

Modern Slavery Report (2023)

1 Introduction

For Stanley Black & Decker, Inc. and its subsidiaries (together, “**SBD**”), human rights are non-negotiable. We are committed to respect and support human rights in accordance with international standards and guidelines, such as the Guiding Principles for Business and Human Rights and the Universal Declaration of Human Rights. We strive to work ever more closely with our suppliers to ensure their workforce and the workforce of their supply chains are treated with respect and dignity. At the heart of our mission lies a commitment to fostering inclusive workplaces and sourcing products responsibly.

This report is made jointly by Stanley Black & Decker Canada Holdings ULC, Stanley Black & Decker Canada Corp, Mac Tools Canada Inc., Nelson Stud Welding Canada Inc., 2315708 Ontario Inc., and MTD Products Limited (collectively, the “**Reporting Entities**”) pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) for the financial year commencing on January 1, 2023 and ending on December 31, 2023 (the “**Reporting Period**”).

2 Our Organisational Structure

SBD is a global provider of hand tools, power tools, outdoor products and related accessories, as well as a leading provider of engineered fastening solutions. The ultimate parent of the SBD group is Stanley Black & Decker, Inc., a public company traded on the New York Stock Exchange as “SWK”. SBD has over 50,000 employees and 7,000 temporary contractors in 59 countries. Approximately 69% of SBD’s employees are paid by the hour, working principally in manufacturing and distribution centres, and the remaining 31% are salaried.

As of the end of the filing period, Stanley Black & Decker, Inc. owned 365 direct and indirect subsidiaries, including the Reporting Entities.

Stanley Black & Decker Canada Corp and Mac Tools Canada Inc. are subsidiaries of Stanley Black & Decker Canada Holdings ULC.

3 Our Business Operations

As of December 30, 2023, SBD owned or leased facilities used for manufacturing, distribution and sales offices in 22 countries. Approximately 62% of SBD’s 2023 revenues were generated in the United States, with the remainder generated largely from Europe (16%), emerging markets (12%) and Canada (5%). The Reporting Entities’ activities include the production, sale, distribution and import of goods into and out of Canada.

SBD’s operations are classified into two business segments: Tools & Outdoor and Industrial.

The Tools & Outdoor segment is comprised of the Power Tools Group, Hand Tools, Accessories & Storage, and Outdoor Power Equipment product lines. The segment is a worldwide leader in the tools and outdoor markets and carries iconic brands in the industry, including DEWALT®, CRAFTSMAN®, STANLEY®, BLACK+DECKER® and CUB CADET®. The segment sells its products to professional end users, distributors, independent dealers, retail consumers and industrial customers in a wide variety of industries and geographies.

The Industrial segment is comprised of the Engineered Fastening and Infrastructure businesses. The Engineered Fastening business is a global leader of highly engineered, application-based solutions such as fasteners and fittings.

The Infrastructure business designs, manufactures, and sells attachments, typically used on excavators, and handheld hydraulic and battery-powered tools for applications in infrastructure, construction, scrap recycling, demolition, and railroad infrastructure.

4 Our Supply Chains

SBD's products are manufactured using both ferrous and non-ferrous metals including steel, zinc, copper, brass, aluminum, and nickel. Additionally, SBD uses other commodity-based materials for components and packaging including plastics, resins, wood and corrugated products.

SBD also purchases components such as batteries, motors, engines, transmissions, and electronic components to use in manufacturing and assembly operations along with resin-based moulded parts.

The raw materials required by SBD are procured globally from multiple sources.

5 Our Risk Profile

Within Our Business

Although SBD operates in the manufacturing sector, we believe that the risks of forced labour or child labour occurring within our own business operations are low. Employee well-being is of utmost importance to SBD. In 2023, we embarked on a long-term vision to develop a global well-being strategy dedicated to supporting employee well-being. The implementation of the strategy will vary by country, but will include benefits to support the broad wellness of employees' healthy lifestyles, mental health, and retirement readiness, which will be bolstered by programs to support a healthy, psychologically safe culture at work. SBD also supports its employees and promotes work/life balance through benefits such as paid parental leave, paid time off, flexible work arrangements and virtual/hybrid working model policies.

