

Investor Presentation

Strategy & ESG

September 2023

StanleyBlack&Decker



Cautionary Statement

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws, including, but not limited to, any statements about the Company’s future financial results, commitments, goals, targets, aspirations, or expectations regarding sustainability, environmental matters, corporate responsibility, and our employees, policies, business opportunities and risks; and any statements of assumptions underlying any of the foregoing. Forward-looking statements may include, among others, the words “may,” “will,” “estimate,” “intend,” “could,” “project,” “plan,” “continue,” “believe,” “expect,” “anticipate”, “run-rate”, “annualized” or any other similar words. Although the Company believes that the expectations reflected in any of its forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of its forward-looking statements. Forward-looking statements in this report speak only as of the date hereof, and forward-looking statements in documents that are incorporated by reference herein speak only as of the date of those documents. Any forward-looking statements are subject to change and to inherent risks and uncertainties, such as those disclosed or incorporated by reference in the Company's filings with the Securities and Exchange Commission. Given these risks and uncertainties, undue reliance should not be placed on these forward-looking statements. The Company does not undertake any obligation or intention to update or revise any forward-looking statements, whether as a result of future events or circumstances, new information or otherwise, except as required by law. This presentation does not constitute an offer to sell or a solicitation of an offer to buy any securities of Stanley Black & Decker, Inc. (the "Company"). If the Company were to conduct an offering of securities in the future, it would be made under an effective registration statement, and a prospectus relating to that offering could be obtained from the underwriters of that offering or from the Company.

Company Overview & Strategy

StanleyBlack&Decker



More Streamlined Company With Great Franchises

StanleyBlack&Decker

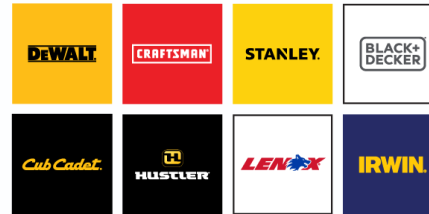
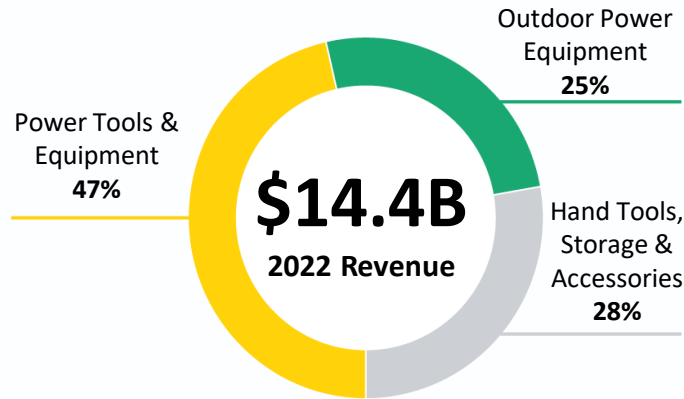
2022 Revenue¹: \$16.9B

Market Cap: ~\$14B

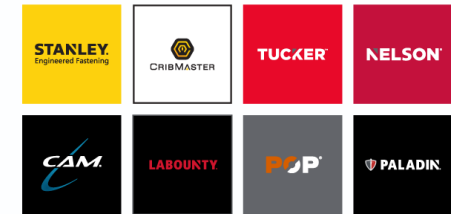
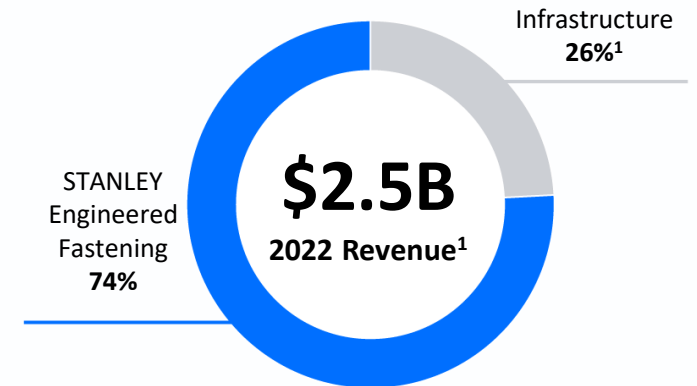
Cash Dividend Yield: 3.5%

*Dividend Paid Consecutively For 147
Years; Increased For Past 56
Consecutive Years²
(NYSE: SWK)*

