

MASCO



**2023** CORPORATE SUSTAINABILITY REPORT

# TABLE OF CONTENTS

<b>EXECUTIVE MESSAGE .....</b>	<b>5</b>
<b>CORPORATE SUSTAINABILITY .....</b>	<b>6</b>
<b>PROFILE .....</b>	<b>6</b>
<b>BRANDS, PRODUCTS AND MARKETS.....</b>	<b>7</b>
Plumbing Products.....	7
Decorative Architectural Products .....	7
Significant Changes.....	7
<b>SCALE .....</b>	<b>8</b>
Operations .....	8
Supply Chain.....	8
Workforce.....	9
Collective Bargaining.....	9
Masco Operating System .....	9
<b>ECONOMIC PERFORMANCE .....</b>	<b>10</b>
Core Financials.....	10
Revenue from Sustainable Products .....	10
<b>INNOVATION .....</b>	<b>11</b>
Vitality .....	11
Intellectual Property.....	11
<b>GOVERNANCE .....</b>	<b>12</b>
Ethics and Compliance Program .....	13
Our Code of Ethics .....	13
Our Policies .....	13
Reporting .....	13
<b>BOARD STRUCTURE .....</b>	<b>15</b>
Audit Committee.....	15
Compensation and Talent Committee .....	16
Corporate Governance and Nominating Committee.....	17
<b>RISK MANAGEMENT .....</b>	<b>18</b>
Board Oversight .....	18
Data Protection and Cybersecurity .....	19
Supplier Business Practices Policy .....	19
Conflict Minerals Policy .....	19
Human Rights Policy .....	19

**ENVIRONMENTAL SUSTAINABILITY ..... 20**

- ENERGY .....21**
  - Energy Consumption .....21
- EMISSIONS .....22**
  - Carbon Emissions .....22
  - Carbon Intensity .....22
- WATER.....23**
  - Water Use .....23
  - Water Use in Stressed Locations.....23
  - Water Risk Management .....23
- WASTE .....24**
  - Waste Intensity .....24
  - Product Lifecycle Management.....24
- CHEMICAL RESPONSIBILITY .....25**
  - Managing Product Risk .....25
  - Managing Emerging Concerns .....25
  - External Initiatives.....25

**INVESTING IN OUR EMPLOYEES..... 26**

- Employee Safety .....26
- LEADERSHIP & EMPLOYEE EXPERIENCE .....27**
  - Building a Pipeline of Great Masco Leaders .....27
  - Enabling High Performance and Continuous Development .....28
  - Supporting Holistic Well-being and Providing Competitive Total Rewards .....30
  - Engaging and Retaining by Continuously Listening and Improving .....31
  - Turnover .....31
- DIVERSITY, EQUITY AND INCLUSION .....32**
  - Our Enterprise DE&I Strategic Framework .....33
  - DE&I Guiding Principles .....34
  - DE&I Aspirational Goals .....34
  - Our U.S. Workforce at a Glance .....34
  - Inclusive Talent Practices .....34
  - Platforms and Partnerships for Learning and Progress .....35
  - Supplier Diversity Program .....36

<b>SUSTAINABLE COMMUNITIES .....</b>	<b>37</b>
<b>ADVOCACY .....</b>	<b>37</b>
<b>VOLUNTEERISM .....</b>	<b>38</b>
<b>PHILANTHROPY .....</b>	<b>39</b>
2023 Overview .....	40
Matching Gift Program .....	41
<b>REPORTING .....</b>	<b>42</b>
<b>MATERIALITY .....</b>	<b>42</b>
Entities .....	42
Defining Report Content .....	42
Material Aspects and Boundaries .....	43
Significant Changes .....	43
<b>STAKEHOLDER ENGAGEMENT .....</b>	<b>44</b>
Groups .....	44
Selection .....	44
Approach .....	45
Concerns .....	45
<b>REPORTING PROFILE .....</b>	<b>45</b>
Reporting Period .....	45
External Assurance .....	45
Date of Previous Report .....	45
Reporting Cycle .....	45
Report Contact .....	45
<b>STANDARDS TRACEABILITY .....</b>	<b>46</b>
<b>CAUTIONARY STATEMENTS .....</b>	<b>50</b>

## AT MASCO, WE BELIEVE IN BETTER LIVING POSSIBILITIES.

Masco Corporation is a global leader in the design, manufacture and distribution of branded home improvement and building products. Our portfolio of products enhances the way consumers all over the world experience and enjoy their living spaces.

Our founder, Alex Manoogian, arrived in the United States in 1920 with \$50 in his pocket and a relentless drive to make a better life for himself and his family. Decades later, that drive continues to permeate every aspect of our business.

We believe in better living possibilities—for our homes, our environment, and our communities. Across our businesses and geographies, we seek out possibilities to better ourselves, enhance our consumers' lives, improve the world around us, and create long-term value for our shareholders.



# EXECUTIVE MESSAGE

*To Our Shareholders, Employees, Customers, Community Members and Other Stakeholders:*

One of Masco's core values is to continually seek improvement. It is with that mindset that we approach every aspect of our business, including our efforts in sustainability. An important check-in to our progress, for us and for our many stakeholders, comes each year when we update this Report. I'm pleased to share that our year in review shows that our team continues to seek new answers and better results to today's challenges, while the Company continues to grow stronger and more resilient.

We are committed to continuous progress in transparency and accountability, and I'm proud that, in addition to this Report, Masco participates in the CDP and other reporting initiatives to provide investors and consumers with our latest ESG information.

In 2023, we announced a goal to reduce our scope 1 and 2 absolute greenhouse gas emissions by 50% by 2030 compared to 2020. To set our goal, we recently recalculated our baseline 2020 carbon emission in order to maintain consistency and comparability of the data over time, following structural changes within the Company (page 21). By setting an updated baseline, we are helping to ensure accurate and consistent carbon reporting. In addition, demonstrating our commitment to renewable energy, we are now reporting on market-based emissions.

As you will read in the following pages, our work is wide-ranging, and our commitment has never been stronger. I'm pleased to share with you a few highlights of our work in 2023:

- Hansgrohe recently introduced a shower hose, Designflex, made from recycled plastic bottles. (page 11)
- In late 2023 and early 2024, our Bristan Group team undertook the process of installing 1,666 individual solar panels to power its UK headquarters and distribution center. (page 20)
- Masco Support Services' returns management processes, including both Kraus returns and the Delta® Recertified program, prevented over 780 tons of resalable product from ending up in landfills in 2023. (page 24)
- Masco and our business units donated over \$7 million through cash and in-kind product to nonprofits across the U.S. and Canada. (page 40)

As you can see by these few examples, at Masco, we continuously strive to deliver better living possibilities – for our homes, our environment, and our communities. Our ESG strategy is putting our purpose into action. By setting goals, implementing innovative initiatives, benchmarking our progress, and fostering meaningful partnerships, I am confident that we are playing a part in paving the way for a more sustainable tomorrow.



Keith J. Allman, President and Chief Executive Officer



# CORPORATE SUSTAINABILITY

95 years ago, our founder, Alex Manoogian, started Masco Screw Products Company to serve the needs of Detroit's growing auto industry. Little did he know that this company would grow into Masco Corporation and find itself among the most successful manufacturing companies in the United States, thriving as a publicly-traded company on the New York Stock Exchange, and producing an array of branded home improvement products that would become staples in the American household.

With nearly a century of experience guiding our strategy and operations, Masco is committed to maintaining a sustainable business model for our customers, consumers, shareholders, employees and communities. For us, this means continuing to create innovative products that customers trust, demonstrating strong financial responsibility to serve those who invest in our Company, maintaining our reputation as an employer of choice in a diverse job market, and being a catalyst for good in each neighborhood in which we operate. With these goals guiding our vision, Masco is poised to deliver better living possibilities for generations to come.



*Founded in 1929*



*Headquartered in Livonia, Michigan*



*Publicly traded on the NYSE (Ticker: MAS)*



## PROFILE

Headquartered in Livonia, Michigan, Masco Corporation is a publicly-traded company incorporated in the state of Delaware. Our common stock is traded on the New York Stock Exchange (NYSE) under the symbol MAS.

Masco is a global company with the majority of our facilities located in North America. Some of our business units operate in other countries. Our international facilities are principally located in Europe and China.

# BRANDS, PRODUCTS AND MARKETS

Masco Corporation is a global leader in the design, manufacture and distribution of branded home improvement and building products. Our portfolio of industry-leading brands enhances the way consumers all over the world experience and enjoy their living spaces.

## Plumbing Products

We are a leading provider of decorative and functional plumbing products with broad distribution channels worldwide. Through our premier brands, we offer an array of products, including faucets, showerheads and handheld showers, plumbing fittings and valves, bath hardware and accessories, bathing units, shower bases and enclosures, shower drains, steam shower systems, water handling systems, sinks, kitchen accessories, toilets, spas, exercise pools, aquatic fitness systems and saunas.



## Decorative Architectural Products

We are a leading supplier of architectural coatings sold for use in the Do-It-Yourself and Pro markets in the United States and Canada. This segment primarily includes paints, primers, specialty coatings, stains and waterproofing products, as well as paint applicators and accessories. This segment also includes decorative indoor and outdoor lighting and landscape lighting, cabinet and door hardware, and functional hardware.



## Significant Changes

In 2023, we acquired all of the share capital of Sauna360 Group Oy (“Sauna360”), a manufacturer of traditional, infrared and wood-burning saunas, to expand our wellness product offerings.

AXOR

amerec

BEHR

BRAINERD

BrassCraft

BRIZO

BRISTAN  
TAPS SHOWERS

CalderaSpas

DELTA

élan

ENDLESS POOLS

FANTASY SPAS

Franklin Brass

FREEFLOW SPAS

GINGER  
Luxury For Your Lifestyle

hansgrohe

helo

HERITAGE  
BATHROOMS

finnleo

HotSpring  
Every day, your best.

KASTOR

KICHLER

KILZ

Kräus

LIBERTY

Master Plumber

Mercury  
Plastics

mirolin

NEWPORT BRASS  
Timeless Beauty, from Faucet to Finish.

PEERLESS

PLUMBSHOP

TYLÖ  
REDEFINING WELLNESS

VaporTech

VORTEX  
QUICK. EASY. SECURE.

WALTEC

WHIZZ





## SCALE

### **Operations**

In 2023, we operated 86 principal properties worldwide. We had significant operations in North America, Europe and China. Most of our facilities range from single warehouse buildings (27 in North America and 17 internationally) to complex manufacturing facilities (30 in North America and 12 internationally). We lease our corporate headquarters in Livonia, Michigan, and we own a building in Taylor, Michigan that is used by our Masco Technical Services (research and development) department. We continue to lease an office facility in Luxembourg, which serves as a headquarters for most of our international operations.

### **Supply Chain**

We partner with a global supply base to manufacture and distribute products to our customers and channel partners. In 2023, our more than 10,000 global suppliers provided us with raw materials, components, sub-assemblies, manufacturing services, finished goods, and indirect goods and services. Many of the suppliers upon whom we rely are located in countries outside of the United States. The differences in business practices, shipping and delivery requirements, and laws and regulations have increased the complexity of our supply chain logistics and the potential for interruptions in our production scheduling. Therefore, we have continued to seek and realize supply chain efficiencies through strategic sourcing. We also have agreements with certain significant suppliers to help ensure continued availability.

