

# DEAR SHAREHOLDERS,

**In 2018, we celebrated our 175th anniversary with a nod to the durability and sustainability of our enterprise, which has successfully navigated through three industrial revolutions and is now positioned to do the same as we take on the challenges and opportunities of the fourth.**

As it turned out, our Company needed to bring to bear all of the foundational attributes that have defined our culture over the years to deliver a successful financial performance in 2018. As the year unfolded, we encountered a series of abnormally large, unfavorable exogenous forces that threatened to upend our financial performance, most notably material cost inflation, currency and tariffs. At \$370 million or 2.6% of sales, the magnitude and suddenness of these external operating margin headwinds was highly unusual, a “long tail” probability event. In the end, we offset all but \$50 million of the incremental headwinds with timely price increases, intensive cost management and other actions. This enabled us to produce a respectable 2018 financial result with \$1.0 billion of revenue growth (+8%, including 5% organic) as well as 9%\* EPS growth. In doing so we set new company records for both revenue and EPS.

## Financial Highlights

Tools & Storage led the way with a 7% organic growth rate. Every region and business unit delivered increases, including growth in North America (+8%), Europe (+5%) and emerging markets (+11%).

A powerful set of strategic catalysts, complemented by outstanding commercial execution enabled us to deliver impressive above-market growth, even against difficult comparables. These catalysts include the Craftsman initiative, e-commerce, emerging markets, FLEXVOLT® and revenue synergies from the Irwin/Lenox acquisition. SFS 2.0 and its combination of breakthrough innovation, commercial excellence and digital excellence also helped propel the Tools & Storage growth performance.

In Industrial, we drove 11% total revenue growth, much of that derived from our acquisition of Nelson Fasteners in 2018. Nelson expands our set of product offerings in Engineered Fastening as well as provides us with additional end-market diversification. Amidst a slowing automotive market, Engineered Fastening continued its strong penetration gains, growing the fastener business 630 basis points in excess of global light vehicle production. Hydraulic Tools revenue was up 8% on strong commercial execution and the team also signed an agreement to acquire IES Attachments. IES, when closed, is expected to almost triple Hydraulics in size while adding meaningful scale to this business and opening up a plethora of future growth avenues.



**James M. Loree**  
President & Chief Executive Officer

### VISIT THE 2018 YEAR IN REVIEW WEBSITE

Visit [2018yearinreview.stanleyblackanddecker.com](http://2018yearinreview.stanleyblackanddecker.com) to view exciting aspects of the Stanley Black & Decker story, explore our financials, review our sustainable practices, and read about our businesses and our plans for growth.

\* Excluding M&A related charges, and other

## 2018 SUMMARY OF RESULTS

TOTAL REVENUES WERE

**\$14 BILLION**

+8% VERSUS PRIOR YEAR

ORGANIC GROWTH OF

**5%**

OPERATING MARGIN

**13.6%\***

OVERCOMING \$370 MILLION IN  
EXTERNAL HEADWINDS

EARNINGS PER SHARE  
INCREASED

**9%\***

FREE CASH FLOW  
CONVERSION WAS

**~90%\***

\* Excluding M&A related charges, and other |  
Free Cash Flow conversion excludes tax  
charges related to the implementation of  
U.S. tax reform

In Security, we have been leading a business transformation to deliver more consistent organic growth and generate margin expansion. The approach utilizes technology to lower the cost to serve and provide differentiated offerings to our small-to-medium enterprise and large customers. Along this line, the business generated operating margin rate and dollar improvements in the second half of the year, and we are looking forward to seeing those trends continue into 2019 and beyond.

Our overall operating margin rate\* was 13.6%, an impressive result considering the \$370 million of commodity inflation, currency and tariff headwinds we experienced during the year. We continue to leverage productivity, cost control and pricing actions, and are undertaking an extensive array of new margin-focused initiatives to ensure rate expansion in 2019 and beyond.

Free cash flow conversion was approximately 90%\* which supported our 51<sup>st</sup> annual dividend increase, \$500 million in share repurchases and a series of strategic acquisitions. Cash flow return on investment remained strong at 12%, which is in line with our long-term targets.

