

StanleyBlack&Decker

Principles of Responsible Artificial Intelligence (AI) For Those Who Make The World™

At Stanley Black & Decker, we are For Those Who Make The World, focused on building, creating and securing a better world for our customers, employees and communities. Artificial Intelligence (AI), which includes machine learning, promises to help us elevate that mission to make our lives more productive, safer and more joyful. Fully realizing that new technologies and methods can pose new risks to society, we have developed the following principles that will guide the development of responsible AI systems at Stanley Black & Decker in alignment with our purpose and corporate social responsibility (CSR).

1. **Be truthful and transparent**

We will apply standards and protocols to create clarity and ensure understandable explanations of the basis for and reasoning underlying an AI system's decisions and behaviors and ensure user awareness of conditions that could lead to adverse outcomes (e.g., a biased decision, a risky action).

2. **Ensure privacy and security**

We will design solutions that use methods such as data and information minimization, aggregation and deidentification to reduce privacy attack vectors. We will apply digital product security practices that ensure confidentiality, availability and integrity.

3. **Ensure equity and mitigate bias via inclusivity**

When designing solutions, we will ensure sufficient diversity and inclusion in their data, learning and testing to avoid biased training data, models, decisions and outcomes. Diversified teams (e.g., subject matter experts, end users, security/safety experts) are needed to avoid unbalanced focus on system performance and optimization at the expense of system reliability, fairness and/or safety. We aim for AI development and deployment teams that are inclusive across multiple kinds of diversity.

4. **Create symbiotic human machine interactions**

We aim to design solutions that effectively distribute tasks and workloads across humans and machines, ensuring appropriate roles and responsibilities (e.g., oversight over key decisions by humans, delegation of dull, dirty or dangerous tasks to machines). We seek to design effective human machine interfaces including affordances that enable graceful degradation.

5. **Be useful, aware (of self and others) and beneficent**

We will strive to ensure that AI solutions enforce appropriate self-limitations and design machine intentions and actions that are task and situation appropriate.

6. **Be resilient and anti-fragile**

We will design solutions that are resilient by using methods such as diversified training and test sets that avoid classification failures, utilization of verification and validation methods and stress testing appropriate to the application and when switching environments. After systems are fielded, we will strive to actively monitor their performance in various deployment contexts and continuously assess their performance with their (reinforcement) learning over time.

Stanley Black & Decker is committed to ESG (Environmental, Social and Governance) and DE&I (Diversity, Equity and Inclusion) values. Given the criticality of AI in work, home and play, we aim to ensure our values are reflected in the realization of trusted and safe products and services. We believe that responsible AI solutions enable us to better serve humanity and be a force for global good For Those Who Make The World.