Throughout Our Supply Chain

We recognise that risks of modern slavery may be present in our supply chain. We have namely identified the following risk factors:

- Country risk: Some of our manufacturing facilities and some of the suppliers we source from are located in countries that have an increased risk of modern slavery.
- Industry risk: Manufacturing is recognized as a high-risk sector.
- Sector risk: We are aware of parts of our supply chain where subcontracted labour is used.
- Product risk: We source raw materials such as steel and aluminum which present a higher risk of modern slavery.

6 Our Policies

Code of Business Ethics

Our Code of Business Ethics reinforces the values and principles of SBD and guides how we conduct business. It states SBD's commitment to respecting, protecting and supporting the principles included in the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and the Rights at Work. It encourages every person who sees or hears of any abuse of human rights, including forced or child labour, to speak up.

All of our directors, executive officers and employees must know, understand and follow the Code of Business Ethics, with no exceptions. The Code of Business Ethics is available in 31 languages for our global employee base.

Human Rights Policy Statement

SBD embraces its responsibility as a global industrial leader to respect the human rights of SBD employees, contractors and agents and to promote best practices to all relevant stakeholders within SBD's sphere of influence. Our Human Rights Policy Statement sets the framework for embedding the respect of human rights into our workplace and labour practices.

Supplier Code of Conduct

Our Supplier Code of Conduct sets forth our commitment to engage in business relationships with partners who share our values. It expressly prohibits SBD's suppliers from using forced labour, prison labour, child labour or any form of physical or mental punishment. It also requires suppliers to embrace and implement specific standards on equal opportunity hiring, freedom of association, fair wages, working hours, and workplace safety. The Supplier Code of Conduct is included in our Supplier Handbook, a copy of which is sent to our suppliers.

Supplier Handbook

In addition to the Supplier Code of Conduct and various guidelines on new supplier selection and quality control processes, the Supplier Handbook also contains comprehensive guidelines on SBD's audit procedure. Our Global Supply Management organization audits our suppliers to review their corporate social responsibility performance against the requirements of our Supplier Handbook, including use of child labour, compensation, working conditions, forced and prison labour, and basic worker/human rights. Their performance is graded on a traffic light basis so we can see where we need to focus any resource to help improve performance.

7 Our Due Diligence Processes

As part of our initiative to identify modern slavery and mitigate associated risks in our business and supply chain, we have adopted the following due diligence procedures.

Supplier Adherence To Our Values

As partners in our sustainability journey, we actively work with our suppliers to elevate our shared social and environmental performance. We support our suppliers in their pursuit of continuous improvement and operational excellence, while expecting them to meet the highest standards of quality, ethics and sustainability as outlined in our Supplier Code of Conduct. That is why we require our suppliers to acknowledge and comply with our Supplier Code of Conduct, legal obligations and industry standards and to establish a sustainable procurement policy regarding their suppliers' operational practice and supply chain.

Supplier Compliance

SBD is actively engaged with suppliers to ensure they remain in full compliance with our Supplier Code of Conduct. As part of our process to validate compliance, we screen new and existing suppliers with internal resources, as well as through independent auditing organizations such as Intertek, SGS and TUV, among other accredited organizations. In addition, we use self-assessments and, for certain industries or countries with higher levels of perceived human rights abuses, we conduct in-person audits. Re-auditing is cadenced based on the supplier's audit results. If we do identify concerns through this process, we work with the supplier to assess impact and determine appropriate next steps. Depending on the facts specific to the supplier's conduct, we may stop orders as we investigate and may ultimately terminate the relationship as appropriate.

We have leveraged third party standards, including the SA8000 certification, in certain facilities to guide our program development. SA8000 certification is the principal social certification standard which incorporates several tenets of the United Nations Universal Declaration of Human Rights and International Labor Organization (ILO) convention.