Tools & Outdoor World-Wide Leader In Tools & Outdoor



Industrial Highly-Engineered B-2-B Businesses

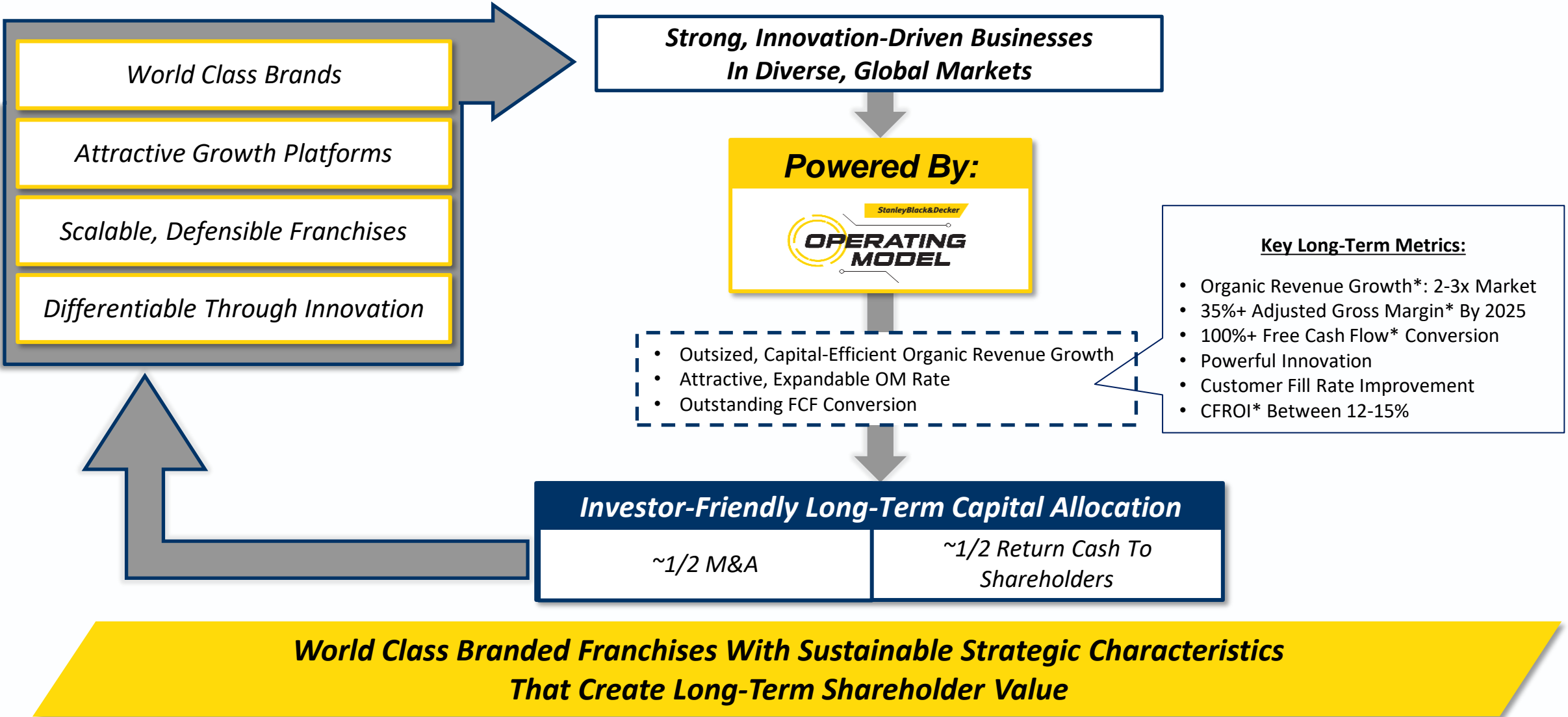


Core Capabilities

- 1 Portfolio Of Iconic Brands**
- 2 Powerful Innovation**
- 3 Broadest Category & Channel Coverage**
- 4 Leverage SBD Operating Model**

Powered By Our People And Guided By Our Purpose – For Those Who Make The World

Stanley Black & Decker Value Creation Model



Transforming To Accelerate Organic Growth

Executing On Our Clear Vision And Strategy For Long-Term Success...