Additionally, our Supplier Business Practices policy (see page 19) requires that all Masco suppliers meet specific criteria for human rights, prohibitions on forced labor, working conditions, and the protection of the environment. We have a comprehensive audit program in place to ensure that our global suppliers adhere to the criteria in our Supplier Business Practices policy. Our mature SBP program has been in place since 2007 and is updated as regulations and stakeholder expectations change.

## Workforce

In 2023, Masco employed approximately 18,000 employees in about 43 countries. Of these employees, approximately 48 percent worked in the United States.

## Collective Bargaining

By the end of 2023, there were no longer any U.S. employees covered by a collective bargaining agreement. In countries outside of the U.S., collective bargaining agreements are more common for employees. For example, at Hansgrohe 59 percent of our workforce is covered by a collective bargaining agreement.

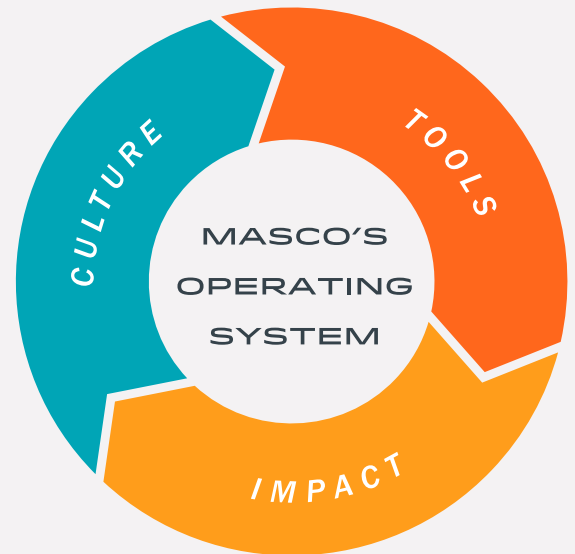


## The Masco Operating System

The Masco Operating System (MOS) is our enterprise approach to continuous improvement and value creation for our shareholders. While our business units vary in their product offerings and customers, MOS is embedded across the organization. As the collective approach to running our business, MOS is a virtuous cycle—one that enables our employees to speak a common language, share best practices and succeed through continuous improvement. With MOS, Masco strives to deliver results through:

- A culture of continuous improvement where we get better each day.
- A set of standardized tools that improve our processes, products and people.
- A relentless pursuit of improvement in critical areas of the business that have the highest impact.

By focusing on culture, tools and impact, we continuously elevate our enterprise and create more cost-effective, innovative solutions for our customers.



# ECONOMIC PERFORMANCE

## Core Financials

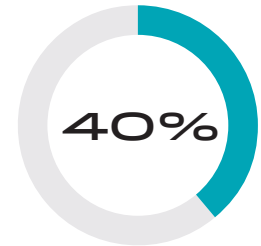
Masco's net sales for 2023 were approximately \$8.0 billion. Information about our financial performance can be found in our Annual Report (which includes our Form 10-K), available at <https://investor.masco.com/home/default.aspx>.

## Revenue from Sustainable Products

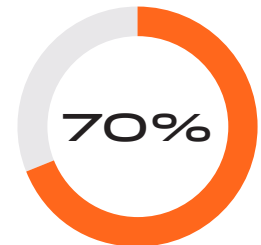
Masco believes in creating products that our customers trust to deliver better living possibilities for their homes and our shared environment. With this goal in mind, some of our companies track the percentage of revenue generated from the sale of sustainable products. In 2023, our sustainable products included items such as paints that meet the GREENGUARD® certification for low chemical emissions or MPI Green Performance™ Standard for low chemical emissions; taps and mixer products that meet water flow rates in standards such as WaterSense®, the European Water Label, and Building Research Establishment Environmental Assessment Method; and lighting fixtures that use LED and/or reclaimed wood products. Our Watkins Wellness company also offers spa products such as the HotSpring® FreshWater® Salt System which extends the life of the water in the spa, enhancing water conservation.

*WaterSense® is a registered trademark of the Environmental Protection Agency. UL GREENGUARD® is a registered trademark of UL LLC. MPI® Green Performance® Standard is a registered trademark of the Association for Materials Protection and Performance, Inc.*

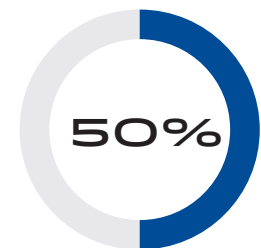
APPROXIMATE PERCENT OF 2023 REVENUE FROM SUSTAINABLE PRODUCTS BY SEGMENT



Plumbing Products



Decorative Architectural Products



Masco Total



## KRAUS INNOVATES WITH RECYCLED OCEANBOUND PLASTIC

Ocean plastic isn't going away. In fact, the United Nations Environment Program estimates that 11 million metric tons of plastic waste enters our oceans each year.

One way the team at Kraus is helping turn the tide is through a partnership with Oceanworks, an organization that helps brands take action against plastic pollution.

Kraus' Purita™ system not only helps to reduce single-use plastic waste, with each set of filters providing as much clean water as 5,300 standard 16.9 oz. bottles, but it has also incorporated Oceanworks reclaimed oceanbound plastic into the filter cartridge housing of the company's award-winning Purita™ 2-Stage Water Filtration System.

# INNOVATION



## ***Vitality***

New product innovation has been a hallmark of our success and continues to drive our growth, with approximately 25 percent of our sales in 2023 coming from new products introduced in the prior three years.

## ***Intellectual Property***

Protecting our intellectual property is important to our growth and innovation efforts. We own a number of patents, trade names, brand names and other forms of intellectual property in our products and manufacturing processes throughout the world. In 2023, approximately 1,400 patents and trademark registrations were granted to Masco worldwide. The total number of patent and trademark applications that we filed during 2023 was approximately 900. Foreign grants and filings accounted for 79 percent and 82 percent, respectively, of the total grants and filings.

## HANSGROHE INTRODUCES DESIGNFLEX SHOWER HOSE

In 2023, Hansgrohe introduced the Designflex textile shower hose, which is designed with robust yarn made from recycled plastic bottles. Like the recycled yarn used in other products that require enormous weather resistance, such as sailing technology, outdoor furniture and medical technology, the recycled PET material guarantees durability and resistance to moisture. The innovative product weighs around 30 percent less than a conventional premium brand shower hose. And, with its tightly woven yarn creating a dirt-repellent surface, the Designflex shower hose is particularly easy to clean. Available in six colors, the Designflex shower hose is compatible with all standard hand showers for easy installation.

Designflex shower hose is not just a modern design piece; it also supports a sustainable lifestyle.



# GOVERNANCE

At Masco, we have a high-performance ethical culture and foster a mindset of continuous improvement that enables the growth of our employees, both personally and professionally. Whether it's product, people or process, we strive to make everything we touch better. This everyday focus on continuous improvement translates to a genuine human impact—creating better living spaces, better work environments and better communities.

*Our high-performance ethical culture reflects our values:*

## CULTIVATE HIGH PERFORMANCE **TEAMS**

We value teamwork and trust. We foster openness and candor, supporting courageous conversations. We assume positive intentions and believe there is a shared desire for the best Masco outcome.

## **RESPECT** THE INDIVIDUAL

We appreciate that the basis of our advantage is people; we respect individuals, encourage self-awareness and foster continuous improvement.

## FOCUS ON THE **CUSTOMER**

We are committed to our customers (internal and external) — understanding them and exceeding their expectations. We listen actively and let their needs drive our organizational solutions which are timely, high quality and add value.

## DRIVE FOR **RESULTS**

We bring energy to our work as we drive results for the Company. We do what we say we are going to do and hold ourselves accountable. We steadfastly push ourselves and others for results.

## CONTINUOUSLY **IMPROVE**

We challenge the status quo and take intelligent risks... always learning from our mistakes. We continuously improve and never stop learning.

## **Ethics and Compliance Program**

Maintaining the highest standard of ethics in the conduct of our business is our corporate policy and is the foundation of our Company's culture. We have built a strong reputation for ethical business practices, and this reputation is one of our most valued assets.

Masco's Ethics and Compliance Program supports our culture of integrity and consists of a number of elements designed to help our directors, officers and employees understand our commitment to ethical business practices.

- Our Board of Directors is committed to maintaining our high standards of ethical business conduct and corporate governance principles and practices. Our Audit Committee has oversight responsibility for compliance with legal and regulatory requirements, including our employees' and directors' compliance with our Code of Ethics.
- Our Vice President, General Counsel and Secretary has executive oversight responsibility for our Ethics and Compliance Program.
- Our Company's management is responsible for creating a positive workplace culture that encourages and demonstrates ethical leadership and respect for others.
- Our employees around the world learn about our ethical culture through multiple channels and in multiple languages and are expected to live by our Code of Ethics every day.

## **Our Code of Ethics**

Our Code of Ethics requires that all Masco employees, officers and directors comply with our Company policies and procedures and follow the laws that apply where we do business. We communicate to all our employees the channels through which our Code of Ethics is available and provide our Code of Ethics and Code of Ethics training to all new employees as part of our onboarding process. Annually, our salaried employees are trained on our Code of Ethics and are required to provide certification of compliance with our Code of Ethics. Our Code of Ethics is publicly available on our website at [masco.com/sustainability/corporate-governance/](https://masco.com/sustainability/corporate-governance/).

## **Our Policies**

We have formal written policies that address bribery and corruption, antitrust and fair competition, conflicts of interest and gifts and entertainment, health and safety, financial reporting, insider trading, data privacy, discrimination and other areas of risk. We periodically train our employees on these and other governance topics, including cybersecurity.

## **Reporting**

Our employees are encouraged to report activity they believe to be illegal or unethical. We have communicated through our Code of Ethics and through our training program how our employees can report concerns. We provide multiple ways that employees can report concerns, including through our Ethics Hotline, which provides a confidential reporting option and an anonymous reporting option where permitted by law, and is available in multiple languages. We will not retaliate against anyone who makes a good faith report about a violation of the Code or other illegal or unethical conduct.



## OUR BOARD AT A GLANCE



### **INDEPENDENT CHAIR OF THE BOARD:**

Lisa A. Payne (Appointed May 2021)

In 2023, we refreshed our Board membership with the appointment of

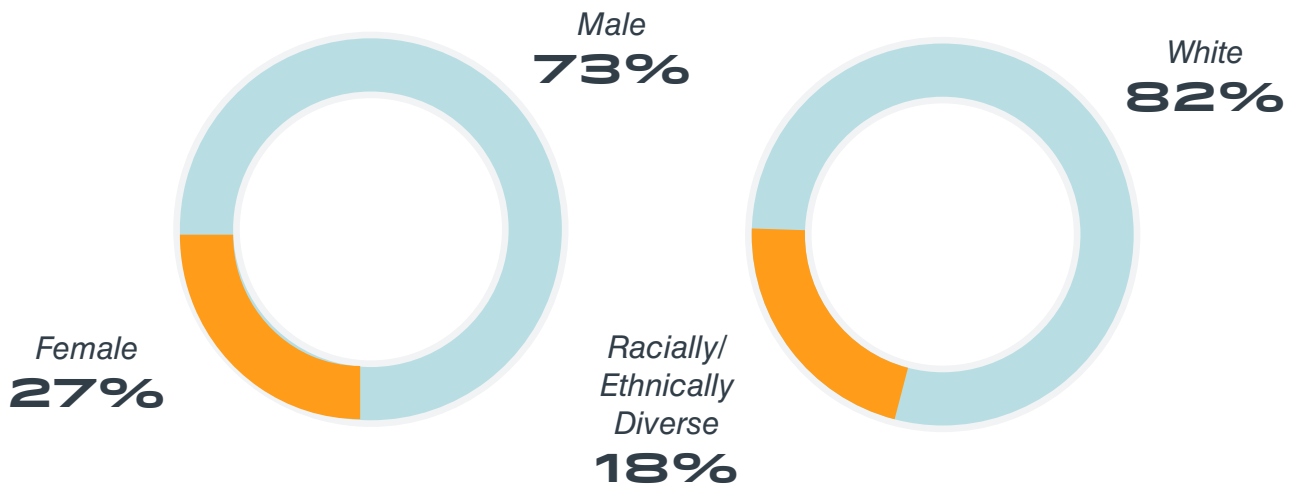
**TWO NEW DIRECTORS**

Our directors are

**91%**  
INDEPENDENT

Our committee members are

**100%**  
INDEPENDENT



### **RANGE OF DIRECTOR TENURE**

The balanced tenure of our Board provides us with both fresh perspectives and deep Company and industry knowledge.

