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| <b>StanleyBlack&amp;Decker</b>               | System Level Procedure                         |                           |
| Stanley Black & Decker<br>Australia Pty Ltd. | <b>Australian Modern Slavery<br/>Statement</b> | <i>As at 30 June 2022</i> |

### **MODERN SLAVERY STATEMENT 2021 - 2022**

This statement has been published in compliance with requirements under the *Modern Slavery Act 2018* and it summarises steps taken by Stanley Black & Decker, Inc. (NYSE: SWK) and its Australian subsidiary Stanley Black & Decker Australia Pty Ltd. of 810 Whitehorse Road, Box Hill, Victoria 3128 to ensure that modern slavery and human trafficking in any form is not taking place in our commercial organisation, supply chains or in any part of our business.

#### **Introduction and identification of the reporting entity (Criteria 1)**

Stanley Black & Decker is actively committed to eradicating human trafficking and slavery from its supply chain. Stanley Black & Decker does not and will not permit its employees, subcontractors, subcontractor employees or agents to engage in any form of trafficking in persons, and will take appropriate action, up to and including termination, against employees, agents or subcontractors that violate this policy. Employees, subcontractors and agents who become aware of a potential violation of this policy are expected to report the potential violation through the company's online helpline at <https://integrity.sbdinc.com/>

Stanley Black & Decker takes pride in:

- maintaining a safe and healthy work environment
- providing a secure workplace for its employees
- embracing sustainable practices
- continually improving and learning from each other
- recognizing and rewarding those who exceed expectations
- creating a safe space for expressing individuality and diversity
- advancing Human Rights in the workplace and supply chain
- giving back and sharing with its communities to make a difference

Stanley Black & Decker Australia Pty Ltd is the only entity that met the reporting threshold requirement under the *Modern Slavery Act 2018 (Cth)* in 2022.

This Modern Slavery Statement has been produced by Stanley Black & Decker Australia Pty Ltd, the Reporting Entity under the *Modern Slavery Act 2018 (Cth)*. This Statement outlines how Stanley Black & Decker Australia Pty Ltd approaches the risks of modern slavery and the steps taken to reduce modern slavery and human trafficking risks in its operations and supply chains from 1 July 2021 to 30 June 2022.

## **Organisational structure, activities and supply chain (Criteria 2)**

Stanley Black & Decker is a diversified global provider of hand tools, power tools and related accessories, outdoor garden maintenance equipment, engineered fastening systems and products and services for various industrial applications, as described in more detail in the 2021 Annual Report, which can be found on the Stanley Black & Decker corporate website at:

<http://www.stanleyblackanddecker.com/investors>.

Stanley Black & Decker Aust provides these products and services within Australia. Stanley Black & Decker, Inc. is the parent company of Stanley Black & Decker Australia Pty Ltd. References to Stanley Black & Decker should be read as references to both Stanley Black & Decker, Inc. and Stanley Black & Decker Australia Pty Ltd.

Stanley Black & Decker has an extensive network of suppliers of raw materials, component parts and finished goods around the world and is actively committed to eradicating human trafficking and slavery from its supply chain.

## **Risks of modern slavery practices in business operations and supply chains (Criteria 3)**

Stanley Black & Decker has identified the following risk factors may be present in its operations and supply chains:

- Geographical risks – procuring materials or services outside of Australia where there are low governance standards, conflict or poverty;
- Lack of transparency in supply chains – as supply chains can be multi-tiered, multi-jurisdictional and complex there can be a lack of transparency;
- Sourcing raw materials potentially provides exposure to issues associated with Conflict Minerals; and
- Use of low margin products means that suppliers may seek to exploit children, low-skilled or low paid workers.

## **Actions taken to assess and address risks including due diligence and remediation processes (Criteria 4)**

### *Global Standards*

Stanley Black & Decker implements and enforces global standards. These standards are published on its website at <https://www.stanleyblackanddecker.com/impact/governance/resources-policies> . All suppliers must comply with Stanley Black & Decker's global standards.

### *Audits*

Supplier compliance is ensured by annual supplier self-assessments, additionally supported by on-site audits and requalification audits. The self-assessment requires Stanley Black & Decker suppliers to acknowledge and comply with the terms of the Stanley Black & Decker Supplier Code of Conduct; these terms address amongst other things, Employment Conditions, such as child labour, forced labour and prison labour etc. (the Supplier Code of Conduct can be found on page 6 of our updated Supplier Handbook found at

[https://www.stanleyblackanddecker.com/sites/stanleyblackanddecker.com/files/sbd\\_sustainability\\_social\\_accountability\\_manual.pdf](https://www.stanleyblackanddecker.com/sites/stanleyblackanddecker.com/files/sbd_sustainability_social_accountability_manual.pdf)). The audits are conducted personally by Stanley Black & Decker Inc auditing teams and include confidential employee interviews of individuals selected by Stanley Black & Decker. The audits are announced to the suppliers only with as much lead time as minimally necessary to ensure that all required documentation is available to the auditing team. These on-site audits include verification of time and pay records.

### *Due Diligence*

Stanley Black & Decker has determined that its main exposure to modern slavery may be identified within their supply chains and have measured this risk over several years through proactive steps whereby new third party vendors, suppliers and business partners are subject to due diligence checks founded upon compliance audits and ethical policies of how Stanley Black & Decker conducts business as a global organisation. Such assessments and audits are carried out globally using the Sedex Social Accountability web based platform and in person audits through our Global Supply Management Asia team.