**Reduce Complexity –
~\$2B 3-Year Cost Savings**

OPTIMIZE
CORPORATE STRUCTURE

FOCUS
OPERATING MODEL

TRANSFORM
SUPPLY CHAIN

**Invest In Core Growth
\$300M - \$500M**



INNOVATION



ELECTRIFICATION



MARKET LEADERSHIP



MORE RESPONSIVE
SUPPLY CHAIN

**Enhance
Shareholder Return**

Organic Revenue
Growth* 2-3X Market

35%+ Adjusted Gross Margin*
By 2025

100%+ Free Cash Flow*
Conversion

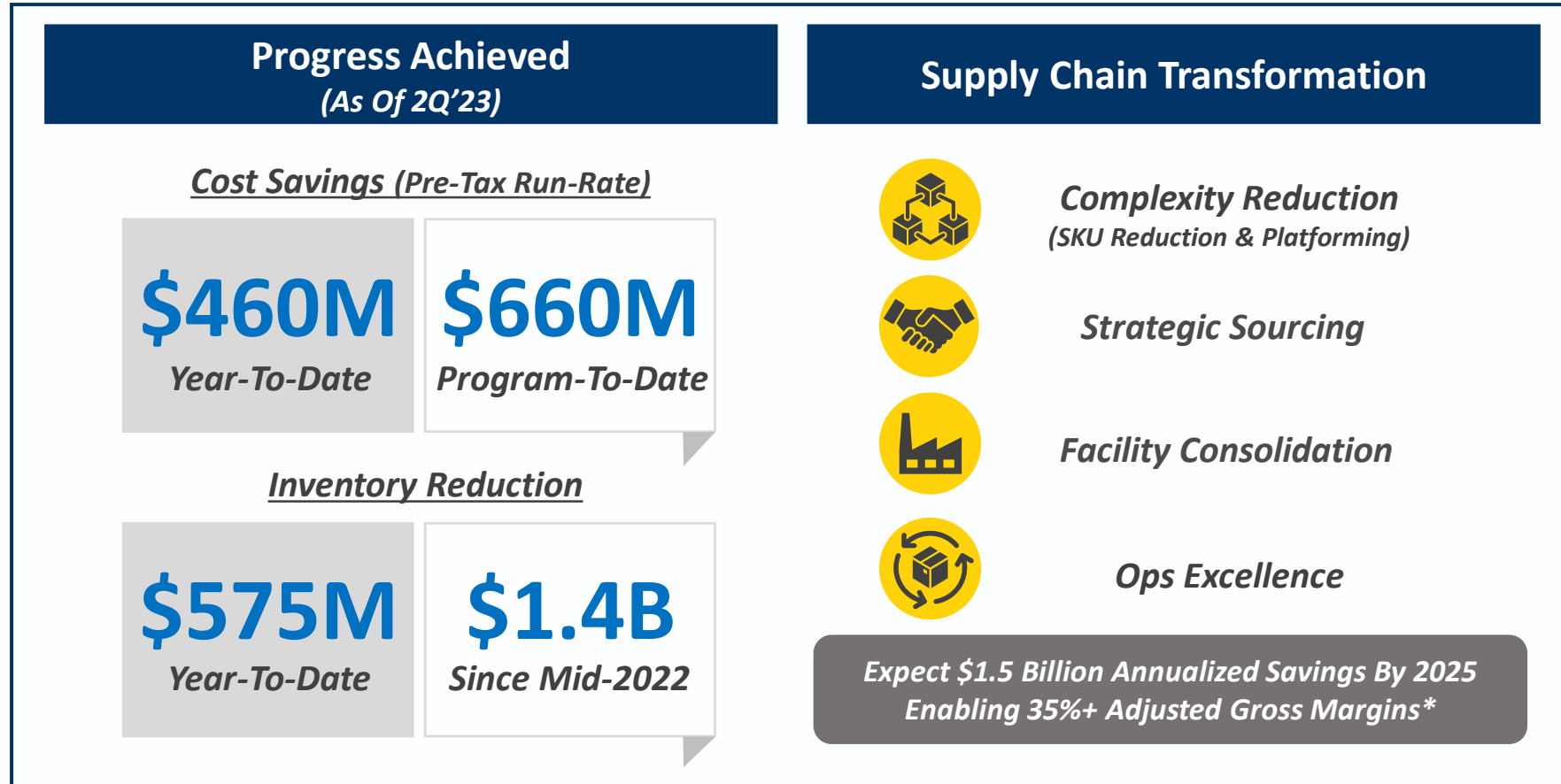
Powerful Innovation

Customer Fill Rate
Improvement

...As A More Focused, Purpose Driven Company

Business Streamlining & Transformation On-Track

Supply Chain Transformation And SG&A Simplification Are On-Track For \$2.0 Billion Annualized Savings By 2025...



...Enabling \$300 - \$500 Million Growth Investment And 35%+ Adjusted Gross Margins*

Our Approach To ESG

StanleyBlack&Decker



Refined ESG Focus To Align With Our Current Portfolio

Transforming & Simplifying Our Business To Drive Value For All Stakeholders

As Part Of Our Ongoing Business Transformation, We Have Reviewed & Refined Our ESG Goals.
Moving Forward, We Have A More Focused Set Of ESG Goals That Better Aligns With Our Updated Near- And Long-Term Business Strategies.



...Leveraging Our Core Strengths To Drive Organic Growth And Share Gain

Enduring Commitment To Responsible Action

On Our Path To Fully Embed An ESG Focus Into Our Operations And Products, Milestone By Milestone, We Have Always Stood Out As A Responsible Business, One That Has Made It Possible For The Builders And Makers We Serve To Make Their Positive Contributions To The World.

1997 Developed our own Environment, Health and Safety (EHS) data management platform for the capturing, storing, and analyzing of EHS information.

1999 Developed an EHS scorecard to provide visibility of qualitative and quantitative EHS results by site.

2012 First third party assurance audit of EHS data.

2013 ECOSMART™ product initiative launched across Stanley Black & Decker, responding to end user needs for more sustainable products and packaging.

StanleyBlack&Decker



ECOSMART Is Our Commitment To A Sustainable Future

2015 Set first public five-year goals on EHS. All goals were achieved a year ahead of time.

2016 Conducted our first Materiality Assessment.

2017 Articulated CSR (precursor to ESG) strategy, in alignment with the UN 2030 Sustainable Development Goals (SDGs). Introduced purpose, **For those who make the world.™**



2018 Approved Science Based Targets.



2020 Named Chief Medical Officer and launched HOME program to support employees & communities.

2021 Named Chief Diversity Officer and continued investment in DE&I program. Refreshed materiality assessment.

2022 Initiated ESG strategy and goal update to reflect the significant Outdoor acquisitions and the Security business divestitures, as well as to align with our strategy as a more focused company.

2023 Building on the updated strategy, we have rebaselined and set new targets for our ESG pillars of people, product, and planet.



Our 2022 Performance

Delivered Well Against Our Previously Established Goals

People

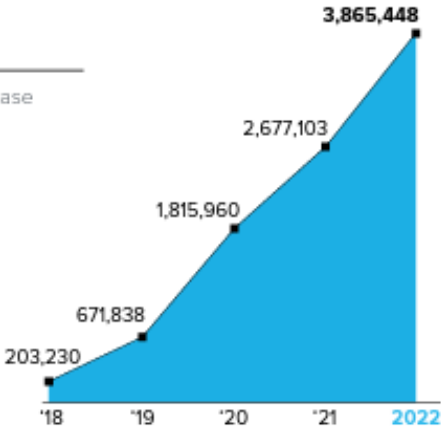
Empower Makers

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

PEOPLE EMPOWERED⁹

Empowering Makers Through Partnerships

Upskilling Our Employee Base



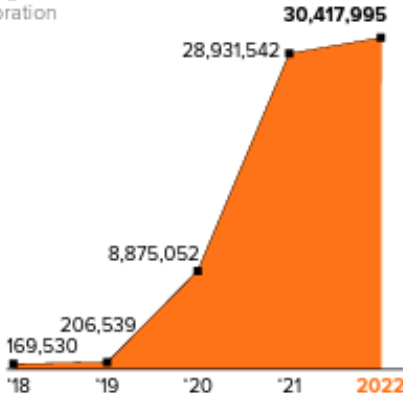
Product

Innovate with Purpose

Innovate our products to enhance the lives of 500 million people

LIVES ENHANCED¹⁰

Sustainable Innovation Through Internal and External Collaboration



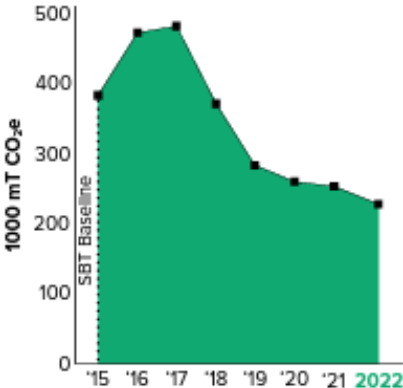
Planet

Create a More Sustainable World

Positively impact the environment through our operations

■ Scope 1 & 2 Emissions

Science-Based Target (SBT) trajectory—starting in 2018, maintain an ~8% annual reduction in our absolute carbon emissions from our 2015 baseline



