



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.

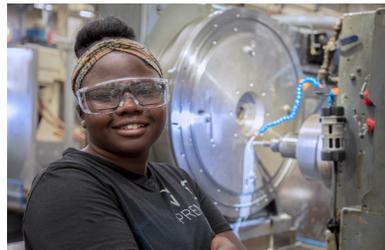


Attract – encompasses the processes and tools available to employees and management that support and facilitate the planning and effective recruiting, hiring, and on-boarding of our employees.



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.

At Barnes Group, we believe in

GLOBALIZATION

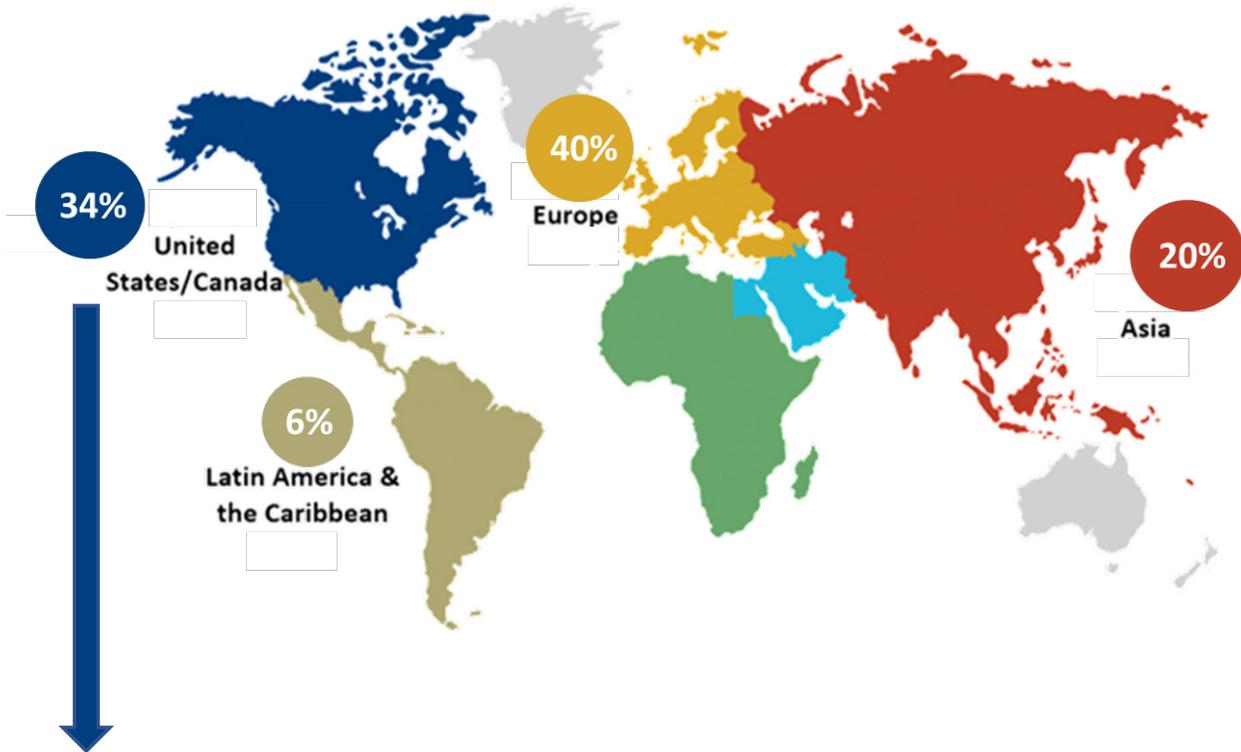
Embracing the expansion of our business around the world as an opportunity, and valuing diversity and inclusion as we work seamlessly across borders. We partner with employees, vendors and customers of different cultures while respecting and contributing to the communities and environments in which we operate.



 INTEGRITY | EMPOWERMENT | EMOTIONAL INTELLIGENCE | COLLABORATION |
COMPETITIVENESS | CONTINUOUS IMPROVEMENT | WORK PLACE FAIRNESS | GLOBALIZATION

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:

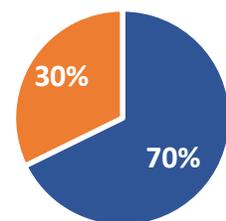
U.S. Representation of Females in Leadership Positions is 30%:

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. Leadership Roles



■ Male ■ Female

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.