



MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT


Graco Inc. and its subsidiaries (collectively “Graco”) are committed to conducting business in an ethical manner and with integrity, and in compliance with all applicable laws and governmental regulations. This statement describes Graco’s efforts and actions to combat modern slavery and human trafficking in our business and supply chains for the calendar year ended December 31, 2023.

Modern slavery is an umbrella term that encompasses human rights violations such as human trafficking, forced labor, debt bondage, forced child labor and slavery-like practices. Graco’s policies show and emphasize we are standing firm against any form of modern slavery.

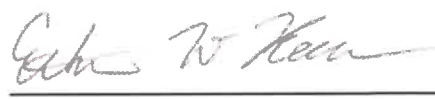
This statement is published in accordance with the provisions of the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act, United Kingdom (UK) Modern Slavery Act 2015, Australian Modern Slavery Act 2018 (Cth) and the California Transparency in Supply Chain Act.

This Statement is approved by an Executive Team member in his capacity as a member of the principal governing body for Graco Inc. and each subsidiary listed below. This Statement is further approved by our Vice President of Procurement for Graco Inc.

Subsidiary	Address
Graco Canada Inc.	44 Chipman Hill PO Box 7289, Station "A" Suite 1000 Saint John, New Brunswick, Canada E2L 4S6
Q.E.D. Environmental Systems Ltd.	Unit 3, Cyan Park, Jimmy Hill Way Coventry, West Midlands, CV24QP England
Graco Limited	Central Square 5th Floor, 29 Wellington Street Leeds LS14DL, United Kingdom
Staffordshire Hydraulic Services Limited	Mount Road, Kidsgrove, Stoke-on-Trent, Staffordshire ST7 4AZ, UK
Gema Europe s.r.l. - UK Branch Office	Unit 20 Branksome Business Park Bourne Valley Road Poole, Dorset BH12 1DW, United Kingdom
Graco Australia Pte	Suite 17, No. 2, Enterprise Drive Bundoora, Victoria 3083 Australia



Joseph Humke
Executive Vice President General Counsel
and Corporate Secretary
Member of Governing Body



Ethan Keller
Vice President of Procurement
Graco Inc.



BUSINESS STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Graco Inc., together with its subsidiaries (“Graco,” “us,” “we,” or “our Company”), is a multi-national manufacturing company headquartered in Minneapolis, Minnesota (USA). Established in 1926, Graco supplies technology and expertise for the management of fluids and coatings in industrial and commercial applications. We design, manufacture and market systems and equipment used to move, measure, mix, control, dispense and spray fluid and powder materials. Our equipment is used in manufacturing, processing, construction and maintenance industries.

We specialize in providing equipment solutions for difficult-to-handle materials with high viscosities, abrasive or corrosive properties, and multiple component materials that require precise ratio control. We aim to serve niche markets, providing high customer value through product differentiation. Our products enable customers to reduce their use of labor, material and energy, improve quality and environmental performance.

We make significant investments in developing innovative, high-quality products. We strive to grow into new geographic markets by strategically adding commercial and technical resources and third-party distribution in growing and emerging markets. We have grown our third-party distribution to have specialized experience in particular end-user applications. We leverage our product technologies for new applications and industries.

We classify our business into three reportable segments, each with a worldwide focus: Contractor, Industrial and Process. Each segment sells its products in North, Central and South America (the “Americas”), Europe, Middle East and Africa (“EMEA”), and Asia Pacific.

For information about our Company and our products, services and solutions, visit our website at www.graco.com.

We manufacture a majority of our products in the United States (“U.S.”). We also manufacture products in Switzerland (Industrial segment), Italy (Industrial segment), the United Kingdom (Process segment), the People’s Republic of China (“P.R.C.”, or “China”) (all segments), Belgium (all segments) and Romania (Industrial segment).

Our manufacturing is aligned with our business segments and is co-located with product development to accelerate technology improvements and improve our cost structure. We perform critical machining, assembly and testing in-house for most of our products to control quality, improve response time and maximize cost-effectiveness. We make our products in focused factories and product cells. We source raw materials and components from suppliers around the world.

