



StanleyBlack&Decker

**SUSTAINABLE
PRACTICES.
RESPONSIBLE
BUSINESS.**

2014 SUSTAINABILITY REPORT

YEARINREVIEW.STANLEYBLACKANDDECKER.COM/SUSTAINABILITY



STANLEY BLACK & DECKER AT-A-GLANCE



Construction & Do-It-Yourself

Our trusted hand and power tools are known worldwide for being tough, innovative and up to the task. With robust storage solutions to match, we serve both the pro and the do-it-yourselfer who wants to work like one.



Industrial

We build the solutions that keep your world running — from leading tools, tool tracking and productivity solutions for industrial and automotive repair, to pipeline construction and hydraulic tools, to preferred engineered fastening solutions.



Security

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

Sustainability Is Our Promise

At Stanley Black & Decker we are ECOSMART. This means that we are committed to improving the sustainability of our operations, our products, our communities, our suppliers and our customers. Moreover, it means that we are vigilant about our sustainability initiatives, and that we place a priority on maintaining an open dialogue with all of our stakeholders.

ECOSMART emphasizes our commitment to a sustainable future and aligns with the Stanley Fulfillment System, ensuring that our products with sustainable attributes maximize their business attributes, as well. Going forward, we are embedding ECOSMART thinking into everything that we do.

Our ECOSMART advantage is advancing global stewardship principles across our entire value chain. Using ECOSMART as our vehicle, we will continue to reinforce our position as a sustainable business leader and increase our shareholder value by maximizing our revenues, minimizing our costs and business risks, and protecting our brands.



“ECOSMART. How we work, operate, design, manufacture, market, sell and transport our products with sustainability in mind. It is a competitive differentiator.”

JIM LOREE
PRESIDENT AND COO,
STANLEY BLACK & DECKER

Our People



EMBEDDING ECOSMART IN OUR CULTURE

ECOSMART is helping us create a paradigm shift in how we attract, develop and retain the next generation of talent. We are increasing our already world-class efforts to instill environmental and safety accountability in our most-valued asset—our people.

PUTTING COMMUNITY AT THE CENTER OF OUR CULTURE

ToolBank USA—ToolBanks loan STANLEY and DEWALT tools to other non-profit and community groups that are building homes, refurbishing schools, cleaning up parks or doing any worthwhile project to strengthen a community. We also sponsor a ToolBank Disaster Relief Trailer to provide additional surge capacity to any disaster management organization in need.

Wounded Warrior Project—Stanley Black & Decker partnership with Wounded Warrior Project® (WWP) includes co-branded tools and storage, involving STANLEY, DEWALT, MAC, Proto and Vidmar brands, and incorporating the WWP brand into our brand sponsorships, such as Professional Bull Riding, Major League Baseball and racing events. In the first 18 months of our partnership with WWP, co-branded tools took in \$10 million in sales and contributed nearly a million dollars to the WWP cause.



INNOVATIVE APPROACHES TO RENEW SAFETY FOCUS

Safety Always—Since September 2014, our CDIY business has seen a 33 percent drop in the monthly average of recordable injuries, and there is one simple reason: a refreshed approach to safety called Safety Always—meaning safety first, last and everywhere in between.

Know Risk—Our STANLEY Oil & Gas associates can work in remote areas with very limited communication and difficult environmental and political conditions. Our new Know Risk initiative provides access to equipment manuals, method statements, project-specific health and safety plans, hazard risk assessments, job safety analysis tools and safety training materials in all areas of the world through fully loaded laptops with continual upgrade capability. The campaign has contributed to two years without a Lost Workday Injury.



RECOGNITION—SAFETY PERFORMANCE

- **2014 Gold Award** from the North Carolina Department of Labor recognizing four Stanley Black & Decker facilities.
- **INSHARP Certificate** from the Indiana Department of Labor recognizing CDIY's Fastening & Accessories facility in Greenfield, Indiana.
- **2014 ExxonMobil Contractor Safety Program—Zero Injuries Award** from the ExxonMobil Refinery in Beaumont, Texas recognizing STANLEY Convergent Security Solutions.



Our Planet

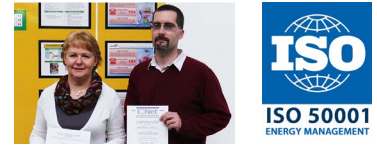


EMBEDDING ECOSMART INTO OUR OPERATIONS

Stanley Black & Decker's business strategy compels us to understand, track and continually minimize our environmental impacts. Our ECOSMART culture helps us identify environmentally related strategies that ensure we stay ahead of climate-related influences and reduce the environmental impact of our operations.

ENERGY MANAGEMENT EXTERNAL CERTIFICATIONS

In 2014, we extended the ISO 50001 Energy Management Standard to our global operations, to instill a refreshed awareness to the way we use power within our facilities. This further embeds our ECOSMART culture by advancing employee skills in energy management.



