

**CORPORATE
SUSTAINABILITY
REPORT**



2022

MASCO

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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:

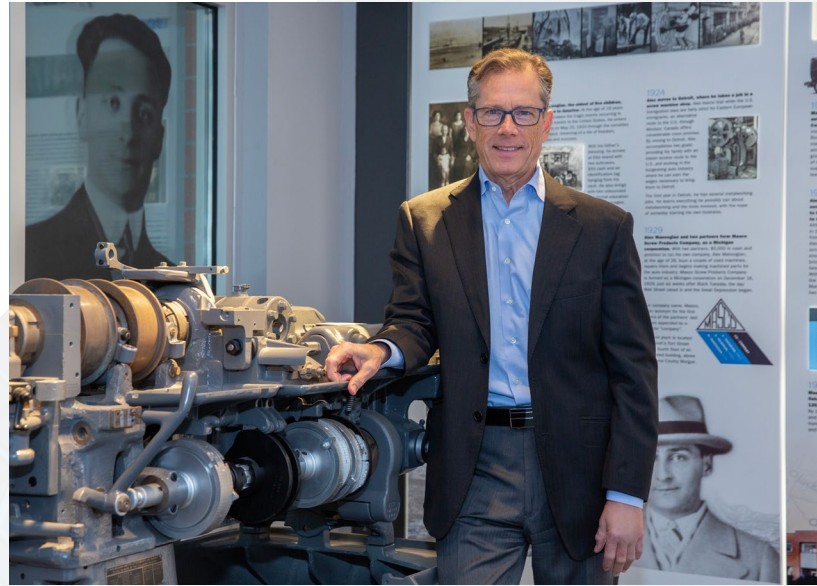
At Masco, we continuously strive to deliver better living possibilities – for our homes, our environment, and our communities. Whether it is product, people, or process, we seek to make everything we touch better. That mindset of continuous improvement extends to our commitment to be a good corporate citizen and guides the progress we are making to advance our environmental, social and governance (ESG) initiatives.

Our sustainability efforts are rooted in our commitment to conduct business in a manner that is mindful of our environmental impact; create innovative products that our customers trust; maintain our high standards of ethics; be a catalyst for good in the community; and promote and support the health, safety, skills and potential of our workforce. This approach helps us earn the trust of our customers, attract talented employees, and share in the responsibility to protect our planet and its people.

Our employees are a core enabler of our ability to be a conscientious corporate citizen; it is the work they do that brings our commitment to life every day. We are pleased with our progress and proud to share a few of our recent accomplishments:

- In early 2023, we publicly affirmed our desire to be part of the solution to the world's climate crisis by announcing our aspirational target to reduce our 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-based targets deemed necessary to mitigate the worst effects of climate change.
- We continued our proud legacy of giving back to our community, with 2022 marking the fifth year of our Masco Million Differences campaign. Since 2018, this program has dispersed more than \$5 million in total donations across nearly 150 organizations working to break down barriers to inclusion in the workforce through education, representation, and job skills training.
- We continued to have approximately 50% of our revenue derived from the sale of sustainable products, which include paints certified for low chemical emissions, taps and mixer products that meet determined water flow rates, lighting fixtures that use LED and/or reclaimed wood products, and spa products which extend the life of the water in the spa.
- We publicly disclosed our newly adopted Human Rights Policy, EEO-1 report, and DE&I Guiding Principles, all of which express our commitments and aim to guide behaviors across our organization.

As continuous improvement is in our DNA, we will always set the bar higher to ensure we have a positive impact where we live, work and do business and promote our collective purpose to deliver better living possibilities for all. Our team looks forward to continuing our momentum and sharing our future accomplishments.



Keith J. Allman
President and Chief Executive Officer

CORPORATE SUSTAINABILITY

Over 90 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 its place among the most successful manufacturing companies in the United States, thrive as a publicly-traded company on the New York Stock Exchange, and produce 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 China, Germany and the United Kingdom.



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 and aquatic fitness systems.