## A Leader for the New Age of Industrial Disruption

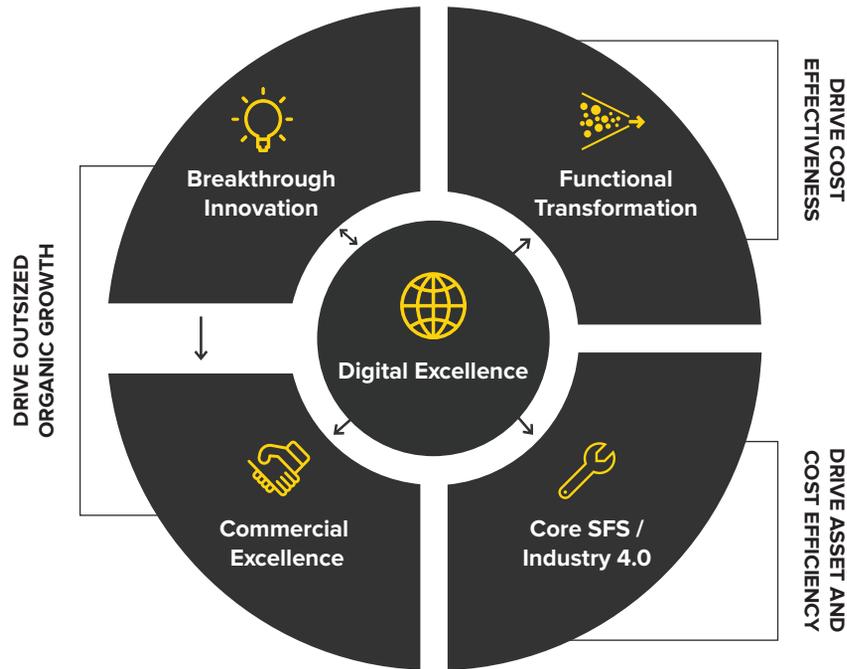
The inexorable forces of the accelerating pace of technological change have been wreaking havoc with the *status quo* across all aspects of society for some time now as the decreasing cost of data storage, increasing computing power/cost ratio, and communications technology advances combine to create once unthinkable capabilities and applications. As these synergistic forces have gained speed and momentum, the combination has begun to challenge the ability of individuals, institutions and society in general to absorb the massive changes that are impacting all walks of life. What once seemed like a relatively orderly world is now characterized by chaotic new unforeseen threats, disruption, growing inequality and divisiveness. In addition, the well-documented impact from climate change is becoming increasingly apparent. The ever-increasing rate of change and the sheer complexity of it all can be overwhelming to individuals and institutions. However, amidst all the turbulence there is opportunity. We believe that a new form of leadership and corporate citizenship is necessary to successfully navigate through these times.

At Stanley Black & Decker, we've been preparing for this day for quite some time, you could say for 175 years. We believe that institutions that thrive in this era will have a transformational purpose with social impact, one that acts as a North Star, a bright light from up high that guides their people in times of uncertainty and connects the company to its broader role in society. Our purpose is "For Those Who Make The World," and we have thrived for 175 years through all sorts of external disruption, dislocation and volatility. It takes a special company, with a unique culture, to do that. In particular, we have shown a propensity for almost two centuries to (1) act boldly but responsibly, (2) cut through challenges, (3) join forces and (4) be reliable to the core. Having those reflexive attributes embedded in our culture is a big advantage when facing today's realities; however, that alone is not enough.

We are shaping our leaders to embrace high performance, innovation and social responsibility with passion and zeal. We acknowledge the fact that no one individual or institution can any longer possess the information to have all the answers and that the universe of knowledge



## : OUR OPERATING SYSTEM



is evolving so rapidly that the ability to learn and re-learn over a lifetime is increasingly more important than the base level of an individual's knowledge. We expect our leaders to be authentic and humble enough to put the best interests of the Company and society before their own, while possessing the confidence and self assurance to be bold and agile, and, at the same time, thoughtful and disciplined.

We think we have positioned the Company for sustainability and superior value creation over the long term, and we recognize the importance of performing in the short term as well.

### Delivering Top-Quartile Performance Over the Long Term

SFS 2.0 differentiates our performance and supports our day-to-day execution. Digital Excellence, Breakthrough Innovation, Commercial Excellence, Core SFS / Industry 4.0 and Functional Transformation work in concert to sustain above-market organic growth, support margin expansion and deliver strong free cash flow generation.

Our well-established value creation model has produced strong long-term shareholder returns. It starts with our world class brands, attractive growth platforms, and scalable and defensible franchises.

Importantly, it leverages the power of SFS 2.0—enabling the achievement of the Company's long-term financial objectives.

We also employ a balanced capital allocation approach under which we commit to returning 50% of our capital to shareholders in the form of dividends and/or opportunistic share repurchases, with the remaining 50% earmarked for acquisitions to further strengthen our business portfolio and stimulate growth.

Our strategy, value creation model and operating system have been consistent for more than a decade, but have also evolved and improved as times have changed.