SUPPLIER SOCIAL ACCOUNTABILITY AND SUSTAINABILITY PERFORMANCE

In 2014 we audited 168 suppliers, working with them where we saw opportunities. We also continued working with our top suppliers to identify opportunities to reduce energy, waste and water usage.

RECOGNITION—CLIMATE CHANGE TRANSPARENCY AND ACTIONS

In 2014, Stanley Black & Decker was named to the CDP Climate Disclosure Leadership Index and the CDP Climate Performance Leadership Index. These recognize the depth and quality of climate change data disclosed to investors, and the actions taken to reduce carbon emissions and mitigate the business risks of climate change, respectively.



“Achieving the highest attainable score on both the Climate Disclosure Leadership Index and Climate Performance Leadership Index reflects the hard work and dedication on the part of all the Stanley Black & Decker associates who instill sustainable thinking into everything that we do. We are honored to lead the S&P 500 with respect not only to our performance, but also to our transparency of disclosure, and we are committed to continuing our legacy of sustainable practices well into the future.”

JOHN F. LUNDGREN
CHAIRMAN & CEO, STANLEY BLACK & DECKER

SITE-SPECIFIC HIGHLIGHTS

Plant and Machinery Optimization in Taiwan

Our CDIY manufacturing facility in Chiro, Taiwan replaced two electroplating lines with a single high efficiency line, driving 78 percent year-over-year reduction in chrome waste and an annual reduction of over 13 million gallons in cooling water discharge.



Zero Industrial Liquid Discharge

This year, our CDIY facility in Besançon, France became the first and only site in the county to be recognized as a “Zero Industrial Liquid Discharge” facility.



A person is seen from behind, operating a red Black & Decker 36V cordless lawnmower in a lush green yard. The mower is positioned in the center of the frame, moving through tall grass. The background shows a residential setting with trees and a house. The text "Our Products" is overlaid in white on the top half of the image.

Our Products

EMBEDDING ECOSMART INTO OUR PRODUCTS

Our ECOSMART vision—to be a sustainable company by advancing global stewardship across the entire value chain—includes sustainable considerations for our products. ECOSMART is helping us form a new product design process to assist in reducing the environmental impacts of our products without compromising quality and value.

DEVELOPING ECOSMART GUIDANCE FOR PRODUCTS

At Stanley Black & Decker, we define sustainable products as those that provide environmental, social and economic benefits while protecting public health, welfare and the environment over their full life cycle. In 2014, we began with broad product design considerations of sustainable attributes, such as durability, noise reduction and improved recyclability.



ECONOMIC

Product has sustainable attributes through its full commercial cycle.



SOCIAL

Product makes a major contribution to end user safety.



ENVIRONMENTAL

Product makes a major contribution to reduce impact on the environment.

SITE-SPECIFIC HIGHLIGHTS

Lawn Mower Exchange Program for 2014

In 2014, we partnered with the South Coast Air Quality Management District in Southern California, the Bay Area Quality Management District of San Francisco and the Denver Regional Air Quality Council to host events that encouraged local residents to trade in over 2,600 gas powered lawn mowers for cordless battery powered mowers, with the old mowers being recycled.



STANLEY Oil & Gas—ECOSMART Innovation

STANLEY Oil & Gas introduced in 2014 three process improvements with pronounced sustainable benefits: SABRE, RAPTOR and HYDRA.

SABRE Abrasive Blast system encloses the pipeline blasting process within a cabinet design, enabling the system to retain close to 100 percent of the grit used in the process, while also significantly reducing noise pollution.

RAPTOR uses automation and a new nozzle spray system to provide a consistent quality powder application which enables a consistent coating thickness with less waste.

HYDRA revolutionizes the quenching process with an enclosed cooling system that uses nozzles to create a mist of cooling water, eliminating the generation of standing water waste.

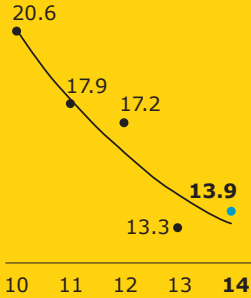


STANLEY Engineered Fastening—Neobolt Eliminating Metal Waste

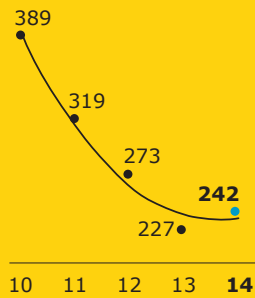
In 2014, our POP Avdel business introduced the NeoBolt Lockbolt Fastener System designed for heavy-duty structural applications and industries. Unlike standard lockbolt fasteners, there is no pin break, resulting in a major reduction in metal waste, reduced noise, no installation shock and no risk of pin tails being dropped into the work area.



