day, Russell R. Shaller was appointed the Company's new PEO. Compensation information is provided separately for each PEO. Mr. Nauman was also the Company's PEO for fiscal 2021.

(2) The Company's non-PEO NEOs for each fiscal year were as follows:
2024: Ann E. Thornton, Olivier Bojarski, Thomas F. DeBruine, and Andrew T. Gorman
2023: Ann E. Thornton, Olivier Bojarski, Bentley N. Curran, Andrew T. Gorman, Pascal Deman, and Aaron J. Pearce
2022: Aaron J. Pearce, Bentley N. Curran, Pascal Deman, Andrew T. Gorman, and Helena R. Nelligan
2021: Aaron J. Pearce, Bentley N. Curran, Helena R. Nelligan, and Russell R. Shaller

(3) The amounts shown for CAP have been calculated in accordance with Item 402(v) of Regulation S-K and do not reflect compensation actually realized or received by the Company's NEOs. These amounts reflect total compensation as set forth in the Summary Compensation Table above for each year, adjusted as described in the reconciliation tables below.

(4) The Peer Group TSR set forth in this table utilizes the S&P SmallCap 600 Industrials Index, which we also utilize in the stock performance graph required by Item 201(e) of Regulation S-K included in Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities above. The comparison assumes $100 was invested for the period starting July 31, 2020, through the end of the listed year in the Company and in the S&P SmallCap 600 Industrials Index, respectively. Historical stock performance is not necessarily indicative of future stock performance.

Reconciliation of PEO SCT Total to CAP Reconciliation

Year	PEO Name	SCT Total	*Less:* Reported Value of Equity Awards (1)	*Plus:* Equity Award Adjustments (2)	CAP to PEO
2024	Russell R. Shaller	$ 6,047,828	$ 3,551,028	$ 6,098,165	$ 8,594,965
2023	Russell R. Shaller	3,242,497	1,164,390	1,460,600	3,538,707
2022	Russell R. Shaller	3,968,554	2,608,892	2,135,624	3,495,286
2022	J. Michael Nauman	5,196,015	3,319,962	67,054	1,943,107
2021	J. Michael Nauman	6,006,185	3,303,853	4,351,189	7,053,521

(1) The reported value of equity awards represents the grant date fair value of equity-based awards granted each year. The total of the amounts reported in this column are the totals from the "Stock Awards" and "Option Awards" columns in the Summary Compensation Table for each applicable year.

(2) The equity award adjustments reflects the value of equity calculated in accordance with the SEC methodology for determining CAP for each year shown. These equity award adjustments are set forth in the PEO Equity Award Adjustments table below. For the equity values included in the below table, the valuation assumptions used to calculate fair values did not materially differ from those disclosed at the time of the grant.

PEO Equity Award Adjustments

Year	PEO Name	Fair Value of Outstanding and Unvested Equity Awards Granted in the Year	Year over Year Change in Fair Value of Outstanding and Unvested Equity Awards	Year over Year Change in Fair Value of Equity Awards Granted in Prior Years that Vested in the Year	Fair Value of Awards Granted in Prior Years that were Forfeited During the Year	Incremental Fair Value of Awards Modified During the Year	Equity Award Adjustments
2024	Russell R. Shaller	$ 4,800,356	$ 1,046,520	$ 251,289	$ —	$ —	$ 6,098,165
2023	Russell R. Shaller	1,097,234	278,966	84,400	—	—	1,460,600
2022	Russell R. Shaller	2,561,417	(326,071)	(99,722)	—	—	2,135,624
2022	J. Michael Nauman	1,854,533	(1,058,794)	(385,483)	(343,202)	—	67,054
2021	J. Michael Nauman	4,429,964	286,408	(365,183)	—	—	4,351,189

Reconciliation of non-PEO NEOs (average) SCT Total to CAP Reconciliation

Year	SCT Total	*Less:* Reported Value of Equity Awards (1)	*Plus:* Equity Award Adjustments (2)	CAP to NEO (average)
2024	$ 1,344,912	$ 473,056	$ 836,808	$ 1,708,664
2023	1,451,355	660,855	377,758	1,168,258
2022	1,033,900	381,363	84,883	737,420
2021	1,454,883	571,339	781,301	1,664,845

(1) The reported value of equity awards represents the grant date fair value of equity-based awards granted each year. The total of the amounts reported in this column are the totals from the "Stock Awards" and "Option Awards" columns in the Summary Compensation Table for each applicable year.

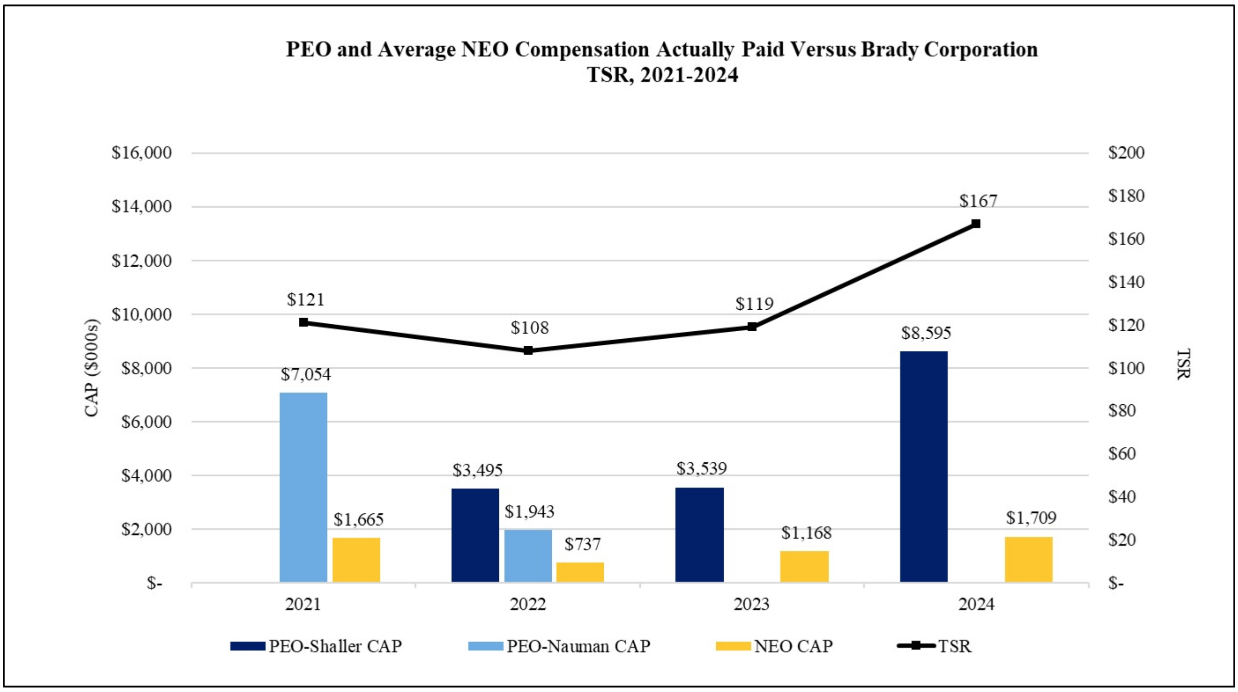
(2) The equity award adjustments reflects the value of equity calculated in accordance with the SEC methodology for determining CAP for each year shown. These equity award adjustments are set forth in the PEO Equity Award Adjustments table below. For the equity values included in the below table, the valuation assumptions used to calculate fair values did not materially differ from those disclosed at the time of the grant.

Non-PEO NEOs (average) Equity Award Adjustments

Year	Fair Value of Outstanding and Unvested Equity Awards Granted in the Year	Year over Year Change in Fair Value of Outstanding and Unvested Equity Awards	Year over Year Change in Fair Value of Equity Awards Granted in Prior Years that Vested in the Year	Fair Value of Awards Granted in Prior Years that were Forfeited During the Year	Incremental Fair Value of Awards Modified During the Year	Equity Award Adjustments
2024	$ 639,487	$ 167,092	$ 30,229	$ —	$ —	$ 836,808
2023	217,810	12,409	(8,435)	(108,981)	264,955	377,758
2022	307,242	(128,663)	(50,433)	(43,263)	—	84,883
2021	766,068	86,768	(71,535)	—	—	781,301

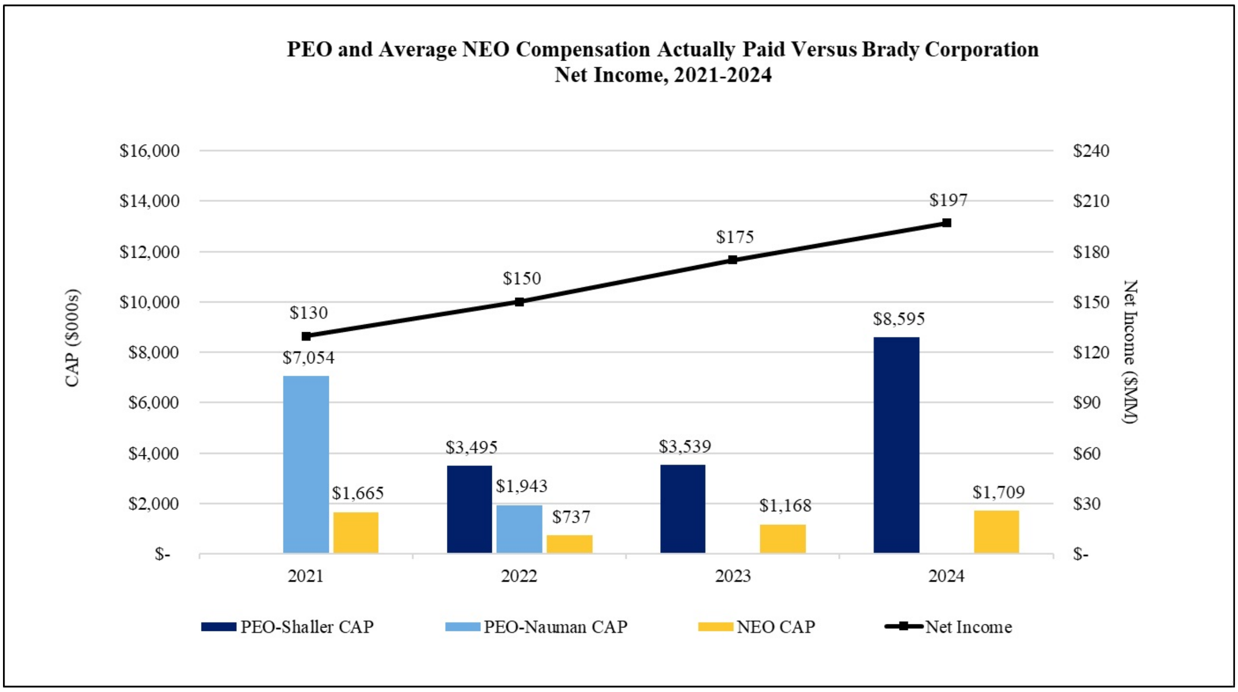
Description of Relationship Between NEO CAP and Company TSR

The following chart sets forth the relationship between CAP to our PEO, the average of CAP to our other NEOs, and the Company's cumulative TSR over the three-year period from fiscal 2021 through fiscal 2024.



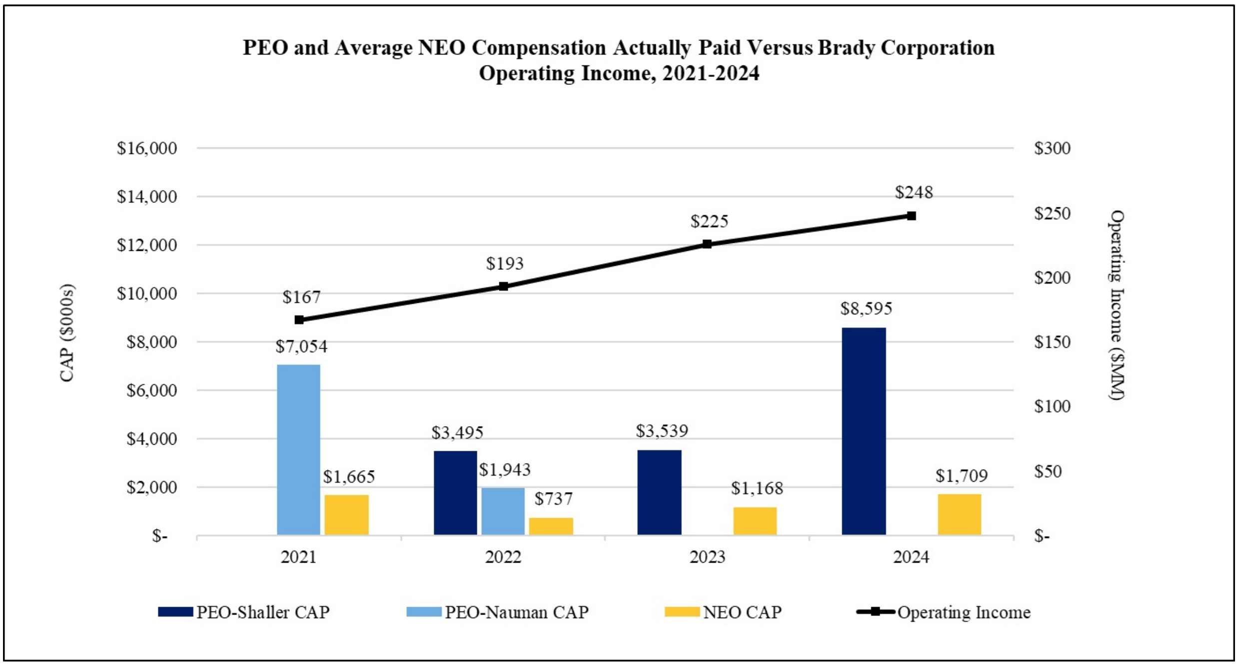
Description of Relationship Between NEO CAP and Net Income

The following chart sets forth the relationship between CAP to our PEO, the average of CAP to our other NEOs, and our net income during fiscal 2021 through 2024.