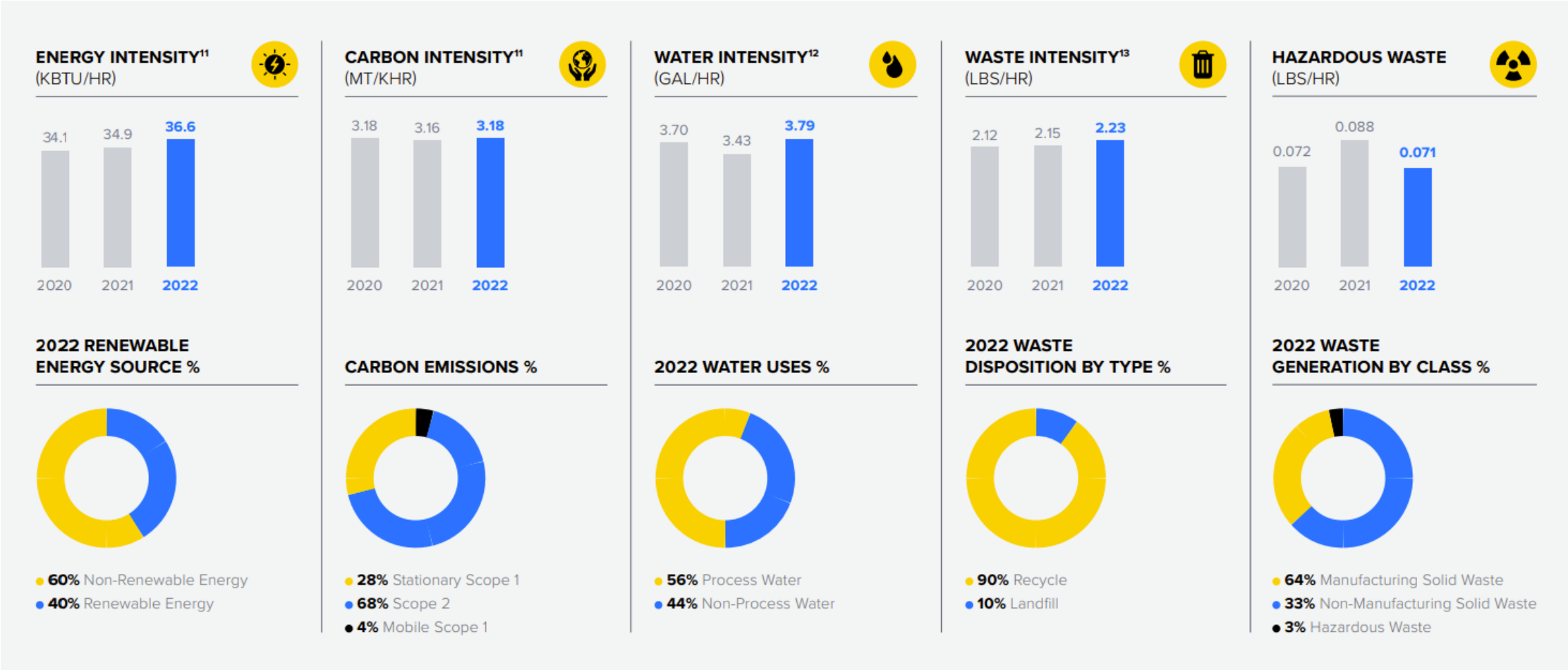
During 2022 We Initiated Our ESG Strategy & Goal Update To Reflect The Significant Outdoor Acquisitions And The Security Business Divestitures, As Well As To Align With Our Strategy As A More Focused Company

⁹ An Empowered Maker Is A Person Whose Capabilities Or Resources Have Been Enhanced Through Education, Equipment, Or Experiences Enabled By Stanley Black & Decker

¹⁰ We Consider An Enhanced Life To Be One That Is Improved Because The Person Chose And Use Our Enhanced Product Offering Over The Average Product Offering

2022 ESG Scorecard

Continuing To Measure Progress & Hold Ourselves Accountable As Our Sustainability Journey Evolves



¹¹ Energy intensity in kilo BTU demand per work hour; carbon intensity is CO2e in metric tonne emissions per thousand work hours

¹² Water intensity in withdrawal gallons per work hour

¹³ Waste intensity in total generation pounds per work hour. Recycle can include single and mixed stream; energy recovery; and material reuse/regeneration with or without treatment.