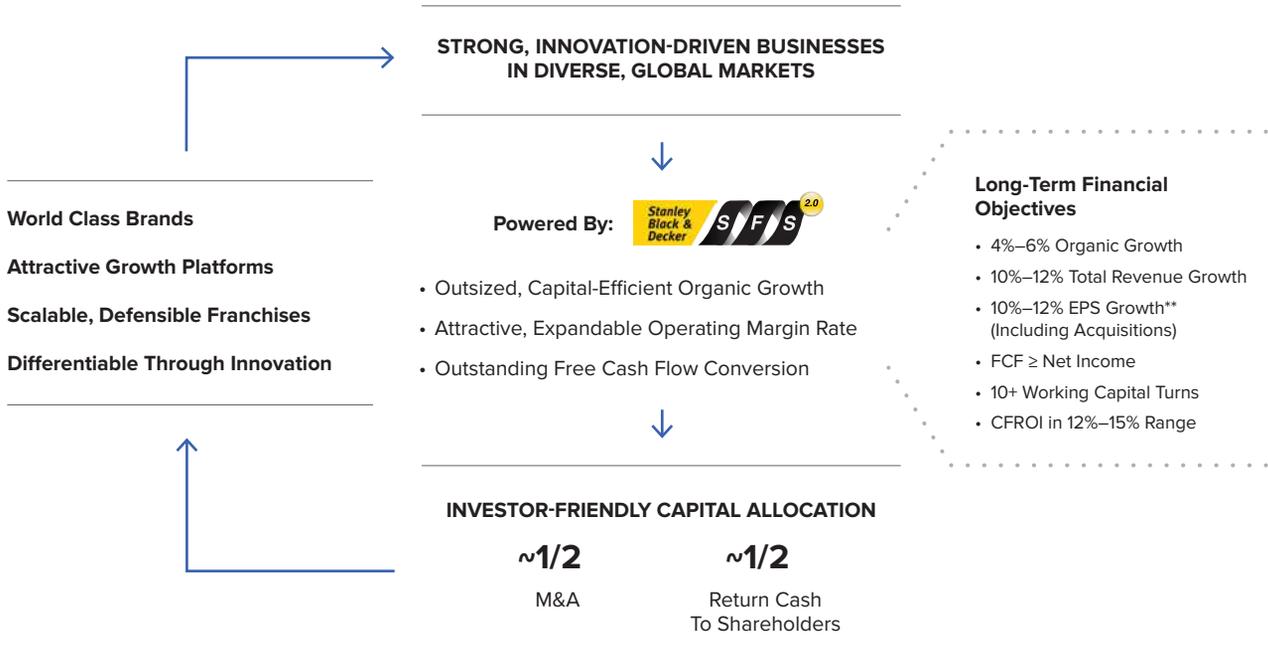
### Growth Catalysts: Positioned for Future Share Gains

Leveraging SFS 2.0, we are executing on a series of growth catalysts that we believe will sustain our above-market growth potential for the foreseeable future.

#### Innovation

New core and breakthrough innovations continue to support growth across our businesses. Two and a half years into launch, FLEXVOLT represents the fastest new product adoption in DEWALT's history, and continues to deliver outsized, mid-teens

## OUR VALUE CREATION MODEL



WORLD CLASS BRANDED FRANCHISES WITH SUSTAINABLE STRATEGIC CHARACTERISTICS THAT CREATE EXCEPTIONAL SHAREHOLDER VALUE

\*\*7%–9% excluding acquisitions | Excludes M&A related charges

growth. We will continue to expand the FLEXVOLT system in the future with the ultimate goal of eliminating the need for cords on jobsites, improving worker safety and efficiency. In 2019, we are introducing a technological breakthrough in power tools, a new power technique that dramatically improves the power-to-size ratio of DC brushless tools.

### Craftsman

The Craftsman transaction gave Stanley Black & Decker the right to develop, manufacture and sell Craftsman-branded products in non-Sears Holdings channels. In 2018, we rolled out over 1,200 new products, with a tremendous positive response from customers and end users. The revitalization of this iconic American brand is well underway. New manufacturing capacity is being added in the United States to support the brand's growth, as "Made in the USA" is a key attribute desired by Craftsman users. We could not be more excited about the prospects and believe Craftsman will achieve \$1 billion of revenue growth by 2021, six years ahead of our original expectations.

### M&A

Acquisitions can create both organic and inorganic growth opportunities. In the case of Lenox and Irwin, we moved aggressively to capture the revenue synergies from these

transactions. We are focused on leveraging these products within our global customer base and bringing new offerings to market, particularly in emerging markets. We have already made significant progress in capturing the total three-year growth opportunity of \$100–\$150 million within Tools & Storage.

During 2018, we reached an agreement to purchase the IES Attachments business, a leading provider of off-highway attachments for the heavy equipment industry. IES will be integrated into our Hydraulic Tools business, which elevates this business to a meaningful platform for growth.

Additionally, we recently closed on the acquisition of a minority stake in MTD Products, a leading outdoor power equipment manufacturer. This is an exciting opportunity to increase our presence in the \$20 billion lawn and garden market in a financially and operationally prudent way. Currently, our respective teams are working on multiple opportunities to generate operational efficiency and growth. Beginning in 2021, we have the option to acquire the remaining 80% of the business and consolidate it into the portfolio. This has the potential to add approximately \$3 billion in revenue which would be an important step driving us towards our 22/22 vision.

## E-commerce

Globally, e-commerce remains a key growth driver, with our 2018 online revenue approximately \$1 billion and growing briskly. With a strong complement of both omnichannel and pure online global retailers, we are well positioned as the online industry leader and believe the opportunities for continued growth through this important channel in both emerging and developed markets will continue.

## Emerging Markets

In emerging markets, we continue to deliver outsized growth and share gains, growing at two to three times market rates. We are leveraging our unique business model and the strength of our brands, including STANLEY branded mid-price-point corded and cordless power tools and hand tool products.

## Innovation Ecosystem

Core to our culture is our pursuit of becoming known as one of the world's great innovative companies, leaning into the environment of rapid innovation and digital transformation. We know the future belongs to the disruptors, which is why we increased our R&D expenditures again in 2018 to \$276 million, a 47% increase versus 2015, the year we embarked upon this journey.