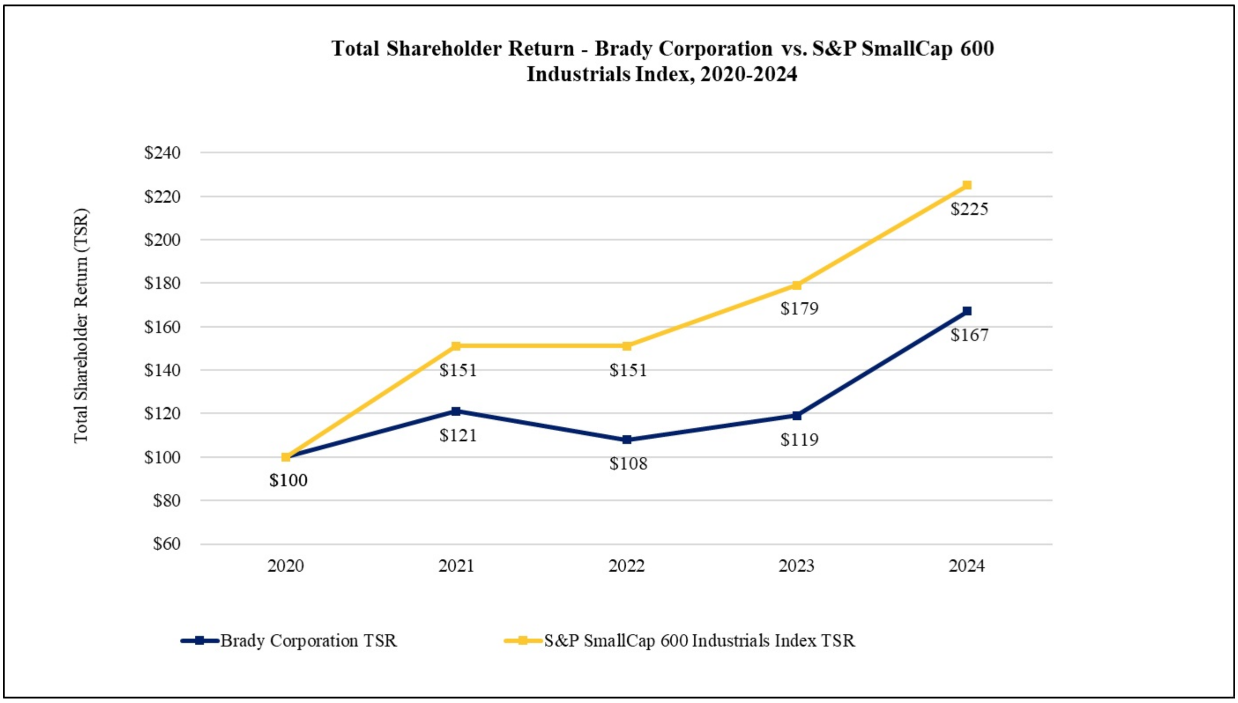
Description of Relationship Between NEO CAP and Operating Income

The following chart sets forth the relationship between CAP to our PEO, the average of CAP to our other NEOs, and our operating income during fiscal 2021 through 2024.



Description of Relationship Between Company TSR and Peer Group TSR

The following chart compares our cumulative TSR over the three-year period from 2020 through 2024 to that of the S&P SmallCap 600 Industrials Index.



Fiscal 2024 Tabular List of Most Important Financial Performance Measures

The following table presents the financial performance measures that the Company considers to have been the most important in linking Compensation Actually Paid to our PEO and other NEOs in fiscal 2024 to Company performance. The measures in this table are not ranked.

Most Important Performance Measures
Operating Income
Organic Sales Growth
Total Shareholder Return
Earnings Per Share

Board of Directors Compensation

To ensure competitive compensation for the Board of Directors, compensation is reviewed every other year and market surveys prepared by various consulting firms and the National Association of Corporate Directors are reviewed by the Corporate Governance Committee and the Management Development and Compensation Committee, and they confer with the Board's independent compensation consultant in making recommendations to the Board of Directors regarding director compensation. Directors who are employees of the Company receive no additional compensation for service on the Board or on any committee of the Board.

In fiscal 2024, the annual cash retainer paid to non-management directors was $67,500. Each member of the Audit Committee received an annual retainer of $15,000, and an additional annual retainer of $15,000 was paid to the Chair of the Audit Committee; each member of the Management Development and Compensation Committee received an annual retainer of $12,000, and an additional annual retainer of $12,000 was paid to the Chair; and each member of the Corporate Governance, Finance and Technology Committees received an annual retainer of $10,000, and an additional annual retainer of $10,000 was paid to each committee chair. The ESG Liaison received an annual retainer of $15,000. Non-management directors do not receive meeting fees. The annual cash retainers were pro-rated in situations where there are changes to committee members or committee chairs that take place during the fiscal year. Non-management directors are eligible to receive compensation of up to $1,000 per day for special assignments required by management or the Board of Directors, so long as the compensation does not impair independence and is approved by the Board as required. No such special assignment fees were paid in fiscal year 2024.

In fiscal 2024, the Chair of the Board, Bradley C. Richardson, was paid an annual fee of $80,000.

The Board has established stock ownership requirements for directors. The ownership requirement for each director is five times the annual Board retainer. Directors have five years to achieve their stock ownership requirements. Mr. Hix, who was elected to the Board in May 2024, has not yet met his stock ownership requirements. All other directors have met their stock ownership requirements.

Under the terms of the Brady Corporation 2023 Omnibus Incentive Stock Plan, 5,000,000 shares of the Company's Class A Common Stock have been authorized for issuance to directors and employees. The Board has full and final authority to designate the non-management directors to whom awards will be granted, the date on which awards will be granted and the number of shares of stock covered by each grant.

On August 30, 2023, the Board approved an annual stock-based compensation award of $116,500 fair value of unrestricted shares of Class A Common Stock with a grant date fair value of $54.80 per share, for each non-management director, effective October 2, 2023.

Directors are also eligible to defer portions of their fees into the Brady Corporation Director Deferred Compensation Plan ("Director Deferred Compensation Plan"), the value of which is measured by the fair value of the underlying investments. The assets of the Director Deferred Compensation Plan are held in a Rabbi Trust and are invested by the trustee as directed by the participant in several investment funds as permitted by the Director Deferred Compensation Plan. The investment funds available include Brady Corporation Class A Nonvoting Common Stock and various mutual funds that are offered in the employee Matched 401(k) Plan. Directors may elect whether to receive their account balance following termination in a single lump sum payment or by means of distribution under an annual installment method. Distributions of the Company Class A Nonvoting Common Stock are made in-kind; distributions of mutual funds are made in cash.

Director Compensation Table — Fiscal 2024

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($) (1)	Total ($)
Patrick W. Allender	$ 113,333	$ 116,505	$ 229,838
David S. Bem	105,333	116,505	221,838
Elizabeth P. Bruno	108,333	116,505	224,838
Joanne Collins Smee	97,362	116,505	213,867
Nancy L. Gioia	102,333	116,505	218,838
Christopher Hix [(2)]	33,656	116,516	150,172
Vineet Nargolwala	90,333	116,505	206,838
Bradley C. Richardson	213,667	116,505	330,172
Michelle E. Williams	125,333	116,505	241,838

(1) Represents the fair value of shares of Brady Corporation Class A Non-Voting Common Stock granted in fiscal 2024 as compensation for their services. The shares of unrestricted stock granted to the non-management directors were valued at the average of the high and low market price of $54.80 on October 2, 2023, for those non-management directors on the board as of that grant date.

(2) Mr. Hix was appointed to the Board on May 20, 2024. As such, the value of his compensation reported in the table above is prorated for his time served on the Board during fiscal 2024. As part of his appointment, Mr. Hix also received a grant of unrestricted stock valued at the average of the high and low market price of $67.90 on May 24, 2024.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

(a) ***Security Ownership of Certain Beneficial Owners***

The following table sets forth the current beneficial ownership of shareholders who are known by the Company to own more than five percent (5%) of any class of the Company's voting shares on July 31, 2024. As of that date, nearly all of the voting stock of the Company was held by two trusts controlled by direct descendants of the Company's founder, William H. Brady, as follows:

Title of Class	Name and Address of Beneficial Owner	Amount of Beneficial Ownership	Percent of Ownership (2)
Class B Common Stock	EBL GST Non-Exempt Stock B Trust (1) c/o Elizabeth P. Bruno 2002 S. Hawick Ct. Chapel Hill, NC 27516	1,769,304	50 %
	William H. Brady III Living Trust dated November 1, 2013 (3) c/o William H. Brady III 249 Rosemont Ave. Pasadena, CA 91103	1,769,304	50 %

(1) The trustee is Elizabeth P. Bruno, who has sole voting and dispositive power and who is the remainder beneficiary. Elizabeth Bruno is the great-granddaughter of William H. Brady and currently serves on the Company's Board of Directors.

(2) An additional 20 shares are owned by a third trust with different trustees.

(3) William H. Brady III is grantor of this revocable trust and shares voting and dispositive powers with respect to these shares with his co-trustee. William H. Brady III is the grandson of William H. Brady.

(b) ***Security Ownership of Management***

The following table sets forth the current beneficial ownership of each class of equity securities of the Company by each director and NEO individually and by all directors and Officers of the Company as a group as of July 31, 2024. Unless otherwise noted, the address for each of the listed persons is c/o Brady Corporation, 6555 West Good Hope Road, Milwaukee, Wisconsin 53223. Except as otherwise indicated, all shares are owned directly.

Title of Class	Name of Beneficial Owner & Nature of Beneficial Ownership	Amount of Beneficial Ownership (3)(4)(5)	Percent of Ownership
Class A Common Stock	Elizabeth P. Bruno (1)	937,282	2.1 %
	Russell R. Shaller	252,038	0.6 %
	Patrick W. Allender (2)	130,184	0.3 %
	Bradley C. Richardson	76,501	0.2 %
	Ann E. Thornton	38,199	0.1 %
	Nancy L. Gioia	29,597	0.1 %
	Andrew T. Gorman	26,934	0.1 %
	Michelle E. Williams	19,807	*
	David S. Bem	14,084	*
	Thomas F. DeBruine	11,428	*
	Joanne Collins Smee	7,384	*
	Vineet Nargolwala	7,384	*
	Olivier Bojarski	6,255	*
	Christopher Hix	1,716	*
	All Officers and Directors as a Group (15 persons)	1,575,127	3.6 %
Class B Common Stock	Elizabeth P. Bruno (1)	1,769,304	50.0 %

* Indicates less than one-tenth of one percent.

(1) Ms. Bruno’s holdings of Class A Common Stock include 600,000 shares owned by a trust for which she is a trustee and has sole dispositive and voting authority and 8,220 shares owned by trusts in which she is a co-trustee. Ms. Bruno’s holdings of Class B Common Stock include 1,769,304 shares owned by a trust over which she has sole dispositive and voting authority.

(2) Mr. Allender's holdings of Class A Common Stock include 37,486 shares owned by the Patrick and Deborah Allender Irrevocable Trust.

(3) The amount shown for all officers and directors individually and as a group (15 persons) includes options to acquire a total of 206,752 shares of Class A Common Stock, which are currently exercisable or will be exercisable within 60 days of July 31, 2024, including the following: Mr. Shaller, 173,771 shares; Ms. Thornton, 24,534 shares; Mr. Gorman, 19,245 shares; and Mr. DeBruine, 4,624 shares. It does not include other options for Class A Common Stock which have been granted at later dates and are not exercisable within 60 days of July 31, 2024.

