



# Making Our World A Better Place

2020 Environmental, Social & Governance Report



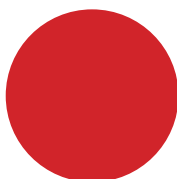
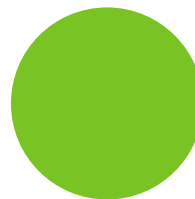
This report contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements often address our expected future operating and financial performance and financial condition, or sustainability targets, goals, commitments, and other business plans, and often contain words such as “anticipate,” “believe,” “expect,” “plan,” “estimate,” “project,” “continue,” “will,” “should,” and similar terms. These statements are based on management’s current expectations, assumptions and information currently available, including current economic and industry conditions. These forward-looking statements do not constitute guarantees of future performance and are subject to a variety of risks and uncertainties that may cause actual results to differ materially from those expressed in the forward-looking statements. Our actual future results, including the achievement of our targets, goals or commitments, could differ materially from our projected results as the result of changes in circumstances, assumptions not being realized, or other risks, uncertainties and factors. Such risks, uncertainties and factors include the risk factors discussed in Part I, Item 1A of our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”), including changes in regulations and law, the impacts of the COVID pandemic on our business, and numerous other matters of a global, regional or national scale, including those of a political, social, economic, business, competitive, environmental, regulatory and public health nature, as well as, with respect to our sustainability targets, goals, and commitments outlined in this report or elsewhere, the challenges and assumptions identified in this report and other assumptions, risks, uncertainties and factors identified in this report. You should consider the forward-looking statements in this report in conjunction with our Annual Report on Form 10-K and our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. We urge you to consider all of the risks, uncertainties and factors identified above or discussed in such reports carefully in evaluating the forward-looking statements in this report. We cannot assure you that the results reflected or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects. The forward-looking statements in this report are made as of the date of this report, unless otherwise indicated, and we undertake no obligation to update these forward-looking statements.

For a list of all entities included in the organization’s consolidated financial statements, please refer to the Company’s 2020 Annual Report on Form 10-K, Exhibit 21. For information regarding the direct economic value generated and distributed, please refer to the 2020 Annual Report, Page 5 and 2020 10-K, Item 8.

# Barnes Group Overview

## Who We Are

Barnes Group Inc. (BGI or the Company) is a global provider of highly engineered products, differentiated industrial technologies, and innovative solutions, serving a wide range of end markets and customers. Headquartered in Bristol, CT and founded in 1857, Barnes Group provides specialized products and services used in far-reaching applications including aerospace, transportation, manufacturing, automation, healthcare, and packaging. The Company's skilled and dedicated employees around the globe are committed to the highest performance standards and achieving consistent, sustainable profitable growth.





## Segment Overview

We operate under two global business segments: Industrial and Aerospace.

### Industrial

The Industrial segment is a global provider of highly-engineered, precision products, systems, and solutions for critical applications serving a diverse customer base in end-markets such as transportation, industrial equipment, automation, personal care, packaging, electronics, and medical devices. Focused on innovative custom solutions, Industrial participates in the design phase of components and assemblies whereby customers receive the benefits of application and systems engineering, new product development, testing and evaluation, and the manufacturing of final products. Products are sold primarily through its direct sales force and global distribution channels. Industrial's Molding Solutions business designs and manufactures customized hot runner systems, advanced mold cavity sensors and process control systems, and precision high cavitation mold assemblies – collectively, the enabling technologies for many complex plastic injection molding applications. Industrial's Force & Motion Control business provides innovative cost-effective engineered solutions for a wide range of metal forming and other industrial markets. The Automation business designs and develops robotic grippers, advanced end-of-arm tooling systems, sensors, and other automation components for intelligent robotic handling solutions and industrial automation applications. Industrial's Engineered Components business manufactures and supplies precision mechanical products used in transportation and industrial applications, including mechanical springs and high-precision punched and fine-blanked components.



### Aerospace

The Aerospace segment is a global manufacturer of complex fabricated and precision-machined components and assemblies for original equipment manufacturers (OEM) of turbine engines, airframes and industrial gas turbines, and the military. The Aerospace aftermarket business provides aircraft engine component maintenance, repair and overhaul (MRO) services, including services performed under our Component Repair Programs (CRPs), for many of the world's major turbine engine manufacturers, commercial airlines, and the military. Aftermarket activities also include the manufacture and delivery of turbine jet engine spare parts under our revenue sharing programs (RSPs).



## ESG at Barnes Group

*"At Barnes Group, we are committed to being an exemplary corporate citizen, and we take that responsibility very seriously. In doing so, Barnes Group has a long history of working to be a more sustainable, socially responsible, and diverse & inclusive company. This report documents our ongoing efforts and progress in furthering ESG initiatives consistent with the Barnes Group Values. Related to our ESG efforts, I am proud to highlight that Barnes Group was recently recognized for its accomplishments by being named one of "America's Most Responsible Companies" by Newsweek. This acknowledgement is a testament to our employees across the globe who embrace our Barnes Group Values each and every day. I'm also proud to report that we have recently established environmental targets for 2025. Setting ambitious goals is an integral aspect of our Barnes Enterprise System. Energizing our employees to reduce all types of waste and inefficiencies to achieve Operational Excellence is a hallmark of our operating system and demonstrates our commitment to running sustainable businesses that conserve natural resources while minimizing the impact of our footprint on the environment. This, our seventh annual ESG Report, reflects the collective accomplishments of our 5,000 team members across the globe and has the full support of our senior leadership team and our Board of Directors. I applaud our team on the inroads made to date, yet more important the ongoing momentum to make an even greater impact as we forge ahead on our ESG journey."*

- Patrick J. Dempsey, President and Chief Executive Officer of Barnes Group Inc.



### ESG News

In December 2020, Barnes Group Inc. was named one of "America's Most Responsible Companies 2021" by Newsweek. The list of America's Most Responsible Companies was issued by Newsweek, in partnership with Statista – one of the largest statistics database companies worldwide. Companies included on the list were selected based on key ESG performance indicators, published sustainability reports, and survey results from 7,500 U.S. residents.



Barnes Group is committed to corporate responsibility and furthering environmental, social and governance (ESG) principles. We believe this allows us to create value for our stakeholders and is key to our success as a responsible and environmentally friendly organization. Since the launch of our company-wide ESG initiative in 2014, we continue to identify and implement ways in which we can benefit our customers, the environment, and society while executing our vision and strategy. This initiative is led by our Vice President of Health, Safety & Environmental Affairs (HSE) and Enterprise Risk Management, with the full support of our Company's Senior Leadership Team and the Board of Directors.

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 guiding principles behind the United Nations Global Compact (UNGC). In addition, we have selected disclosures from the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board's (SASB) 2018 Industrial Machinery & Goods standard that we believe 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.

As part of this alignment, we recently established environmental targets for 2025 – specific goals for reducing the energy and water we use and the waste we generate – normalized against our production hours. In addition, Barnes Group has committed to applying the [Precautionary Principle](#) in its decision-making when environmental impacts may be present. The Precautionary Principle guides decision-makers to adopt precautionary measures on a cost-benefits basis, when scientific evidence about an environmental or human health hazard is uncertain and the stakes are high. We believe the precautionary approach will help us reduce our environmental footprint and yield a more sustainable world, consistent with our Values.



We reach out to our largest institutional shareholders twice per year and invite them to speak with us regarding governance matters, including ESG. During these calls, we review our approach to ESG and solicit their feedback. We report the results of our shareholder engagement to our Board of Directors. We also hold periodic meetings with our customers and engage with our employees through a regular cadence of on-site and virtual meetings during which we communicate important messages and solicit feedback. The health and safety of our employees and the safety of our products and services are key themes during these meetings. We belong to numerous industry-based organizations (some of which conduct advocacy on behalf of their members) and organizations within our local communities.

Barnes Group is moving forward to make a positive impact to the fundamental responsibilities of being a good corporate citizen outlined by the UNGC in the areas of Human Rights, Labor, Environmental Sustainability, and Anti-Corruption. This report provides an update on our more recent ESG performance and the goals we have set as we drive improvements in environmental sustainability, diversity and inclusion, and social and charitable impact in the communities where we operate.

In 2019, with the support of the Board and Company management, Barnes Group proudly announced the formation of our Environmental, Social and Governance Committee (ESG Committee). The ESG Committee is comprised of Company leaders who are focused on moving the Company forward on various ESG projects consistent with the Barnes Group Values. We also published the Charter of the ESG Committee on our website and announced our commitment to corporate social responsibility. Our recognition of this commitment creates value for our stakeholders and is key to our success as a responsible and sustainable organization. In that Charter, we establish the Committee's focus, consistent with the Barnes Group Values and our Barnes Enterprise System (BES), on:

- Monitoring global public policy trends, issues, regulatory matters, and other concerns related to ESG;
- Advising and making recommendations to the Senior Leadership Team on actions that the Company and ESG Committee can take to support our sustainability initiatives;
- Fostering the Company's progress towards diversity and inclusion goals;
- Assisting in the Board's oversight of risks and opportunities relating to ESG matters;
- Identifying and taking actions and proactive steps to address ESG risks;
- Periodically evaluating the Company's ESG performance;
- Reviewing the Company's human and workplace rights policies and/or practices and how the Company demonstrates respect for human and workplace rights in our business, in our supply chain, and in the communities in which we operate;
- Annually assessing and reporting to the Board on the performance of the Company's ESG efforts;
- Reviewing the Company's policies and practices related to corporate philanthropy; and
- Preparing and publishing the Company's ESG Report.

The ESG Committee regularly reports to our Company's Senior Leadership and Board of Directors and consists of a cross-functional set of leaders from a variety of functional and operational teams, including: Operations, Health, Safety and Environmental Affairs, Investor Relations, Legal, our Global Compliance Office, Supply Chain, Business Development, Finance, Human Resources, Marketing, Corporate Communications, and Internal Audit.

# The Barnes Group 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 Group Values which are the cornerstone of the Company and the bedrock upon which Barnes has been built and sustained for over 160 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 Group, we believe in:

**Integrity** – We maintain the highest ethical standards, honoring our commitments and being open and honest in all that we do.

**Empowerment** – We recognize that our people are the source of our success. We enable everyone to make a positive personal impact while being accountable for their behaviors and the results they deliver to our communities, customers, and stockholders.

**Emotional Intelligence** – We identify our own emotions and styles of learning along with those of others. We motivate others and ourselves to achieve results while also managing our relationships with understanding and reason.

**Collaboration** – We build diverse and inclusive teams that leverage our collective experience and expertise.

**Competitiveness** – We drive relentlessly to compete on the merits of our products and services, offering highly engineered products, differentiated industrial technologies, and innovative solutions.

**Continuous Improvement** – We create a culture that embraces change and innovation, improves processes, eliminates waste, and builds on an unwavering commitment to quality.

**Workplace Fairness** – We provide opportunity in a culture that promotes dignity and respect for our employees in a safe and mutually rewarding environment.

**Globalization** – We embrace the expansion of our business around the world as an opportunity and value diversity and inclusion as we work seamlessly across borders. We partner with employees, suppliers, and customers of different cultures while respecting and contributing to the communities where we work and live.



The Company continues to drive the Barnes Group Values forward as part of our enhanced focus on ESG. Each year, as part of its Annual Achievement Awards, Barnes Group recognizes employees who exemplify the Barnes Group Values and who have led or been part of a project that made a cultural, competitive, financial, or innovative contribution to the Company or one of its businesses during the previous year. Last year, the Company added a new, fifth category of achievement that can be recognized as driving the Barnes Group Values – sustainability. Therefore, beginning with the 2020 awards cycle, Barnes employees who lead or participate in projects that support environmental sustainability can be recognized with an Annual Achievement Award. We believe that including this category is an important step forward in incentivizing projects and ambitions that will help us reduce our environmental footprint and yield a more sustainable world.





## Ethics, Compliance and Accountability

Consistent with the Barnes Group Values, the Barnes Group Code of Business Ethics and Conduct (Code of Conduct) lays out the principles that guide the behavior of our employees, officers, and directors as we do business around the world. Our Code of Conduct, which is available in nine languages for our global constituencies, provides guidelines, practical direction, and helpful resources to promote ethical conduct and support compliance with applicable laws and regulations.