To foster rapid, pervasive innovation, we are building a vast ecosystem to ensure we remain aware of and open to new technologies and advances. The ecosystem includes internal resources and external partnerships that are coordinated and aligned through the office of our Chief Technology Officer, who is also charged with overseeing the creation of our Innovation Roadmap. We believe that this ecosystem approach is fundamental to achieving high leverage innovation in the age of disruption.

As we apply innovation and digital disruption, we look to three key ways to harness these advances. First, there are innovations that we can apply to our core processes in manufacturing and the back office, lowering the cost to serve for our operations. Next, there is product innovation, which we continue to aggressively pursue through our focus on core and breakthrough innovation within each business unit. We have several platforms that support this work, including engineering teams and 10 breakthrough innovation teams around the organization, as well as enterprise-wide innovation development platforms such as our "Drawing Board" which encourages all employees across the Company to contribute new ideas.

Finally, we are pursuing new, disruptive approaches, either to push into a new market or to disrupt our existing business models before our competitors or new entrants. We do this in numerous ways. One is our Silicon Valley-based team, which is building its own set of disruptive companies and exploring new business models. Another is STANLEY Ventures which invests capital in new and emerging startups with innovative concepts that offer potential advantages to our enterprise. We also expand our innovation reach through our ongoing relationships with industry and business groups, universities and non-government and government organizations. In addition, this year we launched our first-ever technology accelerator focused on additive manufacturing where 10 startups came together at our Manufactory 4.0 in Hartford, Connecticut, where we provided mentoring and coaching in conjunction with our partner Techstars. These incubated companies are also integrated in some cases with our Industry 4.0 initiative, which is rapidly accelerating across the Company.

## STRATEGIC FRAMEWORK

### CONTINUE ORGANIC GROWTH MOMENTUM

- **UTILIZE SFS 2.0** as a catalyst
- **MIX** into higher growth, higher margin businesses
- **INCREASE** relative weighting of emerging markets (goal = 20%+)

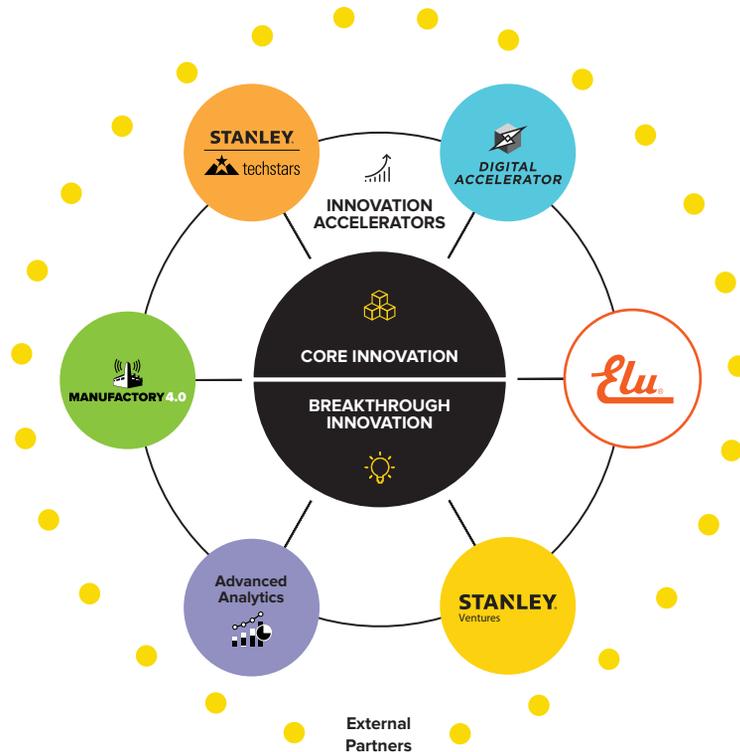
### BE SELECTIVE AND OPERATE IN MARKETS WHERE:

- **BRAND** is meaningful
- **VALUE** proposition is definable and sustainable through innovation
- **GLOBAL** cost leadership is achievable

### PURSUE ACQUISITIVE GROWTH

- **BUILD** upon global Tools platform
- **EXPAND** Industrial platform / diversify Engineered Fastening and Infrastructure
- **CONSOLIDATE** Commercial Electronic Security industry

## OUR INNOVATION ECOSYSTEM



Visit [2018yearinreview.stanleyblackanddecker.com/innovation](https://2018yearinreview.stanleyblackanddecker.com/innovation)

We are early in the journey but seeing tangible progress in areas such as Industry 4.0, advanced analytics, digital products, digital marketing capabilities, the pipeline for commercialization within our breakthrough teams, and through our STANLEY Ventures investments. Pervasive innovation will continue to enable our businesses to build capability to achieve our vision, which will deliver sustained growth and margin expansion into the future.

### A Culture of Social Responsibility

The average tenure for S&P 500 companies has experienced a precipitous drop, from 33 years in 1964 to 24 years in 2016. Looking ahead, the expectation is for a 12-year survival rate by 2027, which is less than eight years away. For a company that has not only survived but thrived and revitalized itself decade after decade for 175 years, these numbers are sobering.