(4) The amount shown for all officers and directors individually and as a group (15 persons) includes unvested restricted stock units to acquire 14,285 shares of Class A Common stock, which will vest within 60 days of July 31, 2024, including the following: Mr. Shaller, 6,777 units; Ms. Thornton, 651 units; Mr. Gorman, 2,721 units; Mr. DeBruine, 627 units; and Mr. Bojarski, 4,088 units; It does not include unvested restricted stock awards or restricted stock units to acquire Class A Common Stock which have been granted at later dates and will not vest within 60 days of July 31, 2024.

(5) The amount shown for all officers and directors individually and as a group (15 persons) includes Class A Common Stock owned in deferred compensation plans totaling 224,233 shares of Class A Common Stock, including the following: Ms. Bruno, 2,884 shares; Mr. Allender, 92,698 shares; Mr. Richardson, 76,501 shares; Ms. Gioia, 18,001 shares; Dr. Williams, 17,664 shares; Ms. Collins Smee, 7,384 shares; Mr. Nargolwala, 7,384 shares; and Mr. Hix, 1,716 shares.

(c) ***Changes in Control***

No arrangements are known to the Company, which may, at a subsequent date, result in a change of control of the Company.

(d) *Equity Compensation Plan Information*

	As of July 31, 2024			
Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**		**Weighted-average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by security holders	1,474,258	$	45.87	4,862,004
Equity compensation plans not approved by security holders	None		None	None
Total	1,474,258	$	45.87	4,862,004

The Company's equity compensation plan allows the granting of stock options, restricted stock, RSUs, and unrestricted stock to various officers, directors and other employees of the Company at prices equal to fair market value at the date of grant. The Company has reserved 5,000,000 shares of Class A Nonvoting Common Stock for issuance under the Brady Corporation 2023 Omnibus Incentive Stock Plan. Generally, options will not be exercisable until one year after the date of grant, and will be exercisable thereafter, to the extent of one-third per year and have a maximum term of ten years. Generally, RSUs vest one-third per year for the first three years.

Item 13. *Certain Relationships and Related Transactions, and Director Independence*

The Company annually solicits information from its directors in order to ensure there are no conflicts of interest. The information gathered annually is reviewed by the Company and if any transactions are not in accordance with the rules of the NYSE or are potentially in violation of the Company's Corporate Governance Principles, the transactions are referred to the Corporate Governance Committee for approval or other action. Further, potential affiliated party transactions would be reported as a part of the Company's quarterly disclosure process. In addition, pursuant to its charter, the Company's Audit Committee periodically reviews reports and disclosures of insider and affiliated party transaction with the Company, if any. Furthermore, the Company's directors are expected to be mindful of their fiduciary obligations to the Company and to report any potential conflicts to the Corporate Governance Committee for review. Based on the Company's consideration of all relevant facts and circumstances, the Corporate Governance Committee will decide whether or not to approve such transactions and will approve only those transactions that are in the best interest of the Company. Additionally, the Company has processes in place to educate executives and employees about affiliated transactions. The Company maintains an anonymous hotline by which employees may report potential conflicts of interest such as affiliated party transactions.

In undertaking its review of potential related party transactions, the Board considered the commercial relationships of the Company, if any, with those entities that have employed the Company's directors. The commercial relationships, which involved the purchase and sale of products on customary terms, did not exceed the maximum amounts proscribed by the director independence rules of the NYSE. Furthermore, the compensation paid to the Company's directors by their employers, was not linked in any way to the commercial relationships their employers had with the Company in fiscal 2024. After consideration of these factors, the Board concluded that none of the directors whose employers had a commercial relationship with the Company had a material interest in the transactions and the commercial relationships were not material to the Company. Based on these factors, the Company has determined that it does not have material related party transactions that affect the results of operations, cash flow or financial condition. The Company has also determined that no transactions occurred in fiscal 2024, or are currently proposed, that would require disclosure under Item 404 (a) of Regulation S-K.

See Item 10 above for a discussion of director independence.

Item 14. ***Principal Accountant Fees and Services***

The following table presents the aggregate fees incurred for professional services by Deloitte & Touche LLP and Deloitte Tax LLP during the years ended July 31, 2024 and 2023. Other than as set forth below, no professional services were rendered or fees billed by Deloitte & Touche LLP or Deloitte Tax LLP during the years ended July 31, 2024 and 2023.

	2024	2023
	(Dollars in thousands)	
Audit, audit-related and tax compliance:		
Audit fees [(1)]	$ 1,209	$ 1,159
Tax fees — compliance	525	541
Subtotal audit, audit-related and tax compliance fees	1,734	1,700
Non-audit related:		
Tax fees — planning and advice	477	325
Subtotal non-audit related fees	477	325
Total fees	$ 2,211	$ 2,025

(1) Audit fees consist of professional services rendered for the audit of the Company's annual financial statements, attestation of management's assessment of internal control and reviews of the quarterly financial statements.

	2024	2023
Ratio of Tax Planning and Advice Fees to Audit Fees, Audit-Related Fees and Tax Compliance Fees	0.3 to 1	0.2 to 1

Pre-Approval Policy — The services performed by the Independent Registered Public Accounting Firm ("Independent Auditors") in fiscal 2024 were pre-approved in accordance with the pre-approval policy and procedures adopted by the Audit Committee. The policy requires the Audit Committee to pre-approve the audit and non-audit services performed by the Independent Auditors in order to assure that the provision of such services does not impair the auditor's independence. All services performed for the Company by the Independent Auditor must be approved in advance by the Audit Committee. Any proposed services exceeding pre-approved cost levels also require specific pre-approval by the Audit Committee.

PART IV

Item 15. *Exhibits and Financial Statement Schedules*

Item 15 (a) — The following documents are filed as part of this report:

1) & 2) Consolidated Financial Statement Schedule -

Schedule II Valuation and Qualifying Accounts

All other schedules are omitted as they are not required, or the required information is shown in the consolidated financial statements or notes thereto.

3) Exhibits — See Exhibit Index at page 97 of this Form 10-K.

EXHIBIT INDEX

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated as of December 28, 2012, by and among Brady Corporation, BC I Merger Sub Corporation, Precision Dynamics Corporation, and Precision Dynamics Holding LLC (29)
2.2	Share and Asset Purchase Agreement, dated as of February 24, 2014, by and among Brady Corporation, LTI Flexible Products, Inc. (d/b/a Boyd Corporation), and LTI Holdings Inc. (6)
2.3	Combination Agreement, dated as of April 15, 2021, by and between Brady S.a.r.l and Nordic ID Oyj (30)
2.4	Purchase Agreement, dated as of May 21, 2021, by and among Brady Corporation, LDC Limited, and the other institutional and individual holders of outstanding shares of Magicard Holdings Limited (36)
2.5	Purchase Agreement, dated as of June 16, 2021, by and among Brady Worldwide, Inc., BW Acquisition Corp., The Code Corporation, Certain Stockholders of the Code Corporation, and Shareholder Representative Services LLC (24)
2.6	Securities Sale and Purchase Agreement, dated as of July 3, 2024, by and between Braton Europe S.A.R.L., MML Capital Europe VI Equity II S.A., and the other institutional and individual holders of outstanding shares of Gravotech Holding (19)
3.1	Restated Articles of Incorporation of Brady Corporation (1)
3.2	By-Laws of Brady Corporation, as amended September 14, 2020 (23)
4.1	Description of Brady Corporation Securities (3)
4.2	Form of Indenture (1)
*10.1	Brady Corporation 2023 Omnibus Incentive Plan (14)
*10.2	Brady Corporation BradyGold Plan, as amended (2)
*10.3	Executive Additional Compensation Plan, as amended (2)
*10.4	Executive Deferred Compensation Plan, as amended (37)
*10.5	Directors’ Deferred Compensation Plan, as amended (37)
*10.6	Change of Control Agreement, dated as of April 6, 2020, with Andrew T. Gorman (5)
*10.7	Brady Corporation 2017 Omnibus Incentive Plan (27)
*10.8	Form of Nonqualified Stock Option Agreement under the Brady Corporation 2017 Omnibus Incentive Plan for awards granted prior to Fiscal 2019 (33)
10.9	Brady Corporation Automatic Dividend Reinvestment Plan (4)
10.10	Put Option Letter, dated as of March 15, 2024, by and between Brady Corporation and MML Capital Europe VI II S.A. and other institutional and individual holders (22)
*10.11	Form of Fiscal 2021 Performance-Based Restricted Stock Unit Agreement under the Brady Corporation 2017 Omnibus Incentive Plan (18)
*10.12	Original Employment Contract between Brady Corporation and Brett Wilms effective June 1, 2018 (10)
*10.13	Form of Fiscal 2020 and Fiscal 2021 Nonqualified Employee Stock Option Agreement under the Brady Corporation 2017 Omnibus Incentive Plan (3)
*10.14	Executive Deferred Compensation Plan, As Amended and Restated Effective September 5, 2023 (7)
*10.15	Form of Nonqualified Stock Option Agreement under the Brady Corporation 2023 Omnibus Incentive Plan (14)

*10.16	Form of Fiscal 2020 and Fiscal 2021 Restricted Stock Unit Agreement under the Brady Corporation 2017 Omnibus Incentive Plan (3)
*10.17	Employment Offer Letter, dated as of March 11, 2022, with Russell R. Shaller (15)
*10.18	Form of Restricted Stock Unit Agreement under the Brady Corporation 2023 Omnibus Incentive Plan (14)
10.19	Second Amendment to Credit Agreement, dated as of November 14, 2022, by and among Brady Corporation and certain of its subsidiaries, the lenders listed therein and BMO Harris Bank, N.A., as administrative agent (35)
*10.20	Restricted Stock Unit Agreement, dated as of April 1, 2022, with Russell R. Shaller (15)
*10.21	Restated Brady Corporation Restoration Plan, as amended (37)
*10.22	Change of Control Agreement, dated as of April 1, 2022, with Russell R. Shaller (15)
*10.23	Employment Offer Letter, dated as of February 19, 2020, with Andrew T. Gorman (5)
*10.24	Form of Fiscal 2023 Performance-Based Restricted Stock Unit Agreement under the Brady Corporation 2017 Omnibus Incentive Plan (5)
*10.25	Form of Fiscal 2022 Restricted Stock Unit Agreement under the Brady Corporation 2017 Omnibus Incentive Plan (34)
*10.26	Employment Offer Letter, dated as of August 3, 2022, with Oliver Bojarski (12)
*10.27	Form of Fiscal 2019 Restricted Stock Unit Agreement under the Brady Corporation 2017 Omnibus Incentive Plan (37)
*10.28	Employee Non-Compete and Non-Disclosure Agreement, dated as of August 3, 2022, between Brady Corporation and Oliver Bojarski (12)
10.29	First Amendment to Credit Agreement, dated as of December 21, 2021, by and among Brady Corporation and certain of its subsidiaries, the lenders listed therein and BMO Harris Bank, N.A., as administrative agent (20)
*10.30	Form of Fiscal 2022 Restricted Stock Unit Agreement under the Brady Corporation 2017 Omnibus Incentive Plan (34)
*10.31	Form of Fiscal 2016 Nonqualified Employee Stock Option Agreement under the Brady Corporation 2012 Omnibus Incentive Stock Plan (21)
*10.32	Form of Fiscal 2022 Nonqualified Employee Stock Option Agreement under the Brady Corporation 2017 Omnibus Incentive Plan (34)
*10.33	Addendum to the 2017 General Stock Option Incentive Plan of Brady Corporation for Participants in France (18)
*10.34	Addendum to the 2017 General Restricted Stock Unit Incentive Plan of Brady Corporation for Participants in France (18)
*10.35	Employment Offer Letter between Brady Corporation and Ann E. Thornton dated as of April 14, 2023 (16)
*10.36	Change of Control Agreement between Brady Corporation and Ann E. Thornton dated as of April 14, 2023 (16)
*10.37	Employment Contract Addendum between Brady Corporation and Brett Wilms effective February 1, 2023 (10)
*10.38	Change of Control Agreement between Brady Corporation and Brett Wilms dated as of January 10, 2023 (10)
10.39	Credit Agreement, dated as of August 1, 2019, by and among Brady Corporation and certain of its subsidiaries, the lenders listed therein, BMO Harris Bank, N.A., as administrative agent and L/C issuer, Bank of America, N.A., as syndication agent and L/C issuer, and Wells Fargo Bank, N.A., as documentation agent (38)
*10.40	Employment Offer Letter between Brady Corporation and Thomas DeBruine dated as of May 24, 2024 (17)
*10.41	Change of Control Agreement, dated as of April 11, 2022, with Thomas DeBruine (17)