Employees are expected to complete Code of Conduct training as assigned and re-affirm their adherence to the Code of Conduct as part of the training requirements. All newly acquired businesses are integrated into our compliance and training program. Our businesses conduct due diligence processes that enable us to monitor compliance with anti-corruption policies. Certain employees, based on factors such as role and geographic location, are assigned more targeted ethics and compliance training on topics such as anti-corruption and trade compliance.



In addition, we have a periodic leadership pulse process to facilitate identification and communication of any facts or circumstances which may indicate a potential human rights concern in our various locations and businesses. Barnes Group continues to enhance its employee training and awareness program based on role and risk exposure.

Barnes Group encourages employees to raise questions and concerns. We offer multiple channels for doing so, accessible at local work sites and the corporate office. Anonymous reporting tools, both online and via telephone, are also available. We periodically survey our officers and business leaders on key compliance areas and provide opportunities for them to notify us of concerns or conflicts of interest.

Barnes Group takes every question and concern seriously and will not tolerate any form of retaliation against any person for raising a question or concern in good faith. Employee concerns are addressed through fair examination, objective determination of the facts, and appropriate corrective action measures.

We also expect our business partners, suppliers, and agents to hold themselves to equally high standards. Built on our Values, our Code of Business Ethics and Conduct for Suppliers (Supplier Code), published on the Barnes corporate website, communicates the expectations we have of our global supply chain partners. The Supplier Code requires that all suppliers and partners adhere to the Barnes Code of Conduct by ensuring the safety, security, and fundamental human rights of their employees while taking steps to safeguard the environment, all of which are consistent with our Barnes Group Values.

As a public company and as an integral part of our core Values, Barnes Group supports the social goals underlying the Dodd-Frank Financial Reform Bill requiring Barnes to disclose use of conflict minerals. In accordance with its Conflict Minerals Policy, Barnes Group is committed to use internationally recognized due diligence standards to identify and manage the Barnes Group supply chain to reduce the risk of use of conflict minerals in the products it manufactures.

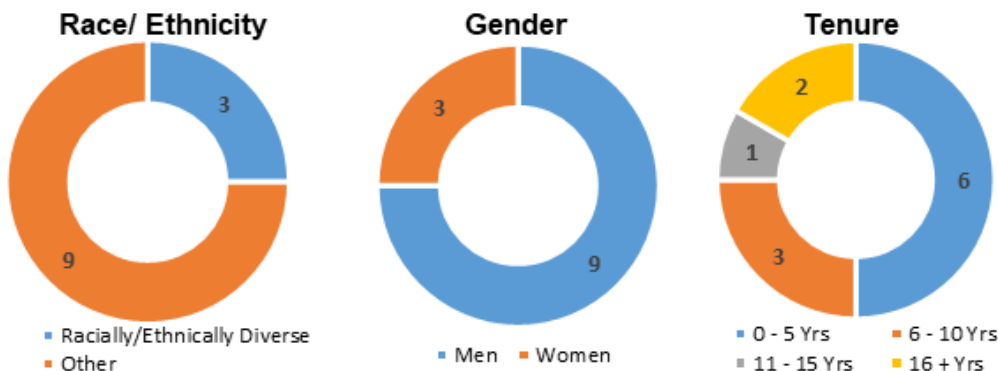


## Governance

Barnes Group is a publicly-held company that trades on the New York Stock Exchange under the ticker symbol "B." The Board of Directors is our highest governing body and is actively engaged in risk management oversight, succession planning, and corporate governance matters. We have a standing Audit Committee, Compensation and Management Development Committee, Executive Committee, and Corporate Governance Committee. Our Board is comprised of twelve directors, eleven of whom are independent. Our Board is ethnically and racially diverse, and three of our directors, or 25%, are women.

Barnes Group maintains a comprehensive set of policies and procedures to enable effective corporate governance. The following documents are available in the Investor Relations section of our corporate website at [www.BGInc.com](http://www.BGInc.com):

- Audit Committee Charter
- California Transparency in Supply Chains Act Disclosure
- Charter of the ESG 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
- Policy Regarding Reporting of Complaints and Concerns
- Political Expenditures and Public Policy Matters
- UK Tax Disclosure



<sup>1</sup>The metrics in these Director Highlights include current directors as of the date of this ESG Report, including Director Dr. Hassell H. McClellan. Director McClellan will retire from the Board effective as of the 2021 Annual Meeting in accordance with the mandatory retirement provisions of our Corporate Governance Guidelines. Metrics above are based on the number of full years of service that each director has served as of the date of this ESG Report.



## Health, Safety, and Environmental Affairs (HSE)

Barnes Group is committed to promoting and maintaining a safe workplace for our employees and strives to ensure that all aspects of our operations are conducted in conformance with applicable laws and regulations, as well as with all of our corporate policies pertaining to workplace safety and protection of the environment. At the corporate level, BGI maintains a global Health, Safety, and Environmental Affairs (HSE) program which focuses on promoting employee safety throughout the enterprise. In certain cases, the Company or its strategic business units (SBUs) may establish more stringent requirements as policies, procedures, or directives. At the corporate level, these requirements are documented as BGI HSE Standards.

The BGI HSE Standards are consistent with our commitment to worker health and safety and to environmental protection, as well as prevailing regulatory frameworks in place around the globe. All locations are required to meet local laws and regulations, or the BGI HSE Standards, whichever are more stringent. Furthermore, our internal corporate HSE audit program measures and monitors progress using standard protocols, ensuring that actions are tracked to closure and results are communicated to Senior Leadership.

Our past and present business operations require the use and handling of chemicals and hazardous products that are subject to extensive environmental laws and regulations pertaining to the discharge of materials into the environment, the disposal of wastes, and the use, shipping, labeling, and storage of chemicals and hazardous materials. We closely monitor hazardous waste management and environmental permitting and reporting requirements to ensure compliance with applicable laws while striving to minimize the environmental impact of our operations through our management systems approach to HSE.

Barnes Group did not pay any fines or penalties for HSE non-conformance in 2020. Our operations utilize standard work and online compliance calendars to manage regulatory compliance requirements, and our goal continues to be to eliminate HSE non-compliance.

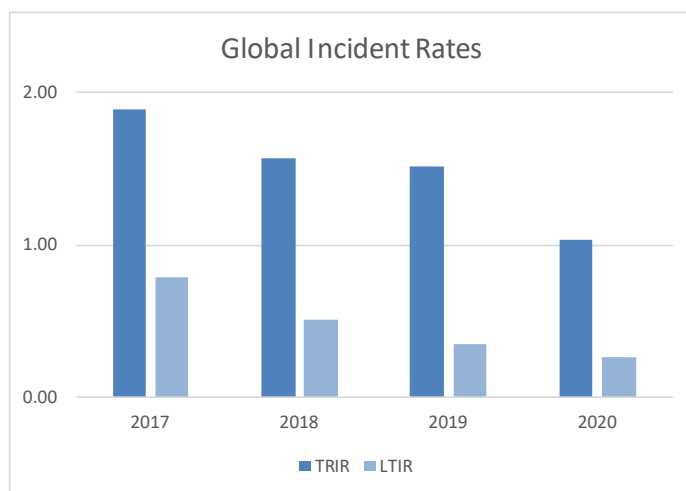
HSE Regulatory Compliance		
2020	None Reported	\$0
2019	Air Compliance	\$4,918

# Safety

We have ambitious goals when it comes to identifying and controlling hazards in the workplace to ensure our employees' safe return to their homes and families at the end of their workday. With the onset of the COVID pandemic in early 2020, employee health and safety took center stage as we implemented preventive measures and controls to protect our employees and keep our operations running. These efforts were consistent with our "safety first" mindset, in which we strive to integrate safe practices in everything we do.

This "safety first" mindset starts with our leadership. Through the implementation of the BGI HSE standards, initiatives such as the critical risk mitigation program and HSE Zone Leadership, and by leveraging tools such as job safety analyses (JSAs) and risk assessments, non-routine pre-job reviews, and management of change (MOC) and other activities, Barnes Group aims to identify and mitigate hazards in the workplace before injuries occur. Year after year, our operations teams proactively address risk, and we share the successful risk mitigation stories across our strategic business units so we can learn from one another. The most common work-related injuries include lacerations and strains/sprains, and our Zone Leaders and Safety Committees are actively engaged in addressing both the physical hazards that may cause injury, as well as reinforcing safe behaviors and correcting unsafe behaviors through our behavior observation programs. We also engage with employees who perform critical risk tasks – those tasks that we determined may contribute to high-consequence injuries – such as lockout/tagout, working at heights, and confined space entry in "practicing safety." Our operations and HSE leaders work directly with these employees to review or "practice" the correct steps to safely complete these tasks to ensure the employees know how to protect themselves and execute the task safely every time.

Collectively, these efforts have helped us prevent serious injuries and reduce recordable and lost time injuries over time. In 2020, as our President and CEO and our Segment Presidents continued to emphasize safety as a core value, we achieved an additional 23% reduction in lost time injury rate and an additional 31% reduction in recordable injury rate versus the prior year. Safety incidents from across our operations are reported in accordance with our corporate standard for incident management, and incident rates are calculated based on 200,000 hours worked. Barnes Group remains committed to the execution and implementation of our BGI HSE Standards and critical risk mitigation program, which once again helped us achieve a year with zero serious injuries\* and zero work-related fatalities with over 8.9 million hours worked. We are confident in our HSE Management system and strategy and continue to empower and encourage employees to proactively identify and mitigate potential safety issues through Safety Committees, HSE Inspections, Gemba Walks, and our near miss program.



*\*Barnes Group defines a serious injury as any work-related incident resulting in amputation, partial amputation, multiple fractures, or loss of consciousness.*



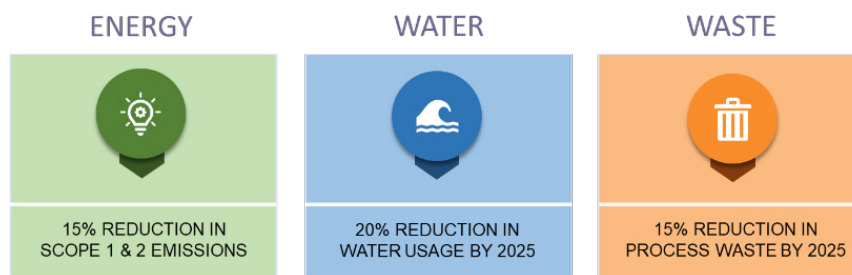
## Preventing Serious Injuries

Barnes Group has not experienced any work-related employee fatality or serious injury in the past 3 years.



## Environment

In 2020, Barnes Group established environmental targets for 2025 – specific goals for reducing the energy and water we use and the waste we generate – normalized against our production hours. As a Company, we will work to reduce the energy we use in our factories – as measured in carbon dioxide equivalents (CO<sub>2</sub>e) – by 15%, the amount of water we use by 20%, and the amount of industrial process waste we generate from our manufacturing operations by 15%.



The BGI HSE Standards define water usage, process waste and energy usage that must be reported using our centralized HSE information system. The standards require that all non-office locations greater than 20,000 ft<sup>2</sup> report their data. Local HSE managers report these metrics and provide supporting documentation from which their data is derived. To ensure accuracy in reporting, we are establishing validation standard work and internal processes to review the data, and identify and correct any reporting errors. For example, select data is spot checked by our Internal Audit Department (IAD) as part of regular accounting and financial reviews. In addition, environmental data is also reviewed periodically as part of the Corporate HSE Audit program. At the present time, we are working to establish additional controls to further validate our data and plan to publish additional details in future reports.

Of course, establishing targets is merely the first step in our journey to reduce our environmental footprint. In order to achieve our 2025 targets, we are analyzing water and energy usage as well as process waste streams at our manufacturing divisions to determine which strategic business units are the greatest contributors to our footprint. This will allow us to identify strategic investments to achieve our goals and reduce our environmental footprint in the most cost-effective manner.