3 | 0-4 YEARS

5 | 5-9 YEARS

3 | 10+ YEARS

# BOARD STRUCTURE

The standing committees of our Board are our Audit Committee, our Compensation and Talent Committee and our Corporate Governance and Nominating Committee, and each functions pursuant to a written charter adopted by our Board. The members of these three committees qualify under the independence and experience requirements applicable to us, including requirements of the New York Stock Exchange.

Following is information about each committee, subject to any changes that our Board may make from time to time.

## **Audit Committee**

All members are independent and financially literate and qualify as “audit committee financial experts” as defined by the SEC.

Our Audit Committee’s responsibilities include assisting our Board in its oversight of the:

- integrity of our financial statements
- effectiveness of our internal controls over financial and other public reporting
- qualifications, independence, performance and remuneration of our independent auditors
- performance of our internal audit function
- compliance with legal and regulatory requirements, including our employees’ and directors’ compliance with our Code of Ethics

Additionally, our Audit Committee reviews and discusses with management certain key financial and non-financial risks.





## ***Compensation and Talent Committee***

All members are independent. Our Compensation and Talent Committee is responsible for:

- the oversight of our executive compensation programs
- determining the goals and objectives applicable to the compensation of our CEO and evaluating our CEO's performance in light of those goals
- reviewing our executive succession plan, including periodically reviewing our CEO's evaluation and recommendation of a potential successor
- overseeing our talent management and leadership strategies, including DE&I strategies
- determining and administering equity awards granted under our stock incentive plan
- administering our annual and long-term performance compensation programs
- reviewing and establishing our peer group

In addition, our Compensation and Talent Committee evaluates risks arising from our compensation policies and practices and has determined that such risks are not reasonably likely to have a material adverse effect on us. Our executive officers and other members of management report to the Compensation and Talent Committee on executive compensation programs at our business units to assess whether these programs or practices expose us to excessive risk.





### **Corporate Governance and Nominating Committee**

All members are independent. Our Corporate Governance and Nominating Committee is responsible for:

- advising our Board on the governance structure and conduct of our Board
- developing and recommending to our Board appropriate corporate governance guidelines and policies
- Board succession planning, including reviewing our Board's structure and composition and the tenure of our directors
- reviewing and reassessing the adequacy of the Company's Political Contributions Policy, and annually review the Company's political contributions
- reviewing the independence of our directors
- identifying and recommending qualified individuals for nomination and re-nomination to our Board
- recommending directors for appointment and re-appointment to Board committees
- reviewing and recommending to the Board our director compensation
- reviewing our shareholder engagement activities
- recommending to the Board persons to be elected as officers of the Company

In addition, our Corporate Governance and Nominating Committee reviews and discusses with management significant risks related to corporate governance.

For additional details regarding Masco's governance structure, go to [www.masco.com/about/corporate-governance/](http://www.masco.com/about/corporate-governance/).

# RISK MANAGEMENT

## **Board Oversight**

We have a formal Enterprise Risk Management (ERM) process to anticipate and manage corporate risk and, where possible, to convert potential risks into business opportunities. This process is supported by risk mitigation activities with ownership and action plans, allowing us to better manage potential risks. Our Board performs an annual review and discussion of a comprehensive analysis prepared by management on material financial, operational, legal, regulatory, ethics and compliance risks facing the Company and related mitigating activities.

Our Board also reviews our ESG strategy and ESG-related risks. Our Board and its Committees focus particular attention on environmental, health and safety matters; climate change risk; product safety and compliance; cybersecurity; our ethics and compliance program; human capital management and DE&I; political contributions; ESG data controls and verification; and our corporate governance practices. Our Board and its Committees receive regular updates on our ESG initiatives, focus areas and activities. In addition, our Board reviews and discusses with management this Corporate Sustainability Report prior to its publication.





### **Data Protection and Cybersecurity**

Masco is committed to the privacy and security of our own information and the information of our employees, suppliers, customers and consumers. Masco complies with applicable domestic and international data protection legal requirements, including the EU General Data Protection Regulations (GDPR). We continuously monitor our information technology systems and our cybersecurity and data privacy responsibilities for data protection compliance.

Our Director, Cybersecurity is responsible for the day to day oversight and management of cybersecurity and ensuring that the enterprise security program achieves the appropriate risk-based security posture. Our Board oversees cybersecurity risk and receives periodic updates during the year about how management is addressing cybersecurity risk throughout the enterprise and how we are implementing compliance. Additionally, our Director, Data Analytics and Privacy is responsible for leading our Data Privacy Steering Committee and Privacy Operations team which has primary responsibilities for data privacy policy and process creation.

We conduct monthly security awareness training which includes assessing employees and support contractors. Focused training is also provided on an as-needed basis to address specific risks and threats.

### **Supplier Business Practices Policy**

Our Supplier Business Practices Policy can be found at [masco.com/wp-content/uploads/2022/09/Masco-Corporations-Supplier-Business-Practices.pdf](https://masco.com/wp-content/uploads/2022/09/Masco-Corporations-Supplier-Business-Practices.pdf)

### **Conflict Minerals Policy**

Our Conflict Minerals Policy can be found at [masco.com/wp-content/uploads/2022/09/Masco-Corporations-Supplier-Business-Practices.pdf](https://masco.com/wp-content/uploads/2022/09/Masco-Corporations-Supplier-Business-Practices.pdf)

### **Human Rights Policy**

Our Human Rights Policy can be found at [masco.wpenginepowered.com/wp-content/uploads/2022/08/LEGAL-358400-v1-Human\\_Rights\\_Policy.pdf](https://masco.wpenginepowered.com/wp-content/uploads/2022/08/LEGAL-358400-v1-Human_Rights_Policy.pdf)



# ENVIRONMENTAL SUSTAINABILITY



As a global leader in the design, manufacture and distribution of branded home improvement and building products, we are focused on enhancing the way consumers all over the world experience and enjoy their living spaces. We are committed to conducting business in a manner that is mindful of our environmental impact and promotes and sustains the health, safety, skills and potential of our workforce. From developing environmentally-friendly products to reducing water and energy usage, we are dedicated to working toward conserving natural resources in our manufacturing and complying with the laws and regulations that protect our planet.

Our environmental professionals regularly conduct compliance audits at our facilities across the globe, and we utilize a Company-wide environmental reporting system that enables us to gather, track and report information. From these results, we look for ways to continuously improve. Additionally, about 20 percent of our sites conform to the ISO14001 Environmental Management System.

## BRISTAN SAVES ENERGY WITH NEW SOLAR PANELS

In late 2023 and early 2024, our team at the Bristan Group undertook the process of installing 1,666 individual solar panels to power their Tamworth, UK headquarters and distribution center. Working with partners at EvoEnergy, the rooftop panels will save over 100,000 kg of CO<sub>2</sub> each year. The panels also export over 40 percent of the generated electricity back to the grid.

The official switchover took place in February 2024, representing a great step forward in the Bristan Group's commitment to reducing its environmental impact in the future.



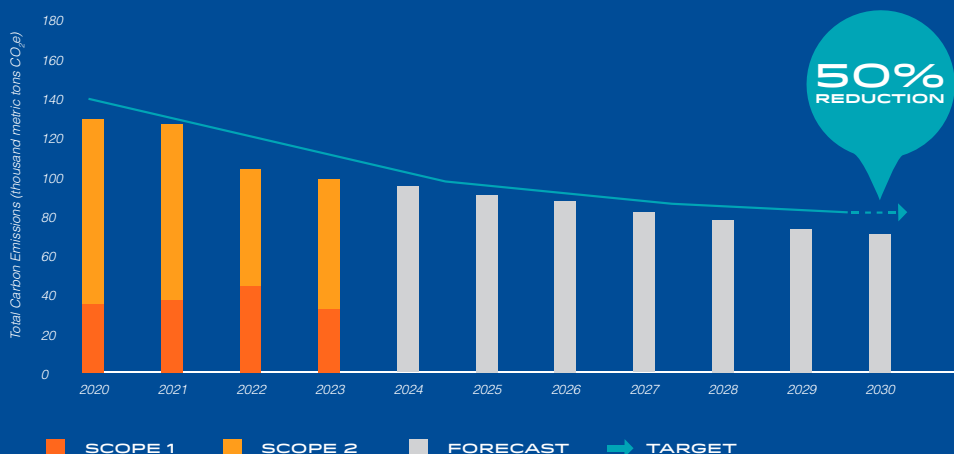
## OUR SUSTAINABILITY JOURNEY

In early 2023, Masco announced the establishment of an aspirational target to reduce its scope 1 and 2 absolute greenhouse gas emissions by 50% by the year 2030 compared to 2020 emissions. This goal aligns with the current standard of science-aligned targets deemed necessary to mitigate the worst effects of climate change.

Masco recently completed a rebaseline of its 2020 base year for carbon emissions reporting. The rebaseline was done to maintain consistency and comparability of emissions data over time, following structural changes within the Company.

2020 serves not only as a reference point for comparing current emissions with past emissions, but also as the base year for our carbon-related target. Given structural changes within the Company, such as acquisitions and divestments, we recalculated our base year emissions to adjust for changes that have occurred. We followed the fixed base year approach, as outlined in the GHG Protocol Corporate Accounting and Reporting Standard. Under this approach, emissions sources from acquired companies are included both with their emissions in the base year and in the subsequent years, while emission sources from divested companies are excluded both in the base year and through the current year. By recalculating our base year emissions, we are helping to ensure accurate and consistent carbon reporting.

### MARKET-BASED GHG EMISSION REDUCTION FROM 2020 BASE YEAR



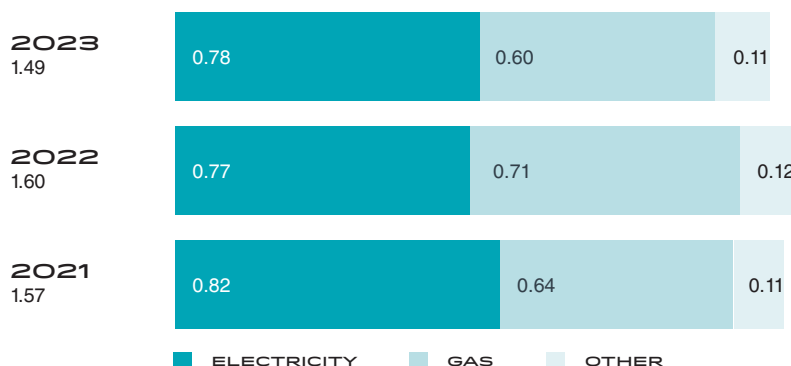
## ENERGY

### Energy Consumption

Our total energy consumption reported in 2023 was 1.49 million gigajoules (GJ). Of that, about 50 percent was electricity; 40 percent was natural gas; and the remaining 10 percent was from other energy sources.