*10.42	Form of Fiscal 2025 Performance-Based Restricted Stock Unit Agreement under the Brady Corporation 2023 Omnibus Incentive Plan
19	Insider Trading Policy of Brady Corporation
21	Subsidiaries of Brady Corporation
23	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm
31.1	Rule 13a-14(a)/15d-14(a) Certification of Russell R. Shaller
31.2	Rule 13a-14(a)/15d-14(a) Certification of Ann E. Thornton
32.1	Section 1350 Certification of Russell R. Shaller
32.2	Section 1350 Certification of Ann E. Thornton
97	Incentive Recovery Policy of Brady Corporation
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Inline XBRL data (Contained in Exhibit 101)

* Management contract or compensatory plan or arrangement

(1) Incorporated by reference to Registrant’s Registration Statement No. 333-04155 on Form S-3
(2) Incorporated by reference to Registrant’s Annual Report on Form 10-K for the fiscal year ended July 31, 1989
(3) Incorporated by reference to Registrant’s Annual Report on Form 10-K for the fiscal year ended July 31, 2019
(4) Incorporated by reference to Registrant’s Annual Report on Form 10-K for the fiscal year ended July 31, 1992
(5) Incorporated by reference to Registrant’s Annual Report on Form 10-K for the fiscal year ended July 31, 2022
(6) Incorporated by reference to Registrant’s Current Report on Form 8-K filed February 25, 2014
(7) Incorporated by reference to Registrant’s Annual Report on Form 10-K for the fiscal year ended July 31, 2023
(8) Reserved
(9) Reserved
(10) Incorporated by reference to Registrant’s Current Report on Form 8-K filed February 1, 2023
(11) Reserved
(12) Incorporated by reference to Registrant’s Current Report on Form 8-K filed August 5, 2022
(13) Reserved
(14) Incorporated by reference to Registrant’s Current Report on Form 8-K filed September 5, 2023
(15) Incorporated by reference to Registrant’s Current Report on Form 8-K filed March 16, 2022
(16) Incorporated by reference to Registrant’s Current Report on Form 8-K filed April 19, 2023
(17) Incorporated by reference to Registrant's Current Report on Form 8-K filed May 30, 2024
(18) Incorporated by reference to Registrant’s Annual Report on Form 10-K for the fiscal year ended July 31, 2020
(19) Incorporated by reference to Registrant's Current Report on Form 8-K filed July 10, 2024
(20) Incorporated by reference to Registrant’s Current Report on Form 8-K filed December 22, 2021
(21) Incorporated by reference to Registrant’s Annual Report on Form 10-K for the fiscal year ended July 31, 2015
(22) Incorporated by reference to Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2024
(23) Incorporated by reference to Registrant’s Current Report on Form 8-K filed September 16, 2020
(24) Incorporated by reference to Registrant’s Current Report on Form 8-K filed June 21, 2021

(25) Reserved
(26) Reserved
(27) Incorporated by reference to Registrant’s Current Report on Form 8-K filed May 27, 2016
(28) Reserved
(29) Incorporated by reference to Registrant's Current Report on Form 8-K filed December 31, 2012
(30) Incorporated by reference to Registrant's Current Report on Form 8-K filed April 16, 2021
(31) Reserved
(32) Reserved
(33) Incorporated by reference to Registrant's Current Report on Form 8-K filed July 14, 2016
(34) Incorporated by reference to Registrants Annual Report on Form 10-K for the fiscal year ended July 31, 2021
(35) Incorporated by reference to Registrant's Current Report on Form 8-K filed November 17, 2022
(36) Incorporated by reference to Registrant's Current Report on Form 8-K filed May 26, 2021
(37) Incorporated by reference to Registrant’s Annual Report on Form 10-K for the fiscal year ended July 31, 2018
(38) Incorporated by reference to Registrant’s Current Report on Form 8-K filed August 1, 2019

Item 16. ***Form 10-K Summary***

None.

BRADY CORPORATION AND SUBSIDIARIES
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS

	Year ended July 31,		
Description	**2024**	**2023**	**2022**
		(Dollars in thousands)	
Valuation accounts deducted in balance sheet from assets to which they apply — Accounts receivable — allowance for credit losses:			
Balances at beginning of period	$ 8,467	$ 7,355	$ 7,306
Additions — Due to acquired businesses	—	—	—
Additions — Charged to expense	337	1,433	859
Deductions — Bad debts written off, net of recoveries	(2,055)	(321)	(810)
Balances at end of period	$ 6,749	$ 8,467	$ 7,355
Inventory — Reserve for slow-moving inventory:			
Balances at beginning of period	$ 35,855	$ 29,877	$ 23,009
Additions — Due to acquired businesses	—	—	—
Additions (Deductions) — Charged to (reversal of) expense	(1,707)	9,580	10,198
Deductions — Inventory write-offs	(2,166)	(3,602)	(3,330)
Balances at end of period	$ 31,982	$ 35,855	$ 29,877
Valuation allowances against deferred tax assets:			
Balances at beginning of period	$ 52,750	$ 47,276	$ 51,069
Additions — Due to acquired businesses	—	—	—
Additions — Charged to expense	1,357	5,852	48
Deductions — Valuation allowances reversed/utilized	(6,883)	(378)	(3,841)
Balances at end of period	$ 47,224	$ 52,750	$ 47,276

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized this 6th day of September 2024.

BRADY CORPORATION

By:	/s/ ANN E. THORNTON
	Ann E. Thornton
	Chief Financial Officer, Chief Accounting Officer and Treasurer
	(Principal Financial Officer and Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.*

Signature	**Title**
/s/ RUSSELL R. SHALLER	President and Chief Executive Officer; Director
Russell R. Shaller	(*Principal Executive Officer*)
/s/ PATRICK W. ALLENDER	
Patrick W. Allender	Director
/s/ DAVID S. BEM	
David S. Bem	Director
/s/ ELIZABETH P. BRUNO	
Elizabeth P. Bruno	Director
/s/ JOANNE COLLINS SMEE	
Joanne Collins Smee	Director
/s/ NANCY L. GIOIA	
Nancy L. Gioia	Director
/s/ CHRISTOPHER M. HIX	
Christopher M. Hix	Director
/s/ VINEET NARGOLWALA	
Vineet Nargolwala	Director
/s/ BRADLEY C. RICHARDSON	
Bradley C. Richardson	Director
/s/ MICHELLE E. WILLIAMS	
Michelle E. Williams	Director

* Each of the above signatures is affixed as of September 6, 2024.

EXHIBIT 10.42

BRADY CORPORATION
PERFORMANCE-BASED RESTRICTED STOCK UNITS

In accordance with the terms of the Brady Corporation 2023 Omnibus Incentive Plan (the "Plan"), the Management Development and Compensation Committee (the “Committee”) of the Brady Corporation Board of Directors hereby grants to you, _______________ (“Employee”), an award of Performance-Based Restricted Stock Units involving the number of such Units set forth in the table below. Brady Corporation’s (the “Corporation”) records shall be the official record of the grant described herein and, in the event of any conflict between this description and the Corporation’s records, the Corporation’s records shall control.

The terms and conditions of this Award are set forth in this Agreement, the attached Exhibit A, Exhibit B and in the Plan document, a copy of which has been provided to you.

Number of Performance-Based Restricted Stock Units Granted at Target (the “Units”):	
Grant Date:	August 1, 2024
Scheduled Vesting Date:	The date described in Section 2(a) of the Agreement
Performance Period:	Multiple performance periods are set forth in Exhibit A, which include the annual and cumulative periods within the three-year period beginning on August 1, 2024 and ending on July 31, 2026.
Performance Goals:	See Exhibit A

All terms, provisions and conditions applicable to Performance-Based Restricted Stock Unit Awards set forth in the Plan and not set forth in this Agreement are incorporated by reference into this Agreement. Capitalized terms not defined herein shall have the meanings specified in the Plan.

1. Award of Performance-Based Restricted Stock Units

The Corporation hereby confirms the grant to you, as of the Grant Date and subject to the terms and conditions of this Agreement and the Plan, of the number of Performance-Based Restricted Stock Units identified in the table above (the "Units"). Each Unit represents the right to receive one Share of the Corporation’s Class A Nonvoting Common Stock, $.01 par value. The Units granted to you will be credited to an account in your name maintained by the Corporation. This account shall be unfunded and maintained for bookkeeping purposes only, with the Units simply representing an unfunded and unsecured obligation of the Corporation until they become vested or have been forfeited.

2. Vesting and Forfeiture of Units

The Units shall vest at the earliest of the following times and to the degree specified. For purposes of this Section 2, use of the terms “employment” and “employed” refers to providing services to the Corporation and its Affiliates in the capacity of an Employee.

(a) *Scheduled Vesting*. The number of Units that have been earned during the Performance Period shall be eligible to vest on the Scheduled Vesting Date, so long as the Employee's employment has been continuous since the Grant Date. The actual number of earned Units that will vest on the Scheduled Vesting Date will be determined by the Committee as provided in Exhibit A. For these purposes, the "Scheduled Vesting Date" means the date the Committee certifies (i) the degree to which the applicable Performance Goals for the Performance Period have been satisfied, and (ii) the number of Units that have been earned during the Performance Period as provided in Exhibit A, which certification shall occur no later than October 15 of the fiscal year immediately following the fiscal year during which the Performance Period ended.

(b) *Death, Disability, or Retirement*. If employment is terminated prior to the last day of the Performance Period as a result of the Employee's death, disability (as defined in Section 22(e)(3) of the Code), or retirement (separation not for Cause after age 60 with at least five years of service with the Corporation or a Subsidiary), a pro-rata number of Units shall be determined to have been earned and will vest based on the following calculation:

(i) The number of Units, if any, that would have otherwise been earned by the Employee as a result of satisfaction of the Performance Goals for the respective Performance Period; multiplied by

(ii) The number of full months that the Employee was employed during the Performance Period; and divided by the number of months in the Performance Period.

The pro-rata number of vested Units shall be issued and delivered as soon as practicable after the Scheduled Vesting Date. Any Units that do not become vested pursuant to this subsection shall be immediately forfeited.

(c) *Change in Control*. If a Change in Control, as defined in Exhibit B, occurs while the Employee continues to be employed, then the Units shall vest as of the Date of the Change in Control to the extent provided below:

(i) If the Change in Control occurs on or after the last day of the Performance Period, the number of Units determined to have been earned as of the end of the Performance Period in accordance with Exhibit A shall vest.

(ii) In the event of a Change in Control prior to the end of the Performance Period, the Units shall become 100% vested at target and the conditions described under Section 2 and Exhibit A shall cease to apply.

(iii) No event described in Section 13.05 of the Plan shall cause the Units to become vested unless such event is a Change in Control.

(d) *Forfeiture of Unvested Units*. If employment is terminated prior to the Scheduled Vesting Date under circumstances other than as set forth in Sections 2(a) through (c), all unvested Units shall immediately be forfeited.

3. Settlement of Units

After any Units vest pursuant to Appendix A or Section 2 of this Agreement, the Corporation shall, as soon as practicable (but no later than October 15 of the year following the fiscal year in which such Units vest), cause to be issued and delivered to the Employee, or to the Employee's designated beneficiary or estate in the event of death, one Share in payment and settlement of each vested Unit. Delivery of the Shares shall be effected by the electronic delivery of the Shares to a designated brokerage account, shall be subject to satisfaction of withholding tax obligations as provided in Section 4 and compliance with all applicable legal requirements as provided in Section 13.03 of the Plan, and shall be in complete satisfaction and settlement of such vested Units. The Corporation will pay any original issue or transfer taxes with respect to the issuance and delivery of the Shares to the Employee, and all fees and expenses incurred by it in connection therewith.

4. Withholding Taxes

The Corporation may require, as a condition to the issuance of shares, that the Employee concurrently pay to the Corporation (either in cash or, at the request of Employee, but subject to such rules and regulations as the

Administrator may adopt from time to time, in Shares of Delivered Stock) the entire amount or a portion of any taxes which the Corporation is required to withhold by reason of the vesting or settlement of the Units, in such amount as the Administrator or the Corporation in its discretion may determine. If and to the extent that withholding of any federal, state or local tax is required in connection with the vesting or settlement of the Units, the Employee may, subject to such rules and regulations as the Corporation may adopt from time to time, elect to have the Corporation hold back from the Shares to be issued upon the vesting or settlement of the Units, Shares, the Fair Market Value of which is to be applied to the Employee's withholding obligations; provided that the Shares withheld may not have a Fair Market Value exceeding the maximum statutory tax rates in the Employee's applicable jurisdictions.

5. No Dividends

No dividends will be paid or accrued on any Performance-Based Restricted Stock Units prior to the issuance of Shares.