Decorative Architectural Products

We are one of the largest suppliers of architectural coatings and exterior wood care products to the United States and Canadian Do-It-Yourself channels. This segment primarily includes paints, primers, specialty coatings, stains and waterproofing products, as well as paint applicators and accessories. This segment also includes glass shower doors, shower accessories, decorative and outdoor lighting, cabinet and door hardware, and functional hardware.

Significant Changes

We had no significant changes to our portfolio of companies in 2022.



AXOR®

BEHR®

BRAINERD®

BrassCraft®

BRISTAN®
TAPS & SHOWERS

BRIZO

CalderaSpas

DELTA

élan



ENDLESS POOLS



FANTASY SPAS®

FranklinBRASS

FREEFLOW SPAS®

GINGER

hansgrohe

HERITAGE
BATHROOMS

HotSpring®
Every day made better®

KICHLER

KILZ

Kräus

LIBERTY

Master
Plumber

Mercury
Plastics

mirolin

NEWPORT BRASS

PEERLESS

PLUMBSHOP®

VaporTech



WALTEC

WHIZZ

SCALE

Operations

In 2022, we operated 84 principal properties worldwide. We had significant operations in North America, China, Germany and the United Kingdom. Most of our facilities range from single warehouse buildings (30 in North America and 16 internationally) to complex manufacturing facilities (30 in North America and 8 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 2022, our more than 16,000 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 foreign countries. 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.

Workforce

In 2022, Masco employed approximately 19,000 employees in about 45 countries. Of these employees, approximately 48 percent worked in the United States.

Collective Bargaining

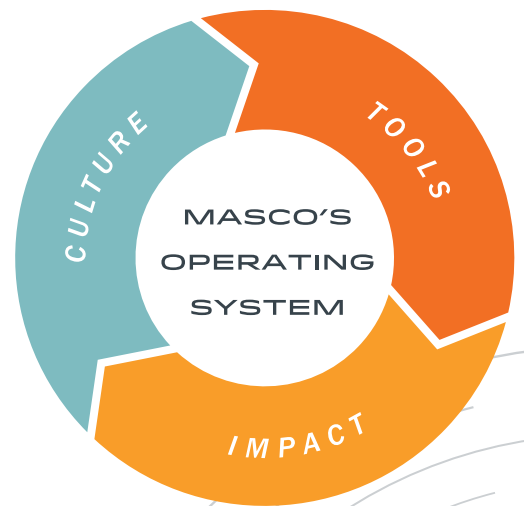
In 2022, approximately 1.4 percent of our workforce in the U.S. was covered by a collective bargaining agreement. Outside of the U.S., that number is higher. For example, at Hansgrohe 61 percent of our workforce is covered by a collective bargaining agreement.

The Masco Operating System

The Masco Operating System (MOS) is our enterprise approach to continuous improvement and value creation for our shareholders. While Masco operates through a decentralized business model and 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.



Memberships

Masco is involved with various associations and national or international advocacy organizations, whether through memberships, governance, participation in projects or committees, funding beyond routine dues, or other strategic forms of involvement. We are members in a number of organizations which acknowledge the importance of sustainable business practices. These memberships include:

U.S. AND INTERNATIONAL

- AliaRSE (promoting Mexican business ethics and environmental responsibility)
- American Chemical Society
- American Coatings Association
- American Lighting Association
- American Society of Safety Engineers
- American Supply Association
- Board of Certified Safety Professionals (BCSP)
- Canadian Paint and Coatings Association
- Conflict-Free Sourcing Initiative
- Equal Employment Action Committee
- Green Chemistry and Commerce Council
- Human Resource Policy Association
- Manufacturers Alliance for Productivity and Innovation (MAPI)
- National Association of Manufacturers
- National Kitchen and Bath Association
- National Safety Council
- Plumbing Manufacturers International
- Pool & Hot Tub Alliance
- Responsible Minerals Initiative
- Society for Human Resource Management
- U.S. Green Building Council

