



## Board of Directors

Barnes Group Inc. is a public company that trades on the New York Stock Exchange under the ticker symbol “B.” The Board of Directors is our highest governing body and actively engages in risk management oversight, succession planning, and corporate governance matters. We have a standing Audit Committee, Compensation and Management Development Committee, Corporate Governance Committee, and Executive Committee. Our Board is comprised of eleven directors, ten of whom are independent.

Our Board is ethnically and racially diverse, and four of our directors, or 36%, are women. Women hold key leadership roles on our Board. Our Lead Independent Director, who also chairs our Corporate Governance Committee, is female, as is the Chair of our Compensation and Management Development Committee.

At Barnes, our Board of Directors exercises general oversight of risk management activities. Concerning ESG, in particular, the Board exercises governance over ESG through its three key standing committees. The Audit Committee (as noted in its [charter](#)) reviews and discusses with management the ESG reporting process, climate-related metrics, and management’s evaluation of the adequacy and effectiveness of controls for related disclosures.

The Compensation Committee (as noted in its [charter](#)) oversees the Company’s efforts to ensure Barnes is seeking, developing, and retaining human capital appropriate to support the ongoing transformation of the Company, drive business performance, foster diversity, equity, and inclusion across the organization, and support the successful execution of the Company’s growth strategy.

The Corporate Governance Committee (as noted in its [charter](#)) exercises oversight over shareholder outreach and feedback with respect to ESG.

In addition, ESG is driven by a Steering Committee of Senior Leadership Team members. We have published the [Charter of the ESG Steering Committee](#) on our website – articulating our commitment to corporate social responsibility, which creates value for our stakeholders. The Committee focuses on monitoring global public policy trends, regulatory matters, and other concerns related to ESG, and enlists the support of key leaders from many functions within Barnes, as needed.





## Policies and Procedures

Barnes maintains comprehensive policies and procedures to enable effective corporate governance. The following documents are available in the Investor Relations section of our corporate website:

- Audit Committee Charter
- California Transparency in Supply Chains Act Disclosure
- Charter of the ESG Steering Committee
- Code of Business Ethics and Conduct
- Code of Business Ethics and Conduct for Suppliers
- Compensation and Management Development Committee Charter
- Conflict Minerals Policy
- Corporate Governance Committee Charter
- Corporate Governance Guidelines
- Human Rights Policy
- Policy Regarding Reporting of Complaints and Concerns
- Political Expenditures and Public Policy Matters
- UK Tax Disclosure

## Barnes Values

“It’s not just what we do, it’s how we do it.” At the heart of this statement, often cited by our leaders and employees, are the Barnes Values which are the cornerstone of the Company and the bedrock upon which Barnes has been built and sustained for 166 years.

Consistent with these Values, we strive to conduct business with the highest ethical standards, always mindful that our Values define who we are and what we stand for, both as employees and as a company.

At Barnes, we believe in:

**Integrity** - We uphold the highest ethical standards - rooted in openness, transparency, and honesty.

**Respect** - We treat each other with respect and dignity - and don’t tolerate any other way. As a global business that spans across cultures, promoting fairness, equality, safety, and diversity is fundamental to how we work together and do business.

**Collaboration** - We solve complex challenges by bringing together the best minds with diverse backgrounds to build inclusive teams that collaborate and inspire one another. Together we challenge the status quo and reimagine what’s possible.

**Empowerment** - We empower each other to make positive impacts on our communities, customers, and shareholders by being accountable to one another.

**Determination** - We embrace change and break down barriers through the relentless pursuit of next. We continuously challenge ourselves, learn from one another, and deepen our expertise as we seek the next generation of solutions for our stakeholders.



# Respecting Human Rights

The value of our Company comes from our people. Just as we empower our diverse teams for the health of our Company, we respect human rights for the health of our world. Our business thrives when we value every individual in all areas, at all levels.

We respect and protect human rights when we:

- Ensure safe and fair working conditions and payment for all employees
- Ensure our suppliers and other business partners use fair labor and sustainable sourcing practices
- Never use child or prison labor wherever we do business
- Always alert the Company of known or potential human rights abuses

Refer to our [Human Rights Policy](#) for more information.



## Reporting Frameworks

Our ESG journey has been consistently informed by global ESG reporting practices and our stakeholders. We are focused on supporting and further aligning our ESG activities with the United Nations Global Compact's (UNGC) guiding principles. In addition, we report information against selected disclosures from the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board's (SASB) 2018 Industrial Machinery & Goods standard, and the Task Force for Climate-related Financial Disclosures (TCFD) that are key to our business. These approaches provide a relevant framework for structuring and communicating our Company's efforts around corporate citizenship, anti-corruption, human capital management, and sustainability. This ESG report provides an update on our most recent ESG performance.

## Climate Risks and Opportunities

Barnes evaluates and manages environmental risks in accordance with its Health, Safety, and Environmental Affairs (HSE) Management System. The management system is consistent with our commitment to worker health and safety and environmental protection, as well as prevailing regulatory frameworks around the globe. We apply the precautionary approach when evaluating longer-term social and environmental issues that may impact our business, such as climate change. For example, given the potential harm related to the emission of greenhouse gases, we aim to reduce energy usage. The Company we will continue to identify ways to conserve water, increase energy efficiency, and reduce waste as part of our pursuit of Operational Excellence.

In 2021, we conducted our first climate scenario analysis to better understand the climate-related risks and opportunities across our Company. Our qualitative evaluation included a 1.5-2°C low emissions scenario and a moderate-to-high emissions scenario where the world has warmed more than 2°C above pre-industrial levels by the end of the century. Under the moderate-to-high scenario, droughts, wildfires, floods, and excessive rainfall occur more intensely and frequently, and climate



policy is less ambitious. In the low emissions scenario, global warming will be limited to rising well below 2°C. The effects of climate change remain manageable with proper prevention tactics, industries have evolved into a circular economy, and it is generally assumed that society acts rapidly to limit GHG emissions. We assessed a limited set of risks under these scenarios: the price of carbon (transition risk), water stress, temperature extremes, and average temperature (physical risks).

We continue to evaluate this climate scenario analysis, identify potential strategic changes for affected businesses and locations to address the plausible risks and opportunities identified in these scenarios, and plan to update the analysis periodically in the future. We keep health, safety, and environmental performance top of mind and look to optimize process efficiency while seeking opportunities to incorporate environmentally beneficial technology in our facility expansions and operational improvement projects.

In 2022, in alignment with stakeholder requests, Barnes completed the Climate Disclosure Project (CDP) Climate Change questionnaire for the first time. CDP is a climate research provider and environmental disclosure platform that scores companies across the key environmental categories of Climate Change, Forests, and Water Security, providing rankings from D- to A in each.



## Products

### Product Innovation, Delivering New Responsible Products Around the World

We have continued our transformation journey as a leading global provider of engineered products and diversified industrial technologies in 2022 and remain on our mission to find the next best way for our customers. With every solution, we draw on our Persistent Ingenuity™.

Our Industrial business creates highly engineered precision products, systems, and solutions that solve our customers' most complex challenges in end markets across the world, including healthcare, automation, mobility, packaging, and advanced manufacturing.

Our Aerospace business continually meets its customers in commercial and military aviation as needed partners who understand the subtleties and demands of their business. Barnes has built a formidable presence in the aerospace manufacturing industry by making and repairing critical precision components when the room for error is zero.