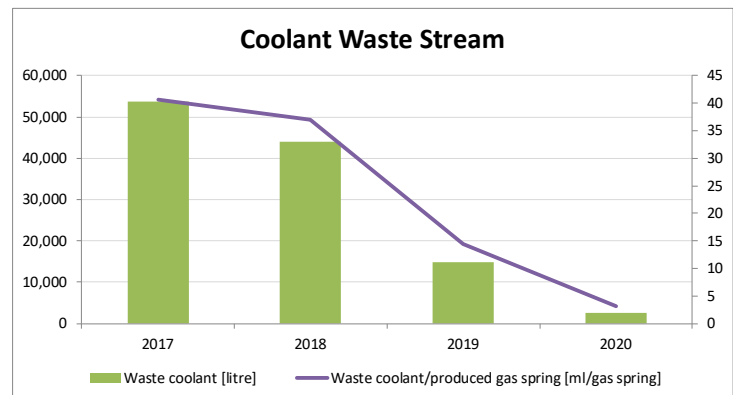
## Waste Management

At Barnes Group, our operations track and report waste generation data using a common online system, according to the framework established in our corporate environmental standards. Centralized reporting of both non-recycled and recycled industrial process wastes began in 2014 and enables us to identify pollution prevention and waste minimization opportunities, as well as to drive towards recycling a greater percentage of our industrial waste streams. While recycling is good, we recognize that waste reduction at the source is even better, which is why we set a target to reduce the amount of industrial process waste we generate from our manufacturing operations by 15% by 2025. This year, a number of our divisions took steps to minimize waste generation at the process level, increase resource efficiency, and reduce single-use waste.

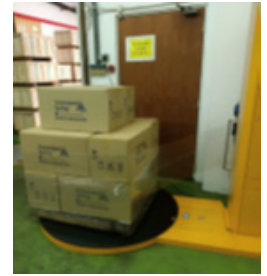


Our Barnes Aerospace location in West Chester, Ohio uses a common solvent for numerous cleaning processes. After researching recycling options with suppliers and the regulatory requirements with Ohio Environmental Protection Agency, the site invested in solvent distillation and recycling equipment early in 2020. The self-contained, intrinsically-safe system is capable of recycling the used solvents to 99.9% virgin quality, and the recycled solvent is reused on site. In addition to reducing the spent solvent waste stream by over 90%, the recycling program also resulted in cost savings by eliminating waste disposal costs and the need to purchase new solvent.

Early on in the Company's efforts to reduce waste from our operations, our Force & Motion Control, Strömsholmen location in Trånas, Sweden conceptualized and installed a centralized coolant processing system. The system processes water-based coolants from machining operations and is paired with an evaporator to reclaim and reuse the water. This investment has successfully reduced the volume of their coolant waste stream by more than 90% over the past 4 years. The aqueous portion of the coolant is recycled and returned to the machines as new coolant, and less than 10% of the total volume generated ends up as waste oil shipped offsite for proper disposal.



Our Engineered Components, Associated Spring location in Singapore reduced the usage of pallet stretch film in the shipping area by replacing the manual process with automatic mobile pallet stretch equipment. Based on 2019 data, the shipping department had been using 72 rolls per year with manual wrapping. After automation, the usage decreased by more than 75%, reducing plastic waste and generating savings in purchased materials.



### Sustainability News

EcoVadis, the worldwide Sustainability Ratings Provider, re-evaluated our Automation, Gimatic business. EcoVadis increased its rating of Gimatic and awarded it a Silver EcoVadis Medal, placing Gimatic among the top 25% of companies assessed. The EcoVadis rating is a common tool used globally for supplier evaluation.

## Recycling

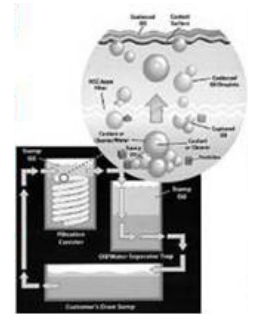
Our Molding Solutions, Männer location in Bahlingen, Germany operates a Validation Center where customers conduct mold trials for new and modified products. Since the test pieces from these trials are not used for production, Männer collects these parts, together with any unused granules, and partners with a recycling company that is committed to 100% material recycling of the residual plastics. The plastics are sorted on a granulator, finely ground, packed in bulk containers and marketed to new end users. The primary field of application for the reprocessed materials are plastic profile producers for the construction industry. In 2020, this partnership enabled Männer to revert more than 70 tons of plastic to the marketplace, preventing the material from being landfilled and supporting the circular economy.



# Water Conservation

Barnes Group has committed to reducing the amount of water we use in our manufacturing operations by 20% by 2025. Our operations have been tracking water usage data for several years, and we are pleased to report that our divisions continued to implement water conservation projects in 2020 to further reduce water consumption. Some of the water conservation initiatives implemented include:

- Our Barnes Aerospace location in West Chester, Ohio prides itself on providing a clean and safe workplace for its employees. In an effort to reduce the amount of water used to keep the facility looking its best, the site invested in an aqua filtration unit that filters mop water. The filtration system removes non-soluble oils and traps suspended particles, enabling the same water to be reused for cleaning floors up to seven times. The system has been a success and decreased the volume of water used for general cleaning.
- Our Engineered Components, Associated Spring location in Campinas, Brazil completed a process optimization project in its tumbling and finishing department. An automatic dosage system coupled with designated fresh water and chemical reservoirs were added to control water quality inside the vibratory bowls used in this department, while new touch screen control panels were introduced to program the process and allow employees to better monitor machine status. By upgrading these process controls and automating water and chemical additions, the team improved quality and productivity while reducing water consumption. Automation also decreased the amount of water additive required by more than 35% and the volume of process wastewater disposal by 230 m<sup>3</sup> per year.
- Our Engineered Components, Heinz Hänggi location in Bettlach, Switzerland invested in an evaporation/distillation system to mitigate its requirements for large volumes of water used in the deburring process – a key process required to meet the customer quality requirements. During the process, the water is also used for rinsing the parts to meet cleanliness requirements; therefore, the water quality must be within a certain specification. In the past, fresh water was used. In order to reduce the amount of fresh water consumed and to help achieve the Company's environmental goals, the evaporation/distillation system was installed. This system processes the used water and produces water of distillate quality. The distillate is enriched with additives and brought back into the cycle in a closed loop. Since all water for deburring is now recirculated, we anticipate that the fresh water consumption will be reduced by over 90%, saving over 8,000 m<sup>3</sup> of fresh water per year.





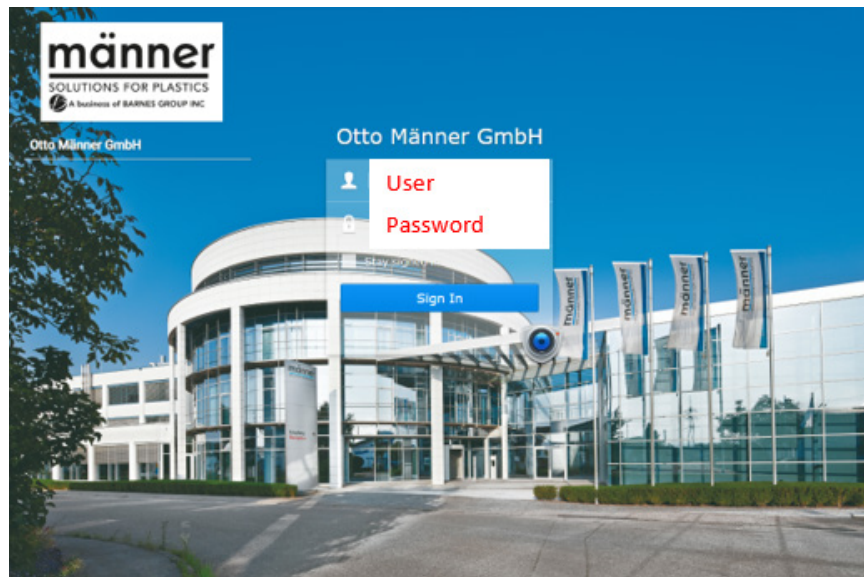
# Energy Conservation

Since we began requiring our operations to track and report energy usage in 2013, our divisions have continually demonstrated their commitment to energy conservation. As in previous years, our facilities continued to expand their use of energy-efficient LED lighting and motion sensors. In addition, select divisions have achieved climate-conscious energy reductions through different means to help move our Company towards our target of 15% reduction in energy usage by 2025.

- Our Molding Solutions, FOBPHA location in Haslach, Germany improved energy efficiency by connecting the deep hole drilling and milling machines to the site's chiller system. By doing so, less warm air is discharged into the production hall and is instead cooled by the water chiller. This has resulted in a reduction in air conditioning demand during the summer months. According to employees, the reduction of exhaust air in the production hall has also improved the general indoor air quality.
- Our Engineered Components, Associated Spring location in Bristol, Connecticut partnered with an engineering firm to complete an audit of its compressed air systems and usage. The team installed a data logger to measure actual, real-time compressed air being supplied into the facility. On a Sunday when there was minimum production activity occurring, baseline consumption was measured, and specific mechanical power presses were turned off in a controlled manner to obtain a comprehensive data set. After analyzing the data, the team signed a Letter of Agreement for Energy Efficiency Services with the local utility and installed new automatic ball valves and actuators wired to the servo motors to control the valving. The project was completed before year end and will yield an estimated annual energy savings of 60,000 kWh. In addition, the location expects to receive a one-time incentive rebate from the utility of over \$15,000.
- Our Engineered Components, Associated Spring location in Campinas, Brazil installed a solar water heater to supply hot water to the employee cafeteria. The previous hot water system was electric. The new solar system is expected to reduce energy consumption by approximately 40 Mwh/year and provide an annual cost savings of around \$2,500. Similarly, our Associated Spring location in Mexico City, Mexico installed a solar heater for the showers in employee locker rooms, replacing gas-fired heating sources. (Image: Mexico City)



- Our Barnes Aerospace location in Ogden, Utah partnered with the local energy company and an engineering firm to conduct a Compressed Air Leak Audit. More than 50 leaks were found, and an internal team of employees completed the necessary repairs as part of "6S Fridays." The engineering firm returned to verify the corrections, and the local utility issued the approximate energy and cost savings, as well as the financial incentive. The projected savings are estimated at ~150,000 kWh per month. Our Barnes Aerospace location in Lansing, Michigan completed a similar exercise and identified and fixed dozens of air leaks in their facility as well.
- Our Molding Solutions, Männer location in Bahlingen, Germany implemented a unique project with environmental benefits necessitated by the COVID-19 pandemic. When customers were unable to travel safely to our Validation Center, the team developed an online qualification process, offering virtual tool qualification services, including Factory Acceptance Tests, by leveraging high-resolution camera technology. Customers could be "live" for all the essential steps of the qualification process yet remain virtual. While travel restrictions were in place, the online qualification option saved our customers time and money, avoided the emissions associated with business travel, and enabled us to meet deadlines for time-critical projects. While the process was developed in response to the global pandemic, we anticipate that it will continue to be used by some customers after the pandemic due to the efficiencies and savings realized.



### Energy Audit

Our Engineered Components, Associated Spring location in Bristol, Connecticut identified and addressed a hidden source of energy waste: automated compressed air bursts are used to prevent chip buildup in a CNC machine. This automated blow off cycle was modified to ensure it is only enabled when the machine is in production mode.

# Renewable Energy at Barnes Group

- Our Force & Motion Control location in Tranås, Sweden gets its district heating from Tranås Energy's combined heat and power plant, which only burns renewable biomass. Tranås Energy also repurposes the leftover ash as a natural fertilizer.
- Our Molding Solutions, Synventive location in Bensheim, Germany purchases its energy from the GGEW AG, 55% of which is derived from a mix of solar, wind, and hydropower.
- Our Molding Solutions, Männer location in Bahlingen, Germany also derives more than 35% of its energy from renewable sources, and its Männer location in Au, Switzerland derives all of its energy from hydropower.
- Our Automation, Gimatic location in Bagnolo Mella, Italy generates a small portion of its energy from a rooftop solar panel system.
- Our Molding Solutions, Thermoplay location in Pont-Saint-Martin, Italy generates approximately 9% of its energy from a rooftop solar panel system.





## Employee Development and Engagement

As leaders, we believe that our greatest asset is our people. Our approximately 5,000 skilled and dedicated employees around the globe are committed to the highest performance standards and achieving consistent, sustainable profitable growth. With approximately 20% in the Asia-Pacific region, 40% in the Europe, Middle East, and Africa (EMEA) region, and 40% in the Americas region, our "safety first" mindset is consistently applied globally.