We believe two factors are key to Stanley Black & Decker's long-term sustainability and will propel us forward in the future: continued focus on the Company's long-term success through high performance, innovation and an equally weighted focus on our environmental, social and governance impact on society. Both factors are underscored by our purpose: "For Those Who Make The World."

Last year, we launched our social responsibility strategy in alignment with our 22/22 vision and purpose. Our 2030 program is built upon the Sustainable Development Goals, the United Nations' blueprint to achieve a better and more sustainable future for all. Our strategy is based on three key pillars, each with its own bold and transformative 2030 goals:

- Empower Makers: Enable 10 million creators and makers to thrive in a changing world
- Innovate with Purpose: Innovate our products to enhance the lives of 500 million people and improve environmental impacts
- Create a More Sustainable World: Positively impact the environment through our operations with a goal of being carbon positive by 2030

At Stanley Black & Decker, social responsibility extends to our efforts to develop and create a diverse and inclusive culture that welcomes and supports all employees, and one that is aligned with our purpose. Our goal is to be the place where those with the mindset and skills to propel us into the future want to work. Powered by our purpose, values and 22/22 vision, we aim to enhance our culture in both evolutionary and disruptive ways, to attract and retain the most innovative, purpose-driven, high performing and socially responsible talent.

Over the last several years, we have launched a number of initiatives to create a more contemporary workplace, including the launch of a new internal social networking platform, an excellent leadership development program for young talent with an industry-leading retention rate, and Employee Resource Groups that promote greater inclusivity and understanding and serve as a pipeline for diverse talent. The nine Employee Resource Groups now have 8,500 participants across the globe and support a wide range of diverse employee needs, from the LGBTQ, African Ancestry and women's communities, to special abilities, veterans and working families. We strongly believe that by promoting diversity in the workplace we can create a more inclusive environment where every employee is empowered, engaged and highly motivated. In 2018, for the second consecutive year, the Company was recognized by *Forbes* as one of the best companies for diversity.

The Company also has been recognized for its sustainability progress through its inclusion in the Dow Jones Sustainability North America Index for eight consecutive years, and in 2018 for the first time was included in the Dow Jones World Leader's Index, one of just three U.S. industrial companies to receive that distinction. The Company has been designated as a global leader by CDP for six consecutive years, and in 2018 was named to the "CDP A List" for both climate change and water security.

We know that to be financially successful in this new era, we need to be a company in which talented individuals of all types want to be and we are willing to take the steps necessary to achieve this goal. We call this purpose-driven performance.

## In Closing

We believe it is evident that the forward progress across the Company is tangible and the Company's positioning for future growth and success is excellent. We have a clear vision, backed by a strong and meaningful purpose, that is driving our momentum. We are focused on strong cash flow generation and operating margin expansion, and are prepared, as an organization, to tackle whatever external realities come our way. In addition, we have the best growth catalysts in the history of our organization, a strong operating system in SFS 2.0, an integrated innovation ecosystem and a culture of values focused on performance, innovation and social responsibility. It's within this context that we close out our 175th year anniversary, and look forward to prospering in the years ahead as we navigate through this new age of industrial disruption.



**James M. Loree**

President & Chief Executive Officer

## OUR 22/22 VISION



- Continue Delivering Top-Quartile Performance
- Be Recognized as One of the World's Most Innovative Companies
- Elevate Our Commitment to Corporate Social Responsibility

# FINANCIAL HIGHLIGHTS

(MILLIONS OF DOLLARS, EXCEPT PER-SHARE AMOUNTS)	2018 <sup>(1)</sup>	2017 <sup>(1)(2)</sup>	2016 <sup>(2)</sup>	2015	2014 <sup>(1)(3)</sup>
<b>SWK</b>					
Revenue	\$ 13,982.4	\$ 12,966.6	\$ 11,593.5	\$ 11,171.8	\$ 11,338.6
Gross Margin—\$	\$ 4,916.8	\$ 4,825.1	\$ 4,268.0	\$ 4,072.0	\$ 4,104.5
Gross Margin—%	35.2%	37.2%	36.8%	36.4%	36.2%
Working Capital Turns	8.8	9.1	10.8	9.2	9.2
Free Cash Flow*	\$ 769	\$ 976	\$ 1,138	\$ 871	\$ 1,005
Diluted EPS from Continuing Operations	\$ 8.15	\$ 7.46	\$ 6.53	\$ 5.92	\$ 5.67
<b>Tools &amp; Storage</b>					
Revenue	\$ 9,814.0	\$ 9,045.0	\$ 7,619.2	\$ 7,140.7	\$ 7,033.0
Segment Profit—\$	\$ 1,535.7	\$ 1,520.7	\$ 1,258.4	\$ 1,170.1	\$ 1,078.5
Segment Profit—%	15.6%	16.8%	16.5%	16.4%	15.3%
<b>Industrial</b>					
Revenue	\$ 2,187.8	\$ 1,974.3	\$ 1,864.0	\$ 1,938.2	\$ 2,044.4
Segment Profit—\$	\$ 345.8	\$ 345.9	\$ 300.1	\$ 339.9	\$ 354.3
Segment Profit—%	15.8%	17.5%	16.1%	17.5%	17.3%
<b>Security</b>					
Revenue	\$ 1,980.6	\$ 1,947.3	\$ 2,110.3	\$ 2,092.9	\$ 2,261.2
Segment Profit—\$	\$ 211.5	\$ 213.7	\$ 267.9	\$ 239.6	\$ 266.1
Segment Profit—%	10.7%	11.0%	12.7%	11.4%	11.8%

(1) With the exception of Free Cash Flow, results exclude acquisition-related charges, a non-cash fair value adjustment, gain or loss on sales of businesses, an environmental remediation settlement, a cost reduction program, an incremental freight charge related to a service provider's bankruptcy, and tax charges related to recently enacted U.S. tax legislation, as applicable.