### *Policies*

Stanley Black & Decker's commitment to human rights is reflected in its Business Conduct Guidelines, which are posted on the Company websites and are distributed annually to all of the Company employees worldwide. As set forth in the Guidelines:

**“The Company [Stanley Black and Decker] is strongly committed to full compliance with human rights and labour standards. The Company facilities and the facilities of the Company's direct and indirect vendors must ensure that no Company product is made in whole or in part using any child, forced or prison labour. The Company, its subcontractors and agents and their respective employees are expected to comply with the Company's Combating Trafficking in Persons Policy. The Company's managers and the Company's direct and indirect vendors have the obligation to provide for factory inspections, to be vigilant, and to take immediate action to prevent any unfair employment practices”.**

### *Human Rights Due Diligence Framework*

Stanley Black & Decker has established a Human Rights Due Diligence Framework which utilises a unique internal web-based platform for performance monitoring and data storage of its individual sites. This includes specific Human Rights Road Maps, Risk Assessments and Mitigations and is applicable to all sites globally. These Road Maps describe the standards and steps to ensure adequate human rights adherence at individual site level and so combine to form a global due diligence system. The Human Rights Due Diligence Framework can be found at:

[https://www.stanleyblackanddecker.com/sites/stanleyblackanddecker.com/files/human\\_rights\\_due\\_diligence.pdf](https://www.stanleyblackanddecker.com/sites/stanleyblackanddecker.com/files/human_rights_due_diligence.pdf)

### *Sourcing raw materials*

Stanley Black & Decker is committed to conducting its business in an ethical, law abiding manner. Stanley Black & Decker is aware of the issues associated with the mining of Conflict Minerals (such as tin, tungsten, tantalum and gold) which is occurring in the Democratic Republic of Congo and adjoining countries and its obligation under the Dodd-Frank Act (US).

Stanley Black & Decker works with its suppliers to educate them regarding the issues surrounding Conflict Minerals and steps that can be taken to obtain an increased transparency regarding the origin of minerals contained in the products that are supplied to Stanley Black & Decker.

Stanley Black & Decker reserves the right to request additional information from suppliers regarding the origin of Conflict Minerals. If a Supplier fails to cooperate, this could lead to Stanley Black & Decker discontinuing purchases from the Supplier.

Stanley Black & Decker has a Conflict Mineral Policy which can be found at

[https://www.stanleyblackanddecker.com/sites/default/files/2022-07/swk\\_conflictmineralspolicy.pdf](https://www.stanleyblackanddecker.com/sites/default/files/2022-07/swk_conflictmineralspolicy.pdf)

### *Code of Business Ethics*

Stanley Black & Decker also has a Code of Business Ethics which applies to employees, officers, directors, contractors, vendors and suppliers. Its managers and board members annually acknowledge their understanding of this Code and its tenets. Stanley Black & Decker's reputation, culture and values are important to its success; any violations of the Code, or the law, will result in disciplinary action, up to and including termination.

The Code of Business Ethics can be found at:

<https://www.stanleyblackanddecker.com/sites/stanleyblackanddecker.com/files/stanley-black-and-decker-cobe-english.pdf>

### *Investigations and reporting*

Stanley Black & Decker will investigate reports of violations of this Code or corresponding policies, and it strictly prohibits retaliation against anyone who reports a concern in good faith. There have been no reports of Violation of our Code or Corresponding Policies. Should these occur they will be investigated on a confidential basis.

### *Training*

Stanley Black & Decker Australia Pty Ltd ensures all senior management are annually trained to aid their understanding with Stanley Black & Decker's Business Conduct Guidelines which determine how Stanley Black & Decker Australia Pty Ltd conduct its business. Stanley Black & Decker Australia Pty Ltd implements ethical policies founded upon standards for sustainability and social accountability to protect the business.

### **Assessment of effectiveness of actions being taken to assess and address modern slavery risks (Criteria 5)**

Employees and suppliers are monitored to ensure that they are respecting and adhering to the Business Conduct Guidelines. Assessments and audits of suppliers are conducted globally. Any issues that are identified are corrected using a corrective action plan highlighting the issue, corrective action, responsible party for implementation and timing.

Suppliers are rated for compliance with Stanley Black & Decker practices and standards. Deficiencies found during supplier audits can result in graduated penalties, ranging from requirements for corrective action plans and follow up audits to termination of the business relationship. Any issues that are identified are corrected using a corrective action plan highlighting the issue, corrective action, responsible party for implementation and timing.

Stanley Black & Decker audit teams meet regularly to monitor the effectiveness of its initiatives to identify modern slavery risks. Suppliers must allow Stanley Black & Decker rights to conduct audits of its suppliers and their personnel to assess compliance with modern slavery provisions. These audits are implemented as part of Stanley Black & Decker's supplier sustainability audit process.

### **Consultation with any entities Stanley Black & Decker Australia owns or controls (Criteria 6)**

Stanley Black & Decker Australia Pty Ltd does not own or control any entities.

### **Conclusion**

Stanley Black & Decker recognises the importance of a continuous improvement approach to combating modern slavery risks in its operations and supply chains. Stanley Black & Decker's commitment to its current modern slavery initiatives establishes a strong foundation for identifying and managing modern slavery risks.

This statement covers the period from 1 July 2021 to 30 June 2022.

## Consultation and Approval

This statement was prepared by the Product Compliance Team of Stanley Black & Decker who have consulted with directors, compliance and audit teams, employees, stakeholders and external consultants of both Stanley Black & Decker Australia Pty Ltd and Stanley Black & Decker Inc.

This Modern Slavery Statement has been approved by the Board of Stanley Black & Decker Australia Pty Ltd, the Reporting Entity under the *Modern Slavery Act 2018 (Cth)*.

**Signed by:**



**Adrian Davis**  
Director of Stanley Black & Decker Australia  
Pty Ltd on behalf of the Board of Stanley  
Black & Decker Australia Pty Ltd