The Company's long history is grounded in our Values and principles, which have guided our ongoing transformation and growth. Our Barnes Group Values promote a culture of collaboration, empowerment, and an environment providing opportunity, dignity, and respect for all of our employees.

Grounded in these Values and an integral part of our Barnes Enterprise System (BES), we manage human capital through our **Talent Management System (TMS)**. TMS integrates our key human resource processes and tools to facilitate talent management decisions and enables the Company to have the right people, with the right skills, in the right roles, at the right time. TMS enhances our ability to attract and hire talented employees, and supports their growth, development, and engagement – empowering them to perform at their very best every day. Aligned with our vision to be a global provider of highly engineered products, differentiated industrial technologies, and innovative solutions, TMS helps accelerate the organizational change to drive business performance and support the successful execution of the Company's growth strategy.

The TMS framework focuses on five key areas (pillars) – **Attract, Perform, Develop, Engage, and Recognize** – all supported by a myriad of tools and processes that our employees, managers, and leaders can use to support their own professional growth and development, as well as leverage to make better talent management decisions that build and cultivate an agile and high-performance organization.



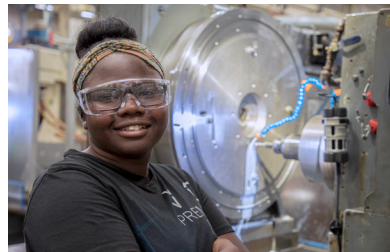


**Attract** – encompasses the processes and tools available to employees and management that support and facilitate the planning and effective recruiting, hiring, and on-boarding of our employees.



In July 2020, to further accelerate our R&D, process, and product development efforts, Barnes Group orchestrated a pilot launch of BarnesWORX™ – a new way to work at Barnes! BarnesWORX will leverage a pool of independent professionals with specialized expertise to work on time-bound assignments, new product developments, and innovative projects that promote the growth of the Company. BarnesWORX offers a unique and creative employer/employee working arrangement (similar to a freelance engagement) that will support Barnes as it introduces various technology-focused disciplines (e.g., Software Developers, Automation Engineers, Digital Marketers, and Data Scientists, etc.) to collaborate on multiple initiatives that will accelerate our innovation efforts. BarnesWORX will enable us to further expand these efforts into Applied and Fundamental research to fully capitalize on new opportunities and a wide range of game-changing technologies in today's digital world and help us attract future talent.

Additionally, we continue to strengthen our talent pipeline through strategic marketing and outreach efforts focused on recruiting the next generation of talent in our operations roles. Launched in 2018, our "Manufacture Your Dreams at Barnes" campaign is designed to further enhance and promote our Global Apprenticeship Programs and showcase the exciting and diverse career paths within the manufacturing industry. In 2020, the Company continued its focus on recruiting efforts in support of Global Apprenticeship Programs – attracting, hiring, and training apprentices in various technical areas. Our Apprenticeship Programs help us bolster our manufacturing skills and provide professional development, growth, and rewarding career opportunities to technically skilled workers.



**Perform** – highlights the processes and tools that help our employees fully leverage and utilize their skills and capabilities to perform at their best and contribute meaningfully to achieving the goals and objectives of the business.

Over the past two years, we have made great strides in digitizing our Talent Management System and supporting HR processes and solutions through the consolidation and automation of key applications, including Recruiting, Onboarding, Learning and Development, Performance Management, Succession Planning, and Compensation. We have applied design thinking in developing an agile and innovative HR digital platform aimed at developing our employees, empowering our business partners, and building HR capability through robust cognitive tools and enhanced analytics. Through these efforts and solution consolidations, we are well-positioned to align our processes to effectively acquire, develop, and deploy the critical skills needed to drive optimal organizational performance. Adapting to new ways of working has enabled the execution of our growth strategy and helped us effectively meet the evolving needs of our business now and in the future.



**Develop** – comprises the HR processes and tools that support the growth and development of our employees through ongoing training, skill-building, assessment, career planning, and enrichment opportunities.

Barnes has a strong commitment to developing and investing in our employees. We provide our global employees with the right support, tools, and processes to contribute to the business in meaningful and rewarding ways that create value for our customers, drive profitable sales growth, and position our Company for long-term success. While we have no mandated training hours per employee, we provide the necessary access to training and development that every employee needs to do their jobs to the best of their ability. Our Barnes University learning portal provides over 1,500 courses of individually managed content that employees can access. This resource provides a just-in-time opportunity for employees to hone their skills and competencies in real time as they need it.



**Engage** – contains HR programs and tools that support employee engagement and involvement across the Company and in the communities in which our employees work and live.

Whether taking part in a local community event, financially supporting a fundraiser such as the American Red Cross Wildfire Relief Fund, utilizing our Matching Gifts Program, or helping with a local United Way initiative, Barnes employees have a variety of opportunities to support the communities in which we do business and feel good about giving back in the process!

**Recognize** – aligned with our “pay-for-performance” philosophy, leverages HR processes and programs used to recognize and reward our employees and facilitate their ongoing engagement.

Our compensation programs are designed to align the compensation of our employees with the Company’s performance and provide the proper incentives to attract, retain, and motivate employees to achieve superior results. The structure of our compensation programs balance incentive earnings for both short-term and long-term performance. In addition, we leverage an established Rewards & Recognition program to recognize employees who demonstrate the Barnes Group Values and go above and beyond their typical job responsibilities for an extended period of time. The tiered BRAVO programs allow a manager to select either merchandise, monetary awards, or even a thank you card to acknowledge additional effort and accomplishment.

In managing our global businesses, and as part of our Talent Management System, we focus on several human capital measures and objectives, including those related to the hiring, performance, succession planning, and retention of our employees. We accomplish this through the effective utilization of our robust TMS tools and the ongoing commitment and engagement of the Company’s Senior Leadership. These efforts are highly focused on identifying the next generation workforce, developing the future leaders of the Company, and promoting a high-performance organization.

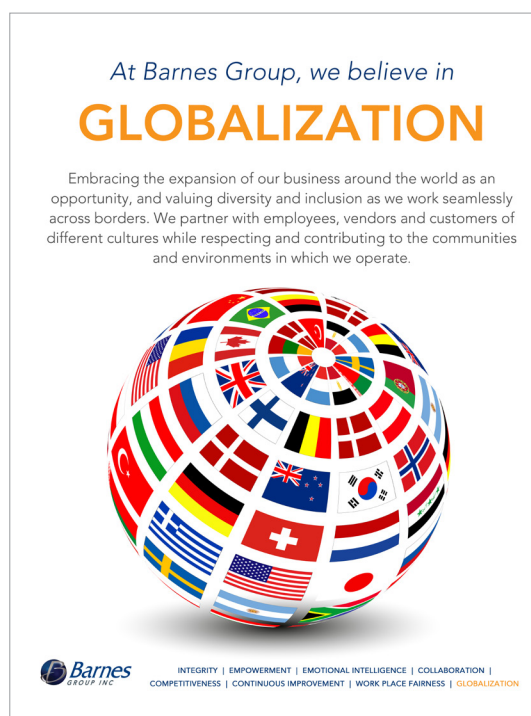
# Diversity and Inclusion

*"I often highlight the proud fact that Barnes Group has overcome all types of adversity throughout its 164-year history, and I always give credit for that success to our employees and the consistent Barnes Group Values that we hold so dear. Our Values are the bedrock upon which Barnes has been built, generation after generation, and will continue to guide us through our ongoing transformation and growth. They foster a culture of teamwork and collaboration, as well as represent what Barnes Group and the leadership team of Barnes Group stand for: specifically, that we value and respect every individual on our team, no matter what their gender, race, religion, or background, and we will always foster a culture that treats all of our employees with fairness, dignity, and respect. Given the level of uncertainty occurring in the world, there has never been a more crucial time to reaffirm our commitment to our Values."*

- Patrick J. Dempsey, President and Chief Executive Officer of Barnes Group Inc.

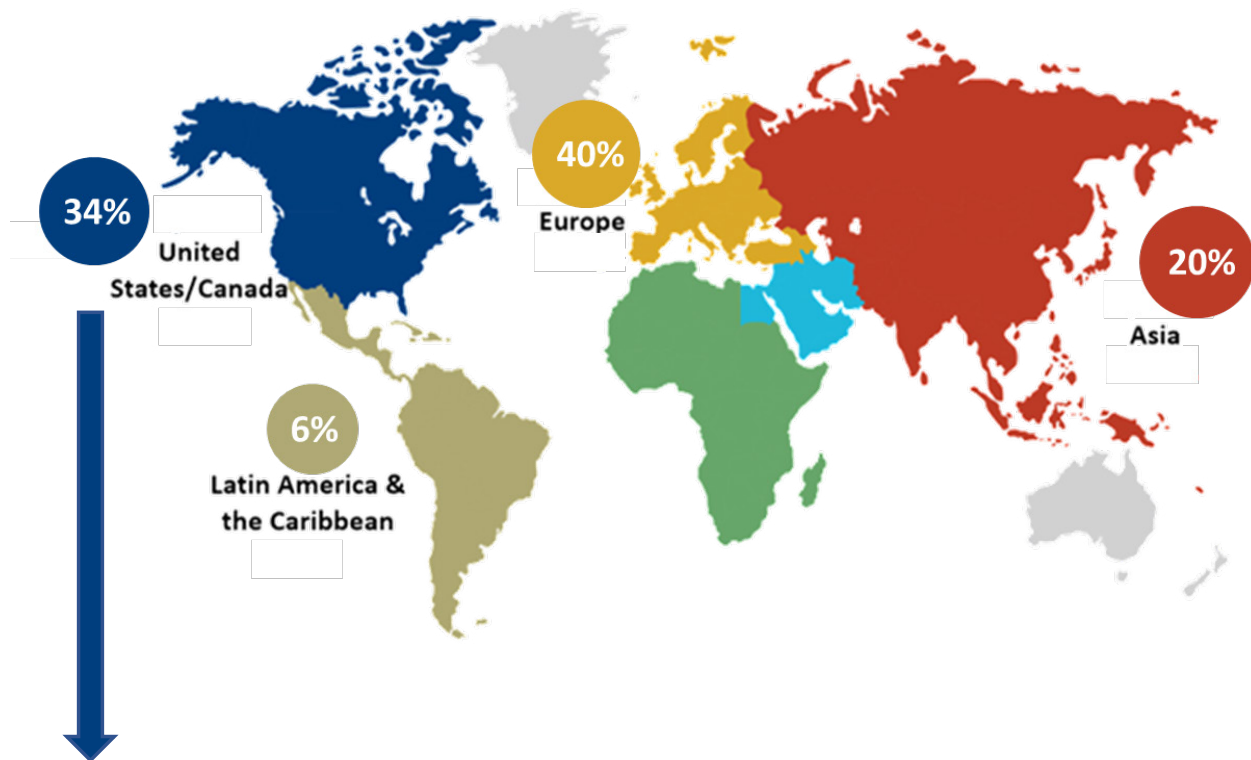
Diversity and inclusion are integrated into our Barnes Enterprise System (BES), our total operating system. Designed to build a strong foundation of excellence, empowerment, and growth across the organization, the principles of BES are grounded in our Values, leveraged in our vision and strategy, reinforced by our core competencies, and directly linked to our TMS. TMS's integrated set of key HR processes enables Barnes to invest in the people, systems, and tools to execute the Company's strategy, goals, and objectives. Barnes Group remains dedicated to attracting, hiring, and retaining passionate and energized employees who are willing to learn and grow as part of a One Team, One Company organization. In short, how we operate our businesses starts with our people first.

Barnes Group is dedicated to cultivating a workplace that prioritizes the development, empowerment, and engagement of all our employees and values the diversity and inclusion of every individual. Each and every employee makes Barnes a unique and special company, and their collective contributions have allowed us to create a culture of inclusiveness. The diversity of our experiences, capabilities, and perspectives are the cornerstone of what it truly means to engage as One Team, One Company to promote and support our collective success.



On December 31, 2020, Barnes had approximately 5,000 employees worldwide, including full time, part time, temporary and contractor employees, with the majority representing full-time employees. Approximately 20% were in the Asia-Pacific region, 40% in the EMEA region, and 40% in the Americas region.