### TOTAL ENERGY CONSUMPTION

Million GJ



Data includes all Masco operated sites active as of the end of this reporting year. The inventory boundary is consistent across this data set. Portfolio changes (e.g., acquisitions or divestitures) which occurred during this time are reflected across the inventory boundary.

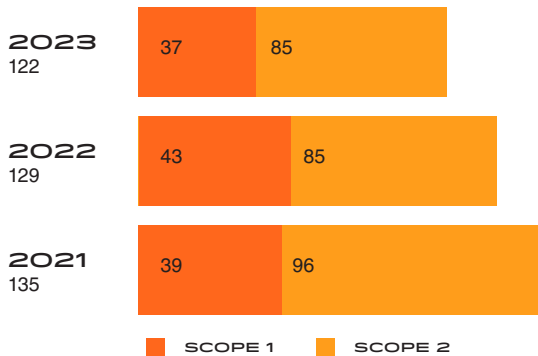
# EMISSIONS

## Carbon Emissions

In 2023, Masco's absolute scope 1 and scope 2 (market-based) carbon emissions totaled about 104,000 metric tons of CO<sub>2</sub>e. We report on our carbon emissions in detail through the CDP.

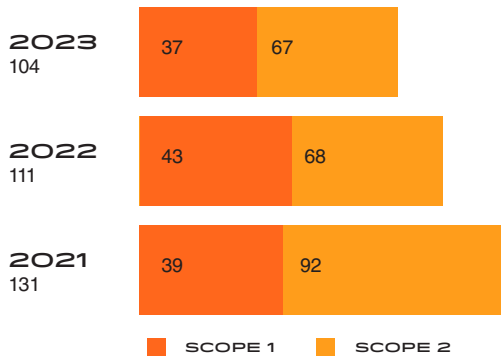
### LOCATION-BASED TOTAL CARBON EMISSIONS

(thousand metric tons CO<sub>2</sub>e)



### MARKET-BASED TOTAL CARBON EMISSIONS

(thousand metric tons CO<sub>2</sub>e)



Data includes all Masco operated sites active as of the end of this reporting year. The inventory boundary is consistent across this data set. Portfolio changes (e.g., acquisitions or divestitures) which occurred during this time are reflected across the inventory boundary.

## CARBON INTENSITY

Metric tons per net sales USD, (x10<sup>5</sup>)



Net sales, as the intensity denominator, is as reported in this reporting year's 10k filing.

## CO<sub>2</sub>e Intensity

We define our CO<sub>2</sub>e intensity as metric tons of CO<sub>2</sub>e per unit of net sales in U.S. dollars. In computing CO<sub>2</sub>e, we measure our scope 1 and 2 market-based emissions factors, including consumption of electricity, natural gas, propane and heating fuel (oil), as well as fuel use (gasoline, diesel and propane).





## WATER

### Water Use

In 2023, more than 99 percent of our water consumed came from municipal sources, with the remaining coming from onsite well sources.

### Water Use in Stressed Locations

In 2023, approximately 30 percent of Masco's reported water withdrawn was in areas the World Resource Institute (Aqueduct 4.0) defines as having high or extremely high baseline water stress. Stressed locations represented approximately 40 percent of our sites.

### Water Risk Management

We are committed to reducing our impact on water resources used in product design and manufacturing processes. In addition, we manufacture many plumbing products that meet the criteria for the U.S. EPA WaterSense® program. WaterSense®-labeled products are 20 percent more efficient than average products in that category and are backed by independent, third-party certification.

Masco also works to reduce environmental impact by responsibly disposing of water. Masco discharges process water from its manufacturing locations to local, publicly-owned treatment works.

### TOTAL WATER USE

Million cubic meters

2023  
0.78



2022  
0.94



2021  
1.10



Data includes 10k Qualified Properties sites that were active as of the end of this reporting year. Reductions in consumption are due in part to changes in the portfolio, as well as production variations and process improvements.



# WASTE

## Waste Intensity

We define our waste intensity as metric tons of waste per unit of net sales in U.S. dollars. Absolute waste consists of hazardous waste, non-hazardous waste and recycled waste from our portfolio of 10k Qualified Properties. Waste data excludes process water and wastewater.

## WASTE INTENSITY

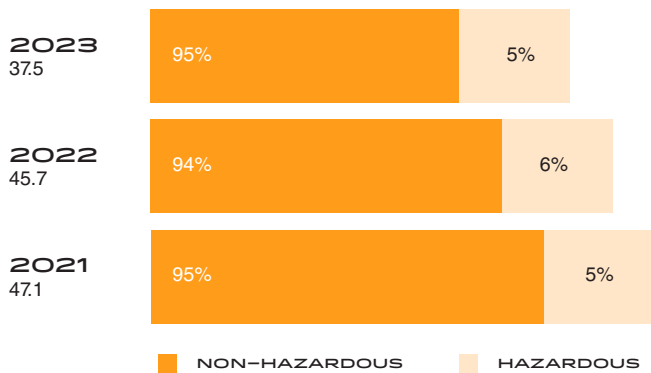
Metric tons per net sales USD, ( $\times 10^6$ )



Net sales, as the intensity denominator, is as reported in this reporting year's 10k filing.

## ABSOLUTE WASTE

Thousand metric tons



Data includes 10k Qualified Properties sites that were active as of the end of this reporting year. Reductions in absolute waste data are due in part to changes in the portfolio, as well as production variations and process improvements.

## Product Lifecycle Management

We strive for sustainable product design, production, packaging and delivery, which may include product lifecycle evaluation for environmental impacts and product sustainability. We collaborate with many third-party business partners to reduce the environmental impact of our products, such as reducing water use and carbon intensity, as well as using sustainable materials in product development.

## LESS IN LANDFILLS, MORE FOR THE COMMUNITY

In 2023, Masco Support Services' returns management processes, including both Kraus returns and the Delta® Recertified program, prevented over 780 tons of good product from ending up in landfills.

The Delta Outlet sells Delta® Recertified products, unused items which have been returned to retailers in like-new condition, but which may have been repackaged or come in packaging with stickers and minor flaws. Rather than scrapping the product, Delta Faucet Company and Masco Support Services developed a process to inspect every Delta® Recertified item to meet the quality standards of new Delta Faucet products and sell it at a discounted price for consumers in its original packaging.

Delta Faucet Company also donates a portion of Delta® Recertified products sales to nonprofit causes, amounting to over \$315,000 donated to the community since the program's inception. To learn more about how Delta® Recertified products are creating a triple benefit for our consumers, our planet and our neighbors, visit <https://www.deltafaucet.com/outlet>.





## CHEMICAL RESPONSIBILITY

### ***Managing Product Risk***

By utilizing various environmental, health and safety (EHS) tools to analyze the hazards of chemicals and ensure their proper handling, labeling, use and waste treatment, we strive to keep our employees and customers safe from potentially harmful chemicals. Our program to mitigate risks to our employees as well as our customers starts when a chemical is first considered for use in our products or processes. Each new chemical must be reviewed and approved, including meeting REACH regulations in Europe, where applicable, before it may be brought on site and used in our products or processes.

### ***Managing Emerging Concerns***

Masco complies with applicable regulations for emerging chemicals of concern. For instance, Behr works closely with coating associations in both the United States and Canada to keep abreast of new regulations regarding chemicals used in its products. When products or packaging are deemed to contain SVHCs, they are managed according to applicable regulations.

### ***External Initiatives***

Masco participates in or endorses several major external charters and initiatives, including:

- CDP
- ENERGY STAR®
- Global Reporting Initiative (GRI)
- ISO14001
- OHSAS18001 / ISO45001
- Sustainability Accounting Standards Board (SASB)
- Task Force on Climate-related Financial Disclosures (TCFD)
- United Nations Sustainable Development Goals (UNSDG)
- WaterSense® and European Water Label



# INVESTING IN OUR EMPLOYEES

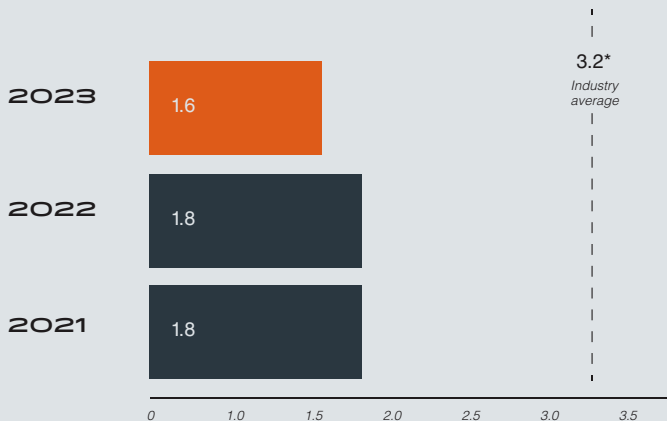
Our people are more than an asset – they make us who we are and enable us to meet our customers' and consumers' needs. Keeping our employees healthy and safe; creating an employee experience that promotes individual development and supports total well-being; and striving for progress in areas of diversity, equity & inclusion are each vital to our success. These investments enable us not only to win in the marketplace, but extend our impact beyond our four walls to the communities in which we live, work and do business.

## EMPLOYEE SAFETY

The safety of our employees is integral to our Company and is handled responsibly and quickly. We encourage a high standard of safety in the workplace, and we identify, assess and investigate incident and injury data centrally, each year setting a goal to improve key safety performance indicators by at least 10 percent. Alongside our safety professionals we regularly conduct safety compliance audits at our facilities across the globe, and utilize a Company-wide reporting system that enables us to gather, track and share improvement opportunities and best practices.

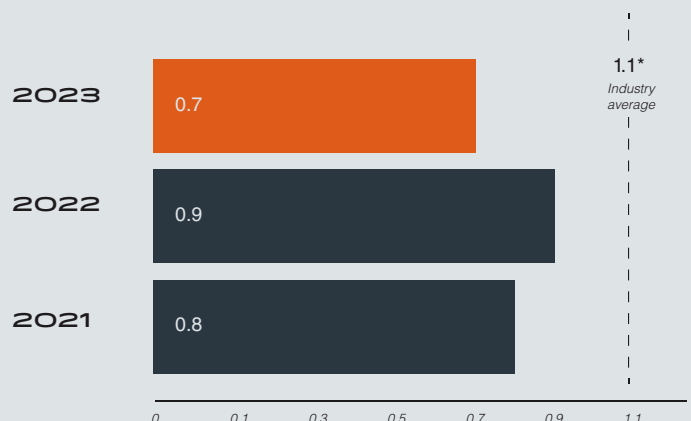
Masco trains, promotes, consults and communicates with our workforce in this process, allowing us to maintain a safety performance better than industry average. Additionally, Masco has had no work-related fatalities in the last 3 years.