6. No Shareholder Rights

The Units subject to this Award do not entitle the Employee to any rights of a shareholder of the Corporation's Class A Nonvoting Common Stock. The Employee will not have any of the rights of a shareholder of the Corporation in connection with the grant of Units subject to this Agreement unless and until Shares are issued to the Employee upon settlement of the Units as provided in Section 3.

7. Transfer Restrictions

This Award is non-transferable and may not be assigned, pledged or hypothecated and shall not be subject to execution, attachment or similar process. Upon any attempt to effect any such disposition, or upon the levy of any such process, the Award shall immediately become null and void and the Performance-Based Restricted Stock Units shall be forfeited.

8. Confidentiality, Non-Solicitation and Non-Compete

As consideration for the grant of this Award, Employee agrees to, understands and acknowledges the following:

(a) During Employee's employment with the Corporation and its Affiliates (the "Company"), the Company will provide Employee with Confidential Information relating to the Company, its business and clients, the disclosure or misuse of which would cause severe and irreparable harm to the Company. During Employee's employment with Company, and for a two (2)-year period thereafter, Employee agrees not to use or disclose Company's Confidential Information except as necessary in executing Employee's duties for Company. Employee shall keep Confidential Information constituting a trade secret under applicable law confidential for so long as such information constitutes a trade secret (*i.e.*, protection as to trade secrets shall not necessarily expire at the end of the two (2)-year period). Upon the termination of Employee's employment with the Company for any reason, Employee shall immediately return to the Company all documents and materials that contain or constitute Confidential Information, in any form whatsoever, including but not limited to, all copies, abstracts, electronic versions, and summaries thereof. As to any electronically stored copies of Confidential Information, Employee shall contact their supervisor or Company's General Counsel to discuss the proper method for returning such items. Employee hereby consents and agrees that the Company may access any of Employee's personal computers and other electronic storage devices (including personal phones) and any electronic storage accounts (such as dropbox) so as to allow Company to ascertain the presence of Company's Confidential Information and how such information has been used by Employee and to remove any such items from such devices and accounts. Employee further agrees that, without the written consent of the Chief Executive Officer of the Corporation or, in the case of the Chief Executive Officer of the Corporation, without the written approval of the Board of Directors of the Corporation, Employee will not disclose, use, copy or duplicate, or otherwise permit the use, disclosure, copying or duplication of any Confidential Information of the Company, other than in connection with the authorized activities conducted in the course of Employee's employment with the Company. Employee agrees to take all reasonable steps and precautions to prevent any unauthorized disclosure, use, copying or duplication of Confidential Information. For purposes of this Agreement, Confidential Information means any and all financial, technical, commercial or other information concerning the business and affairs of the Company that is confidential and proprietary to the

Company, including without limitation,

(i) information relating to the Company's past and existing customers and vendors and development of prospective customers and vendors, including specific customer product requirements, pricing arrangements, payments terms, customer lists and other similar information;

(ii) inventions, designs, methods, discoveries, works of authorship, creations, improvements or ideas developed or otherwise produced, acquired or used by the Company;

(iii) the Company's proprietary programs, processes or software, consisting of but not limited to, computer programs in source or object code and all related documentation and training materials, including all upgrades, updates, improvements, derivatives and modifications thereof and including programs and documentation in incomplete stages of design or research and development;

(iv) the subject matter of the Company's patents, design patents, copyrights, trade secrets, trademarks, service marks, trade names, trade dress, manuals, operating instructions, training materials, and other industrial property, including such information in incomplete stages of design or research and development; and

(v) other confidential and proprietary information or documents relating to the Company's products, business and marketing plans and techniques, sales and distribution networks and any other information or documents which the Company reasonably regards as being confidential.

(vi) 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 Company of such request so Company may seek a protective order.

(b) *Post-Employment Customer Non-Solicitation Agreement*. For one (1) year following Employee's separation from Company, Employee will not contact—or support others in contacting—customers of Company with whom Employee had business contact during the last two (2) years of Employee's employment with Company, for the purpose of selling or providing products or services competitive with those offered by Company ("Competitive Products"). "Competitive Products" shall mean products and services competitive with those products and services for which Employee was responsible during the last two (2) years of Employee's employment with Company.

(c) *Post-Employment Non-Solicitation Agreement Based Upon Customer Knowledge*. For one (1) year following Employee's separation from Company, Employee will not contact—or support others in contacting—customers of Company about whom Employee possesses Confidential Information or for whom Employee supervised others in serving during the last two (2) years of Employee's employment with Company, for the purpose of selling or providing products or services competitive with those offered by Company ("Competitive Products"). "Competitive Products" shall mean products and services competitive with those products and services for which Employee was responsible during the last two (2) years of Employee's employment with Company.

(d) *Post-Employment Non-Compete Agreement*. For one (1) year following Employee's separation from Company, Employee will not, directly or indirectly, within the United States, provide services similar to any of those Employee provided to Company during the last two (2) years of Employee's employment with Company to a competitor of Company or a person or entity preparing to compete with Company.

(e) *Post-Employment Restriction on Working With Competitive Products*. For one (1) year following Employee's separation from Company, Employee will not, 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 Company during the last two (2) years of Employee's employment.

(f) *Post-Employment Restriction on Advising Investors*. For one (1) year following Employee's separation from Company, Employee will not, directly or indirectly, advise a private equity firm or other investor regarding buying, investing in, or divesting from Company or any of its competitors.

(g) *Post-Employment Restriction on Soliciting Employees*. For one (1) year following Employee's separation from Company, Employee will not solicit or encourage other employees of Company to provide services to a competitor of Company or to otherwise terminate their relationship with Company.

(h) *Duty of Loyalty and Related Obligations*. Employee acknowledges and agrees that Employee owes Company a duty of loyalty while employed by Company. During Employee's employment with Company, Employee agrees not to take action that will harm Company, such as, encouraging employees, vendors, suppliers, contractors, or customers to terminate their relationships with Company, usurping a business opportunity from Company, engaging in conduct that would injure Company's reputation, providing services or assistance to a competitive enterprise, or otherwise competing with Company.

(i) *Non-Disparagement and Social Media*. Employee agrees not to disparage Company or any of its officers, directors, or employees on social media, on any public platform, or to persons external to Company when such comments have the potential to harm Company (*i.e.*, making disparaging comments about Company to distributors, customers, suppliers, etc.).

(j) *Other Business Relationships*. Employee agrees, for a one (1)-year period following Employee's separation from Company, not to encourage or advise any vendors, suppliers, or others possessing a business relationship with Company to terminate that relationship or to otherwise modify that relationship to Company's detriment.

(k) Employee acknowledges and agrees that compliance with this Section 8 is necessary to protect the Company, and that a breach of any of this Section 8 will result in irreparable and continuing damage to the Company for which there will be no adequate remedy at law. In the event of a breach of this Section 8, or any part thereof, the Company, and its successors and assigns, shall be entitled to injunctive relief and to such other and further relief as is proper under the circumstances. The Company shall institute and prosecute proceedings in any Court of competent jurisdiction either in law or in equity to obtain damages for any such breach of this Section 8, or to enjoin Employee from performing services in breach of Section 8(b) during the term of employment and for a period of 12 months following the termination of employment. Employee hereby agrees to submit to the jurisdiction of any Court of competent jurisdiction in any disputes that arise under this Agreement.

(l) Employee further agrees that, in the event of a breach of this Section 8, the Corporation may elect to recover all or any part of the value of any amounts previously paid or payable or any Shares (or the value of any Shares) delivered or deliverable to Employee pursuant to any Company bonus program, this Agreement, and any other Company plan or arrangement.

(m) Employee agrees that the terms of this Section 8 shall survive the termination of Employee's employment with the Company.

(n) EMPLOYEE HAS READ THIS SECTION 8 AND AGREES THAT THE CONSIDERATION PROVIDED BY THE CORPORATION IS FAIR AND REASONABLE AND FURTHER AGREES THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE POST-EMPLOYMENT RESTRICTIONS ON EMPLOYEE'S ACTIVITIES ARE LIKEWISE FAIR AND REASONABLE.

9. Clawback

This Award is subject to the terms of the Corporation's recoupment, clawback or similar policy as it may be in effect from time to time, as well as any similar provisions of applicable law, any of which could in certain circumstances require repayment or forfeiture of Awards or any Shares or other cash or property received with respect to the Awards (including any value received from a disposition of the Shares acquired upon payment of the Awards).

10. Binding Effect

This Agreement will be binding in all respects on heirs, representatives, successors and assigns of the Employee, and on the successors and assigns of the Corporation.

11. Provisions of Plan Controlling

This Award is subject in all respects to the provisions of the Plan. In the event of any conflict between any provisions of this Award and the provisions of the Plan, the provisions of the Plan shall control, except to the extent the Plan permits the Committee to modify the terms of an Award grant and has done so herein. Terms defined in the Plan where used herein shall have the meanings as so defined. Employee acknowledges receipt of a copy of the Plan.

12. Wisconsin Contract

This Award has been granted in Wisconsin and shall be construed under the laws of that state without reference to conflict of laws priciples thereof.

Any legal action or proceeding with respect to this Award or for recognition and enforcement of any judgment in respect of this Award may only be brought and determined in (i) a court sitting in the State of Wisconsin, and (ii) a "bench" trial, and any party to such action or proceeding shall agree to waive its right to a jury trial.

13. Severability

Wherever possible, each provision of this Award will be interpreted in such manner as to be effective and valid under applicable law, but if any provision hereof is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions hereof. 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.

14. No Contract

Nothing in this Agreement is intended to change Employee's status as an at-will employee. Employee understands that Employee is an at-will employee and that Employee's employment can be terminated at any time, with or without notice or cause, by either Employee or Corporation.

15. Notice of Immunity

In accordance with the Defend Trade Secrets Act, Employee is hereby advised that:

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.

16. Data Privacy

In accepting the grant of this Award, the Employee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Employee's personal data as described in this Agreement and any other grant materials by and among, as applicable, the Company for the exclusive purpose of implementing, administering and managing the Employee's participation in the Plan.

The Employee understands that personal information about the Employee, including, but not limited to, the Employee's name, home address, email address and telephone number, date of birth, social insurance number, salary, nationality, job title, any shares of Common Stock held in the Company, details of all awards or any other entitlement to shares of Common Stock or equivalent benefits awarded, canceled, exercised, vested, unvested or outstanding in the Employee's favor ("Data"), may be collected, recorded, held, used and disclosed by the Company and any non-Brady entities engaged by the Company to provide services in connection with this grant (a "Third Party Administrator"), for the exclusive purpose of implementing, administering and managing the Plan. You understand that the Company may transfer such information to Third Party Administrators, regardless of whether such Third Party Administrators are located within your country of residence.

The Employee understands that the Employee may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case, without cost, by contacting the Employee's local human resources representative. Further, the Employee understands that the Employee is providing the consents herein on a purely voluntary basis. If the Employee does not consent, or if the Employee later seeks to revoke the Employee's consent, the Employee's employment status or service relationship with the Employer will not be affected; the only consequence of refusing or withdrawing the Employee's consent is that the Company would not be able to grant Awards to the Employee or administer or maintain such awards. Therefore, the Employee understands that refusing or withdrawing the Employee's consent may affect the Employee's ability to participate in the Plan.

17. Electronic Delivery and Acceptance

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a Third Party Administrator designated by the Company. Further, the parties hereto shall be entitled to rely on electronic delivery of this Agreement, and delivery by either party of shall be legally effective to create a valid and binding agreement between the parties in accordance with the terms hereof.

IN WITNESS WHEREOF, the Corporation has granted this Award as of the day and year first above written.