Our Global Ethics & Compliance Program

SBD believes that an unwavering commitment to ethics and compliance is a non-negotiable corporate value. Our objective is to strengthen and maintain a world-class culture of ethics and compliance with every employee, in every location, every day. A world-class culture of integrity does not just happen—it requires continuous reflection, focus and improvement. To that end, SBD has included measurable, enterprise-wide compliance objectives as part of our company-wide goals for 2023.

SBD also has a dedicated compliance team:

- The Chief Compliance Officer leads SBD’s global ethics and compliance program.
- The Global Ombudsperson leads SBD’s processes to encourage employee reporting.
- Two enterprise compliance committees promote timely escalation of compliance risks and program oversight for executive management and other program stakeholders.

Integrity Helpline

We offer a 24/7 confidential Integrity Helpline staffed and managed by an independent third party, Convercent. This comprehensive reporting tool allows employees and our compliance team to work together to address any concern, including forced labour, child labour or any behaviour that does not align to our values or that may be against the law or Company policy. Employees are encouraged to raise any concerns, without fear of retaliation or retribution.

Our strategic communication approach has increased awareness of our Integrity Helpline and has helped educate our employees that this resource is available for all types of concerns. Communication elements include posters, digital boards and Helpline FAQ—all are available in 31 languages. A QR Code makes it easy for employees to access the Helpline.

Integrity Insights

A key communication channel for our global employee audience is Workplace, which includes a dedicated channel to focus and highlight “Integrity @ SBD.” This includes Integrity Insights, which uses real and hypothetical examples of employee actions—both when something goes right and when there are missteps—to talk in an authentic way about integrity and what it means to do the right thing. Many examples come directly from our Integrity Helpline.

8 Our Training

We offer e-learning on the Code of Business Ethics for our global employees in appropriate languages. All new hires meeting our salaried/online criteria, including employees of newly acquired businesses, are expected to complete this course within 60 days of hire. This course contains a modern slavery awareness component.

9 Our Remediation Measures

We diligently monitor our supply chain partners for alignment with our values and compliance with our policies. Where exploitative practices, such as forced labour or child labour, are discovered, we are equipped to take action (as described in our Supplier Handbook) and promptly implement all appropriate remediation measures.

10 Our Effectiveness

Measurable, enterprise-wide compliance objectives were included as a component of SBD's goals for 2023. During the Reporting Period, we completed social accountability evaluations for certain suppliers chosen according to risk-based criteria, such as country, industry, sector, and product. In total, 150 suppliers had on-site evaluations, consistent with the previous year.

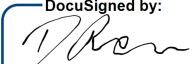
As we continue our efforts to prevent and mitigate modern slavery risks in our operations and supply chains, we will review and refine our processes as needed so as to appropriately assess the effectiveness of our actions.

11 Approval

This statement was approved on the date written below by the Board of Directors of Stanley Black & Decker Canada Holdings ULC pursuant to subparagraph 11(4)(b)(i), and the Boards of Directors of MTD Products Limited, 2315708 Ontario Inc., and Nelson Stud Welding Canada Inc. pursuant to subparagraph 11(4)(b)(ii) of the Act.

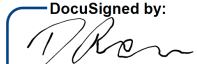
In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

STANLEY BLACK & DECKER CANADA HOLDINGS ULC

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By: BC2FEeba7E9E4F4...
Name: Donald J. Riccitelli
Director
Date: May 28, 2024

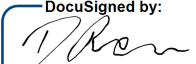
I have the authority to bind Stanley Black & Decker Canada Holdings ULC

NELSON STUD WELDING CANADA INC.

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By: BC2FEeba7E9E4F4...
Name: Donald J. Riccitelli
Director
Date: May 28, 2024

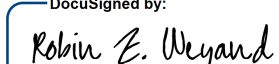
I have the authority to bind Nelson Stud Welding Canada Inc.

MTD PRODUCTS LIMITED

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By: BC2FEeba7E9E4F4...
Name: Donald J. Riccitelli
Director
Date: May 28, 2024

I have the authority to bind MTD Products Limited

2315708 ONTARIO INC.

DocuSigned by:

By: 3CA6900EBB6C477
Name: Robin Weyand
Director
Date: May 28, 2024

I have the authority to bind 2315708 Ontario Inc.