To help us maintain and further enrich our energized and engaged workforce, Barnes Group strives for diversity across all levels of the organization. Additionally, we look to increase women in hourly, management, and salaried leadership positions. The recruitment process is an important element in achieving a more diverse population throughout our businesses.



Of the 40% Americas population, 34% represents U.S. / Canada based employees where U.S. Representation of Ethnic Diversity and U.S. Representation of Females by Classification is highlighted below:

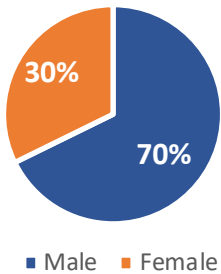
U.S. Representation of Ethnic Diversity	2020
American Indian / Alaskan Native	Less than 1%
Asian	5%
Black / Not Hispanic Origin	6%
Hispanic	6%
Native Hawaiian or Other Pacific Islander	Less than 1%
Not Specified	5%
Two or More Races	1%
White / Not Hispanic Origin	76%

U.S. Distribution of Females by Classification*	2020
Operatives	20%
Administrative Support Workers	25%
Craft Workers	2%
Executive/Senior-Level Officials and Managers	2%
First/Mid-Level Officials and Managers	21%
Laborers and Helpers	9%
Technicians	2%
Professionals	17%
Sales Workers	1%
Other	1%

\* Represented portion of females within each category

U.S. Representation of Females in Leadership Positions is 30%:

U.S. Leadership Roles





# Well-being

Barnes Group is committed to improving the health and well-being of our employees and their families around the globe. Our innovative health programs support a holistic approach to well-being by providing access to comprehensive tools, information, and guidance designed to improve employee health, productivity, and engagement – ensuring a stable workforce and making our Company a stronger and healthier place to work.



## Notable Achievements

Our focus for 2020 began with the goal to enhance and expand the programs, resources, and platforms for employees to access and improve their current health and well-being. With the onset of the pandemic, we realigned our focus to be more responsive to the immediate needs of our employees. Barnes Group made it a priority to ensure that there were plans, programs, and resources available to support the emotional, physical, and financial well-being of our employees and their family members during such a challenging and unprecedented time. We actively partnered with each of our vendors and positioned our plans to provide access and essential coverage to care when our employees needed it most.

In 2020, we supported our employees by implementing plan enhancements and providing the following resources:

- Partnered with a new vendor that offers an innovative and technology-infused approach to well-being through employee assistance, work-life, and convenience services.
- Expanded medical plan coverage to include virtual telemedicine.
- Strengthened current plan benefits for prescription drug medications being used to treat COVID.
- Developed a dedicated COVID support page to provide the most up-to-date benefits information, member savings programs, and resources provided by our vendors.
- Enhanced EAP Programs through webinars, workshops, and counseling sessions.
- Promoted monthly well-being resources accessible to both our employees and their families.
- Partnered with our well-being vendor to create a COVID Toolkit to provide support for employees and their family members impacted by the pandemic.
- Provided incentive-based rewards for continued engagement and participation in the annual wellness program.
- Adopted Cares Act provisions into 401k retirement plans to support the financial health and welfare of our employees.
- Partnered with our international well-being vendor to provide enhanced support to our global employees and their household members with programs and resources in their local languages.



## Community

At Barnes Group, we believe that being a good corporate citizen begins with being a great community leader, which is why we encourage philanthropy, compassion, and change through our Barnes Group Foundation. Founded in 1945 and funded by the Company, the Barnes Group Foundation is committed to the support of education, the arts, civic and youth activities, and health-related charities in the communities in which the Company operates. Since 2000, the Foundation has supported more than 500 schools, cultural centers, and health-related charities, helping to ensure a legacy of community involvement for the future.

## Barnes Group Foundation

The Barnes Group Foundation is a private grant-making organization supported by Barnes Group as a vehicle for providing a balanced contribution program to accomplish the Company's objective of good corporate citizenship.

The Foundation's highest priority is organizations and projects in communities where the Company has offices and other facilities. The Foundation also makes a limited number of contributions to organizations with programs that have broad impact on the community and exhibit an innovative and resourceful approach to the solution of difficult local, national, and international problems.

Year	Total
<b>2020</b>	<b>\$1,178,000</b>
2019	\$1,112,000
2018	\$1,119,000
2017	\$1,054,000
2016	\$1,140,000

## Student Scholarship Program

The Barnes Group Foundation has established a scholarship program to assist an employee's child who plans to pursue post-secondary education in a college or vocational program. Renewable scholarships are offered each year for full-time study at any accredited post-secondary institution of the student's choice.

The Scholarship Program is administered by Scholarship Management Service, a department of Citizens' Scholarship Foundation of America, Inc. (CSFA). CSFA is a national nonprofit educational support and student aid service organization that seeks to involve and assist the private sector in expanding educational opportunities and encouraging educational achievement. Awards are granted without regard to race, color, creed, religion, gender, disability, or national origin. We are proud of the Barnes Group Scholarship Program, having assisted 994 students and distributed \$8,634,227 from 1976 to 2020.

Year	Total
<b>2020</b>	<b>\$372,000</b>
2019	\$357,500
2018	\$371,500
2017	\$312,350
2016	\$292,800

## Matching Gifts Program

The Barnes Group Foundation provides a 2-to-1 matching gifts program for employee donations made to qualified nonprofit organizations, up to a yearly cumulative maximum of \$4,000 per employee/spouse. Qualifying organizations must be recognized as tax-exempt under Section 501(c)(3) or Section 170(c)(1) of the Internal Revenue Service Code and fit into one or more of the following categories:

- Education
- Cultural and Arts
- Civic and Youth
- Health and Welfare

Year	Total
<b>2020</b>	<b>\$108,799</b>
2019	\$133,684
2018	\$141,700
2017	\$185,362
2016	\$175,769

## Volunteer Action Awards

The Foundation believes it is vital to the health of every community that citizens be active in local organizations. Employees who volunteer a minimum of 30 hours to assist a local charitable organization during the year are eligible to apply for a Volunteer Action Award. Volunteer Action Awards are grants of up to \$2,000 presented to the charitable organization at which the employee has donated his/her time.

Year	Total
<b>2020</b>	<b>\$3,000</b>
2019	\$3,000
2018	\$5,000
2017	\$4,000
2016	\$2,000



## Charitable Giving Program

The Barnes Group Foundation also supports charitable giving at our international locations through our matching gift program. All locations are eligible for the matching gift given for employee projects that involve the entire location and support a charitable organization or project that has a positive impact on the community. While charitable gifts are typically complemented by a 1-to-1 match through the Barnes Group Foundation, the matching contribution was increased to a 2-to-1 match in 2020.

Business	2020 Total
Associated Spring Mexico	\$3,000
Associated Spring Brazil	\$1,960
Associated Spring Singapore	\$2,289
Barnes Aerospace Singapore	\$10,725

## United Way Campaign

The Barnes Group Foundation has a long and proud tradition of supporting United Way through local campaigns held annually at each of our United States locations. We have earned our reputation as a great community leader, helping our neighbors in need. In the past, all donations made to United Way have been matched dollar for dollar through the Barnes Group Foundation. However, given the unprecedented times, the Foundation increased matching contributions to a 2-to-1 match in 2020.

Year	Total*
<b>2020</b>	<b>\$156,235</b>
2019	\$189,058
2018	\$273,474
2017	\$266,243
2016	\$214,122

\* Employee Donations



Including Matching Gifts, the Company and its employees together have contributed over \$3.7 million to the United Way over the past 8 years, assisting the United Way's more than 1,800 member organizations. For the 2020-2021 campaign, employees were encouraged to

LIVE UNITED and support their local campaigns. Living United means being a part of the change. It takes everyone in the community working together to create a brighter future.

## Community Service Day at a Local Food Pantry

Employees from our Barnes Aerospace, West Chester location (BA-West Chester) volunteered their time at Reach Out Lakota, a local food and clothing pantry. Reach Out Lakota is a non-profit, community-sponsored organization that provides food, clothing, paper, cleaning supplies, baby care, personal care items, and other household necessities to eligible families in West Chester and Liberty Township. During their community service day, BA-West Chester employees helped unload two buses of food weighing 17,000 pounds. What took Reach Out Lakota two days to do in 2019 took Barnes Aerospace volunteers 2.5 hours to accomplish in 2020!





## Additional Local Efforts to Support United Way

During the 2020 holiday season, Barnes Group Corporate employees participated in United Way's Joy of Sharing Toy Drive. United Way of West Central Connecticut's Annual Joy of Sharing Program has been providing food and toys to needy children, teens, and families in Bristol, Burlington, Plainville, and Plymouth for over eighteen years. This year, the Corporate Offices collected donations to provide toys to children ages 3 to 14 years old.



## Volunteering to Feed the Hungry During the Holidays

Due to the many constraints imposed by COVID-19, the team at the Corporate Headquarters in Bristol, CT was unable to safely facilitate the collection and delivery of food donations to support its local food bank and homeless shelter as it normally does each year. However, they held a successful donation drive just in time for Thanksgiving and winter year-end holidays. Employees' donations were provided to two Connecticut-based charities whose mission is aimed at ending hunger in our communities.



## International Charitable Giving Program

Employees from our Engineered Components, Associated Spring location in Campinas, Brazil (AS-Brazil) have helped numerous children in need by supporting Bento Quirino Kindergarten since 2010, as well as enhanced their social project to include Creche Estrelinha do Oriente in 2019. Both schools are located in Campinas, Brazil, and together with the funds donated by Associated Spring, have helped 464 children receive food and school supplies. In addition, AS-Brazil employees donated 300 liters of milk, 90 food baskets, 90 Christmas baskets, and a new side access gate to Bento Quirino.



Employees from our Engineered Components, Associated Spring location in Mexico City, Mexico focused their fundraising efforts for the United Way campaign by donating money to the Salvation Army, which provided 110 toys to 35 local children in need. They also helped deliver meals to 70 needy families by way of home food deliveries. In addition, the Mexico team recognized their employees' children who earned a GPA of 3.5 or higher by awarding 30 student scholarships to high achievers.



Employees from our Engineered Components, Associated Spring location in Singapore supported their local elderly community by delivering meals in partnership with a Meals-on-Wheels service. Together with TOUCH Home Care (THC), a community service organization which helps enable the elderly to function within the community with independence, the Singapore team donated their time to deliver meals and reach their goal of 100% employee participation for their United Way campaign!



Employees from our Engineered Components, Heinz Hänggi location in Bettlach, Switzerland supported children's sporting events in the community as well as volunteered their time as medical first responders and firefighters.



Employees from our Molding Solutions, Synventive location in Suzhou, China encouraged recycling and healthier living once again in 2020. As a regular charity activity, employees continuously support the "Green Grant Program" organized by WeiYe Community. Recyclable scrap paper is reclaimed and reproduced as "green pencils." Since 2016, Synventive China has donated over 1,200 kg of scrap paper, which can produce over 355,000 pencils – those pencils have been delivered to 75 Hope Primary Schools in China. In addition, the team collected donations to help their community prevent and control the COVID-19 pandemic.



Employees from our Molding Solutions, Thermoplay location in Pont-Saint-Martin, Italy supported local businesses that were impacted by COVID-19 by helping them weather the difficult economic times caused by the pandemic.

## Relay For Life

Relay For Life events are overnight community fundraising walks that honor cancer survivors, remember lost loved ones, and support the fight back against one of the globe's biggest health concerns. For 34 years, Relay For Life has provided inspiration and hope for millions of cancer survivors and caregivers. Each year, more than 4 million people in 5,200 communities in the U.S., along with communities in 26 additional countries, gather to take part in this global movement to raise awareness and funds to fight cancer.



Although employees from our Bristol and Farmington, CT facilities were not able to attend an in-person Relay For Life event this year due to COVID, they still worked to raise money for the cause. Thanks to our employees' efforts, Barnes Group raised over \$13,000 for the American Cancer Society in 2020!

## Barnes Aerospace Sponsors Aces for Kids Golf Tournament

In September of 2020, Barnes Aerospace sponsored the 18th annual Aces for Kids Golf Tournament. Each year, Aces for Kids brings together leaders in the aerospace community for an inspiring day of golf to benefit the Center for Cancer and Blood Disorders at Connecticut Children's Medical Center. Barnes Aerospace has sponsored this tournament for the past four years and has helped raise over \$317,000 during that time. The funds raised through this event are integral to providing cancer care to patients in the surrounding community and keeping their treatments close to home.