BRADY CORPORATION
By: /s/ RUSSELL SHALLER
Name: Russell Shaller

Its: President and Chief Executive Officer

EXHIBIT A

Performance Goals

EXHIBIT B

Change in Control Definition

A **"Change in Control"** means the occurrence of any one of the following events:

(a) A direct or indirect acquisition by an individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of voting securities of the Company where such acquisition causes any such Person to own more than 50% of the combined voting power of the Company's voting securities entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that the following shall not be deemed to result in a Change in Control, (i) any acquisition or holding by the members of the family of William H. Brady Jr. and their descendants or trusts for their benefit, and the William H. Brady III Living Trust, (ii) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (iii) any acquisition by the Company or a wholly owned Subsidiary, (iv) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, (v) any underwriter temporarily holding securities pursuant to an offering of such securities, or (vi) any acquisition by any entity pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this definition; or

(b) A change in the composition of the Board such that the individuals who, as of August 1, 2016, constitute the Board (the "Incumbent Board") cease for any reason to constitute a majority of the Board; provided, however, that any individual who becomes a member of the Board subsequent to August 1, 2016, whose election, or nomination for election by the Company's shareholders, was approved by a vote of a majority of those individuals then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board; but, provided further, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board shall not be so considered as a member of the Incumbent Board; provided, further, however, that a director who has been approved by members of the family of William H. Brady Jr. and their descendants or trusts for their benefit, and the William H. Brady III Living Trust while they beneficially own collectively more than 50% of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors shall be deemed to be an Incumbent Director; or

(c) Approval by the shareholders of the Company and the subsequent consummation of a reorganization, merger or consolidation (a "Business Combination"), in each case, unless, following such Business Combination: (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the total number of outstanding shares of both Class A Common Stock and Class B Common Stock (the "Outstanding Company Common Stock") and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries); (ii) no Person (excluding any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, fifty percent (50%) or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination; and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination, or

(d) Approval by the shareholders of the Company and the subsequent consummation of (i) a complete liquidation or dissolution of the Company or (ii) the sale or other disposition of all or substantially all of the assets of the Company, unless the sale or other disposition is to a corporation, with respect to which following such sale or other disposition, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the total number of outstanding shares of both Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such sale or other disposition beneficially own, directly or indirectly, more than fifty percent (50%) of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of such other corporation, (B) no Person (excluding any employee benefit plan (or related trust) of the Company or such corporation) beneficially owns, directly or indirectly, fifty percent (50%) or more of, respectively, the then outstanding shares of common stock of such corporation or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the sale or other disposition, and (C) at least a majority of the members of the board of directors of such corporation were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such sale or other disposition of assets of the Company or were elected, appointed or nominated by the Board.

Notwithstanding the foregoing, for purposes of any Award subject to Section 409A of the Code, no Change in Control shall deemed to have occurred upon an event described in this definition unless the event constitutes a change in ownership of the Company, a change in effective control of the Company, a change in ownership of a substantial portion of the Company's assets, each under Section 409A of the Code or otherwise constitutes a change on control within the meaning of Section 409A of the Code; provided, however, if the Company treats an event as a Change in Control that does not meet the requirements of Section 409A of the Code, such Award shall be paid when it would otherwise have been paid but for the Change in Control.

EXHIBIT 19

BRADY CORPORATION

July 2024

TO:	**All Employees, Officers, Directors and Consultants**
FROM:	**Andrew T. Gorman**
SUBJECT:	**Brady Corporation Insider Trading Policy**

Background

Brady Corporation's board of directors has adopted this Insider Trading Policy for our directors, officers, employees and consultants, and, in some situations the Company, with respect to the trading of the Company's securities, as well as the securities of publicly traded companies with whom we have a business relationship.

Federal and state securities laws prohibit the purchase or sale of a company's securities by persons who are aware of material information about that company that is not generally known or available to the public. These laws also prohibit persons who are aware of such material nonpublic information from disclosing this information to others who may trade. Companies and their controlling persons are also subject to liability if they fail to take reasonable steps to prevent insider trading by company personnel.

It is important that you understand the breadth of activities that constitute illegal insider trading and the consequences, which can be severe. Both the U.S. Securities and Exchange Commission (SEC) and the New York Stock Exchange investigate and are very effective at detecting insider trading. The SEC, together with the U.S. Attorneys, pursue insider trading violations vigorously. Cases have been successfully prosecuted against trading by employees through foreign accounts, trading by family members and friends, and trading involving only a small number of shares.

This policy is designed to prevent insider trading or allegations of insider trading, and to protect the Company's reputation for integrity and ethical conduct. It is your obligation to understand and comply with this policy.

Administration of the Policy

The Company's General Counsel shall serve as the Compliance Officer for purposes of this policy, and in his or her absence, another employee designated by the Compliance Officer shall be responsible for administration of this policy. All determinations and interpretations by the Compliance Officer shall be final and not subject to further review.

Consequences of Violations

The purchase or sale of securities while aware of material nonpublic information, or the disclosure of material nonpublic information to others who then trade in the Company's securities, is prohibited by federal and state laws. Insider trading violations are pursued vigorously by the SEC, U.S. Attorneys and state enforcement authorities, as well as the laws of foreign jurisdictions. Punishment for insider trading violations is severe, and could include significant fines and imprisonment. While the regulatory authorities concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

In addition, an individual's failure to comply with this policy may subject the individual to Company-imposed sanctions, up to and including dismissal for cause, whether or not the employee's failure to comply results in a violation of law.

Scope of Policy

Persons Covered. As a director, officer, employee or consultant of the Company or its subsidiaries, this policy applies to you. The same restrictions that apply to you apply to your family members who reside with you, anyone else who lives in your household and any family members who do not live in your household, but whose transactions in Company securities are directed by you or are subject to your influence or control (such as parents or children who consult with you before they trade in Company securities). The restrictions also apply to any entities that you influence or control, including without limitation any corporations, partnerships or trusts that you influence or control. You are responsible for making sure that the purchase or sale of any security covered by this policy by any such person or entity complies with this policy.

Companies Covered. The prohibition on insider trading in this policy is not limited to trading in the Company's securities. It includes trading in the securities of other firms, such as customers or suppliers of the Company and those with which the Company may be negotiating major transactions, such as an acquisition, investment or sale. Information that is not material to the Company may nevertheless be material to one of those other firms.

Transactions Covered. Trading includes purchases and sales of stock, derivative securities such as put and call options and convertible debentures or preferred stock, and debt securities (debentures, bonds and notes). Trading also includes certain transactions under Company plans, as follows:

- *Stock Option Exercises.* This policy's trading restrictions generally do not apply to the exercise of an employee stock option acquired pursuant to the Company's plans, or to the exercise of a tax withholding right or net exercise provision of the Company's plans pursuant to which a person has elected to have the Company withhold shares subject to an option to satisfy the exercise price or tax withholding requirements. The trading restrictions do apply, however, to any market sale of the underlying stock (whether the sale is of all or a portion of the underlying stock, and whether it is to satisfy the exercise price of the option or tax withholding requirements). The trading restrictions also apply to a cashless exercise of the option through a broker, as this entails selling a portion of the underlying stock to cover the cost of exercise, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

- *Restricted Stock and Restricted Stock Unit Awards.* This policy does not apply to the vesting of restricted stock or restricted stock units, or the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. The policy does apply, however, to any market sale of restricted stock or restricted stock units.

- *Employee Stock Purchase Plan*. This policy's trading restrictions do not apply to purchases of Company stock in the third party Employee Stock Purchase Plan resulting from your periodic payroll contributions to the plan under an election you made at the time of enrollment in the plan. The trading restrictions do apply to your election or changes in your election to participate in the plan and to your sales of Company stock purchased under the plan.

- *401(k) Plan.* This policy's trading restrictions do not apply to purchases of Company stock in the 401(k) plan resulting from your periodic contribution of money to the plan pursuant to your payroll deduction election. The trading restrictions do apply, however, to elections or changes in elections you may make under the 401(k) plan to (a) increase or decrease the percentage of your periodic contributions that will be allocated to the Company stock fund, (b) make an intra-plan transfer of an existing account balance into or out of the Company stock fund, (c) borrow money against your 401(k) plan account if the loan will result in a liquidation of some or all of your Company stock fund balance, and (d) pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company stock fund.

- *Deferred Compensation Plan.* The policy's trading restrictions do not apply to allocations of compensation deferrals to the Company's stock account pursuant to a deferred compensation plan. The trading restrictions do apply, however, to elections or changes in elections you make under your deferred compensation plan to (a) increase or decrease the percentage of your periodic deferral that will be allocated to the Company stock account, and (b) make an intra-plan transfer of an existing account balance into or out of the Company stock account.

- *Dividend Reinvestment Plan.* This policy does not apply to purchases of Company securities under the Company's dividend reinvestment plan resulting from your reinvestment of dividends paid on Company securities. This policy does apply, however, to voluntary purchases of Company securities resulting from additional contributions you choose to make to the dividend reinvestment plan, and to your election to participate in the plan or increase your level of participation in the plan. This policy also applies to your sale of any Company securities purchased pursuant to the plan.

- *Bona Fide Gifts.* Bona fide gifts of Company securities are transactions subject to this policy. The SEC has indicated, and the Company believes, that gifts should be avoided if a person making the gift has reason to believe, or is reckless in not knowing, that the recipient intends to sell the Company securities while the officer, employee or director is aware of material nonpublic information

Statement of Policy

No Trading on Inside Information. You may not trade in the securities of the Company, directly or through family members or other persons or entities, if you are aware of material nonpublic information relating to the Company. Similarly, you may not trade in the securities of any other company if you are aware of material nonpublic information about that company which you obtained in the course of your employment with the Company. These restrictions on trading also apply to the Company itself.

No Tipping. You may not pass material nonpublic information on to others or recommend to anyone the purchase or sale of any securities when you are aware of such information. This practice, known as “tipping,” also violates the securities laws and can result in the same civil and criminal penalties that apply to insider trading, even though you did not trade and did not gain any benefit from another’s trading.

No Exception for Hardship. The existence of a personal financial emergency does not excuse you from compliance with this policy.

Blackout and Pre-Clearance Procedures. To help prevent inadvertent violations of the federal securities laws and to avoid even the appearance of trading on the basis of inside information, the Company’s board of directors has adopted an Addendum to Insider Trading Policy that applies to directors, executive officers subject to Section 16 of the Securities Exchange Act of 1934 (“executive officers”), and certain designated employees and consultants of the Company and its subsidiaries who may have access to material nonpublic information about the Company. The Company will notify you if you are subject to the addendum.

The addendum generally prohibits persons covered by it from trading in the Company’s securities during quarterly blackout periods beginning on the fifteenth (15^{th}) day of the third month of each quarter and ending after at least two days, one of which must be a business day, following the release of the Company’s earnings for that quarter and during certain event-specific blackouts. Persons covered by the addendum also must pre-clear all transactions in the Company’s securities with the Compliance Officer.

Definition of Material Nonpublic Information

Note that inside information has two important elements -- materiality and public availability.

Material Information. Information is material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold or sell a security. Any information that could reasonably be expected to affect the price of the security is material. Common examples of material information are:

- Projections of future earnings or losses or other earnings guidance.
- Earnings expectations that are inconsistent with the Company's public guidance or, if none, with the consensus expectations of the investment community.
- A pending or proposed merger, acquisition or tender offer or an acquisition or disposition of significant assets.
- A change in senior management.
- Major events regarding the Company's securities, including the declaration of a stock split, the offering of additional securities, or stock buy-backs.
- Severe financial liquidity problems.
- Actual or threatened major litigation, or the resolution of such litigation.
- New major contracts, orders, suppliers, customers or finance sources, or the loss thereof (5% of Brady's sales).
- Changes in dividend policies.

Both positive and negative information can be material. Because trading that receives scrutiny will be evaluated after the fact with the benefit of hindsight, questions concerning the materiality of particular information should be resolved in favor of being considered material, and trading should be avoided.

Nonpublic Information. Nonpublic information is information that is not generally known or available to the public. One common misconception is that material information loses its "nonpublic" status as soon as a press release is issued disclosing the information. In fact, information is considered to be available to the public only when it has been released broadly to the marketplace (such as by a press release or an SEC filing) *and the investing public has had time to absorb the information fully*. As a general rule, information is considered nonpublic until at least two days, one of which must be a business day, after the information is released. For example, if the Company announces financial earnings before trading begins on a Tuesday, the first time you can buy or sell Company securities is the opening of the market on Thursday (assuming you are not aware of other material nonpublic information at the time). However, if the Company announces earnings after trading begins on that Tuesday, the first time you can buy or sell Company securities is the opening of the market on Friday.

Additional Guidance

The Company considers it improper and inappropriate for those employed or associated with the Company to engage in short-term or speculative transactions in the Company's securities or in other transactions in the Company's securities that may lead to inadvertent violations of the insider trading laws. Accordingly, your trading in Company securities is subject to the following additional guidance:

Short Sales. You may not engage in short sales of the Company's securities (sales of securities that are not then owned), including a "sale against the box" (a sale with delayed delivery).

Publicly Traded Options. You may not engage in transactions in publicly traded options, such as puts, calls and other derivative securities, on an exchange or in any other organized market.

Standing Orders. Standing orders should be used only for a very brief period of time. A standing order placed with a broker to sell or purchase stock at a specific price leaves you with no control over the timing of the transaction. A standing order transaction executed by the broker when you are aware of material nonpublic information may result in unlawful insider trading unless it is pursuant to a Rule 10b5-1 trading plan, which plans are discussed more fully below. If you have questions on this procedure, please contact the Compliance Officer.

Margin Accounts and Pledges. Securities held in a margin account or pledged as collateral for a loan may be sold without your consent by the broker if you fail to meet a margin call or by the lender in a foreclosure if you default on the loan. A margin or foreclosure sale that occurs when you are aware of material nonpublic information may, under some circumstances, result in unlawful insider trading. Because of this risk, the holding of Company securities in a margin account or otherwise pledging securities as collateral for a loan is prohibited.