EUROPE

- Alliance for Sustainability (Allianz pro Nachhaltigkeit)
- Association for Occupational Safety (VSW)
- Association for Solar Energy (DGNB)
- Bathroom Manufacturers Association
- German Sustainable Building Council
- Institute for Building and Environment (IBU)
- Institute for Environmental Management and Assessment (IEMA)
- Institute of Occupational Health and Safety (IOSH)

ECONOMIC PERFORMANCE

Core Financials

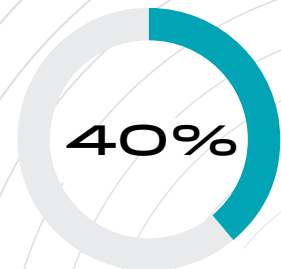
Masco's net sales for 2022 were approximately \$8.7 billion. Information about our financial performance can be found in our Annual Report (which includes our Form 10-K), available at <https://investor.masco.com/home/default.aspx>.

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, a number of our companies track the percentage of revenue generated from the sale of sustainable products. In 2022, our sustainable products included 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® and 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.

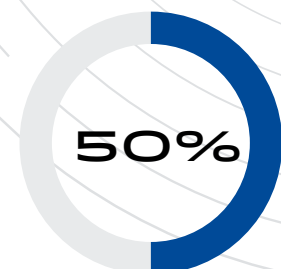
APPROXIMATE PERCENT OF 2022 REVENUE FROM SUSTAINABLE PRODUCTS BY SEGMENT



Plumbing Products



Decorative Architectural Products



Masco Total



BEHR® PAINT CELEBRATES SHARED COMMITMENT TO SUSTAINABILITY WITH THE HOME DEPOT AS ECO ACTIONS PARTNER

In early 2023, Behr Paint Company was named as one of The Home Depot's Eco Actions Partners, a program designed to recognize manufacturers leading the effort to address environmental impacts and working on their own to advance sustainability. The Behr team was recognized for using environmentally friendly, raw materials in their formulas; developing the first 100% recyclable paint can made from post-consumer plastic; and practicing sustainably sound manufacturing methods. Click [here](#) to learn more about BEHR Paint's sustainability practices.



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 2022 coming from new products introduced in the prior three years.

25%
of sales from new products

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 2022, approximately 1,500 patents and trademark registrations were granted to Masco worldwide. The total number of patent and trademark applications that we filed during 2022 was approximately 1,700. Foreign grants and filings accounted for 78 percent and 81 percent, respectively, of the total grants and filings.

KICHLER INTRODUCES ICON CEILING FAN THAT HELPS SAVE ELECTRICITY

In 2022, Kichler Lighting LLC debuted its Icon ceiling fan. Inspired by an Art Deco silver serving set, the 56-inch fan with an integrated, dimmable 3000K LED light comforts and illuminates in style. Its clean, crisp body and blades are complemented by linear details along the motor housing, blade irons and the Etched Cased Opal glass. Exquisite natural brass details complete this intriguingly gorgeous fixture. Plus, the DC motor fans are lightweight, whisper quiet, and use up to 70% less electricity than an AC motor.



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://www.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. We will not retaliate against anyone who makes a good faith report about a violation of the Code or other illegal or unethical conduct.

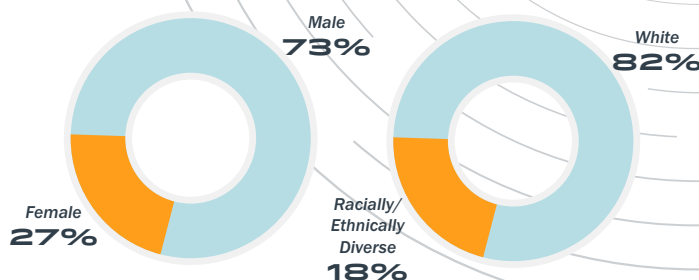
OUR BOARD AT A GLANCE

As of June 2023



**CURRENT CHAIR
OF THE BOARD:**

Lisa A. Payne



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, 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:

- overseeing 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 reviewing 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

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/.