This year, around 100 golfers attended the Aces for Kids tournament, while dozens of aerospace companies were represented by way of sponsorships, golf foursomes, and donations. A highlight of the program was the presentation of a check for \$1,000,000 commemorating the total funds raised during the history of Aces for Kids. Tom Barnes, Chairman of the Board of Barnes Group, and Bill Gonet, Vice President of Sales and Marketing, Barnes Aerospace and Aces' Chairman, presented the check to the Connecticut Children's President and CEO, and the Connecticut Children's Foundation President. Since its inception in 2002, Aces for Kids has raised \$1,086,000 for Connecticut Children's and continues to be one of the largest annual fundraisers for the Center for Cancer and Blood Disorders.





## Products

Despite the many challenges resulting from the COVID pandemic, at Barnes Group, we continued to make progress in 2020 on our transformational journey to position the Company as a leading global provider of engineered products and diversified industrial technologies. We furthered the evolution of our Barnes Enterprise System (BES) by beginning to develop detailed playbooks for Commercial, Operational, and Financial Excellence to help employees clearly understand how our BES business processes work in theory and practice. We established our Innovation Hub and added resources to develop state-of-the-art molding technologies, allowing the Company to build on its strong position in engineering development and expand into applied and fundamental research and development. By leveraging BES to "Power Performance Excellence," our Company is excelling at selling, delivering, and realizing the value we bring to the marketplace. Part of that value proposition involves our ability to consistently deliver high-quality products to our customers.



Ongoing key strategic investments in the BES, Innovation, and TMS continued to be instrumental in enabling us to achieve our goals. In the last year, many of the products we delivered and the processes we used to manufacture these products embodied socially and environmentally responsible concepts and methods.

## Barnes Industrial

### Molding Solutions:

Our Molding Solutions strategic business unit continues to develop plastic injection molding technology used to produce cutting-edge structural and cosmetic components that reduce vehicle mass, improve aerodynamics, and improve fuel efficiency, which directly reduces vehicle emissions.

Barnes Group continues to engage the complete circular economy and is aligning its efforts to support the European Green Deal, European Single Use Plastics Directive, and many others. Key leaders within the business unit are actively engaged in many industry consortiums and leading enablers across the environmentally friendly circular economy. The objective of these partnerships is to enable our injection molding process technology to efficiently and effectively support the introduction of environmentally friendly plastics to the world.

Our research and development efforts are actively involved in supporting many game-changing materials such as biodegradable and recyclable based products. Barnes Group also is committed and focused on further advancing its Innovation Hub, which was introduced in 2019, as its innovation accelerator focused on strengthening our commitment to research and development of game-changing technologies. With connectivity and alignment with all site level research and development centers located around the world, our Innovation Hub has built a diverse team of engineers and research scientists dedicated to delivering the most advanced plastic solutions to our markets. Most notably, and directly aligned with the global focus on the mitigation of plastic waste, its research efforts are actively involved in establishing advanced material conversion processes that directly enable the use of new game-changing materials, such as biodegradable and recyclable based products.



Our high-quality injection molds for the plastics industry, specifically our cube-mold technology, continue to move forward. With ongoing manufacturing value in the reduction of cycle time, our cube mold technology reduces our customers' energy consumption while directly improving the manufacturability of products made with plastic injection molding in the personal care, healthcare, packaging, and automotive industries around the world.

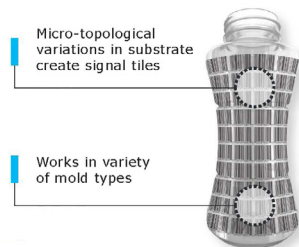
The reduction in plastic processing waste continues to be improved in markets such as packaging and personal care applications. The new generation of our eGate® system, an electric-drive valve gate solution, is available for larger components and ensures complete pin movement control at each individual nozzle. This control achieves the highest performance levels for flawless surfaces and outstanding part-to-part consistency, as well as reduces waste for our customers.

With the ongoing dedication of our Innovation Hub and our commitment to leading the world in the processing of new environmentally friendly plastics, Barnes Group will continue to be a role model in its business commitment to environmentally friendly processes and products.

## The Circular Economy

Under the facilitation of the European Brands Association (AIM), Barnes Group is actively engaged with several manufacturers of branded consumer goods focused on addressing key issues which affect the industry's ability to design, distribute and market their brands. This consortium known as "Holygrail2.0" unites approximately 100 companies and organisations from the complete packaging value chain to jointly drive the next phase of cross-value chain initiative in the circular economy. One of the most pressing challenges in achieving a circular economy for packaging is to better sort post-consumer waste by accurately identifying packaging, resulting in more efficient and higher-quality recycling. The use of digital watermarks may have the potential to revolutionize the way packaging is sorted in the world's waste management system. Barnes Group has and will continue to actively participate in the Holygrail2.0 consortium and is supporting a dedicated workgroup for the technical implementation of digital watermarks in injection moulds, with an initial focus on packaging applications.

### Digital Watermarks @work FOR MOLDS





### Force & Motion Control:

Our Force & Motion Control strategic business unit continues to develop advanced metal and metal-alloy forming technology that allows vehicle designers and manufacturers to introduce highly complex shapes and structures, ultimately reducing vehicle weight and optimizing the use of materials. Our products and systems allow for flexible transfer of force and motion from one place to another, yielding enhanced production rates and efficiencies for our customers, including those customers engaged in the manufacturing of electric vehicles.

In the transportation and logistics markets, our business is actively providing technology that directly improves ergonomics and safety, helps reduce carbon emissions, and supports the next generation of hybrid, electric, and autonomous vehicle technologies currently being introduced to the world. Such offerings range from fundamental chassis elements to user-supported solutions that all contribute to the end goal of sustainability and improving the human experience.

Our counterbalance solutions directly improve safety by reducing or eliminating the most dangerous points of injury due to overexertion while moving heavy structures. Counterbalanced, machined components, and assemblies are used in many ways to improve aerodynamics while reducing weight that leads to significant reduction in carbon emissions and improved range. These various elements are also being successfully adopted in prototype and early production heavy truck applications to support hybrid, electric, and autonomous carryover applications that create the bridge from current technology to future technology.

By developing sound customer relationships and leveraging key Barnes Group tools, our Force & Motion Control strategic business unit is well-positioned to support the sustainable technology requirements of the future. From improving human interface, to supporting foundational design components, we will continue to grow and play an important support role in many health, environmental, and safety-related end uses.



## Engineered Components:

Our Engineered Components strategic business unit continues to offer unconventional vehicle components using advanced alloys and manufacturing principles, delivering leading engine and powertrain components to improve fuel efficiency and lead the way to vehicle electrification.

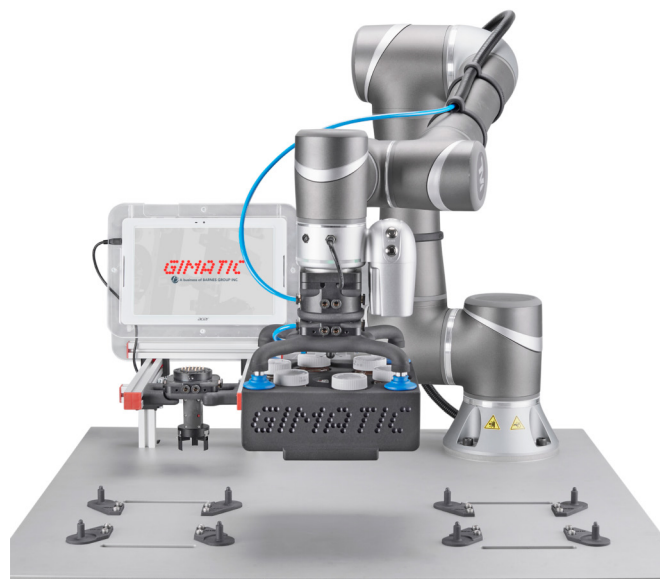
Engineered Components most recently strengthened its position as a technology leader in the vehicle turbocharger market by supplying critical enabling sub-systems to support cutting edge Variable Turbine Geometry (VTG) turbochargers to the global vehicle hybrid market. Such technology offers benefits for modern hybrid and combustion engines, including improved power output, reduced emissions, and higher temperature capabilities.

Relative to internal manufacturing processes, most notable is the conversion from traditional oils used in its many steel quenching processes to organic polymer quenchants. Such polymers contain several organic inhibitors that decrease energy consumption, mitigate combustion risks associated with oil fires, prevent carbon residues, and eliminate the creation of oil sludge.

## Automation

Our Automation strategic business unit continues to advance its robotic grippers, advanced end-of-arm tooling systems, vacuum cups, sensors, and other automation components for intelligent robotic handling solutions and industrial automation applications in end markets such as packaging, healthcare, transportation, and food and beverage. Advancements in robotic technology are rapidly increasing the ability to accomplish more complex tasks at higher speeds and with improved control and repeatability. With greater affordability of robotics, Gimatic's customized mission-critical systems directly benefit from a large and growing global installed base of over two million industrial robots.

Identification and evaluation of significant environmental aspects is a top priority for Gimatic. Gimatic has an environmental management system to drive performance in this area, which has been registered under ISO 14001 since 2016. In addition, Gimatic achieved another milestone in its ongoing sustainability monitoring and improvement process in 2020 when it received the EcoVadis certification Silver Medal. Such accomplishments demonstrate the business' commitment to advancing its sustainability practices within four primary focus areas: environment, labor & human rights, ethics, and sustainable procurement.





# Barnes Aerospace

## **OEM:**

Our Barnes Aerospace divisions that manufacture new components are continuing their work with our aerospace customers to introduce component designs that will reduce the weight of the aircraft and engine parts. For airlines, reducing the weight of the aircraft or its engines through lower-weight parts and components drives lower fuel usage and lower carbon emissions. The projects are focused on reducing the weight of the components without sacrificing strength, durability, or safety. These lower weight components will contribute to a reduction in fuel usage of the affected airplanes each year. During 2020, our Barnes Aerospace, Ogden, Utah location ramped production of a lower-weight airframe structural assembly and worked with its customers on several additional design refinements. We are proud that our employees continuously support our customers in their efforts to help lower the industry's fuel usage and reduce emissions.

Our sites are also working with customers to reduce the amount of excess raw material consumed in the manufacturing processes. Our Lansing, Michigan site introduced new nacelle structural components for one of our customers, which utilizes our fabrication expertise to produce a part with significantly less material waste than the existing machined process that our customer was using for these components. In machining applications, forgings and castings must be machined to the final part dimensions. The closer to the final part dimensions the initial forging or casting form can be, the lower the level of waste that must be recycled. The Windsor, Connecticut division introduced a near-net forging for an engine component, which reduced the amount of wasted material by over 300 lbs per component. Our Ogden and Lansing locations worked to reduce the metal sheet stock usage for their various fabricated components by optimizing the size of purchased sheets to minimize any scrap or wasted material. We recognize the importance of working with our customers to be more efficient with our material usage as an industry and continue to actively partner with our end customers and our raw material suppliers.

## **MRO:**

Within the Barnes Aerospace Aftermarket strategic business unit, our divisions are focused on component repair work and collaborate closely with our engine OEM and airline customers to develop new and innovative repair methods for the various engine components that become worn as the airplane is flown. In many cases, our highly-trained MRO repair engineering teams have helped to develop approaches to repair components back to the original new component conditions, instead of scrapping the worn part and replacing it with a new part. Our new repairs reduce waste and conserve the usage of exotic alloy metals. This year, our Singapore facility developed a new repair for a large commercial engine high-pressure compressor case that had been typically scrapped in the past. For these compressor cases, the airline would have no choice but to purchase a new casing. Our new repairs allow this part to avoid being scrapped and avoid all the material waste associated with manufacturing a new part. These types of novel repairs provide not only value for our customers but also benefit the environment by reducing the amount of waste and avoiding the resources that would be consumed to manufacture a new part.