(2) 2017 and 2016 results have been recast to reflect the 2018 adoption of Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers" and ASU 2017-07, "Compensation-Retirement Benefits." Free Cash Flow is shown as previously reported, which excludes the impacts from the 2018 adoption of ASU 2016-15, "Classification of Certain Cash Receipts and Cash Payments" and ASU 2016-18, "Restricted Cash."

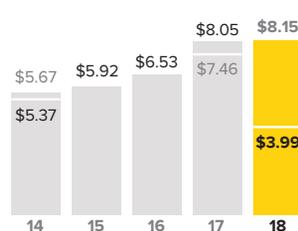
(3) In the first quarter of 2015, the Company combined the legacy CDII business with certain complementary elements of the legacy IAR and Healthcare businesses (formerly part of the Industrial and Security segments, respectively) to form one Tools & Storage business. As a result of this change, the former CDII segment was renamed Tools & Storage. The results from 2014 were recast to align with this change in organizational structure. There is no impact to the consolidated financial statements of the Company as a result of this change.

\* Free Cash Flow = Net cash flow from operating activities less capital and software expenditures.

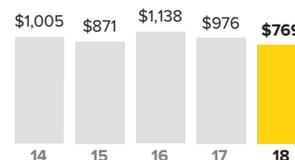
# 2018 SCORECARD\*



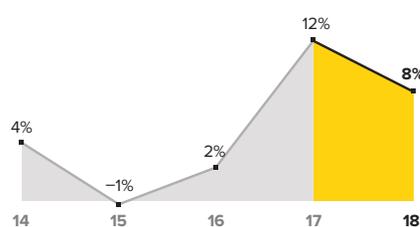
**Adjusted EBITDA**  
(Continuing Operations)<sup>(a)</sup>  
(\$ MILLIONS)



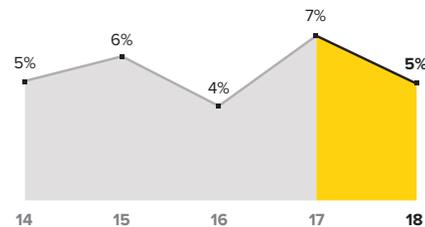
**EPS**  
(Continuing Operations)<sup>(b)</sup>  
\$ GAAP \$ Adjusted



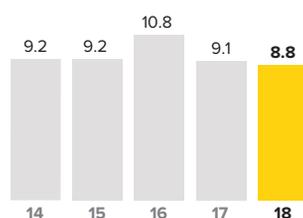
**Free Cash Flow**<sup>(c)</sup>  
(\$ MILLIONS)



**Total Sales Growth**



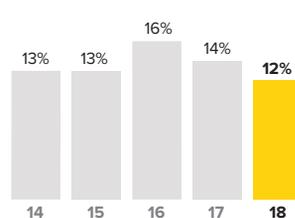
**Organic Sales Growth**



**Working Capital Turns**<sup>(d)</sup>



**Average Capital Employed**<sup>(e)</sup>  
(\$ BILLIONS)



**Cash Flow Return on Investment**<sup>(f)</sup>

(a) "EBITDA" (earnings before interest, taxes, depreciation, and amortization) is a non-GAAP measurement. Management believes it is important for the ability to determine the earnings power of the Company. The Company's 2018 results exclude \$450 million of (pre-tax) charges related to acquisitions, an environmental remediation settlement, a non-cash fair value adjustment, a cost reduction program, an incremental freight charge related to a service provider's bankruptcy, and a loss related to a previously divested business. The Company's 2017 results exclude \$156 million of (pre-tax) charges related to acquisition-related charges and a \$264 million (pre-tax) gain on sales of businesses. The Company's 2014 results exclude \$54 million (pre-tax) of charges related to acquisition-related charges.

(b), (c), (d), (e) and (f) refer to the inside back cover.