For all segments, we primarily sell our equipment through third-party distributors worldwide, positioned throughout our geographic regions, and through selected retailers. Our products are sold from our warehouse to our third-party distributors or retailers who sell our products to end users. Some of our businesses may sell their products directly to end-user customers.



Outside of the U.S., our subsidiaries located in Australia, Belgium, Spain, Japan, Italy, Korea, India, the P.R.C., the United Kingdom and Brazil distribute our products. Operations in Maasmechelen, Belgium, St. Gallen, Switzerland, and Shanghai, P.R.C. reinforce our commitment to those regions.

While we manufacture many of our parts and product components in the U.S., we source some materials and components from suppliers outside the U.S., and from suppliers within the U.S. who engage in foreign sourcing.

Our suppliers can be categorized into different tiers:

- Tier 1 suppliers are direct suppliers of final goods and services to Graco
- Tier 2 suppliers are suppliers or subcontractors of our Tier 1 suppliers, and
- Tier 3 suppliers are the suppliers or subcontractors of our Tier 2 suppliers

As of the 29th day of December 2023, Graco was committed to paying suppliers approximately \$156 million under the terms of open purchase orders issued in the normal course of business.

POLICIES AND DUE DILIGENCE PROCESSES WITHIN GRACO

The Graco Inc. Board of Directors has adopted the following strategic policy statement: “Graco will conduct its business ethically and with integrity, and in compliance with all applicable laws and governmental regulations. Every employee will understand and follow Graco's Code of Ethics and Business Conduct and other company policies, comply with all applicable laws, and forego business opportunities that would compromise Graco's ethical standards. Management will provide training and advice on Graco's ethical standards and legal compliance.”

We maintain a Code of Ethics and Business Conduct ("Code of Conduct") that is intended to help Graco implement the above policy, and achieve its mission by protecting and enhancing Graco's worldwide reputation as an ethical and law-abiding company. The Code of Conduct applies to the directors, officers and employees of Graco Inc. and all of its subsidiaries worldwide.

Our Code of Conduct sets forth Graco's basic requirements for compliance and ethics and provides the framework for our approach in managing and respecting human rights. The Code of Conduct applies to individuals and situations in all countries in which Graco and its subsidiaries conduct business. Graco's managers are responsible for creating a work environment in which the highest ethical standards are consistently practiced, and for assuring that Graco's Code of Conduct is followed and the law is obeyed. We continue to implement and improve our human rights program through our global policies, training, management systems and assessments.

The Code of Conduct is available to all Graco employees and the public on Graco's website. Enforcement of the Code of Conduct is the responsibility of the Graco's Legal Department.

Our commitment to our employees consists of the following critical elements:



- **Valuing Employees.** During the calendar year 2023, Graco employed an average of approximately 4,000 employees. Graco makes every attempt to put its employees first and believes its employees are at the heart of everything we do. Our success as a company is linked directly to attracting and retaining talented people. We do this by offering a place and a culture that employees appreciate. We strive to ensure the value proposition for our employees - including total rewards, a safe and ethical work environment and a collaborative culture.
- **A Great Place to Work.** Graco has consistently been recognized among Fortune magazine's Best Workplaces in Manufacturing and Production. This designation is based on the Great Place to Work® Trust Index™ Survey, in which 90% of employees said Graco is a great place to work.
- **Leadership Engagement.** Our leadership team values the contributions made by each employee and provides direct support for our workplace culture and ongoing career development. We seek out employee feedback through our CEO all-employee meetings, employee surveys, global leadership meetings and video communications. We also have an Ask the CEO platform where employees can ask questions and the CEO's answers are posted internally each month.
- **Employee Health and Well-Being.** Graco values our employees' and their families' well-being both on and off the job. Our culture and our programs, championed in word and action from executive leadership on down, are designed to support the health, wellness, satisfaction and safety of our people.
- **Employee Safety.** Graco's dedication to continuous safety improvement extends across all our operations. Our Health, Wellness and Safety team conducts audits of all U.S. facilities. The team also provides safety compliance training.
- **Inclusion and Diversity.** At Graco, we value the uniqueness and dignity of each employee and understand that our employees bring unique perspectives to work and different ways of thinking that support diverse and innovative teams. We are committed to trusting and respecting each person's background, life experiences, ethnicity, personal style, gender identity, age, sexual orientation, veteran status and other factors contributing to their individuality. One area of focus has been recruiting female engineers. Beginning in 2019, Graco has partnered with schools by way of our female engineers who serve as ambassadors, giving presentations to Society of Women Engineer groups and at other events. Since the beginning of the program, nearly 20% of Graco's Associate Engineering roles in the U.S. have been filled by women.
- **Investing in the Next Generation.** Each summer, college students from nearly 60 schools across the U.S. join the Graco team as part of the Company's paid internship program. Graco provides these students with the opportunity to gain real-world experience and networking opportunities to kick-start their careers. Internships are available for a wide range of professional skill sets and departments across manufacturing, engineering and corporate services.
- **Community Involvement.** The Graco Foundation's mission is to support local nonprofit organizations to grow in their ability to serve community needs through grants focused on capital projects, specific programs and technology needs. Each year, our employees volunteer many hours of their personal time to help their favorite nonprofit causes. To recognize and