### INCIDENT RATE



\*The Bureau of Labor Statistics incidence rates of nonfatal occupational injuries and illnesses for Industry "Manufacturing", 2022

### LOST DAY FREQUENCY RATE



\*The Bureau of Labor Statistics incidence rates of nonfatal occupational injuries and illnesses for Industry "Manufacturing", 2022



# LEADERSHIP & EMPLOYEE EXPERIENCE

As we seek to improve each day, it starts with fostering a meaningful, engaging experience for all our employees that helps them learn and grow as people and professionals. We work to achieve this through various initiatives at the enterprise-level and in collaboration with our business units. In alignment with our Enterprise Talent Strategy, each business unit refreshes and improves upon their own Talent Strategy each year that links to and enables their company's Long-Range Plan (LRP). A series of touchpoints are embedded through the business calendar to assess progress against the talent plan, provide feedback and guidance, and identify and share best practices.

## ***Building a Pipeline of Great Masco Leaders***

Knowing that our long-term success is fundamentally tied to our ability to build and sustain a pipeline of great leaders, we use our Leadership Profile to define the capabilities and attributes that, above and beyond our values, guide our leadership assessment selection and development approaches and decisions.

At Masco, we believe anyone can be a leader, whether you formally manage people or not. Our leaders are expected to live our profile of behaviors.

We were intentional about linking to externally-benchmarked inclusive leadership behaviors and embedding the behaviors of commitment, courage, cognizance of bias, curiosity, cultural intelligence and collaboration into our profile.

To ensure we have a sustainable pipeline of diverse leaders throughout the enterprise, we have a robust process to support our businesses in proactive talent and succession planning. At the enterprise-level, our Board, CEO and Masco executive team also regularly review our enterprise critical roles and succession plans to identify and mitigate risk and to invest in and prepare our pipeline.

## MASCO LEADERSHIP PROFILE

**BUILD GREAT  
TEAMS &  
ORGANIZATIONS**

*Do It in a Way that People  
Follow You*

**EXECUTE WITH  
URGENCY**

*Use the Masco Operating  
System to Drive Results*

**CREATE  
WINNING  
STRATEGIES**

*Balance the Short- and  
the Long-Term*

**GET OUTSIDE  
YOUR COMFORT  
ZONE**

*Drive Change*



## **Enabling High Performance and Continuous Development**

At Masco, we know that creating and sustaining a culture of high performance that allows everyone to find their path to success requires all of us, each day, to support and challenge each other to get better.

Our team leaders, managers and executives play important roles in modeling a continuous learning culture by participating in experiences centered around practicing vulnerability, public learning and building trust by being transparent about their personal and professional strengths and challenges.

## **Agile Talent Management**

To further support a workplace where people stay engaged and perform to their peak level, we have developed and embedded various frameworks, tools and resources. Our talent management framework focuses on enabling our people to have the right types of ongoing conversations throughout the year that facilitate open dialogue, opportunities for coaching and self-reflection. Our managers also receive direct feedback through our Team Feedback Survey on how they can better support their team.

# **AGILE TALENT MANAGEMENT FRAMEWORK**

### **AGILE GOAL PLANNING**

Collaborative conversation to set meaningful and challenging goals linked to organization priorities

### **1-1 CHECK-INS**

Informal conversations to connect, align and support

### **CAREER & PROGRESS CHECKPOINTS**

Structured conversations for performance coaching, goal refresh, career planning and well-being

### **PEER-TEAM-NETWORK**

Peer coaching, recognition and bottom-up feedback to improve team performance and agility

### **TALENT PLANNING**

Talent capability and readiness assessment, calibration and action planning

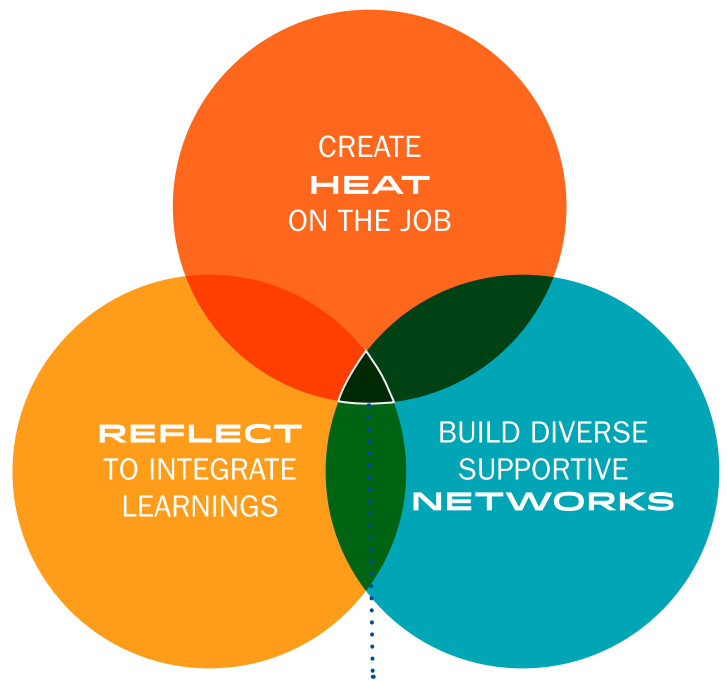


### Accelerated Development

We support employee growth and development through various tools, resources and programs. Our approach centers around helping people have access to challenging “heat” assignments on the job, leveraging a diverse and supportive network to widen perspective, and having forums and time to reflect and capture learnings.

Across our companies, we also provide differentiated development to our executives, top talent and leaders with potential to ensure they are prepared to transition into greater levels of responsibility. We do this through providing highly tailored and agile leadership interventions, practices, and tools that align to the specific context and dynamic environment our leaders find themselves in. Example interventions include support such as: dedicated external coaching, cutting-edge and interactive leadership workshops, tools for self-reflection, methods and forums to open their networks, 360-degree feedback, practices and techniques to integrate into the flow of their own work, curated resources and more.

Our companies leverage our enterprise-wide philosophy, frameworks and tools and embed them in development programs that align with their culture and meet the unique needs of their people.



### OUR GROWTH “SWEET SPOT”

*The more all of us put these practices to work, the faster we get better together*

## Supporting Holistic Well-being and Providing Competitive Total Rewards

Employee wellness and well-being is a foundational priority for Masco's family of companies.

We provide our employees with various tools and resources that link to our well-being framework. We also provide a comprehensive set of mental health support tools, including:

- Video therapy visits
- In-person counseling and resources
- Digital mental health support
- Specialized second opinion support

We are committed to providing market-competitive and performance-driven compensation and benefits to attract, retain and motivate great talent across our business units. Our compensation and benefits programs help our team members lead healthy lives, develop personally, and enhance their careers.

Below are programs offered to our U.S.-based employees:

- Competitive salary/base pay with regular pay increases
- Bonus based on Company/ individual performance\*
- Paid time off for rest and life events, including parental leave
- Broad set of health plan options, with comprehensive coverage and support tools
- Life, disability and voluntary income protection
- 401(k) savings plan with match\* and profit sharing\*
- Career opportunities across business units
- Leader and individual development opportunities
- Tuition reimbursement\*
- 1:1 Matching Gift Program
- Community volunteer opportunities
- Employee product discount program

\* Specific eligibility may depend on business unit, location and/or position.



Our compensation program seeks to pay our employees fairly, balancing factors such as:

- Internal equity for employees in similar roles at similar levels
- External competitiveness
- Strong links between pay and performance
- Possession of critical skills and capabilities to support business strategies

We also seek to make consistent compensation decisions that are understood by employees. We use an annual pay increase review process that takes into consideration factors including internal equity, external competitiveness, and an employee's pay within the pay range. All employees are paid above the established minimum wage for their assigned work location.

Total cash compensation may include an annual cash bonus plan. The cash bonus amount is determined by enterprise, applicable business unit and individual performance. Employees not covered by the annual cash bonus plan typically participate in a local site-specific plan or a commission plan for sales employees.

Equal pay is an essential element of our talent strategy and values. Our approach to equal pay strives to be comprehensive, including reviewing policies and practices, conducting equal pay analysis to understand controlled and uncontrolled pay gaps, determining an action plan at an individual employee level or policy level, and driving lasting change.

## Engaging and Retaining by Continuously Listening and Improving

Our goal to have a best-in-class workplace starts with listening to our employees, understanding their perspectives, needs and ideas. Our family of companies has a strong history of seeking our employees' input through various channels, including:

- Our annual leadership conference with leaders from across the business units
- Regular town hall meetings
- Quarterly open forums
- Cross-business unit learning and connection forums
- Intranet sharing sites
- Focus groups
- Stay and exit interviews
- Employee surveys

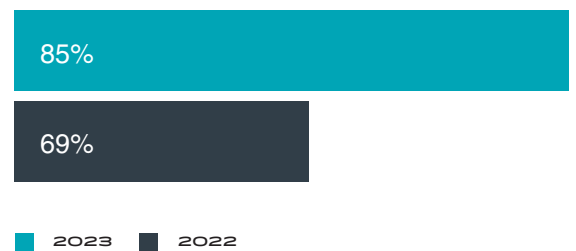
Since 2019, we've evolved to a common approach for conducting annual, confidential employee surveys to gain employee insights and measure perspective. Our 2023 survey participation rate was very strong at 85 percent, up from 69 percent in 2022. Across the entire survey population, 73 percent reported as actively engaged in 2023. This is similar to the 76 percent reporting as actively engaged in 2022 and is well above our baseline of 66 percent reporting as actively engaged in 2019. We have found our primary drivers of engagement are employees feeling a sense of belonging, supported by our breadth of work in the DE&I space, and confidence in senior leadership and in Company direction.

## U.S. EMPLOYEE SURVEY DATA

### Employees Self-reporting as Actively Engaged

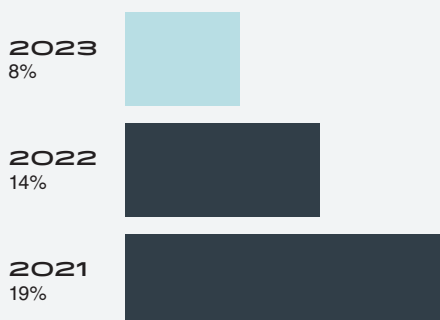


### Survey Participation Rate

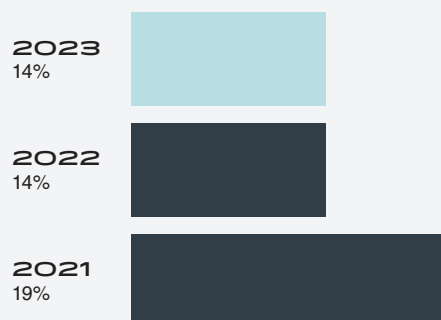


2023 data includes a total of 10,641 responses. Some international-based businesses did not participate. Data includes all pay rate types.

## GLOBAL VOLUNTARY TURNOVER



## U.S. VOLUNTARY TURNOVER



## Turnover

We remain focused on understanding and ensuring we are retaining our talent. In 2023, our voluntary turnover rate globally was approximately 8 percent, which is down from 14 percent in 2022. Voluntary Turnover for our U.S. population was 14 percent in 2023, consistent with 2022. Our average 2023 U.S. workforce tenure was 9.6 years, with our salaried workforce averaging 10.9 years and our hourly workforce averaging 8.7 years of tenure.



# DIVERSITY, EQUITY AND INCLUSION

We believe a workplace that encourages different voices, perspectives and backgrounds creates better teams, better solutions and more innovation. We are committed to creating an environment where all employees are included, treated with dignity and respect and in a position to contribute to our future success. When DE&I is fully brought to life in our culture, it drives significant value for our people, our consumers and customers, and our community partners.