RISK MANAGEMENT

Board Oversight

Each year our Board holds a strategy session in which management and our directors discuss how we are executing our current strategic objectives and developing our long-term strategy. In 2022, our Board's strategy session included discussions with the General Managers of several of our business units. The session also included a discussion with a housing market expert and a financial advisory firm to provide our directors with an external perspective of us, our industry and macroeconomic factors that may impact us.

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.

We have a cross-functional steering committee to ensure alignment and coordination of our ESG efforts, disclosure and communications. Through ongoing monitoring of trends and annual assessment of our ESG performance and profile, our ESG committee identifies areas for continuous improvement in the ESG space.

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 throughout the year. 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, Enterprise Security 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.

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

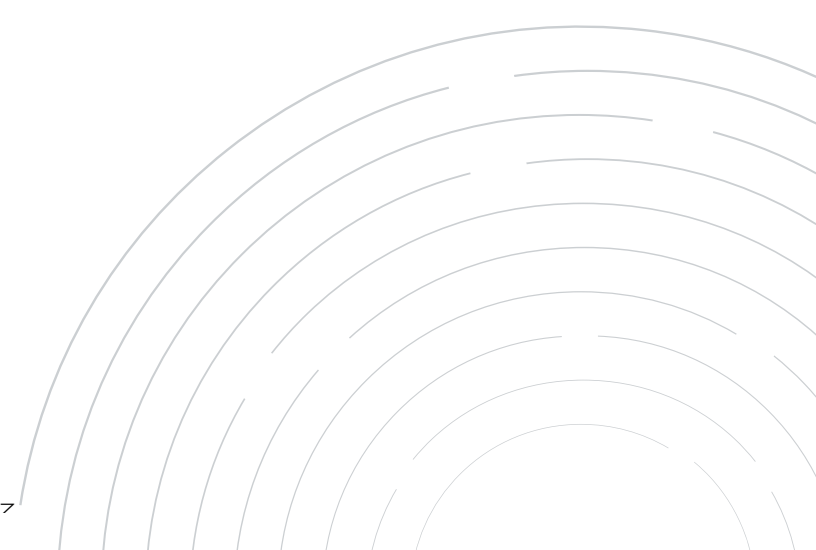
Our Supplier Business Practices Policy can be found at masco.com/wp-content/uploads/2022/09/Masco-Corporations-Supplier-Business-Practices.pdf

Conflict Minerals Policy

Our Conflict Minerals Policy can be found at 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.wpenginpowered.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.

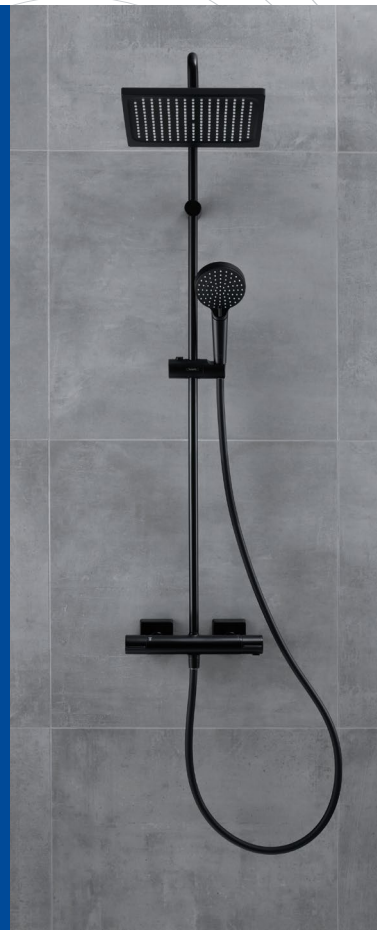
Our environmental professionals regularly conduct compliance audits at our facilities across the globe, and we utilize an enterprise-wide environmental reporting system that enables us to gather, track and report information. Additionally, about 20 percent of our sites conform to the ISO14001 Environmental Management System.