support these important and worthwhile volunteer hours, Graco donate \$20 per hour to any eligible nonprofit organization where an eligible employee has volunteered. Further, the Graco Foundation encourages employees to give back to the community by participating in charitable giving, and we match all eligible donations dollar for dollar up to \$2,500 per employee per calendar year.

POLICIES AND DUE DILIGENCE PROCESSES WITHIN OUR SUPPLY CHAINS

Graco's due diligence process for identifying, addressing, remediating and fighting against modern slavery, forced labor and child labor includes:

- Strong policies and management systems
- Executive management engagement
- Identifying and assessing risks
- Conducting supplier surveys and audits on all new suppliers
- Contracts with suppliers that include prohibiting modern slavery activities
- Making continuous improvements

The Supplier Code of Conduct sets forth our minimum requirements for our supply chain partners about business ethics, safety, human rights and labor laws, environmental practices, confidential information, and other management practices. Applicable to this Annual Statement, the Supplier Code of Conduct states:

- Suppliers must uphold the human rights of workers and treat them with dignity and respect.
- Suppliers must not discriminate against any worker on the basis of race, color, creed, religion, national origin, ethnicity, citizenship, sex, marital status, disability, sexual orientation, age, pregnancy, veteran status, political affiliation, union membership or any other basis protected by applicable law in hiring and employment practices.
- Suppliers are strictly prohibited from participation in human trafficking.
- Suppliers are strictly forbidden to use any form of forced, compulsory, bonded, slave, indentured or involuntary prison labor, or to purchase services or to procure their raw materials or components for products from any person or company using forced, compulsory, bonded, slave, indentured or involuntary prison labor.
- All workers must have the right to engage in work willingly, without surrendering identification and without the payment of fees.
- All work must be voluntary and workers must be free to leave work or terminate their employment at any time without penalty upon giving reasonable notice.
- Suppliers are strictly prohibited from purchasing services, sourcing raw materials, or sourcing product or components for products from the Xinjiang Uyghur Autonomous Region of the Peoples of China or from any entity on the Uyghur Forced Labor Prevention Act (UFLPA) Entity List.
- Suppliers must not use child labor.
- Suppliers must pay all workers at least the minimum wage required under local law plus all legally mandated benefits.
- Work weeks must not exceed the maximum allowed under local law.



- Suppliers must provide workers with a safe and healthy work environment that supports accident prevention, minimizes exposure to health risks, and complies with all applicable health and safety laws and regulations.

The Supplier Code of Conduct is referenced in Graco's purchase orders and is applicable to anyone providing goods and services to Graco, including suppliers and contractors. The Supplier Code of Conduct is periodically updated and is available to suppliers and the public on Graco's website.

Graco's Legal, Global Procurement and Supplier Quality departments work together to enforce and maintain the Supplier Code of Conduct.

When Graco is looking to onboard a new supplier, the supplier survey must be completed to initiate the process. This survey includes questions addressing access to Graco's Supplier Code of Conduct, understanding Graco's Supplier Code of Conduct, work discrimination, human trafficking, forced labor, child labor, safe and healthy work environment, sourcing (conflict minerals), working hours, wages and benefits, human rights, workplace safety conditions and compliance with ethics (all forms of bribery, corruption, extortion and embezzlement). Further, once a supplier is determined by Graco to be a 'key' supplier, the supplier is subject to an audit.