Refreshed ESG Goals Focused On Impact

ESG Focus Areas Align With Our Go-Forward Business Strategy & The UN Sustainable Development Goals

People

DE&I

Achieve Our 10-Point Racial Equity Roadmap And Improve Our Gender Representation At The Vice President Level And Above By 2027

Grow The Trades

Commit \$30 Million To Initiatives That Help Grow Skills For Tradespeople By 2027¹



Product

Scope 3

67% Of Suppliers By Spend Will Set Scope 1 And 2 Science Based Targets By 2027²
52% Reduction In Scope 3 GHG Emissions Intensity By 2030 From A 2022 Baseline³

Circular Design

We Plan To Continue To Engage Our Customers, Suppliers, And Other Stakeholders To Prioritize The Reduction And Elimination Of Problematic Plastics And Improve Packaging Sustainability, With A Specific Commitment Forthcoming By 2025



Planet

Scope 1 & 2

42% Reduction In Absolute Scope 1 And 2 GHG Emissions By 2030 From A 2022 Baseline⁴

Zero Waste To Landfill

100% Zero Waste To Landfill For Global Manufacturing And Distribution Sites By 2040⁵



1. Since 2021, \$6M cash and \$1.3M tool donations has been awarded to support this goal.

2. Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain.

3. For purposes of our goal, our Scope 3 emissions include only our emissions measured in Scope 3 categories 1, 4 and 11, because those emissions are the most significant and we have the ability to reduce them through our decision-making.

4. Scope 1: All direct emissions from those activities under our control, stationary and mobile, including fuel combustion on-site such as gas-fired furnaces and boilers. Scope 2: Indirect emissions from electricity purchased and used.

5. Zero Waste to Landfill (ZWTl) goal applies to our manufacturing facilities and distribution centers where we have control of the operations and Incineration with energy recovery is included in our ZWTl performance.

Sustainably Driving Our Business And Operations

“Our success going forward will be powered by our end user obsession, sustainable innovation, and a thriving, inclusive culture of excellence that embodies these clear priorities.” – Don Allan Jr., President & CEO

People

Advancing DE&I, Empowering Our People, And Growing The Trades

We have heightened our focus on tradespeople who now more than ever are key to our purpose, business and social ambitions. With that focus, we continue to advance our DE&I strategies and empower our people. Through strategic giving and involvement, we also continue to elevate our communities and those who make the world.

As Of 1/1/2023:

CEO & Direct Staff		Total Workforce	
42%	Women (Global)	35%	Women (Global)
25%	U.S. Diverse	35%	U.S. Diverse

Additional Disclosure Provided Within The Company’s EEO-1 Report, Which Is Available On Our Website

Product

Focused On Sustainable Innovation And Supply Chain

At our core, we believe and invest in responsible products. Our approach to product innovation has evolved into sustainability without compromise — reducing the environmental impacts of our products without sacrificing their performance.

As a maker of products for the makers of the world, we seek to bring positive benefits to our end users and customers while lessening their environmental footprint. We call this, driving innovation with purpose.

Planet

Focused On Sustainable Operations

At Stanley Black & Decker, we are focused and making clear progress across our global enterprise on reducing our overall operational environmental footprint, including energy (Scope 1 and Scope 2), water and waste.

We conduct site energy audits to help identify opportunities to eliminate energy waste and correct energy use that is inefficient. We also pursue Renewable Energy Credits as an integral part of our Green House Gas emissions reduction plan.

Incorporating ESG To Deliver Value For Our Stakeholders

Governance

StanleyBlack&Decker



Governance Policies Aligned With Best Practices

- Commitment To Balanced Board Refreshment With A Mixture Of Director Tenures
- Independent Board, Other Than Our President & CEO
- Independent Board Chair
- Proxy Access
- No Poison Pill
- Proactive Lowering Of Minimum Threshold For Shareholders To Call Special Meeting From 35% To 25%
- Shareholder-Supported Annual Say-On-Pay Vote
- Board And Committee Oversight Of ESG Policies And Practices
- No Excise Tax Gross-Ups Under Change-In-Control Agreements With Executive Officers
- Mandatory Director Retirement At Age 75
- Director Overboarding Policy
- Meeting Of Independent Directors In Executive Session At Each Regularly Scheduled Board Meeting
- Policy Against Hedging Or Pledging Of Company Stock Applicable To All Directors, Executive Officers And Employees
- Recoupment Policy Related To Equity And Cash Incentive Compensation Of All Executive Officers
- Robust Stock Ownership Guidelines For Directors And Executive Officers
- Shareholder Right To Act By Written Consent And To Amend Bylaws By A Majority Vote
- Annual Board And Committee Self-Assessments
- Shareholder-Approved Director Fee Cap
- Double Trigger Vesting Provisions Requiring Change In Control And Qualifying Termination Of Employment Under Equity Plans
- Annual Election Of Directors, With Majority Standard For Uncontested Elections