HANGSGROHE INVITES EXPERTS TO THE BLACK FOREST TO DISCUSS A CLEAN FUTURE

Water experts, teachers and interested parties met in September 2022 at Hansgrohe's corporate headquarters in the Black Forest on the topic of "Precious Water". The presentations, workshops and discussions focused on water conservation, the sustainable use of this precious resource and the limitation of damage that has already occurred.

Keynote speaker Dr. Judith Walls, a professor of sustainability management from the University of St. Gallen, reflected on what successful ways out of "business as usual" might look like, bringing compelling practical examples of making companies resilient and outlining a forward-looking management picture that is fit for the future. "There are solutions, and each individual can have a tremendous impact. What we need now is more leaders taking action," Walls said.

Hans Jürgen Kalmbach, the Chairman of the Executive Board of Hansgrohe SE, is also aware of this urgency and stated, "The Hansgrohe purpose is focused on the well-being of the planet. Water is life and our passion." Kalmbach reported that in the coming years Hansgrohe will be integrating water-saving technologies into their product portfolio that will enable customers around the world to save both water and energy.



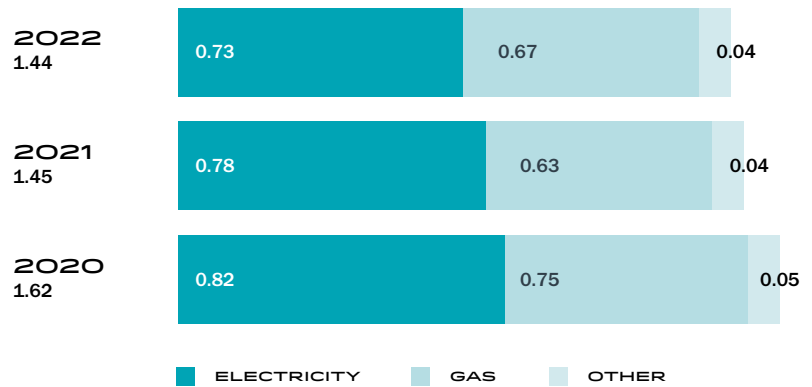
ENERGY

Energy Consumption

Our total energy consumption reported in 2022 was 1.44 million gigajoules (GJ). Of that, about 50 percent was electricity; 45 percent was natural gas; and the remaining 5 percent was from diesel, propane and gasoline. Also in 2022, 99 percent of electricity consumed was purchased from the grid and 1 percent of electricity consumed was self-generated via combustion of natural gas.

TOTAL ENERGY CONSUMPTION

Million GJ



Data includes existing operations during each reporting period presented.

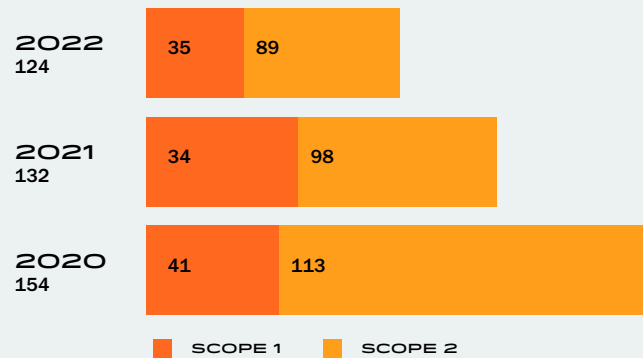
EMISSIONS

Carbon Emissions

In 2022, Masco's absolute Scope 1 and Scope 2 carbon emissions totaled about 124,000 metric tons. We report on our carbon emissions in detail through the CDP.

ABSOLUTE CARBON EMISSIONS

Thousand metric tons CO₂ equivalents



Data includes existing operations during each reporting period presented.

CARBON INTENSITY

Metric tons per net sales USD, (x10³)



Intensity figures exclude discontinued operations for periods presented.

CO₂e Intensity

We define our CO₂e intensity as metric tons of CO₂e per unit of net sales in U.S. dollars. In computing CO₂e, we measure our scope 1 and 2 factors, including consumption of electricity, natural gas, propane and heating fuel (oil), as well as fuel use (gasoline, diesel and propane). Standard conversion factors are used to compute CO₂e emissions from energy use.

