

**STANLEY BLACK & DECKER, INC.  
AUDIT COMMITTEE CHARTER**

**Purpose**

The Audit Committee is appointed by the Board to assist the Board in monitoring (1) the integrity of the financial statements, accounting and financial reporting processes and systems of internal accounting and financial controls of the Company, (2) the independent auditor's qualifications and independence, (3) the performance of the Company's internal audit function and independent auditors, (4) the evaluation of the Company's risk and policies for risk management and assessment and (5) the compliance by the Company with legal and regulatory requirements.

**Committee Membership**

The Audit Committee shall consist of no fewer than three members. The members of the Audit Committee shall meet the independence and experience requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934 (the "Exchange Act") and the rules and regulations of the Securities and Exchange Commission (the "Commission"). Each member of the Audit Committee shall be, in the judgment of the Board, financially literate, or shall become financially literate within a reasonable period of time after his or her appointment to the audit committee, and at least one member shall qualify as an "audit committee financial expert" as defined by the Commission. Audit Committee members shall not simultaneously serve on the audit committees of more than two other public companies.

The members of the Audit Committee shall be appointed by the Board on the recommendation of the Corporate Governance Committee. One member of the Audit Committee shall be appointed as Committee Chair by the Board. In the event the Chair is not present at a meeting, the Audit Committee members present at that meeting shall designate one of its members as the acting chair of such meeting. Audit Committee members may be replaced or removed by the Board in the Board's sole discretion.

**Meetings**

The Audit Committee shall meet as often as it determines appropriate, but not less frequently than quarterly. The Audit Committee shall meet periodically with management, the internal auditors and the independent auditor in separate executive sessions. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee.

## **Committee Authority and Responsibilities**

The Audit Committee shall have the sole authority to appoint or replace the independent auditor (subject, if applicable, to shareholder ratification). The Audit Committee shall be directly responsible for the approval of compensation, terms of engagement and oversight and evaluation of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.

The Audit Committee shall preapprove all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the Audit Committee prior to the completion of the audit. The Audit Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant preapprovals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant preapprovals shall be presented to the full Audit Committee at its next scheduled meeting.

The Audit Committee shall prepare the report required by the rules of the Commission to be included in the Company's annual proxy statement.

The Audit Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Audit Committee.

The Audit Committee shall make regular reports to the Board. The Audit Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Audit Committee shall annually review the Audit Committee's own performance.

The Audit Committee, to the extent it deems necessary or appropriate, shall:

### Financial Statement and Disclosure Matters and Auditor Oversight

1. Review and discuss with management and the independent auditor the annual audited financial statements prior to the filing of the Form 10-K, including specific disclosures made in management's discussion and analysis and the results of the annual audit and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.

2. Review and discuss with management and the independent auditor the Company's quarterly financial statements prior to the filing of its Form 10-Q, including specific disclosures made in management's discussion and analysis and the results of the independent auditor's review of the quarterly financial statements.
3. Discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any critical audit matters to be included in the independent auditor's audit letter, any major issues as to the adequacy of the Company's internal controls and disclosure controls and any special steps adopted in light of significant control deficiencies or material weaknesses, and any changes in the Company's internal control over financial reporting during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.
4. Review and discuss quarterly reports from the independent auditors on:
  - (a) All critical accounting policies and practices used or to be used by the Company.
  - (b) All material changes in the Company's selection or application of accounting principles, the effects of alternative applications or treatments of accounting principles on the Company's financial statements and other public disclosures, and the application or treatment preferred by the independent auditor.
  - (c) All other alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
  - (d) Any material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
  - (e) Discuss with the independent auditor any other matters required to be discussed under applicable auditing standards relating to the conduct of the audit, including any difficulties the auditor may have encountered (or is encountering) in the course of the audit work, any restrictions on the scope of work or access to requested information, and any significant disagreements with management.
5. Discuss with management the Company's earnings press releases, including the use of "pro forma", "adjusted" or other non-GAAP financial information and key performance indicators, as well as financial information and earnings guidance

- provided to analysts and rating agencies. Such discussion may be general and consist of discussing the types of information to be disclosed and the types of presentations to be made.
6. Discuss with management and the independent auditor the effect of any new or proposed regulatory and accounting initiatives as well as off-balance sheet structures, on the Company's financial statements and related public disclosures and internal controls.
  7. Discuss with management and the independent auditor the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including cybersecurity risk, and the Company's risk assessment and risk management policies.
  8. Review disclosures made to the Audit Committee by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud (regardless of materiality) involving management or other employees who have a significant role in the Company's internal controls.
  9. Review and evaluate the lead partner of the independent auditor team.
  10. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years regarding one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company.
  11. Evaluate at least annually the qualifications, performance and independence of the independent auditor, including considering the independent auditor's communications with the Audit Committee concerning independence and whether the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors. The Audit Committee shall present its conclusions and recommendations with respect to the independent auditor to the Board.
  12. Ensure the rotation of the audit partners as required by law.
  13. Establish policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company.

14. Discuss with the lead partner as to consultations, if any, with the national office of the independent auditor issues on which they were consulted by the Company's audit team and matters of audit quality and consistency.
15. In connection with the annual independent audit, review with management, the internal auditors and the independent auditors the audit objective and the proposed scope of the audit plan and fees, including the auditor's and management's responsibilities, the areas of business to be examined, the adequacy of the personnel to be assigned to the audit and other factors that may affect the timelines of such audit, any other firms performing audit procedures, the accounting policies and procedures to be followed, special areas to be investigated and the adequacy of the program for integration of the independent and internal audit efforts.
16. Review and, where required, approve or ratify the Company's transactions with directors, officers of the Company, or other related persons.

#### Oversight of the Company's Internal Audit Function

17. Review and approve, or delegate to the Chair to review and approve, in advance, the appointment and replacement of the senior internal auditing executive.
18. Discuss, or delegate to the Chair to discuss, with the senior internal auditing executive, management and the independent auditor the internal audit department responsibilities, the annual internal audit plan and scope, budget, quality controls and staffing of the internal audit function, and any recommended changes in the planned scope of internal audits.

#### Compliance and Risk Oversight Responsibilities

19. Obtain periodic reports from the Company's General Counsel with respect to compliance by the Company and its affiliates with applicable legal requirements and the Company's Code of Business Ethics. Review with management and advise the Board, not less frequently than annually, with respect to the implementation and effectiveness of the Company's compliance and ethics programs, including the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Ethics. The General Counsel and the senior internal auditing executive will periodically communicate with the Chair about any such matter as appropriate.
20. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. Receive periodic reports regarding any investigations and concerns raised through such procedures.

21. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies which raise material issues regarding the Company's financial statements or accounting policies.
22. Discuss with the Company's General Counsel legal and regulatory matters that may have a material impact on the financial statements or the Company's compliance policies.

### **Limitation of Audit Committee's Role**

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditor.

Amended: February 2021