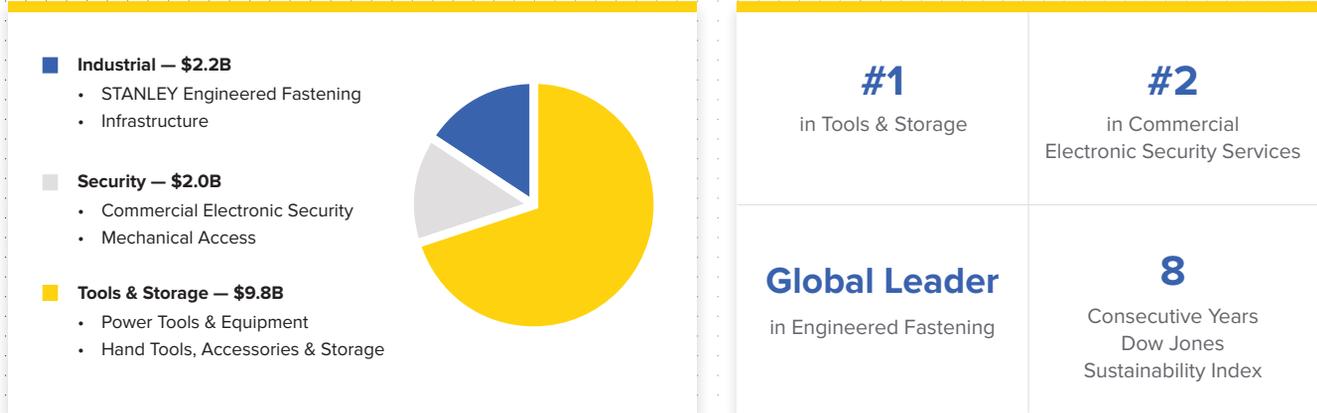
\* 2017 and 2016 results have been recast to reflect the 2018 adoption of ASU 2014-09. Free Cash Flow and Cash Flow Return on Investment are shown as previously reported, which excludes the impacts from the 2018 adoption of ASU 2016-15 and ASU 2016-18.

(MILLIONS OF DOLLARS, EXCEPT PER-SHARE AMOUNTS)

	2018	2017	2016	2015	2014
<b>Net earnings from continuing operations</b>	\$ 605	\$ 1,227	\$ 968	\$ 904	\$ 857
Interest income	(69)	(40)	(23)	(15)	(14)
Interest expense	278	223	194	180	177
Income taxes	416	301	262	249	227
Depreciation and amortization	507	461	408	414	444
<b>EBITDA from continuing operations</b>	\$ 1,737	\$ 2,172	\$ 1,809	\$ 1,732	\$ 1,691
Pre-tax acquisition-related charges and other	450	(108)	—	—	54
<b>Adjusted EBITDA</b>	\$ 2,187	\$ 2,064	\$ 1,809	\$ 1,732	\$ 1,745

# AT-A-GLANCE

## A GLOBAL DIVERSIFIED INDUSTRIAL LEADER



### TOOLS & STORAGE

### INDUSTRIAL

### SECURITY

**+9%**

**TOTAL REVENUE WITH ALL REGIONS CONTRIBUTING TO 7% ORGANIC GROWTH**

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The worldwide leader in tools and storage, we create the tools that build and maintain the world. Tradespeople and Do-It-Yourselfers alike rely on us every day for the toughest, strongest, most innovative hand tools, power tools and storage solutions in the market.

**+11%**

**TOTAL REVENUE GROWTH WITH FASTENER PENETRATION 630 BPS ABOVE GLOBAL PRODUCTION**

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We build the solutions that keep your world running seamlessly—from engineered fastening solutions in the automotive and industrial channels to infrastructure solutions including pipeline construction and hydraulic tools.

**+2%**

**REVENUE GROWTH WITH 6% ORGANIC GROWTH IN AUTOMATIC DOORS**

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We deliver peace of mind with advanced electronic safety, security and monitoring solutions, automatic doors, and sophisticated patient safety, asset tracking and productivity solutions.

## LEADING BRANDS

Tools & Storage		Infrastructure	Engineered Fastening	Security	Healthcare
STANLEY	Irwin	STANLEY Oil & Gas	STANLEY Engineered Fastening	STANLEY Security	STANLEY Healthcare
DeWALT	Facom	STANLEY LaBounty	CribMaster	Sonitrol	AeroScout
Craftsman	MAC Tools	STANLEY Hydraulics		STANLEY Access Technologies	Hugs
BLACK+DECKER	Sidchrome	STANLEY Dubuis			Wander Guard
Porter Cable	Proto				
BOSTITCH	Vidmar				
Powers	Lista				
Lenox					

OUR MISSION:

# BE A FORCE FOR GOOD

At Stanley Black & Decker, we are focused on inspiring makers and innovators to create a more sustainable world. Our commitment to becoming a force for good builds on our legacy of keeping a keen focus on environment, health and safety, sustainability, and community engagement.

“Putting our skills and resources to work, our corporate social responsibility strategy is delivering programs to empower those who seek to create and shape the world around us—the makers and creators.”