Proactive Alignment With Shareholders

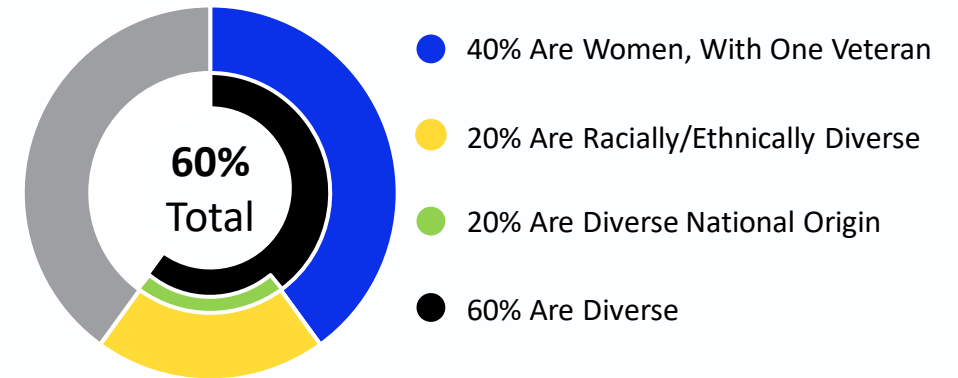
- ✓ Continuous Board Refreshment, Including The Addition Of Two Independent Directors And A New Independent Chair During 2022
- ✓ Proactively Adopted A Proxy Access Provision
- ✓ Added SASB Disclosure As An Enhancement To Our Existing GRI-Based CSR Reporting
- ✓ Proactively Amended Our Bylaws To Reduce Minimum Aggregate Stock Ownership Threshold For Calling A Special Meeting From 35% To 25%
- ✓ Enhanced Disclosures On Board Refreshment And Qualifications Through The Board Skills Matrix
- ✓ Enhanced Disclosures On And Procedures Related To The Board's Commitment To Diversity, Including A Commitment In The Corporate Governance Committee's Charter To Take Reasonable Steps To Include Diverse Candidates In The Process Of Identifying Potential Director Nominees
- ✓ Implemented Changes To The Executive Compensation Program As Outlined On Page 51 Of The ESG Report And Further Described In The Proxy Statement On Pages 32-33.
- ✓ Enhanced Disclosure Of Corporate Governance Committee Oversight Of The Company's Policies, Objectives And Practices Regarding ESG Strategy
- ✓ Advanced Disclosures Relative To Disaggregated Employee Diversity Data And Made Our EEO-1 Report Public
- ✓ Evaluation By The Board, Following The ESG Goal Reset, Of The Potential Integration Of ESG-Related Metrics That Drive Long-term Value Creation Within The Incentive Compensation Program.
- ✓ Continue To Advance Our Existing Climate Change-Related Disclosures

Board Independence

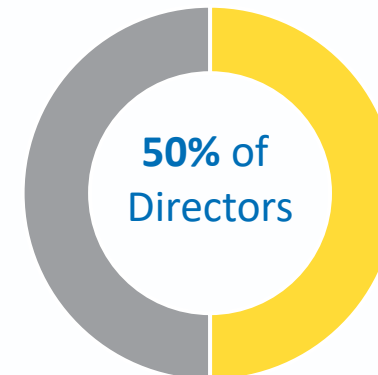
- ✓ Independent Chair Or Independent Lead Director Since 2000
- ✓ Offices Of Chair And CEO Separated In January 2017
- ✓ Independent Directors Meet In Executive Session At Every Regularly Scheduled Board Meeting
- ✓ Board Adopted Director Independence And Corporate Governance Guidelines
 - » 50% Of Directors Have CEO Experience
 - » 30% Have Climate-Related Risk Experience
 - » 100% Have DE&I Experience
 - » 70% Have CSR Experience
- ✓ Five Independent Directors Added In The Last Three Years
- ✓ Average SWK Board Tenure 5 Years
- ✓ Fully Independent Audit, Corporate Governance, Compensation & Finance Committees
- ✓ Director Overboarding Policy

Board Diversity

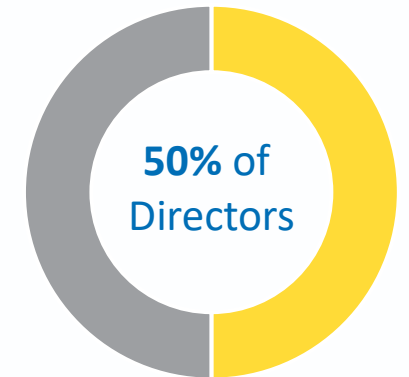
Gender And Racial/Ethnic Diversity^{*(a)}



Global Experience^{*(b)}



CEO Experience^{*}

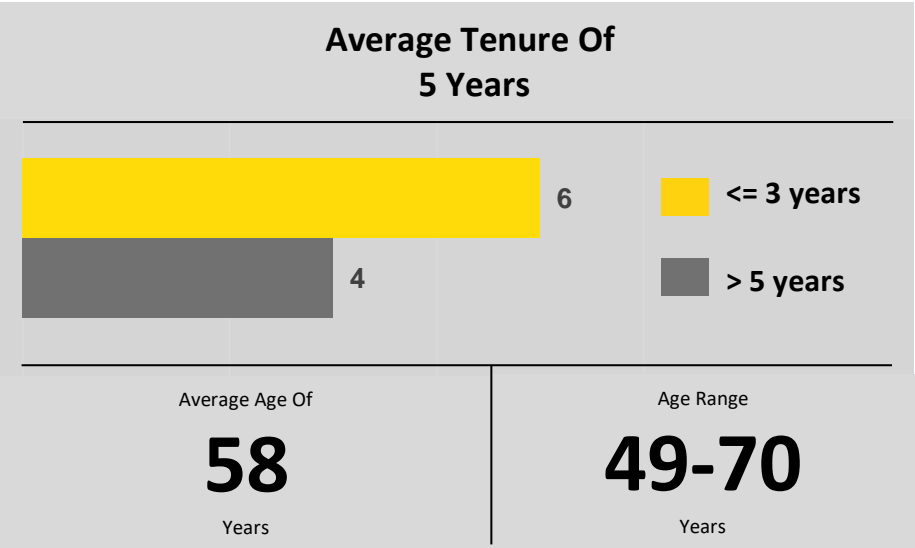


Corporate Governance

Board Composition And Governance Features

- ✓ Independent Chairperson
- ✓ 5 New Non-Management Directors In The Last 3 Years
- ✓ Balance Of Institutional Knowledge And Fresh Perspective
- ✓ Key Governance Features:
 - ✓ Proxy Access
 - ✓ Annual Say-On-Pay Vote
 - ✓ Recoupment Policy Relating To Equity And Cash Incentive Compensation Of All Executive Officers
 - ✓ Robust Stock Ownership Guidelines For Directors & Executive Officers

Board Refreshment And Tenure¹



Management Incentives Support Our Long-Term Objectives²

Annual Incentives On
Performance Against:

Adj. EPS³ | Free Cash Flow \$³ | Adj. Gross Margin³

Long-Term Incentives On Pre-Established
Performance Goals On:

Organic Growth³ | CFROI³ | Relative TSR

During 2022 And 2023, The Company Updated Its ESG Strategy And Goals To Re-Baseline Social And Environmental Factors To Reflect The Significant Outdoor Acquisitions And The Security And Oil & Gas Business Divestitures, As Well As To Align With Its Strategy As A More Focused Company. In Light Of This Goal Reset, The Board Is Evaluating ESG-Related Metrics That Drive Long-Term Value Creation, And Their Potential Integration Within The Incentive Compensation Program.