Hedging Transactions. Hedging or monetization transactions can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. Such hedging transactions may permit a director, officer or employee to continue to own Company securities obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the director, officer or employee may no longer have the same objectives as the Company's other shareholders. Therefore, directors, officers, employees and consultants are prohibited from engaging in any such transactions.

Post-Termination Transactions

This policy continues to apply to your transactions in Company securities even after you have terminated employment or other services to the Company or a subsidiary as follows: if you are aware of material nonpublic information when your employment or service relationship terminates, you may not trade in Company securities until that information has become public or is no longer material.

Unauthorized Disclosure

Maintaining the confidentiality of Company information is essential for competitive, security and other business reasons, as well as to comply with securities laws. You should treat all information you learn about the Company or its business plans in connection with your employment as confidential and proprietary to the Company. Inadvertent disclosure of confidential or inside information may expose the Company and you to significant risk of investigation and litigation.

The timing and nature of the Company’s disclosure of material information to outsiders is subject to legal rules, the breach of which could result in substantial liability to you, the Company and its management. Accordingly, it is important that responses to inquiries about the Company by the press, investment analysts or others in the financial community be made on the Company’s behalf only through authorized individuals.

Please consult the Company’s internal communication policy for more details regarding the Company’s policy on speaking to the media, financial analysts and investors.

Priority of Statutory or Regulatory Trading Restrictions

The trading prohibitions and restrictions set forth in this policy will be superseded by any greater prohibitions or restrictions prescribed by securities laws and regulations. Any director, officer, employee or consultant who is uncertain whether other prohibitions or restrictions apply should ask the Compliance Officer.

Reporting Violations

Any director, officer, employee or consultant who becomes aware of a violation of this policy should (i) report such violation to his or her supervisor or the Compliance Officer or (ii) contact the Company's Ethics Hotline.

Personal Responsibility

You should remember that the ultimate responsibility for adhering to this policy and avoiding improper trading rests with you. If you violate this policy, the Company may take disciplinary action, up to and including dismissal for cause.

Company Assistance

Your compliance with this policy is of the utmost importance both for you and for the Company. It is your obligation to fully understand the terms and conditions of this policy and to ensure that since becoming subject to this policy and for future periods in which you are subject to this policy, you have and will continue to comply with its terms and conditions. If you have any questions about this policy or its application to any proposed transaction, you may obtain additional guidance from the Compliance Officer at 414-358-6608. ***Do not try to resolve uncertainties on your own, as the rules relating to insider trading are often complex, not always intuitive and carry severe consequences.***

BRADY CORPORATION

July 2024

Addendum to Insider Trading Policy — Pre-clearance and Blackout Procedures

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To help prevent inadvertent violations of the federal securities laws and to avoid even the appearance of trading on inside information, the Company's board of directors has adopted this Addendum to Insider Trading Policy. This addendum applies to directors, executive officers subject to Section 16 of the Securities Exchange Act of 1934 ("executive officers") and certain designated employees and consultants of the Company and its subsidiaries who may have access to material nonpublic information about the Company. The positions of the covered persons subject to this addendum are listed on the attached Schedule I. The Company may from time to time designate other individuals or positions that are subject to this addendum and will amend Schedule I from time to time as necessary to reflect such changes or the resignation or change of status of any individual.

This addendum is in addition to and supplements the Company's Insider Trading Policy.

Pre-clearance Procedures

Covered persons, together with their family members, other members of their household, or any entities that they control or influence, may not engage in any transaction involving the Company's securities (including a stock plan transaction such as an option exercise, or a gift, loan, pledge, contribution to a trust or any other transfer) without first obtaining pre-clearance of the transaction from Compliance Officer, which shall be the Company's General Counsel, and in his or her absence, another employee designated by the General Counsel. A request for pre-clearance should be submitted to the Compliance Officer at least two business days in advance of the proposed transaction. The Compliance Officer is under no obligation to approve a trade submitted for pre-clearance, and may determine not to permit the trade. A Compliance Officer himself or herself may not trade in Company securities unless the other Compliance Officer has approved the trade(s) in accordance with the procedures set forth in this addendum.

Blackout Procedure

All covered persons are subject to the following blackout procedures.

Quarterly Blackout Periods. The Company's announcement of its quarterly financial results almost always has the potential to have a material effect on the market for the Company's securities. Therefore, to avoid even the appearance of trading on the basis of material nonpublic information, you may not trade in the Company's securities during the period beginning the fifteenth (15^{th}) day of the third month of each quarter and ending at least two days, one of which must be a business day, after the release of the Company's earnings for that quarter. Persons subject to these quarterly blackout periods include the persons currently listed on Schedule I attached to this addendum and all other persons who are informed by the Compliance Officer that they are subject to the quarterly blackout periods.

Interim Earnings Guidance and Event-Specific Blackouts. The Company may on occasion issue interim earnings guidance or other potentially material information by means of a press release, SEC filing on Form 8-K or other means designed to achieve widespread dissemination of the information. You should anticipate that trading will be blacked out while the Company is in the process of assembling the information to be released and until the information has been released and fully absorbed by the market.

From time to time, an event may occur that is material to the Company and is known by only a few officers, directors or employees. So long as the event remains material and nonpublic, the persons who are aware of the event, as well as other persons covered by the quarterly earnings blackout procedures, may not trade in the Company's securities. The existence of an event-specific blackout will not be announced, other than to those who are aware of the event giving rise to the blackout. If, however, a person whose trades are subject to pre-clearance requests permission to trade in the Company's securities during an event specific blackout, the Compliance Officer will inform the requesting person of the existence of a blackout period, without disclosing the reason for a blackout. Any person made aware of the existence of an event-specific blackout should not disclose the existence of the blackout to any other person. The failure of the Compliance Officer to designate a person as being subject to an event-specific blackout will not relieve that person of the obligation not to trade while aware of material nonpublic information.

Directors and executive officers may also be subject to event-specific blackouts pursuant to the SEC's regulations regarding blackout trading restrictions, which prohibit certain sales and other transfers by insiders during certain pension plan blackout periods.

Even if a blackout period is not in effect, at no time may you trade in Company securities if you are aware of material nonpublic information about the Company.

Hardship Exceptions. A covered person who is subject to a quarterly earnings blackout period and who has an unexpected and urgent need to sell Company stock in order to generate cash may, in appropriate circumstances, be permitted to sell Company stock even during the quarterly blackout period. Hardship exceptions may be granted only by the Compliance Officer's written consent and must be requested at least two days in advance of the proposed trade. A hardship exception may be granted only if the Compliance Officer concludes that the Company's earnings information for the applicable quarter does not constitute material nonpublic information. Under no circumstances will a hardship exception be granted during an event-specific blackout period.

Exception for Approved 10b5-1 Plans

Trades by covered persons in the Company's securities that are executed pursuant to an approved 10b5-1 plan are not subject to the prohibition on trading on the basis of material nonpublic information contained in the Insider Trading Policy or to the restrictions set forth above relating to pre-clearance procedures and blackout periods.

Rule 10b5-1 provides an affirmative defense from insider trading liability under the federal securities laws for trading plans that meet certain requirements. In general, a 10b5-1 plan must be entered into before you are aware of material nonpublic information. Once the plan is adopted, you must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. The plan must either specify (including by formula) the amount, pricing and timing of transactions in advance or delegate discretion on those matters to an independent third party.

The entry, modification or termination of all 10b5-1 plans must be approved by the Compliance Officer and meet the requirements of Rule 10b5-1 and these guidelines. Any 10b5-1 plan, as well as a request to modify or terminate any existing 10b5-1 plan, must be submitted for approval at least two business days prior to the entry into, modification of, or termination of the 10b5-1 plan. No further pre-approval of transactions conducted pursuant to the 10b5-1 plan will be required.

The following guidelines apply to all 10b5-1 plans:

- You may not enter into, modify or terminate a 10b5-1 plan during a blackout period or while in possession of material nonpublic information.
- If you are an officer or director, then you may not commence sales under a 10b5-1 plan until at least 90 days, or in certain cases up to 120 days, following the date of establishment of the plan; for other employees, this period is reduced to 30 days.
- If you are an officer or director, then any modification of a 10b5-1 plan must not take effect for at least 90 days, or in certain cases up to 120 days, from the date of modification; for other employees, this period is reduced to 30 days.

- If a 10b5-1 plan is terminated, you must wait at least 30 days before establishing another 10b5-1 plan. Furthermore, if a 10b5-1 plan is terminated, you must wait at least 30 days before trading outside of the 10b5-1 plan.

No approval by the Compliance Officer under the above guidelines shall be considered the Compliance Officer's or the Company's approval or legal advice that the 10b5-1 plan satisfies the requirements of Rule 10b5-1. It shall be the sole responsibility of the person establishing the 10b5-1 plan to ensure that such plan complies with the requirements of Rule 10b5-1.

Post-Termination Transactions

If you are aware of material nonpublic information when you terminate employment or services, you may not trade in the Company's securities until that information has become public or is no longer material. In all other respects, the procedures set forth in this addendum will cease to apply to your transactions in Company securities upon the expiration of any "blackout period" that is applicable to your transactions at the time of your termination of employment or services.

Short-swing Rule

Directors and officers classified as insiders by the Securities and Exchange Commission have an additional restriction with respect to securities. The SEC's short-swing trading provisions provide that those classified as insiders must pay to Brady any profit they realize on a purchase and sale, or sale and purchase, of Brady stock within any period of less than six months, whether or not those transactions are related. Purchases and sales may include transactions in stock options, Brady 401k Plan, Employee Stock Purchase Plan, and other Brady stock transactions. These individuals should contact the Compliance Officer to discuss these stock transactions.

Company Assistance

Your compliance with this addendum and the Company's Insider Trading Policy is of the utmost importance both for you and for the Company. It is your obligation to fully understand the terms and conditions of this addendum and the Company's Insider Trading Policy and to ensure that since becoming subject to them and for future periods in which you are subject to them, you have and will continue to comply with their terms and conditions. If you have any questions about this addendum, the Insider Trading Policy or their application to any proposed transaction, you may obtain additional guidance from the Compliance Officer at 414-358-6608. Do not try to resolve uncertainties on your own, as the rules relating to insider trading are often complex, not always intuitive and carry severe consequences.

<u>Schedule I - Covered Persons</u>

Representative List

Board of Directors

President, CEO

Chief Financial Officer

Treasurer

Chief Accounting Officer

Presidents of Operating Segments (currently Americas & Asia; and Europe & Australia)

Chief Operating Officer

Vice President – Human Resources

General Counsel

Chief Information Officer

Director of Investor Relations

All direct reports to the CEO and CFO

Other Insiders as determined - based on knowledge of and access to material, non-public information or systems providing such information

Currently, Other Insiders includes, but is not limited to:

- Any person who has access to, and knowledge of, consolidated financial results[1] of total Company
- Any person who has access to, and knowledge of, consolidated financial results of either Operating Segment
- Any person who has access to, and knowledge of, consolidated financial results of the Americas
- Corporate personnel located on Executive Officer floor at the Company's headquarters in close proximity to Executive Officers

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Compliance Officer shall regularly review with the business and finance leaders those individuals that have access to or are provided with material nonpublic information and assure that those insiders are included in the blackout notifications and are aware that they are considered persons subject to this addendum.