Both our OEM and Aftermarket strategic business units are also working to reduce the use of consumable cutting tools through optimization of our machining programs, application of smart factory monitoring, and increased use of cutting tool regrinds to extend the tool lives. The use of additive printing – both plastic and metal based – is also increasing within our divisions for manufacturing and inspection tooling. As 3D printing reduces the amount of material and energy used to manufacture the tools, we continue to look for innovative ways to utilize this new technology.

# Product Safety

At Barnes Group, providing the highest quality products and solutions for our customers is our business. To ensure we deliver on this commitment, we utilize the Barnes Enterprise System (BES). BES drives every aspect of our culture and performance, and provides a significant competitive advantage in the global marketplace. BES ensures that the organization is aligned through flow down of the Goal Deployment Process (GDP), Leadership Standard Work (LSW), Key Process Indicators (KPI's) and continuous BES Assessment. A key element of continuous improvement is our focus on product quality and safety. We investigate product safety issues and strive to identify the root cause and disseminate corrective actions or field instructions to affected stakeholders, and we cooperate with regulatory authorities as appropriate. Most notable is our commitment to prevention – we establish both quality and safety through our use of robust advanced quality planning methodologies by engaging and listening to the needs of our stakeholders, both internal and external, prior to the introduction of new products and processes.

## Our Response to COVID-19

Barnes Group joined the fight against COVID-19 by adapting many of our technologies and critical applications to support the medical industry. Some examples include our Gimatic business, which used its 3D printing capabilities to produce valves that fit oxygen masks to support their local hospitals. Our Force & Motion Control team in Sweden also used its additive manufacturing capabilities to create components for face shields that were donated to their local health care workers. Our Engineered Components, Associated Spring business and Force & Motion Control, Associated Spring Raymond business met the heightened demand for compression springs used in applications such as ventilators, hospital beds, and RVs that temporarily housed medical staff working on the frontlines of the pandemic.

In addition to support for our customers and communities, Barnes Aerospace generated various 3D-printed and hot formed applications such as “hands-free” door handles, lanyard keys, and door openers in order to reduce the transmission of the virus within our factories. These are just a few instances of how our employees produced essential products that helped in the concerted effort to minimize the impact of the coronavirus crisis.



*Employees from our Force & Motion Control, Strömsholmen location in Trånas, Sweden created and donated PPE for local first responders to support their community during the COVID-19 pandemic.*



*Employees from our Automation, Gimatic location in Bagnolo Mella, Italy supported their local hospital by donating 200+ 3D-printed respirator masks.*



Please visit the [ESG page](#) on our Corporate website for more information on our efforts in environmental sustainability, diversity and inclusion, employee health and safety, and the Company's support of social and charitable causes. We invite our stakeholders to learn more about our commitments and all the ways we are working towards being a more sustainable organization.

## Investor Contact:

Barnes Group Inc.  
William Pitts  
Director, Investor Relations  
860.583.7070

## ESG Contact:

For further questions or comments related to ESG at Barnes Group, please contact:

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## Appendix A

### GRI Content Index

Barnes Group Inc. has used selected GRI Standards, or parts of their content, to report specific information, but has not met the criteria to prepare a report in accordance with the GRI Standards.

In accordance with clause 3.3 of the GRI 101: Foundation 2016 Standard (using selected Standards with a GRI-referenced claim) this material references:

This report covers selected disclosures from GRI 102: General Disclosures 2016; the complete or partial content for the following topic-specific disclosures (with the use of GRI 103: Management Approach to report the management approach and the topic boundary for each topic): Disclosure 302-1 and 302-4 from GRI 302: Energy 2016; Disclosure 303-3 from GRI 303: Water and Effluents 2018; Disclosures 305-1, 305-2 from GRI 305: Emissions 2016; Disclosure 103: Management Approach for GRI 306: Effluents and Waste 2016; Disclosure 307-1 from GRI 307: Environmental Compliance 2016; Disclosures 403-6, and 403-9 from GRI 403: Occupational Health & Safety 2018; Disclosure 404-2 from GRI 404: Training and Education 2016; Disclosure 405-1 from GRI 405: Diversity and Equal Opportunity 2016; Disclosure 413-1 from GRI 413: Local Communities 2016; Disclosure 416-1 from GRI 416: Customer Health and Safety.

This 2020 ESG Report and the data within have not been externally verified.

### This GRI Content Index

- Cross-references sections of this **Environmental, Social and Governance Report (ESG)** and public documents that contain relevant data, including **2020 Annual Report**, and **barnesgroupinc.com**.

## General Disclosures

This report covers selected GRI 102: General Disclosure

GRI Standards and Disclosures	Report Page Number/Direct Response/URL
102-1 – Name of the organization	Cover Page
102-2 – Activities, brands, products, and services	Barnes Group Overview, pg. 3-4
102-3 – Location of headquarters	Barnes Group Overview, pg. 3
102-4 – Location of operations	<a href="#">Barnes Worldwide Locations</a>
102-5 – Ownership and legal form	Governance, pg. 10
102-6 – Markets served	Segment Overview, pg. 4
102-7 – Scale of the organization	2020 Annual Report - Form 10-K, Part 1, Item 2
102-9 – Supply Chain	2020 Annual Report - Form 10-K, Part 1
102-10 – Significant changes to the organization and the supply chain	2020 Annual Report - Form 10-K, Part 2, Item 7
102-11 – Precautionary Principle or approach	<a href="#">Precautionary Principle</a>
102-12 – External Initiatives	ESG at Barnes Group, pg. 5-7
102-13 – Membership of associations	<ul style="list-style-type: none"> <li>▪ Plastics Industries Association</li> <li>▪ Aerospace Industries Association</li> <li>▪ Aerospace Components Manufacturers (CT)</li> <li>▪ Manufacturers Alliance for Productivity and Innovation (MAPI)</li> <li>▪ National Association of Manufacturers</li> <li>▪ Connecticut Business and Industry Association</li> <li>▪ IHS Markit</li> <li>▪ National Union of Automotive Vehicle Components Producers; SINDIPECAS</li> <li>▪ SMI</li> <li>▪ WVIB (Wirtschaftsverband Industrieller Unternehmen Baden e.V.)</li> <li>▪ Precision Metalforming Association</li> <li>▪ Svenskt Näringsliv (“The Confederation of Swedish Enterprise”)</li> <li>▪ AUSA (The Association of the United States Army)</li> <li>▪ Amaplast</li> <li>▪ Fraunhofer</li> </ul>

GRI Standards and Disclosures	Report Page Number/Direct Response/URL
	<ul style="list-style-type: none"> <li>AIDAM</li> <li>AIB</li> <li>Association of Swiss Suppliers of Metalwork's</li> <li>Global network - Swiss Business Hubs</li> <li>Swissmem - Hänggi</li> <li>SwissVR - Board Member Association</li> <li>Swiss Medtech</li> <li>Industrieverband Blechumformung e.V. (IBU)</li> </ul>
102-14 – Statement from senior decision-maker	ESG at Barnes Group, pg. 5
102-15 – Key impacts, risks, and opportunities	2020 Annual Report - Form 10-K, Part 1, Item 1A
102-16 – Values, principles, standards, and norms of behavior	The Barnes Group Values, pg. 8 & Ethics, Compliance and Accountability, pg. 9
102-17 – Mechanisms for advice and concerns about ethics	The Barnes Group Values, pg. 8 & Ethics, Compliance and Accountability, pg. 9
102-18 – Governance structure	Governance, pg. 10
102-40 – List of stakeholder groups	<ul style="list-style-type: none"> <li>Customers</li> <li>Shareholders</li> <li>Employees</li> <li>Communities</li> </ul>
102-41 – Percent of employers covered by collective bargaining agreements	Approximately 15% of our U.S. employees are covered by collective bargaining agreements ("CBAs") and approximately 40% of our non-U.S. employees are covered by CBAs, trade union agreements or national industry agreements.
102-42 – Basis for identifying and selecting stakeholders	ESG at Barnes Group, pg. 5-7
102-43 – Approach to stakeholder engagement	ESG at Barnes Group, pg. 5-7
102-44 – Key topics and concerns raised	ESG at Barnes Group, pg. 5-7
102-45 – Entities included in consolidated financial statements	2020 Annual Report - Form 10-K, Exhibit 21
102-46 – Processes for defining report content and topic Boundaries	ESG at Barnes Group, pg. 5-7

GRI Standards and Disclosures	Report Page Number/Direct Response/URL																				
102-47 – List of material topics	<p>Priority Issues for Barnes Group:</p> <table> <tr> <th>Priority Issues for Barnes Group</th><th>Corresponding GRI Standards Material Topic</th></tr> <tr> <td>Employee Health, Safety and Wellness</td><td>GRI 403: Employee Health and Safety</td></tr> <tr> <td>Energy Conservation and Emissions Reductions</td><td>GRI 302: Energy &amp; GRI 305: Emissions</td></tr> <tr> <td>Waste Management</td><td>GRI 306: Effluents and Waste</td></tr> <tr> <td>Water Conservation</td><td>GRI 303: Water and Effluents</td></tr> <tr> <td>HSE Regulatory compliance</td><td>GRI 307: Environmental Compliance</td></tr> <tr> <td>Employee Development and Engagement</td><td>GRI 404: Training and Education</td></tr> <tr> <td>Diversity and Inclusion</td><td>GRI 405: Diversity and Equal Opportunity</td></tr> <tr> <td>Community</td><td>GRI 413: Local Communities</td></tr> <tr> <td>Product Safety</td><td>GRI 416: Customer Health and Safety</td></tr> </table>	Priority Issues for Barnes Group	Corresponding GRI Standards Material Topic	Employee Health, Safety and Wellness	GRI 403: Employee Health and Safety	Energy Conservation and Emissions Reductions	GRI 302: Energy & GRI 305: Emissions	Waste Management	GRI 306: Effluents and Waste	Water Conservation	GRI 303: Water and Effluents	HSE Regulatory compliance	GRI 307: Environmental Compliance	Employee Development and Engagement	GRI 404: Training and Education	Diversity and Inclusion	GRI 405: Diversity and Equal Opportunity	Community	GRI 413: Local Communities	Product Safety	GRI 416: Customer Health and Safety
Priority Issues for Barnes Group	Corresponding GRI Standards Material Topic																				
Employee Health, Safety and Wellness	GRI 403: Employee Health and Safety																				
Energy Conservation and Emissions Reductions	GRI 302: Energy & GRI 305: Emissions																				
Waste Management	GRI 306: Effluents and Waste																				
Water Conservation	GRI 303: Water and Effluents																				
HSE Regulatory compliance	GRI 307: Environmental Compliance																				
Employee Development and Engagement	GRI 404: Training and Education																				
Diversity and Inclusion	GRI 405: Diversity and Equal Opportunity																				
Community	GRI 413: Local Communities																				
Product Safety	GRI 416: Customer Health and Safety																				
102-48 – Restatements of information	We have made no material restatements of information provided in previous Reports																				
102-49 – Changes in reporting	No significant changes in material topics or topic boundaries																				
102-50 – Reporting period	Calendar Year 2020																				
102-51 – Date of most recent report	Barnes Group 2020 ESG Report was published in March 2020																				
102-52 – Reporting cycle	Barnes Group publishes an Annual ESG Report																				
102-53 – Contact point for questions regarding the report	ESG Contact, Back page																				
102-54 – Claims of reporting in accordance with the GRI Standards	GRI-referenced																				
102-55 – GRI content index	This document is organized by GRI Disclosures/Indicators and serves as our GRI Content Index																				
102-56 – Policy/practice for external assurance	Barnes Group does not have a policy for seeking external assurance on its Sustainability report or this GRI Index.																				