Corporate Governance Policies That Align The Interests Of Management With Shareholders

Independent, Experienced & Diverse Board Of Directors

Andrea J. Ayers



Chair

Stanley Black & Decker

Retired President & CEO, Convergys Corporation

- ✓ *Expertise In Multi-Channel Customer Experience, Customer Management Analytics & Technology*
- ✓ *Led Transformation Of Convergys From A Company With Three Business Lines To A Customer Management Solutions Company With Nearly 125K Employees Worldwide*

Donald Allan, Jr.



President & CEO

Stanley Black & Decker

- ✓ *Expertise In Finance And Accounting And Deep Knowledge Of The Company's History And Operations Through His Long Tenure In Financial Positions With The Company*
- ✓ *Over 25 Years In Financial Management Positions, Including Over 20 Years With The Company, Prior To Becoming President & CEO*

Patrick D. Campbell



Retired SVP & CFO

3M Company

- ✓ *Expertise In Finance, M&A & Information Technology*
- ✓ *25 Years At General Motors With Extensive International CFO Experience*

Debra A. Crew



*Chief Executive Officer**

Diageo

- ✓ *Expertise In Consumer/Retail, Branding, Marketing, Operations And Strategy, With A Record Of Success With Leading Global Consumer Products Companies*
- ✓ *Global Perspective With Proven Commercial Capabilities And Exposure To World-Class Innovation Planning Processes*

Michael D. Hankin



President & CEO

Brown Advisory Incorporated

- ✓ *Expertise In Financial & Investment Planning, Capital Structure, Valuation & Cybersecurity*
- ✓ *Grew Brown Advisory From \$1.5B To Over \$130B In Assets Under Management*

Robert J. Manning



Retired Chairman & CEO

MFS Investment Management

- ✓ *Expertise In Building Corporate Value And Evaluating Corporate Capital Allocation, Operating Systems And ESG Strategies*
- ✓ *More Than Three Decades Of Financial Services Experience And Leadership And Deep Understanding Of Investor Community*

Independent, Experienced & Diverse Board Of Directors

Adrian V. Mitchell



Chief Operating Officer & CFO
Macy's, Inc.*

- ✓ *Leads All Of Macy's Finance Functions*
- ✓ *Expert Knowledge In Corporate Strategy And Finance Coupled With Operations Experience And Extensive Experience With Technology, Digital, Data And Advanced Analytics*

Jane M. Palmieri



*President, Industrial Intermediates & Infrastructure
Dow Inc.*

- ✓ *Demonstrated Record Of Leading Global Industrial Operating Segments And Has Executive Oversight For Dow Business In Asia Pacific*
- ✓ *Experienced In Sales, Digital Marketing Innovation, M&A And Operations With Background In Engineering & Product Design*

Modjeh Poul



*Retired Executive Vice President, Health Care Business Group
3M Company*

- ✓ *Built And Led Teams Across Different Functions, Businesses And Geographies, Including In Highly Regulated Industries And Businesses Requiring Strong Market Development Expertise*

Irving Tan



*EVP, Global Operations
Western Digital Corporation*

- ✓ *Expertise In Operating Strategy, M&A, Innovation & Digital Transformation*
- ✓ *Global Perspective & Deep Knowledge Of Asian Markets*

Board Composition

Board of Directors Experience Matrix²⁰

Skills and Experience	Andrea J. Ayers	Donald Allan, Jr.	Patrick D. Campbell	Debra A. Crew	Michael D. Hankin	Robert J. Manning	Adrian V. Mitchell	Jane M. Palmieri	Mojdeh Poul	Irving Tan
Active Executive experience provides current insight into the best practices and challenges of leading a complex organization.	–	✓	–	✓	✓	✓	✓	✓	✓	✓
CEO experience provides insight into leading a complex organization like ours with transparency and integrity.	✓	✓	–	✓	✓	✓	–	–	–	–
Public Company/Corporate Governance experience furthers our goals of transparency, protection of shareholder interests and implementation of best practices in corporate governance.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Social Responsibility experience is important in managing risk and furthering long-term value creation for shareholders by operating in a sustainable and responsible manner.	✓	–	✓	–	✓	✓	–	✓	✓	✓
Digital experience is relevant to understanding and evaluating the Company's efforts in areas such as eCommerce and data and analytics.	✓	–	–	–	–	✓	✓	✓	✓	✓
Finance/Capital Allocation experience enables effective monitoring of the Company's financial reporting and control environment; assessment of its financial performance; oversight of mergers and acquisitions; and ensuring appropriate shareholder return.	✓	✓	✓	–	✓	✓	✓	–	✓	✓
Legal/Regulatory/Government Affairs experience enhances understanding of legal matters and public policy issues.	–	–	–	✓	✓	✓	–	–	✓	✓
Human Capital experience is relevant to effective review of our efforts to recruit, retain and develop top talent.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Product Development experience provides insight into ideation, research and development, and commercialization of products and services.	–	–	✓	✓	–	✓	–	✓	✓	–
Manufacturing/Logistics/Supply Chain experience enhances the Board's ability to oversee cost-effective, technology-driven manufacturing and logistics processes.	–	✓	✓	✓	–	–	✓	✓	✓	✓
Global Operations experience facilitates assessment of the Company's complex, international operations.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
M&A and Corporate Strategy experience provides insight into assessing M&A opportunities for a strategic fit, strong value creation potential and clear execution capacity.	✓	✓	✓	✓	✓	✓	–	✓	✓	✓
Risk Management experience is important to the identification and mitigation of significant risks.	✓	✓	✓	✓	✓	✓	–	✓	✓	–
Innovation/Technology/Cybersecurity experience enhances the Board's ability to appraise our progress in executing the strategy of becoming known as one of the world's leading innovators.	✓	–	✓	✓	✓	✓	✓	–	✓	✓
Sales/Marketing/Brand Management experience provides insights into the sales and marketing process and increasing the perceived value of our brands in the marketplace.	–	–	✓	✓	–	✓	✓	✓	✓	✓
Climate-Related Risk experience strengthens the Board's oversight of environmental policies, ESG initiatives and reporting.	–	–	–	–	✓	✓	–	✓	–	–
Diversity, Equity and Inclusion experience strengthens the Board's oversight of diversity, equity and inclusion efforts, corporate citizenship, social responsibility and workplace culture.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Committee Structure