We ground our companies in a unifying set of DE&I Guiding Principles (see page 33) that align us around shared philosophy, beliefs and values. We share these with all of our stakeholders so they clearly understand what is important to our organization and what we stand behind at all times.



## ***Our Enterprise DE&I Strategic Framework***

Our Chief Human Resource Officer has primary responsibility over Masco's enterprise DE&I strategy with close collaboration and co-ownership with our CEO and Executive Team. The strategy, goals and progress are regularly reviewed by our Board, including specific oversight by the Compensation and Talent Committee. To promote progress towards achieving our strategic objectives, an element of our business units' incentive compensation has been linked to talent and DE&I initiatives over the last several years.

Our approach to DE&I is holistic and infused throughout our culture and our business, a mindset represented through our strategic framework with three interrelated key pillars: Workplace, Marketplace and Communities. Each pillar has a series of enterprise-wide initiatives associated with it, and our businesses have localized plans that align to the Masco framework.

In addition, over the past year, we've continuously improved our approach through:

- Increasing governance and accountability across our family of companies to drive progress.
- Providing more consistent and transparent communications internally and externally on our initiatives, progress and learnings.
- Enabling the infusion and integration of DE&I into various learning opportunities throughout the business to drive awareness, build key capabilities (such as allyship), spur critical conversations, and drive action.
- Continuously improving our talent practices and mitigating any potential biases through various test and learn initiatives (see "Inclusive Talent Practices").
- Maturing our leader-led, intersectional DE&I councils and ERGs at our business units.
- Deepening community and strategic partnerships.
- Publicly disclosing our current state workforce demographics, including our EEO-1 report which can be found on our Company website ([masco.com](http://masco.com)).
- Improving methods and practices to ensure our customer and consumer experiences are inclusive.



## **DIVERSITY, EQUITY AND INCLUSION: OUR GUIDING PRINCIPLES**

### ***We believe in respect for the individual.***

- We are governed by integrity and strong values. We believe that all people should feel included, safe, respected, valued and celebrated for their unique and multifaceted identities, both in the workplace and in the communities where we live and work.
- Grounded in one of our core values, respect for the individual, we believe that everyone deserves full and equal civil rights.

### ***We condemn unjust discrimination in any form.***

- We believe a workplace that encourages and embraces different voices, perspectives and backgrounds creates better teams, better solutions and more innovation.
- As an employer of thousands of people with a variety of backgrounds and perspectives, we recognize that any one individual is not singularly defined by one aspect of their identity.
- We believe that identity should not result in unfair treatment or less opportunity. We all live intersectional lives, and we commit to standing together for equity.
- We believe in the dignity of every human being and the right of every person to equal opportunities.
- We are committed to creating an environment where all employees feel included, are treated with dignity and respect, and are empowered to contribute to our success.

### ***In the presence of bias and injustice, we believe that everyone has the right to speak up, to address inequities and to work to remove barriers.***

- We recognize there are inequities and injustices in our world, and we believe we have a role to play to mitigate, address and improve these conditions using the influence we collectively possess.
- We openly address inequities and work to remove barriers so all can succeed. We believe everyone has the right to speak up in the presence of bias and injustice in our world and that these conversations elevate our collective understanding of others.

## DE&I Aspirational Goals

We aspire to be a company where everyone feels respected and that they belong, and where everyone has the access and opportunity to achieve their full potential. To promote a sense of inclusion, belonging and support, we strive to achieve an 80 percent favorable score on our DE&I index for all demographic groups. Our DE&I index is comprised of six questions within our annual survey that measure employees' perceptions related to DE&I. In 2023, our DE&I index score was 76 percent favorable across our workforce, similar to the 77 percent favorable we achieved in 2022.

The diversity of our team members drives our innovation and is a core enabler to achieving our collective purpose of delivering better living possibilities for all. Our goal is to attract, develop, and retain the best and brightest talent that is representative of the U.S. national labor market availability and to be transparent about our representation and changes over time.

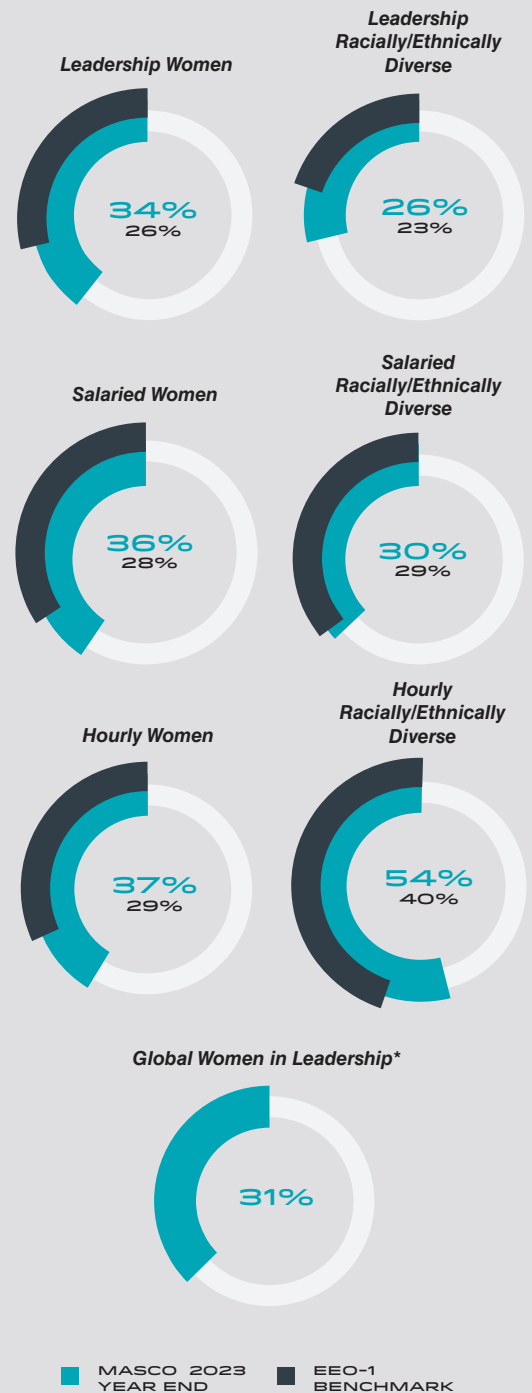
## Inclusive Talent Practices

As an organization, it is crucial that we have inclusive talent practices and mitigate potential biases during the critical moments where they could influence decision-making processes. We are working to tackle biases where and when they could happen by inserting key mitigation strategies and tools across the talent life cycle. Some of these strategies include:

- Using Textio, an integrated augmented writing technology, to ensure our job advertisements and employer branding information are inclusive
- Testing new technologies and partnerships to deepen our candidate reach and increase the diversity of our candidate pools
- Exploring blind and dual resume screening tools and practices
- Striving to have balanced interview candidate slates
- Enabling best practices in interviewing
- Enabling the use of data and insights to understand areas of opportunity
- Priming decision-makers about potential bias before talent decision-making processes occur

## Our U.S. Workforce at a Glance

For our full EEO-1 data, visit our [masco.com](https://www.masco.com) Diversity, Equity & Inclusion site.



\* EEO-1 benchmarks are not applicable for global data.

Leadership includes first level managers and above.

Salaried includes EEO categories of leadership, professional and technicians.

Hourly includes all other EEO categories.

EEO-1 Benchmark is a combination of NAICS 32 and 33.

## Platforms and Partnerships for Learning and Progress

A key focus of our strategy is to continue to raise the level of awareness and understanding of what DE&I means, why it matters and how we each play a role in driving the impact we want.

We collaborate with strategic partners to design and implement enterprise-wide learning experiences to enable personal growth and allyship. For example, the Masco Connects Allyship series is designed to facilitate self-reflection, shared learning and mindset shifts, providing a variety of opportunities to learn from our peers' experiences through storytelling, explore our biases in a safe space through the Human Library (see below), and join thought-provoking discussions with social activists and experts. Masco and business unit senior executives sponsor and reinforce our collective commitment to DE&I at these voluntary, inspiring and engaging forums, creating more space for all of us to bring our whole selves to work each day.



## Partnering to Drive Meaningful Results

**The Human Library** is an innovative and experiential learning platform that takes a different approach to traditional diversity and inclusion training, connecting thousands of volunteers from around the globe as open “Human Books” with “readers” from companies, local community events and other forums. From 2020-2023, over 1,500 employees across the Masco enterprise participated in virtual dialogues with the Human Library. Masco also invested as a founding partner for a new Human Library online app that will spark interactive conversations around the globe about equality and diversity.





## Supplier Diversity Program

In support of our DE&I Community and Marketplace strategic pillars, we began establishing a formal Supplier Diversity Program in 2020 to better represent our consumers, meet future customer expectations, create positive social impact and drive innovation. Through our program, we're committed to forming new, diverse business partnerships to build mutually beneficial relationships that reflect our consumers and customers. The program currently focuses on key indirect spend categories within our U.S.-based business units. Program efforts have included:

- Creating awareness about the need for supplier diversity
- Establishing a network of supplier diversity champions
- Developing enablement tools to support program rollout
- Striving for diverse supplier inclusion in new sourcing events
- Identifying opportunities to develop diverse incumbent suppliers
- Measuring progress and continuous improvement opportunities



# SUSTAINABLE COMMUNITIES

Masco's commitment to corporate citizenship began with the generosity of our founder, Alex Manoogian, a refugee of the Armenian genocide. When he arrived in America in 1920 with only \$50 to his name, he promised himself that if he found success in this country, he would ensure others had the same opportunities to grow and thrive.

Like Alex Manoogian, Masco's pursuit of better living opportunities isn't limited to our employees and our customers. We believe a strong, supportive presence in the communities where we live, work and do business is vital, and we invest our time, talent and millions of dollars in our neighborhoods each year, seeking solutions to the big problems facing our communities.



## ADVOCACY

Masco has formally adopted a set of DE&I Guiding Principles (see page 33) that outline our corporate values and inform our positions around respecting the individual, condemning unjust discrimination, and the right of each individual to speak up to address inequities and remove barriers in the presence of bias and injustice. These principles have been shared with our employees and on our public channels to support our commitment to transparency and publicly living our values.

Masco's commitment to promoting a more inclusive society sometimes leads us to engage in direct work with civil rights groups, like Out & Equal Workplace Advocates, and with local city officials where we operate.

# VOLUNTEERISM

## Masco Cares Volunteer Award

To recognize employees across the Company who go above and beyond to serve their communities, in 2023 we again offered the Masco Cares Volunteer Award. Each quarter, employees nominate colleagues with superior records of volunteer service. Then, a gift of \$5,000 is made to a nonprofit in recognition of the winning employee's work with that organization.

Our third quarter winner was Quanita Moran at Liberty Hardware, who has volunteered to lead the Lindley Elementary School Community Garden for the past 3 years. In addition to weeding, mulching and coordinating fundraisers, Quanita leads educational sessions for the school's K-5 students, covering topics like soil care, pollinators, and harvesting. She also guides the students during 2-3 market days per year, teaching them how to arrange the harvested produce, set prices, accept payment, and give change to shoppers.

## Group Engagement

Throughout 2023, our employees across the country came together in groups large and small to make a difference in their communities.



Behr Paint Company sales colleagues in the Dallas metro area partnered with Tarrant Area Food Bank to load cars with turkeys and all the trimmings, helping ensure 5,000 families would have a nice Thanksgiving meal.