The Procurement Department is responsible for the procedures related to the supplier assessment and audits.

RISKS OF FORCED LABOR OR CHILD LABOR

Graco recognizes that by the nature, size and scope of our business, the jurisdictions in which we operate, and the scale of our supply chain, there is a risk that some of our activities may be linked to modern slavery.

Some factors that may contribute to modern slavery for our company include:

- the inherent risk of modern slavery in our supply chain
- the lack of visibility into the operations of Tier 2 and Tier 3 suppliers
- jurisdictions in which we or our suppliers operate or do business in that have been identified by Walk Free (<https://www.walkfree.org/>) to be regions likely to have a high prevalence of modern slavery

We consider our greatest risk of exposure to modern slavery to be indirect links through Tier 2 and Tier 3 suppliers. Based on our due diligence efforts and because we manufacture most of our parts and product components in the U.S., we consider the risks of forced labor or child labor in our operations to be low. In 2023, there were no incidents of modern slavery identified or reported to Graco.



REMEDIATION

During the 2023 calendar year, no incidents of forced labor or child labor were identified by Graco in its operations or supply chains, and no incidents of forced labor or child labor were reported to it by employees, suppliers or third parties. As a result, no remediation measures were taken during the year.

TRAINING

- All employees complete Code of Conduct training
- Our Procurement team completes training that is focused on modern slavery in the supply chain. Training that includes:
 - Graco's policy on modern slavery
 - Graco's supplier survey questions
 - How to complete a supplier survey
 - Graco's supplier qualification process
 - How to qualify a supplier
 - How to conduct a supplier audit
 - Recognizing indicators of modern slavery
 - How to report modern slavery activities

REPORTING

Graco is committed to the highest ethical standards of business and will investigate any report of a suspected violation of our Code of Conduct or Supplier Code of Conduct from any person, whether or not a Graco employee. Graco appropriately investigates all alleged violations, including the Code of Conduct and the Supplier Code of Conduct. Violations of the Supplier Code of Conduct may require a supplier to implement corrective actions to remedy and prevent further violations or it could result in the termination of the supplier agreement with Graco.

ASSESSING AND CONTROLLING EFFECTIVENESS

Graco is committed to helping prevent all forms of modern slavery and intends to take the following steps in 2024:

- Continue working with our suppliers to increase awareness and compliance with Graco's Supplier Code of Conduct
- Continue to engage our Tier 1 suppliers to verify they are complying with all applicable modern slavery laws, acts, directives or regulations
- Engage our Tier 1 suppliers to receive further upstream information regarding modern slavery activities that may be in their supply chains (Tier 2 and Tier 3 suppliers)
- Encourage our suppliers to work with and educate their suppliers about modern slavery and responsible sourcing
- Continue to educate our procurement staff on the topic of modern slavery
- Monitor and assess the effectiveness of our efforts



Graco does not tolerate child labor, forced labor, human trafficking or any other form of modern slavery that violates a person’s basic human rights. Our policies reflect our commitment to acting ethically and with integrity, and we expect our business partners to do the same. Graco will continue to improve and enhance its due diligence process, so as to mitigate the risk of seeing forced labor or child labor used in its business operations or supply chains.

Additional information on Graco and the steps we take to help prevent modern slavery and human trafficking in our operations and our supply chains can be found at:

Document	Website Link
Graco's Annual Reports	https://investors.graco.com/financial-information/annual-reports
Graco’s Supplier Code of Conduct	https://www.graco.com/us/en/suppliers/code-of-conduct.html
Graco’s Code of Ethics and Business Conduct	https://www.graco.com/us/en/about-graco/ethics/code-of-ethics-and-business-conduct.html
Graco’s ESG Report	https://www.graco.com/us/en/about-graco/sustainability.html
Graco's Global Privacy Notice	https://www.graco.com/us/en/privacy-policy.html
Reporting a Violation	https://www.graco.com/us/en/about-graco/ethics/reporting-an-issue.html