Our Board Administers Its Strategic Planning And Risk Oversight Function As A Whole And Through Its Board Committees. It Is The Policy Of The Board That Every Member Of The Audit, Corporate Governance, Compensation And Talent Development, And Finance And Pension Committees Should Be Independent.

Audit Committee



Campbell (C)



Hankin



Mitchell



Poul



Tan

Corporate Governance Committee



Tan (C)



Manning



Mitchell



Palmieri

Compensation & Talent Development Committee



Crew (C)



Ayers



Campbell



Manning



Poul

Finance & Pension Committee



Hankin (C)



Ayers



Crew



Palmieri

Executive Committee



Ayers (C)



Allan



Campbell



Crew



Hankin



Tan

Key Responsibilities Of These Committees

- Talent Development And Succession Planning
- Oversight Of ESG Strategy, Reporting And Communications
- Risk Oversight (Including Cybersecurity & ESG)
- Identifying Individuals Qualified To Become Board Members And Recommending Director Nominees For Election
- Evaluating And Recommending To The Board Regarding Executive Compensation Plans
- Reviewing Company's Financial Condition And Capital Allocation Strategy
- Board And Committee Self-Evaluation

Management Compensation Aligned With Performance

Executive Compensation Philosophy Tenets

Pay For Performance

- Majority Of Annual And Long-Term Compensation Is Performance Based, Being Directly Linked To Both Absolute And Relative Company Performance Against Preset Goals
- Annual Incentive Goals Align With Our Earnings Guidance
- Three-Year Performance Plan Goals Are Linked To Our Strategic Framework, Long-Term Financial Objectives And Relative Total Shareholder Return

Competitive Pay

- To Attract And Retain High Caliber Executive Talent, Total Target Compensation, And The Individual Components Thereof, For Our Named Executive Officers, Are Generally Aligned At The Median Of Our Compensation Peer Group And Published Surveys (As Described On Pages 47-48 Of Our [Proxy Statement](#))

Align Pay With Shareholder Interests

- Our Compensation Program Is Designed To Ensure That Executives' Interests Are Aligned With The Long-Term Interests Of Our Shareholders Through Stock-Based Compensation, Stock Ownership Requirements, And Performance Metrics That Drive Sustainable Shareholder Value Creation

Balanced Pay Mix

- The Mix Of Compensation Among Base Salary, Annual Incentive Compensation And Long-Term Incentive Compensation Is Designed To Balance Our Executives' Focus Between Both Short- And Long-Term Objectives As Prioritized By The Board

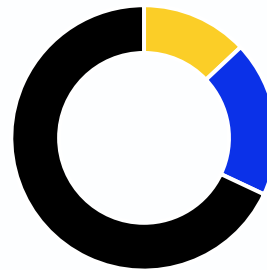
2023 Compensation Program Changes

The Compensation And Talent Development Committee Has Made These Changes In Consideration Of Shareholder Feedback And To Improve Strategic Alignment

- Eliminating The Use Of Adjusted EPS As A Metric In The Long-Term Incentive Plan And Replacing It With Organic Sales Growth Relative To Market
- Replacing Our Custom Long-Term Incentive Plan Peer Group For Measuring Relative TSR With The S&P 500 Capital Goods Index To Better Align With Our Current Portfolio Of Businesses¹
- Including A Modifier To The Annual Compensation Plan, Based Upon Achievement Relative To Our Global Cost Reduction Program

Pay For Performance Philosophy

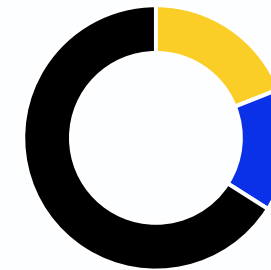
President & CEO



- 13% Salary
- 19% Bonus
- 68% Long-Term Equity Incentives

- ✓ Beginning In Dec'22, Stock Options And RSUs Vest Ratably Over Three Years (One-Third On Each Anniversary Of The Grant Date)
- ✓ Robust Stock Retention Guidelines

Other NEOs



- 19% Salary
- 15% Bonus
- 66% Long-Term Equity Incentives

- ✓ CEO Long-Term Incentive At Least 50% Performance Units
- ✓ Long-Term Performance Units (Three-Year Plan) Tied To Pre-Established Financial Goals Linking Pay With Our Strategic Initiatives