As a sponsor of Habitat for Humanity's 2023 Veterans Build, Watkins Wellness employees built and decorated two playhouses for delivery to local military families.



The Masco Internal Audit Department spent a day helping Habitat for Humanity Detroit restore a house.



Liberty Hardware employees walked to raise funds and awareness for suicide prevention at the Triad Out of the Darkness Walk hosted by the American Foundation for Suicide Prevention- North Carolina.

# PHILANTHROPY

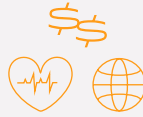
At Masco, we believe a strong, supportive presence in the communities where we live, work and do business is vital. We partner with organizations that are as driven as we are to support the growth of our communities, encourage and enable equity or provide safe, affordable housing for all families. Though the location of our headquarters in southeast Michigan has put the city of Detroit at the heart of our charitable ambitions, Masco leverages the geographic range of our business units to expand our reach from coast to coast.

## Our Focus Areas



### Housing

We believe that safe, decent, affordable homes are fundamental for the growth of family and the community at large. As a global company, Masco strives to create a world where the basic shelter needs of all are met and everyone has the dignity of stable living conditions.



### Community Development

We support programs and initiatives that foster prosperity, allowing our communities and employees to thrive.



### Diversity, Equity and Inclusion

Masco is committed to addressing the barriers and biases that affect people's ability to fully access opportunities or bring their whole selves to work.

## MASCO HELPS WELCOME NEW REFUGEE NEIGHBORS TO SOUTHEAST MICHIGAN

In 2023, Masco partnered with the nonprofit Samaritas and St. John's Episcopal Church in Plymouth, Michigan, to turn a vacant colonial house on St. John's property into a transitional home for resettling refugee families coming to the Great Lakes State. With capacity to fit up to eight people, the home will serve one family at a time; when the residing family is on their feet and ready to move into their own place, another refugee family in need will take over occupancy of the house. Families in the home will also continue to receive support services from Samaritas, the Michigan affiliate of Lutheran Immigration and Refugee Service, which has resettled thousands of people from dozens of countries.

Needing funding for remodeling and furnishings, St. John's found local organizations large and small to donate cash, provide product, and volunteer time. In addition to financial support, Masco was proud to donate a range of our products, from Delta® showerheads, faucets, and toilets to Kichler® lighting and BEHR® paint.

The home's first residents moved in in late October. Masco looks forward to the impact this home will have for years to come!





## 2023 Overview

In 2023, a year when nonprofits had deeper needs due, in part, to inflationary pressures, we stayed committed to a majority of the organizations and causes we have supported in recent years to provide our partners with a sustainable funding resource. As we aim to play a greater part in solving the biggest issues facing our communities, we increasingly engaged with our partners to track progress, address challenges and co-create solutions.

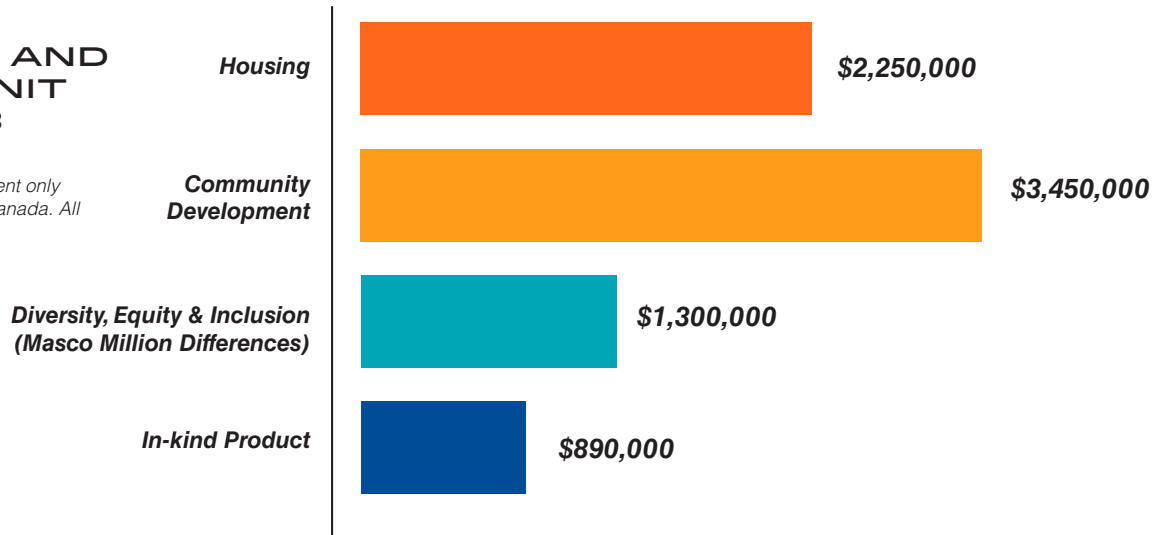
Several of our strategic partners have embarked on capital campaigns over the last year, looking to address limitations in their service capacity that COVID-19 brought to light. In turn, Masco and our business units have stepped up during this period of critical investment and rebuilding, ensuring higher levels of support to these partners as they work harder than ever to expand domestic violence shelters to new, underserved geographies; double capacity for addiction treatment services; or overhaul their program models to re-center equity— all without slowing down current operations.

2023 particularly saw the growing impact of our non-cash donations. After the supply chain fluctuations of the past few years, our businesses' ability to donate in-kind product has steadily rebounded, increasing significantly from our 2022 in-kind donations. Additionally, our employees continued to be guided by our values and our purpose to deliver better living possibilities for all, making a difference in their communities by going beyond financial contributions to giving of their time and talent. Our corporate Legal Department, for instance, continued their commitment to using their skills to promote equity, volunteering as a team at expungement and drivers' license restoration clinics. And Behr Paint Company, which celebrated the 20th year of their Behr Cares employee program, experienced a 5 percent increase in participation compared to 2022.

In both big ways and small, in 2023 Masco leveraged our resources to create positive impact in the communities where our employees live, work and do business.

### MASCO CORPORATE AND BUSINESS UNIT GIVING 2023

*Figures listed in this report represent only donations given in the U.S. and Canada. All amounts are listed in U.S. Dollars.*



## 2023 GIVING AT A GLANCE

**\$7 MILLION**

*given in corporate and business unit cash donations to over 300 nonprofits across the U.S. and Canada*

NEARLY **\$375 THOUSAND**

*donated through our 1:1 Employee Matching Gift Program, benefiting over 460 nonprofits*

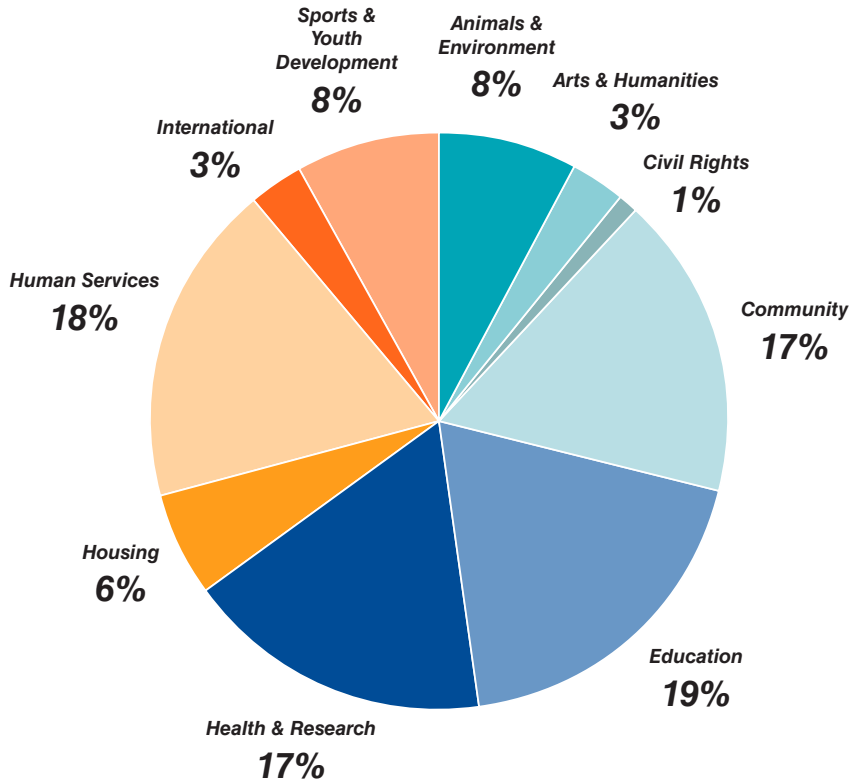
OVER **\$850 THOUSAND**

*donated through in-kind products*

**60 NONPROFITS**

*received Masco Million Differences funds during our diversity, equity and inclusion grant program's sixth year*

## MATCHING GIFTS BY CATEGORY



## Matching Gift Program

Masco's Matching Gift Program allows employees at our U.S. business units to double their personal gifts to charitable organizations, with the Company offering dollar-for-dollar matches of up to \$5,000 in donations per employee each year, up to \$500,000 total enterprise wide. In 2023, we matched over \$375,000 in employee donations to over 460 unique charities through our Masco Cares online giving platform.





# REPORTING

## MATERIALITY

### ***Entities***

All of Masco's business units are wholly owned, directly or indirectly, except for Hansgrohe SE and Easy Sanitary Solutions B.V., and all are included in both this CSR and financial reports. Masco is a majority owner of Hansgrohe SE and Easy Sanitary Solutions B.V.

### ***Defining Report Content***

To prioritize the issues of most importance to our stakeholders, we hired a third-party consultant to assist our Sustainability Steering Committee (SSC) in assessing disclosure topics. Our assessment focused on identifying, prioritizing and validating aspects from the following key sources: Masco's own documents on its sustainability strategy; feedback from the SSC, SSC Working and Advisory Groups, and employees; feedback directly from our shareholders and other stakeholders; initiatives from recognized industry organizations such as the Sustainability Accounting Standards Board, Global Reporting Initiative, CDP, the United Nations, and the Task Force on Climate-related Financial Disclosures; documentation on the views of our stakeholders, including North American reporting authorities and surveys of U.S. environmental attitudes; and findings from peer benchmarking studies. In addition, specific comments and suggestions from stakeholders regarding our previously published sustainability reports have been influential in determining the structure and content of this report, with a focus on content with available data and without competitive risk. Finally, for each topic, we determined the boundary of applicability. For example, our water and waste data boundary includes only our 10-k "Qualified Properties."

## Material Aspects and Boundaries

Following is a list of topics Masco identified in the process of defining its Corporate Sustainability Report content, organized to align with the categories of the Global Reporting Initiative and other standards:

- **Corporate:** Ethics and Integrity, Governance Structure, Brands, Products and Services, Markets Served, Facilities, Countries of Operation, Workforce, Collective Bargaining, Supply Chain, Stakeholder Engagement, Data Protection
- **Economic:** Economic Performance, Revenue from Sustainable Products, Innovation
- **Environmental:** Energy, Water, Emissions, Waste
- **Social:** Diversity & Equal Opportunity, Local Communities, Occupational Health and Safety, Training and Education, Employment, Non-Discrimination, Child Labor, Forced or Compulsory Labor, Freedom of Association

Except where otherwise noted, this report provides a summary of the sustainability performance and practices of Masco and its consolidated operating businesses as of December 31, 2023.