## Topic-Specific Disclosures

GRI Standards and Disclosures	Report Page Number/Direct Response/URL
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	Environment, pg. 13 & Energy Conservation, pg. 17 & 18 <a href="#">ESG Principles at Barnes Group</a>  Information partially available: This material references Disclosure 103-1(a), 103-2, 103-3
302-1 – Energy consumption within the organization	Necessary information to comply with the reporting requirement(s) is not complete or validated at this time.
302-4 – Reduction of energy consumption	Environment, pg. 13 & Energy Conservation, pg. 17-18; Renewable Energy at Barnes, pg. 19; <a href="#">ESG Principles at Barnes Group</a>  Information partially available: This material references Disclosure 302-4 (b)
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	Environment, pg. 13 & Water Conservation, pg. 16; <a href="#">ESG Principles at Barnes Group</a>  Information partially available: This material references Disclosure 103-1(a), 103-2, 103-3
303-3 – Water withdrawal	Necessary information to comply with the reporting requirement(s) is not complete or validated at this time.
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	See Disclosure 302 – Energy Management Approach
305-1 – Direct Scope 1 GHG emissions	Necessary information to comply with the reporting requirement(s) is not complete or validated at this time.
305-2 – Indirect Scope 2 GHG emissions	Necessary information to comply with the reporting requirement(s) is not complete or validated at this time.
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	Environment, pg. 13 & Waste Management, pg. 14-15; <a href="#">ESG Principles at Barnes Group</a>  Information partially available: This material references Disclosure 103-1(a), 103-2, 103-3
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	Health, Safety and Environmental Affairs (HSE), pg. 11 & <a href="#">ESG Principles at Barnes Group</a>
307-1 – Non-compliance with environmental laws and regulations	Health, Safety and Environmental Affairs (HSE), pg. 11



GRI Standards and Disclosures	Report Page Number/Direct Response/URL
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	Safety, pg. 12
403-6 – Promotion of worker health	Well-being, pg. 25
403-9 – Work-related injuries	Safety, pg. 12
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	Employee Development and Engagement, pg. 20-22
404-2 – Programs for upgrading employee skills and transition assistance programs	Employee Development and Engagement, pg. 20-22
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	Diversity and Inclusion, pg. 23-24
405-1 – Diversity of governance bodies and employees	Diversity and Inclusion, pg. 23-24  Information partially available: This material partially references Disclosures 405-9 (a), and (b)
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	Community, pg. 26-32
413-1 – Operations with local community engagement, impact assessments and development programs	Community, pg. 26-32  Information partially available This material partially references Disclosure 413-1(a)
103-1,2,3 – Management Approach (material topic/boundary, management approach components, evaluation)	Product Safety, pg. 38  Information partially available: This material references Disclosure 103-1(a), 103-2, 103-3
416-1 – Assessment of the health and safety impacts of product and service categories	Product Safety, pg. 38  Information partially available This material partially references Disclosure 416-1(a)

## Appendix B

### SASB Framework Alignment

Barnes Group has aligned its ESG disclosure to the Sustainability Accounting Standards Board Standards (SASB) framework with the recommended metrics of the Industrial Machinery and Goods Standard (October 2018) specific to our primary industry as identified by the Sustainable Industry Classification System® (SICS®): Resource Transformation Sector – Industrial Machinery and Goods Industry. Below is a mapping of how our latest ESG Report aligns with the SASB framework.

**Table 1: Sustainability Disclosure Topics & Accounting Metrics**

Topic	Accounting Metric	Code	Report Page Number/URL
<b>Energy Management</b>	(1) Total energy consumed as an aggregate figure in gigajoules (GJ), (2) percentage of consumed energy as grid electricity, (3) percentage of renewable energy consumed	RT-IG-130a.1	Necessary information to comply with the reporting requirement(s) is not complete or validated at this time.
<b>Employee Health &amp; Safety</b>	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	RT-IG-320a.1	Safety, pg. 12
<b>Fuel Economy &amp; Emissions in Use-phase</b>	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	RT-IG-410a.1	The manufacturing process that Barnes uses to provide parts and components to its customers contribute to the overall efficiency of the end product; we do not report those emissions or savings.
	Sales-weighted fuel efficiency for non-road equipment	RT-IG-410a.2	The manufacturing process that Barnes uses to provide parts and components to its customers contribute to the overall efficiency of the end product; we do not report those emissions or savings.
	Sales-weighted fuel efficiency for stationary generators	RT-IG-410a.3	The manufacturing process that Barnes uses to provide parts and components to its customers contribute to the overall efficiency of the end product; we do not report those emissions or savings.
	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	RT-IG-410a.4	The manufacturing process that Barnes uses to provide parts and components to its customers contribute to the overall efficiency of the end product; we do not report those emissions or savings.
<b>Material Sourcing</b>	Description of the management of risks associated with the use of critical materials.	RT-IG-440a.1	<a href="#">Conflict Minerals Policy</a>
<b>Remanufacturing Design &amp; Services</b>	Revenue from remanufactured products and remanufacturing services	RT-IG-440a.1	Necessary information to comply with the reporting requirement(s) is not complete or validated at this time.



**Table 2: Activity Metrics**

Activity Metric	Code	Disclosure Location
Number of units produced by product category	RT-IG-000.A	Necessary information to comply with the reporting requirement(s) is not complete or validated at this time.
Number of employees	RT-IG-000.B	Employee Development and Engagement, pg. 20

## Appendix C

### UN Global Compact Index

This document provides an overview of how Barnes Group has implemented the Ten Principles of the UN Global Compact (UNGC) across our business. We are committed to aligning our business practices to the 10 UNGC principles in the areas of human rights, labor, environment, and anti-corruption. This Report is in alignment with a UNGC Communications on Progress (COP). The Table below summarizes where in our ESG Report and other public documents our disclosure on each UNGC principle can be found.

UNGC Principles	Barnes Group Approach	Additional Information/URLs	Cross-Reference to GRI Standards
<b>Human Rights</b>			
<p>1. Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p>2. Business should make sure that they are not complicit in human right abuses.</p>	<p>Our Company respects and values the diversity reflected in our various backgrounds, experiences and ideas. Together, we provide each other with an inclusive work environment that fosters respect for all our employees and those with whom we do business. We also will never knowingly conduct business with any third parties who engage in human trafficking, forced labor or human rights abuses.</p> <p>We are guided by <b>‘The Barnes Group Values’</b>, which are the cornerstone of the Company and the bedrock upon which Barnes has been built and sustained for over 160 years. Our Values, as well as our Barnes Enterprise System (“BES”) with its <b>Guiding Principles</b> form the foundation of our business culture.</p> <p>Consistent with the Barnes Group Values, <b>the Barnes Group Code of Business Ethics and Conduct (“Code of Conduct”)</b>, published on the Barnes corporate website, lays out the principles that guide the behavior of our employees, officers, and directors as we do business around the world. Our Code of Conduct, which is available in nine languages for our global constituencies, provides guidelines, practical direction, and helpful resources to promote ethical conduct and support compliance with applicable laws and regulations.</p> <p>Our Code applies to all employees, officers and directors of the Company. We also expect all of our business partners, suppliers and agents to hold themselves to equally high standards. Built</p>	<p>In December 2020, Barnes Group Inc. was named one of <i>“America’s Most Responsible Companies 2021”</i> by Newsweek. The list of America’s Most Responsible Companies was issued by Newsweek, in partnership with Statista – one of the largest statistics database companies worldwide. Companies included on the list were selected based on key ESG performance indicators, published sustainability reports, and survey results from 7,500 U.S. residents.</p> <p><a href="#">Barnes Group Named One of America's Most Responsible Companies 2021</a></p> <p><a href="#">Barnes Group Values</a></p> <p><a href="#">Guiding Principles</a></p> <p><a href="#">Barnes Group Code of Business Ethics and Conduct</a></p>	<p><b>Diversity and Inclusion:</b> GRI 405</p> <p><b>Training and Development:</b> GRI 404</p> <p><b>Ethics and Integrity:</b> GRI 102-16; GRI 102-17</p>

UNGC Principles	Barnes Group Approach	Additional Information/URLs	Cross-Reference to GRI Standards
	on our Values, our <b>Code of Business Ethics and Conduct for Suppliers ("Supplier Code")</b> , published on the Barnes corporate website, communicates the expectations we have of our global supply chain partners. The Supplier Code requires that all suppliers and partners adhere to the Barnes Code of Conduct by ensuring the safety, security, and fundamental human rights of their employees, all of which are consistent with our Barnes Group Values.	<a href="#">Barnes Group Code of Business Ethics and Conduct for Suppliers</a>  <a href="#">Barnes Group Enterprise System</a>  <a href="#">Respecting Human Rights</a>	
<b>Labor Standards</b>			
<p>3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p>4. Businesses should uphold the elimination of all forms of forced and compulsory labor.</p> <p>5. Businesses should uphold the effective abolition of child labor.</p> <p>6. Business should uphold the elimination of discrimination in respect of employment and occupation.</p>	<p>Barnes Group has a comprehensive <b>Code of Business Ethics and Conduct</b>. We require all employees to comply with, and have training on, the Barnes Group Code of Business Ethic and Conduct. Our commitment to fair treatment, and human rights, also extends to our, suppliers and other partners, though our <b>Supplier Code of Business Ethics and Conduct</b>.</p> <p>We do not use or condone any form of forced or indentured labor or human trafficking in the supply chain, manufacture or distribution of our products.</p> <p>Barnes Group is dedicated to cultivating a workplace that prioritizes the development, empowerment, and engagement of all our employees and values the diversity and inclusion of every individual. Each and every employee makes Barnes a unique and special company, and their collective contributions have allowed us to create a culture of inclusiveness. The diversity of our experiences, capabilities, and perspectives are the cornerstone of what it truly means to engage as 'One Team, One Company' to promote and support our collective success.</p> <p>At Barnes Group we believe in <b>Globalization</b>, a value that is integrated on in the way we conduct business – We embrace the expansion of our business around the world as an</p>	<a href="#">Diversity and Inclusion</a>  <a href="#">Barnes Group Code of Business Ethics and Conduct</a>  <a href="#">Code of Business Ethics and Conduct for Suppliers</a>  <a href="#">Workplace Fairness and Respect</a>	<p><b>Ethics and Integrity:</b> GRI 102-16; GRI 102-17</p>



UNGC Principles	Barnes Group Approach	Additional Information/URLs	Cross-Reference to GRI Standards
	opportunity and value diversity and inclusion as we work seamlessly across borders. We partner with employees, suppliers, and customers of different cultures while respecting and contributing to the communities where we work and live.		
<b>Environment</b>			
<p>7. Businesses should support a precautionary approach to environmental challenges.</p> <p>8. Businesses should undertake initiatives to promote greater environmental responsibility.</p> <p>9. Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<p>At Barnes Group, we value environmental preservation and strive to protect the environment through our operating processes. We also work to make sure our workplaces are energy efficient, environmentally sound, sustainable and compliant with laws and regulations where we do business.</p> <p>We dedicate significant resources and efforts to designing and manufacturing innovative products that meet customer needs most effectively and efficiently. Together with these efforts, we also design and manufacture products that comply with environmental requirements, minimize environmental disruption and sustain natural resources.</p> <p>Our approach to environmental stewardship includes our commitment to environmental targets as follows:</p> <ul style="list-style-type: none"> <li>15% reduction of energy use in our manufacturing facilities by 2025</li> <li>20% reduction in water usage in our manufacturing facilities by 2025</li> <li>15% reduction in process waste in our manufacturing facilities by 2025</li> </ul>	<p><a href="#">Precautionary Principle</a></p> <p><a href="#">Protecting the Environment</a></p> <p><a href="#">Water Conservation</a></p> <p><a href="#">Energy Conservation</a></p> <p><a href="#">Renewable Energy</a></p> <p><a href="#">Waste Management</a></p> <p><a href="#">Recycling</a></p>	<p><b>Environmental Compliance:</b> GRI 307</p> <p><b>Energy Conservation &amp; Emissions Reduction:</b> GRI 302; GRI 305</p> <p><b>Waste &amp; Water Management:</b> GRI 306; GRI 303</p>
<b>Anti-corruption</b>			
10. Businesses should work against corruption in all its forms, including extortion and bribery.	At Barnes Group, we value fairness, transparency, and honesty in all interactions with everyone we do business with, including customers, government agencies, suppliers, distributors and competitors.	<a href="#">Recognizing and Avoiding Bribery and Corruption</a>	<b>Ethics and Integrity:</b> GRI 102-16; GRI 102-17

UNGC Principles	Barnes Group Approach	Additional Information/URLs	Cross-Reference to GRI Standards
	<p>Our Company does not condone, under any condition, the offering or payment of “kickbacks,” “under-the-table” payments, illegal rebates or other similarly improper payments in exchange for business.</p> <p>Employees are expected to complete Code of Conduct training as assigned and re-affirm their adherence to the Code of Conduct as part of the training requirements.</p>		