**James M. Loree**

President & Chief Executive Officer



ECOSMART Is Our Commitment To A Sustainable Future

## OUR 2030 GLOBAL CORPORATE SOCIAL RESPONSIBILITY STRATEGY



### EMPOWER MAKERS

Enable 10 million creators and makers to thrive in a changing world



### INNOVATE WITH PURPOSE

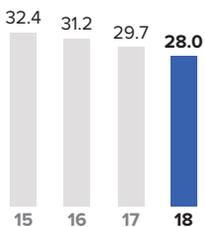
Innovate our products to enhance the lives of 500 million people and improve environmental impacts



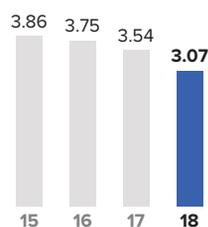
### CREATE A MORE SUSTAINABLE WORLD

Positively impact the environment through our operations

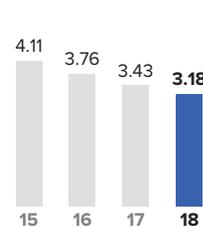
## ECOSMART™ SCORECARD



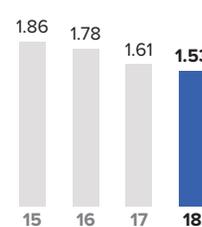
**Energy**  
(KBTU / HR)



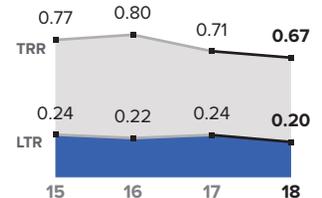
**Carbon**  
(MT / KHR)



**Water**  
(GAL / HR)



**Waste**  
(LBS / HR)



**Total Recordable Rate (TRR) and Lost Time Rate (LTR)**  
Incidents / 100 Heads

How We Are ECOSMART™:  
[2018yearinreview.stanleyblackanddecker.com/CSR](http://2018yearinreview.stanleyblackanddecker.com/CSR)

ECOSMART™ Scorecard:  
[2018yearinreview.stanleyblackanddecker.com/scorecard](http://2018yearinreview.stanleyblackanddecker.com/scorecard)

# OUR LEADERSHIP

## Board of Directors

### George W. Buckley

Chairman,  
Stanley Black & Decker, Inc.  
Chairman,  
Smiths Group plc  
Retired Chairman,  
President & Chief Executive Officer,  
3M Company

### Andrea J. Ayers

Former President &  
Chief Executive Officer,  
Convergys Corporation

### Patrick D. Campbell

Retired Senior Vice President &  
Chief Financial Officer,  
3M Company

### Carlos M. Cardoso

Principal,  
CMPC Advisors LLC  
Chairman,  
Garrett Motion Inc.

### Robert B. Coutts

Retired Executive Vice President,  
Electronic Systems,  
Lockheed Martin Corporation

### Debra A. Crew

Former President &  
Chief Executive Officer,  
Reynolds American Inc.

### Michael D. Hankin

President & Chief Executive Officer,  
Brown Advisory Incorporated

### James M. Loree

President & Chief  
Executive Officer,  
Stanley Black & Decker, Inc.

### Marianne M. Parrs

Retired Executive Vice President &  
Chief Financial Officer,  
International Paper Company

### Robert L. Ryan

Retired Senior Vice President &  
Chief Financial Officer,  
Medtronic, Inc.

### James H. Scholefield

Executive Vice President,  
Chief Information and  
Digital Officer, Merck

### Dmitri L. Stockton

Former Chairman, President &  
Chief Executive Officer,  
GE Asset Management

## Management Team

### James M. Loree

President & Chief  
Executive Officer

### Donald Allan, Jr.

Executive Vice President &  
Chief Financial Officer

### Jeffery D. Ansell

Executive Vice President &  
President, Tools & Storage

### Sudhi N. Bangalore

Vice President, Industry 4.0

### Michael A. Bartone

Vice President,  
Corporate Tax & Treasurer

### Jocelyn S. Belisle

Vice President,  
Chief Accounting Officer

### Rhonda O. Gass

Vice President &  
Chief Information Officer

### Deb J. Geyer

Vice President, Environment,  
Health, Safety and Corporate  
Social Responsibility

### Dennis M. Lange

Vice President,  
Investor Relations

### Shannon L. Lapierre

Vice President,  
Communications &  
Public Relations

### Janet M. Link

Senior Vice President,  
General Counsel and Secretary

### Frank A. Mannarino

President, Power Tools &  
Equipment, Tools & Storage

### Mark T. Maybury

Chief Technology Officer

### Lee B. McChesney

President, Hand Tools,  
Accessories & Storage,  
Tools & Storage

### Corliss J. Montesi

Vice President, Functional  
Transformation and Shared Services

### Pete E. Morris

President,  
STANLEY Oil & Gas

### Allison A. Nicolaidis

President, Lawn & Garden  
and Chief Marketing Officer,  
Tools & Storage

### James P. O'Sullivan

President, Global Sales &  
Marketing, Tools & Storage

### Michael D. Prado

Vice President,  
Global Supply Management

### Robert H. Raff

President, STANLEY Security

### Pradheepa Raman

Chief Talent & Innovation Officer

### Jaime A. Ramirez

Senior Vice President &  
President,  
Global Emerging Markets

### James R. Ray, Jr.

Vice President of Global  
Operations, STANLEY  
Engineered Fastening

### J. Douglas Redpath

President,  
Infrastructure

### Steven J. Stafstrom

Vice President,  
Operations, Tools & Storage  
and Emerging Markets

### Stephen M. Subasic

Vice President,  
Human Resources,  
Tools & Storage

### Joseph R. Voelker

Senior Vice President & Chief  
Human Resources Officer

### Corbin B. Walburger

Vice President,  
Business Development

### John H. Wyatt

President,  
STANLEY Engineered  
Fastening