While included in this report, Hansgrohe has also produced its own Sustainability Report covering its facilities. The most recent Hansgrohe Sustainability Report is available in English ([www.hansgrohe.com](http://www.hansgrohe.com)) and German ([www.hansgrohe.de](http://www.hansgrohe.de)).

## Significant Changes

This report includes changes to environmental data associated with a rebaseline of 2020 and subsequent years, following the fixed base year approach, as outlined in the GHG Protocol Corporate Accounting and Reporting Standard. The rebaseline was done to maintain consistency and comparability of emissions data over time, following structural changes within the Company. The boundary for energy and carbon emissions data has been updated to include all properties for which Masco has operational control. The boundary for water and waste data has been updated to include all “qualified properties” as indicated in our Annual Report. This report does not contain a restatement of information relating to Masco’s major financial indicators.



# STAKEHOLDER ENGAGEMENT

## Groups

Our stakeholder groups, as of December 31, 2023, include the following:

- **Employees:** Masco and its business units had approximately 18,000 employees in about 45 countries, approximately 48 percent of whom worked in the United States.
- **Customers:** Our customers include home center retailers, online retailers, wholesalers and distributors, mass merchandisers, hardware stores, direct to the consumer, professional contractors and homebuilders. Our largest customer is The Home Depot, which represented approximately 39 percent of our consolidated 2023 net sales.
- **Consumers:** The ultimate consumers of our goods include builders, contractors, designers, installers and homeowners.
- **Communities:** Masco's principal North American facilities consist of 30 manufacturing facilities and 27 distribution and warehouse facilities, and its principal facilities outside North America consist of 12 manufacturing facilities and 17 distribution and warehouse facilities.
- **Suppliers:** Masco buys raw materials, component parts and finished products from a wide range of suppliers around the world.



## Selection

Masco views its business first and foremost as one that serves its stakeholders. From our shareholders to our customers to our business partners to our employees, we know our financial and corporate sustainability performance depends on establishing good relationships with those we serve and rely on in the communities in which we work and live. We believe in engaging with all of our stakeholders honestly, respectfully and with integrity. Our stakeholder groups have been identified through a number of processes, namely feedback from Masco's SSC, SSC Working and Advisory Groups and employees, as well as feedback directly from our shareholders and other stakeholders, studies from recognized industry organizations and evaluation of peer benchmark studies.

## **Approach**

We routinely seek input on what we make and sell, and how we operate internally and externally through employee surveys, market research and customer satisfaction analyses. The qualitative market research studies we conduct typically include questions related to the importance of sustainability to customer buying decisions.

Our approach has been to respond to various investor, highly-respected non-governmental organization and advocacy group inquiries for information. We also believe that our Corporate Sustainability Report is an effective method for providing meaningful communications with our stakeholders about our sustainability practices. In addition, Masco interfaces regularly with sustainability executives from other companies. This has enabled peer review and learning within a network of trusted professionals. We also engage in sustainability best-practice exchanges with other companies.



Our Board of Directors believes it is important to consider feedback from our shareholders when considering our corporate governance, ESG and executive compensation programs. In 2023, we continued our robust shareholder engagement program. In both the spring and the fall, we requested the opportunity to engage with shareholders holding approximately 45% of our outstanding shares. With these shareholders, we discussed our recent Board refreshment; our robust orientation process for new directors; our Board's oversight of strategy, risk and ESG matters; and our recent ESG initiatives. We provide reports on the shareholder feedback we received to our Compensation and Talent Committee and Corporate Governance and Nominating Committee.

Masco's suppliers are engaged through our enterprise-wide Supplier Business Practices Policy and audit process, and each Masco business unit has one or more managers or groups responsible for ensuring employee engagement in their respective organizations.

## **Concerns**

This report pays special attention to the topics of greatest concern to our principal stakeholders. These topics include innovative and sustainable products, energy usage and social responsibility.

# REPORTING PROFILE

## **Reporting Period**

Except as otherwise noted, this Corporate Sustainability Report focuses on Masco's corporate governance, reporting approach, and economic, social and environmental performance during 2023.

## **External Assurance**

External report assurance was not sought for this report.

## **Date of Previous Report**

Our most recent Corporate Sustainability Report was for 2022.

## **Reporting Cycle**

This report is planned to be published at least biennially.

## **Report Contact**

Masco encourages feedback on its Corporate Sustainability Report. If you would like to comment on the report, please e-mail us at [sustainabilityreport@mascohq.com](mailto:sustainabilityreport@mascohq.com). Additional information about Masco, our business units and brands is available on our website at [masco.com](http://masco.com) and in our 2023 Annual Report, which is also available on our website.

# STANDARDS TRACEABILITY

This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines, the Sustainability Accounting Standards Board (SASB), the United Nations Sustainable Development Goals, and the Task Force on Climate-related Financial Disclosures. The following table shows the location of each disclosure and metric in this report:

CSR Section	Page #	TCFD Pillar	TCFD Disclosure	GRI Disclosure ID	GRI Disclosure	UNSD Goals	UNSDG Description	SASB Disclosure ID	SASB Disclosure
Ethics and Compliance Program	13			2-23	Policy commitments	16	Peace, justice, and strong institutions		
Board Structure	15	Board oversight	Board oversight of climate-related risks and opportunities	2-9	Governance structure and composition				
Board Oversight	18	Identification and assessment of risks	Organization's processes for identifying and assessing climate-related risks	2-23	Policy commitments				
External Initiatives	25								
Data Protection and Cybersecurity	19					16	Peace, justice, and strong institutions		
Profile	6			2-1	Organizational details				
Brands, Products and Markets	7			2-6	Activities, value chain and other business relationships				
Significant Changes	7			2-6	Activities, value chain and other business relationships				
Workforce	9			2-7	Employees	10	Reduced inequalities		
Collective Bargaining	9			2-30	Collective bargaining agreements	8	Decent work and economic growth		
Supply Chain	8			2-6	Activities, value chain and other business relationships	8	Decent work and economic growth		
Operations	8			2-1	Organizational details				
				2-6	Activities, value chain and otherw business relationships			CG-BF-000.B	Area of manufacturing facilities

CSR Section	Page #	TCFD Pillar	TCFD Disclosure	GRI Disclosure ID	GRI Disclosure	UNSD Goals	UNSDG Description	SASB Disclosure ID	SASB Disclosure
Core Financials	10			201-1	Direct economic value generated and distributed	8	Decent work and economic growth	CG-BF-000.A	Annual Production
Revenue from Sustainable Products	10			201-1	Direct economic value generated and distributed	8	Decent work and economic growth		
Vitality	11			201-1	Direct economic value generated and distributed	8	Decent work and economic growth		
Intellectual Property	11								
Carbon Intensity	22	Metrics used	Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	305-4	GHG emissions intensity	7	Affordable and clean energy		
Energy Consumption	21			302-1	Energy consumption within the organization	7	Affordable and clean energy	CG-BF-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable
Waste Intensity	24			306-2	Waste by type and disposal method	12	Responsible consumption and production		
Product Lifecycle Management	24							CG-BF-410a.1	Description of efforts to manage product lifecycle impacts and meet demand for sustainable products
Water Use	23			303-3	Water withdrawal	6	Clean water and sanitation		
Water Use in Stressed Locations	23			303-5	Water consumption	6	Clean water and sanitation		
Water Risk Management	23			303-3	Water withdrawal				
Carbon Emissions	22	GHG emission risks	Scope 1, Scope 2, and, if appropriate, Scope greenhouse gas (GHG) emissions, and the related risks	305-1	Direct (Scope 1) GHG emissions				



CSR Section	Page #	TCFD Pillar	TCFD Disclosure	GRI Disclosure ID	GRI Disclosure	UNSD Goals	UNSDG Description	SASB Disclosure ID	SASB Disclosure
Executive Message	5			2-22	Statement on sustainable development strategy				
Entities	42			2-2	Entities included in the organization's sustainability reporting				
Defining Report Content	42			3-1	Process to determine material topics				
Material Aspects and Boundaries	43			3-2	List of material topics				
Significant Changes	43			2-4	Restatements of information				
Material Aspects and Boundaries	43			3-3	Management of material topics				
				3-3	Management of material topics				
Reporting Period	45			2-3	Reporting period, frequency and contact point				
External Assurance	45			2-5	External assurance				
Date of Previous Report	45								
Report Cycle	45			2-3	Reporting period, frequency and contact point				
Report Contact	45			2-3	Reporting period, frequency and contact point				
Groups	44			2-29	Approach to stakeholder engagement				
Selection	44			2-29	Approach to stakeholder engagement				
Approach	45			2-29	Approach to stakeholder engagement				
Concerns	45								
Standards Traceability	46				Requirement 7: Publish a GRI content index				
Managing Product Risk	25							CG-BF-250a.1	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products

CSR Section	Page #	TCFD Pillar	TCFD Disclosure	GRI Disclosure ID	GRI Disclosure	UNSD Goals	UNSDG Description	SASB Disclosure ID	SASB Disclosure
Managing Emerging Concerns	25								
Volunteerism	38					16	Peace, justice, and strong institutions		
Philanthropy	39			201-1	Direct economic value generated and distributed	8	Decent work and economic growth		
Advocacy	37			413-1	Operations with local community engagement, impact assessments, and development programs				
Employee Safety	26			403-9	Work-related injuries	8	Decent work and economic growth		
				403-6	Promotion of worker health	8	Decent work and economic growth		
Turnover	31			401-1	New employee hires and employee turnover	8	Decent work and economic growth		
Diversity, Equity and Inclusion	32			406-1	Incidents of discrimination and corrective actions taken	8	Decent work and economic growth		
Human Rights Policy	19			408-1	Operations and suppliers at significant risk for incidents of child labor				
				409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor				
Employee Experience	27			404-2	Programs for upgrading employee skills and transition assistance programs	4	Quality education		
	30					3	Good health and well-being		
	30					4	Quality education		
	28					8	Decent work and economic growth		

# CAUTIONARY STATEMENTS

This report contains information about Masco Corporation (the Company) and certain of its operating subsidiaries and business units around the world. Statements regarding our future direction and intent represent goals and objectives only and are subject to change or withdrawal without notice. We disclaim any duty or obligation to update the statements or information contained in this report.

Any “forward-looking statement” is made only as of the date such information was originally prepared by the Company and is intended to fall within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, may be forward-looking statements. Some of these statements can be identified by the use of terminology such as “believes,” “expects,” “anticipates,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “projects,” “plans,” “estimates,” or the negative of these words and other comparable terminology. Readers should not place undue reliance on forward-looking statements, which speak only as of the date such statements were first made. Except to the extent required by law, the Company undertakes no obligation to update or revise its forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected, anticipated, or implied. Although it is not possible to predict or identify all such risks and uncertainties, they include, but are not limited to, factors described in the Company’s most recent Form 10-K and subsequent Form 10-Qs and Form 8-Ks filed with the SEC.

Except where noted, the information covered in this report highlights the Company’s performance and initiatives in fiscal year 2023. All calculations and statistics are in part dependent on the use of estimates and assumptions based on historical levels and projections and are therefore subject to change. As we continue to improve our sustainability reporting, we note that it may be necessary to restate certain data in our report. The goals and objectives included in this report do not represent commitments, promises or guarantees. This report has not been externally assured or verified by an independent third party. The inclusion of information or the absence of information in this report should not be construed to represent the Company’s belief regarding the materiality or financial impact of that information. For a discussion of information that is material to the Company, please see the Company’s filings with the SEC, including its most recent Form 10-K and subsequent Form 10-Qs and Form 8-Ks.

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