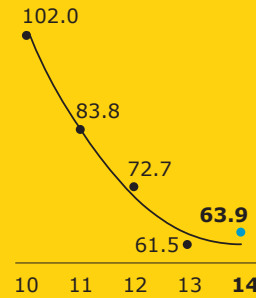
ECOSMART 2014 Scorecard



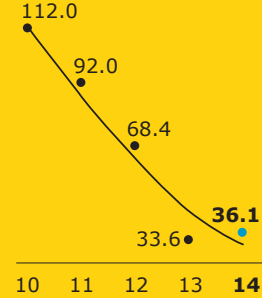
Waste Intensity^(a)
(LBS / \$ THOUSAND)



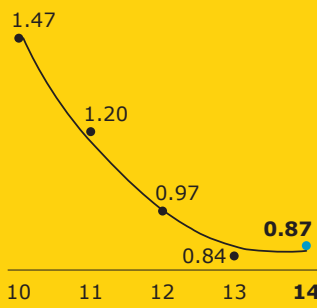
Energy Intensity^(b)
(KBTU / \$ THOUSAND)



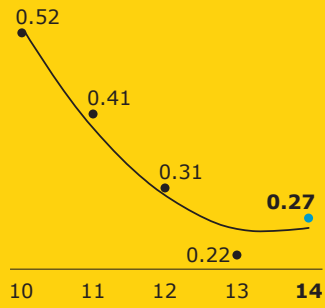
Carbon Intensity^(b)
(LBS / \$ THOUSAND)



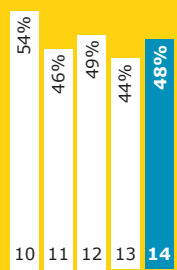
Water Intensity^(c)
(GAL / \$ THOUSAND)



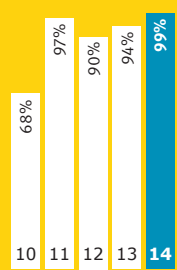
Total Incident Rate^(d)
(Incidents / 100 Heads)



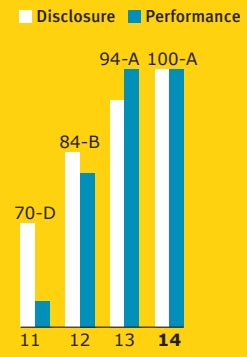
Lost Time Rate^(d)
(Incidents / 100 Heads)



MFG | DC Facility Management Systems Certifications^(e)
(PERCENT)



MFG | DC Facility Compliance Audits^(f)
(PERCENT)



CDP Carbon Scoring^(g)

CARBON DISCLOSURE PROJECT

We achieved the highest attainable score on both the CDP Climate Disclosure Leadership Index and the CDP Climate Performance Leadership Index. CDP works with shareholders and corporations to disclose the greenhouse gas emissions of major corporations.



DOW JONES SUSTAINABILITY INDEX

In 2014, for the fourth consecutive year, we were listed on the Dow Jones Sustainability North America Index in the IEQ Machinery and Electrical Equipment category. The Dow Jones Sustainability North America Index tracks the performance of the top 20 percent of the 600 largest United States and Canadian companies in the S&P Global Broad Market Index that lead the field in terms of sustainability.

BUILDING ON OUR COMMITMENT TO SUSTAINABILITY

Visit yearinreview.stanleyblackanddecker.com to view videos and pictures that bring exciting aspects of the Stanley Black & Decker story to life, to explore our financials, review our sustainable practices, and to read about our businesses, our brands and our plans for growth.

In 2014 Stanley Black & Decker continued the application of Stanley Fulfillment System (SFS) principles and delivered year-over-year improvements in environmental waste reduction, energy conservation and water reduction.

Review our accomplishments and all our sustainability results at www.stanleyblackanddecker.com/company/sustainability.

	2014	2013	2012	2011	2010
INJURY ILLNESS DATA					
Total recordable injury illness	470	431	496	565	564
Lost time injury illness	148	113	159	194	201
Lost days due injury illness	4,953	3,561	5,322	5,525	8,279
Work hours in thousands	108,201	102,860	102,443	93,791	76,715
TOTAL RECORDABLE INCIDENT RATE	0.87	0.84	0.97	1.20	1.47
LOST TIME INCIDENT RATE	0.27	0.22	0.31	0.41	0.52

- (a) Waste generation from factories and distribution centers in total pounds per 1000\$ production costs.
- (b) Energy consumption from factories and distribution centers in kilo British thermal units, carbon emissions in pounds, both per 1000\$ production costs.
- (c) Water consumption from factories and distribution centers in gallons per 1000\$ production costs.
- (d) Global total recordable rate and lost time rate = # of applicable incidents per 100 employees per year.
- (e) Percentage of factories and distribution centers certified to International Standards Organization 14001 Environmental Management System Standard, British Standards Occupational Health Safety Assessment Series 18001, Social Accountability International 8000, International Standards Organization 50001, and/or other applicable management system standards certifications.
- (f) Percentage of factories and distribution centers undergoing an external EHS compliance audit.
- (g) CDP scores based on annual carbon emission disclosures to CDP. Disclosure score measures our depth and quality of climate change data disclosed to CDP. Performance score measures our actions to reduce carbon emissions and mitigate business risks of climate change.



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