[1] "Financial results" includes revenue and/or operating income

EXHIBIT 21

SCHEDULE OF SUBSIDIARIES OF BRADY CORPORATION
July 31, 2024

Name of Company	*State (Country) of Incorporation*	*Percentage of Voting Securities Owned*
Brady Corporation	Wisconsin	Parent
Brady Holdings Mexico LLC	Delaware	100%
The Code Corporation	Delaware	100%
Tricor Direct, Inc.	Delaware	100%
Doing Business As:		
Champion America		
Clement Communications		
Emedco		
Seton		
Worldmark of Wisconsin Inc.	Delaware	100%
Brady International Co.	Wisconsin	100%
Brady Worldwide, Inc.	Wisconsin	100%
Doing Business As:		
Electromark		
Nordic ID		
Sorbent Products Company		
TISCOR		
Precision Dynamics Corporation	California	100%
Doing Business As:		
Brady People ID		
Dual Core		
PDC		
IDenticard		
Magicard		
PDC IDenticard		
Pharmex		
PromoVision		
TimeMed Labeling Systems		
Brady Australia Holdings Pty. Ltd.	Australia	100%
Brady Australia Pty. Ltd.	Australia	100%
Doing Business As:		
ID Card Printers		
ID Warehouse		
ID Wholesaler		
IDW Technologies		
OZ-ID Identification Products		
Safety Signs Service		
Scafftag Australia		
Seton Australia		
Trafalgar First Aid		
Visisign		
Carroll Australasia Pty. Ltd.	Australia	100%
Precision Dynamics Europe SRL	Belgium	100%
W.H. Brady N.V.	Belgium	100%
W.H.B. do Brasil Ltda.	Brazil	100%
W.H.B. Identification Solutions Inc.	Canada	100%
Doing Business As:		
Brady		
Electromark		
Identicam Systems		
IDenticard Systems		

Name of Company	*State (Country) of Incorporation*	*Percentage of Voting Securities Owned*
PDC		
Seton		
Brady (Beijing) Co. Ltd.	China	100%
Brady (Xiamen) Co., Ltd.	China	100%
Brady Investment Management (Shanghai) Co., Ltd.	China	100%
Brady Printing (Shenzhen) Co., Ltd.	China	100%
Brady Technology (Wuxi) Co. Ltd.	China	100%
Brady A/S	Denmark	100%
Nordic ID Oyj	Finland	100%
Doing Business As:		
Suomen Turvakilvet		
Seripaino Hämäläinen		
SPH-Opastepaino.fi		
Braton Europe S.A.R.L.	France	100%
Brady Groupe S.A.S.	France	100%
Doing Business As:		
Brady		
PDC		
Seton		
Signals		
Securimed S.A.S.	France	100%
Brady GmbH	Germany	100%
Doing Business As:		
Brady		
Code		
Nordic ID		
PDC		
Seton		
Transposafe		
Bakee Metal Manufactory Company Limited	Hong Kong	100%
Brady Corporation Hong Kong Limited	Hong Kong	100%
Brady Company India Private Limited	India	100%
Brady Italia, S.r.l.	Italy	100%
Nippon Brady K.K.	Japan	100%
Brady Finance Luxembourg S.à.r.l.	Luxembourg	100%
Brady Luxembourg S.à.r.l.	Luxembourg	100%
Brady S.à.r.l.	Luxembourg	100%
Brady Technology SDN. BHD.	Malaysia	100%
Brady Mexico, S. de R.L. de C.V.	Mexico	100%
W.H. Brady S. de R.L. de C.V.	Mexico	100%
Brady B.V.	Netherlands	100%
Doing Business As:		
PDC		
Brady Finance B.V.	Netherlands	100%
Code Corporation B.V.	Netherlands	100%
Brady AS	Norway	100%
Pervaco AS	Norway	100%
Brady Polska Sp. Z.o.o.	Poland	100%
Brady Arabia Manufacturing Company	Saudi Arabia	100%
Brady Asia Holding Pte. Ltd.	Singapore	100%
Brady Asia Pacific Pte. Ltd.	Singapore	100%
Brady Corporation Asia Pte. Ltd.	Singapore	100%
Brady Singapore Pte. Ltd.	Singapore	100%
Brady s.r.o.	Slovakia	100%
Grafo Wiremarkers Pty. Ltd.	South Africa	100%
Wiremarkers Africa Pty. Ltd.	South Africa	100%

Name of Company	*State (Country) of Incorporation*	*Percentage of Voting Securities Owned*
Brady Identificación S.L.U.	Spain	100%
Doing Business As:		
PDC		
Brady AB	Sweden	100%
Brady Sweden Holding AB	Sweden	100%
Brady (Thailand) Co., Ltd.	Thailand	100%
Brady Etiket ve Isaretleme Ticaret Ltd. Sirketi	Turkey	100%
Brady Middle East FZE	United Arab Emirates	100%
B.I. (UK) Limited	United Kingdom	100%
Brady Corporation Limited	United Kingdom	100%
Doing Business As:		
BIG		
PDC		
Safetyshop		
Scafftag		
Seton		
Signs and Labels		
Brady European Holdings Limited	United Kingdom	100%
Magicard Holdings Limited	United Kingdom	100%
Magicard Ltd.	United Kingdom	100%
Brady Vietnam Company Limited	Vietnam	100%

EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-38857, 333-92417, 333-137686, 333-177039, 333-212625 and 333-274342 on Form S-8 and Registration Statement No. 333-274341 on Form S-3 of our reports dated September 6, 2024, relating to the financial statements of Brady Corporation and the effectiveness of Brady Corporation's internal control over financial reporting, appearing in this Annual Report on Form 10-K of Brady Corporation for the year ended July 31, 2024.

/s/ DELOITTE & TOUCHE LLP

Milwaukee, Wisconsin, US
September 6, 2024

EXHIBIT 31.1

RULE 13a-14(a)/15d-14(a) CERTIFICATION

I, Russell R. Shaller, certify that:

(1) I have reviewed this annual report on Form 10-K of Brady Corporation;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision to provided reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 6, 2024

/s/ RUSSELL R. SHALLER

Russell R. Shaller
President and Chief Executive Officer

EXHIBIT 31.2

RULE 13a-14(a)/15d-14(a) CERTIFICATION

I, Ann E. Thornton, certify that:

(1) I have reviewed this annual report on Form 10-K of Brady Corporation;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision to provided reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

(5) The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: September 6, 2024

/s/ ANN E. THORNTON

Ann E. Thornton
Chief Financial Officer, Chief Accounting Officer and Treasurer

EXHIBIT 32.1

SECTION 1350 CERTIFICATION

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Brady Corporation (the "Company") certifies to his knowledge that:

(1) The Annual Report on Form 10-K of the Company for the year ended July 31, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in that Form 10-K fairly presents, in all material respects, the financial conditions and results of operations of the Company.

Date: September 6, 2024

/s/ RUSSELL R. SHALLER

Russell R. Shaller
President and Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. This certification accompanies this report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 32.2

SECTION 1350 CERTIFICATION

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Brady Corporation (the “Company”) certifies to her knowledge that:

(1) The Annual Report on Form 10-K of the Company for the year ended July 31, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in that Form 10-K fairly presents, in all material respects, the financial conditions and results of operations of the Company.

Date: September 6, 2024

/s/ ANN E. THORNTON

Ann E. Thornton
Chief Financial Officer, Chief Accounting Officer and Treasurer
(Principal Financial Officer and Principal Accounting Officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. This certification accompanies this report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 97

Brady Corporation Incentive Recovery Policy

1. Purpose. The purpose of this Recovery Policy (this "Policy") is to describe the circumstances under which Brady Corporation (the "Company") is required to recover certain compensation paid to certain employees. Any references in compensation plans, agreements, equity awards or other policies to the Company's "recoupment", "clawback" or similarly-named policy shall be deemed to refer to this Policy with respect to Incentive-Based Compensation Received on or after the Effective Date. With respect to Incentive-Based Compensation Received prior to the Effective Date, such references to the Company's "recoupment", "clawback" or similarly-named policy in compensation plans, agreements, equity awards or other policies shall be deemed to refer to the Company's "recoupment," "clawback" or similarly-named policy, if any, in effect prior to the Effective Date.

2. Mandatory Recovery of Compensation. In the event that the Company is required to prepare an Accounting Restatement, the Company shall recover reasonably promptly the amount of Erroneously Awarded Compensation.

3. Definitions. For purposes of this Policy, the following terms, when capitalized, shall have the meanings set forth below:

(a) "Accounting Restatement" shall mean any accounting restatement required due to material noncompliance of the Company with any financial reporting requirement under the securities laws, including to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

(b) "Covered Officer" shall mean the Company's president; principal financial officer; principal accounting officer (or if there is no such accounting officer, the controller); any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance); any other officer who performs a significant policy-making function; or any other person who performs similar significant policy-making functions for the Company. For the avoidance of doubt, a person who served as a Covered Officer during the periods set forth in clauses (A) and (B) of the preceding sentence shall continue to be subject to this Policy even after such person's service as a Covered Officer has ended.

(c) "Effective Date" shall mean October 2, 2023.

(d) "Erroneously Awarded Compensation" shall mean the excess of (i) the amount of Incentive-Based Compensation Received by a person (A) after beginning service as a Covered Officer, (B) who served as a Covered Officer at any time during the performance period for that Incentive-Based Compensation, (C) while the Company has a class of securities listed on a national securities exchange or a national securities association and (D) during the Recovery Period; over (ii) the Recalculated Compensation.

(e) "Fraud" shall mean any fraud, theft, misappropriation, embezzlement or dishonesty to the material detriment of the Company.

(f) "Incentive-Based Compensation" shall mean any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a financial reporting measure. A financial reporting measure is a measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures, regardless of whether such measure is presented within the financial statements or included in a filing with the Securities and Exchange Commission. Each of stock price and total shareholder return is a financial reporting measure. For the avoidance of doubt, incentive-based compensation subject to this Policy does not include stock options, restricted stock, restricted stock units or similar equity-based awards for which the grant is not contingent upon achieving any financial reporting measure performance goal and vesting is contingent solely upon completion of a specified employment period and/or attaining one or more non-financial reporting measures.

(g) "Recalculated Compensation" shall mean the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the restated amounts in the Accounting Restatement, computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of the Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the amount of the Recalculated Compensation must be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return, as the case may be, on the compensation Received. The Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the national securities exchange or association on which its securities are listed.

(h) Incentive-Based Compensation is deemed "Received" in the Company's fiscal period during which the financial reporting measure specified in the award of such Incentive-Based Compensation is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

(i) "Participant" means any participant in any of the Company's incentive arrangements.

(j) "Recovery Period" shall mean the three completed fiscal years of the Company immediately preceding the date the Company is required to prepare an Accounting Restatement; provided that the Recovery Period shall not begin before the Effective Date. For purposes of determining the Recovery Period, the Company is considered to be "required to prepare an Accounting Restatement" on the earlier to occur of: (i) the date the Company's Board of Directors, a committee thereof, or the Company's authorized officers conclude, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare an Accounting Restatement. If the Company changes its fiscal year, then the transition period within or immediately following such three completed fiscal years also shall be included in the Recovery Period, provided that if the transition period between the last day of the Company's prior fiscal year end and the first day of its new fiscal year comprises a period of nine to 12 months, then such transition period shall instead be deemed one of the three completed fiscal years and shall not extend the length of the Recovery Period.

4. Exceptions. Notwithstanding anything to the contrary in this Policy, recovery of Erroneously Awarded Compensation will not be required to the extent the Company's Management Development and Compensation Committee (the "Committee") has made a determination that such recovery would be impracticable and one of the following conditions have been satisfied:

(a) The direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered; provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation that was Incentive-Based Compensation based on the expense of enforcement, the Company must make a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the national securities exchange or association on which its securities are listed.

(b) Recovery would violate home country law where, with respect to Incentive-Based Compensation, that law was adopted prior to November 28, 2022; provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation that was Incentive-Based Compensation based on violation of home country law, the Company must obtain an opinion of home country counsel, acceptable to the national securities exchange or association on which its securities are listed, that recovery would result in such a violation, and must provide such opinion to the exchange or association.

(c) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

5. Manner of Recovery.

(a) In addition to any other actions permitted by law or contract, the Company may take any or all of the following actions to recover any Erroneously Awarded Compensation: (a) require the Covered Officer to repay such amount; (b) offset such amount from any other compensation owed by the Company or any of its affiliates to the Covered Officer, regardless of whether the contract or other documentation governing such other compensation specifically permits or specifically prohibits such offsets; and (c) subject to Section 4(c), to the extent the Erroneously Awarded Compensation was deferred into a plan of deferred compensation, whether or not qualified, forfeit such amount (as well as the earnings on such amounts) from the Covered Officer's balance in such plan, regardless of whether the plan specifically permits or specifically prohibits such forfeiture. If the Erroneously Awarded Compensation consists of shares of the Company's common stock, and the Covered Officer still owns such shares, then the Company may satisfy its recovery obligations by requiring the Covered Officer to transfer such shares back to the Company.

(b) If the Committee determines that a Participant has committed Fraud, the Committee may require the Participant to reimburse the Company for all, or a portion of, any compensation paid during the period in which the fraud, theft, misappropriation, embezzlement or dishonesty occurred, and remit to the Company any profits realized from the sale of the Company's common stock during such period. In addition, the Committee may also cancel and cause the Participant to forfeit any outstanding awards held by the Participant regardless of whether or not such awards are exercisable.

6. Other.

(a) This Policy shall be administered and interpreted, and may be amended from time to time, by the Committee in its sole discretion in compliance with the applicable listing standards of the national securities exchange or association on which the Company's securities are listed, and the determinations of the board or such committee shall be binding on all Covered Officers.

(b) The Company shall not indemnify any Covered Officer against the loss of Erroneously Awarded Compensation.

(c) The Company shall file all disclosures with respect to this Policy in accordance with the requirements of the Federal securities laws, including disclosure required by the Securities and Exchange Commission filings.

(d) Any right to recovery under this Policy shall be in addition to, and not in lieu of, any other rights of recovery that may be available to the Company.