

Stanley Black & Decker Inc — UK Tax Strategy

In compliance with Sections 161 and Paragraph 19(2) of Schedule 19 Finance Act 2016, Stanley Black & Decker Inc ("SBD") is publishing on behalf of its UK subsidiaries the UK Tax Strategy for the year ending 30 December 2017.

Our Company has very strong focus on corporate responsibility, and we see responsible administration and payment of tax as a responsibility of our business.

Risk Management and Governance Arrangements

The overall aim of tax policy for SBD is to ensure that we comply with the tax laws, reporting requirements and payment obligations of all of the numerous jurisdictions in which we operate.

SBD maintains internal policies and procedures to support its risk management and governance arrangements.

The Chief Financial Officer is ultimately responsible for SBD's overall tax risks, while the management of tax risks worldwide is performed by the Company's Vice President of Tax, and the Senior Accounting Officer (SAO) is responsible for the day-to-day management of the UK tax risks.

Tax Planning

SBD engages in tax planning that is consistent with and supports our business objectives and activities.

UK tax legislation is highly complex and constantly changing, so external tax advice is sought to ensure that the correct analysis is made such that the tax consequences are understood.

SBD adheres to the UK Double Tax Treaties and the relevant guidance issued by the Organisation for Economic Co-operation and Development (OECD) for international tax matters.

Tax Risk

SBD has a low tolerance to tax risk.

SBD's policies and governance framework operate to ensure compliance with tax laws and regulations in all jurisdictions in which we operate, to ensure that we identify and mitigate tax risks.

Approach towards SBD's dealings with HM Revenue & Customs (HMRC)

We maintain an open, transparent and cooperative approach to our dealings with HMRC.

Our communication with HMRC is mainly focused around timely compliance, and in particular meeting relevant tax filing and tax payment deadlines.

As we are a large business, HMRC has appointed a Customer Compliance Manager ("CCM") to co-ordinate their relationship with us.

We are in regular contact with our CCM and the dedicated HMRC team covering corporate tax, VAT, payroll and other taxes.

We meet our CCM periodically for a Business Risk Review meeting which addresses all the taxes and is a wide ranging discussion of the Company's UK tax affairs.