OUR SUSTAINABILITY JOURNEY

In early 2023, Masco announced that it is setting 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-based targets deemed necessary to mitigate the worst effects of climate change.

“As a global leader in the design, manufacture and distribution of branded home improvement and building products, we believe our business should be part of the solution to the world’s climate crisis. Actively reducing emissions is an important step toward preserving our planet, protecting the thousands of Masco employees who work across the globe, and sustaining our planet and business for future generations,” said Masco’s President and CEO, Keith Allman.

Allman continued, “We have a culture of continuous improvement, and we are moving forward on this front by making our facilities more energy efficient, increasing the use of renewable energy and continuing to reduce waste in our operations. This goal is another example of our commitment to doing business the right way and further enables our purpose to provide better living possibilities—for our homes, our environment and our community.”





WATER

Water Use

In 2022, 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 2022, 21 of our operating locations were in areas the World Resource Institute defines as having high or extremely high baseline water stress. 22 percent of Masco's reported water withdrawn by our businesses was in these designated regions.

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.

TOTAL WATER USE

Million cubic meters



Data includes existing operations during each reporting period presented.

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. Hazardous waste is primarily disposed through fuels blending, incineration, landfill or recycling. Non-hazardous waste is primarily disposed through landfill and recycling. Some non-hazardous waste is also incinerated or sent to a wastewater treatment facility. Recycled waste is generally kept out of landfills by changing some of our process and construction waste materials into new products. Waste data excludes process water and wastewater.

WASTE INTENSITY

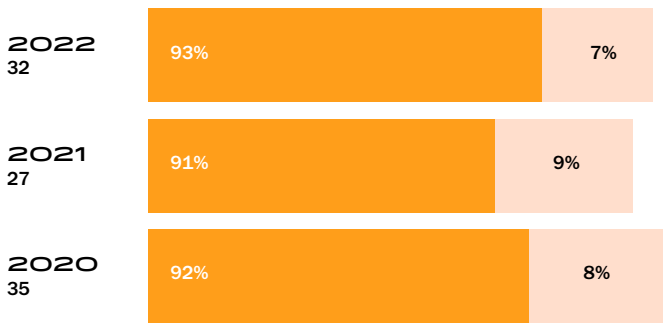
Metric tons per net sales USD, (x10⁶)



Intensity figures exclude discontinued operations for periods presented.

ABSOLUTE WASTE

Thousand metric tons



Data includes existing operations during each reporting period presented.

■ NON-HAZARDOUS ■ HAZARDOUS

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.

BEHR VOLUNTEERS WITH NATIONAL WILDLIFE FEDERATION

In autumn of 2022, in honor of Behr Paint Company's 75th anniversary and their commitment to environmental sustainability, Behr team members from across the country participated in the National Wildlife Federation's Clean Earth Challenge, which seeks to collect and count one million pieces of trash and debris from the great outdoors.

One group, led by Paul Turpin, Regional Sales Manager- Northern California, volunteered at Bass Lake in the Sierra Nevada Forest and collected over 800 pieces of trash. Go Team Behr!





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.

For example, at The Bristan Group, all new suppliers are issued a REACH Declaration of Substances of Very High Concern (SVHC) and asked to sign a statement disclosing the presence or absence of SVHCs in their products or packaging and committing to provide relevant updates when necessary.

Managing Emerging Concerns

Masco follows strict regulations through software identification and requests to suppliers to equip employees and customers to deal with emerging chemicals of concern. Before approving suppliers, business units that may use emerging chemicals of concern require suppliers to declare whether their products or packaging contain Substances of Very High Concern (SVHCs). 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. The Bristan Group personnel attend technical meetings of the Bathroom Manufacturers Association, where amendments to the SVHC list are often discussed. Hansgrohe uses “REACH Radar” to identify SVHCs. When products or packaging are deemed to contain SVHCs, they are dealt with in a safe manner, according to regulation.

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



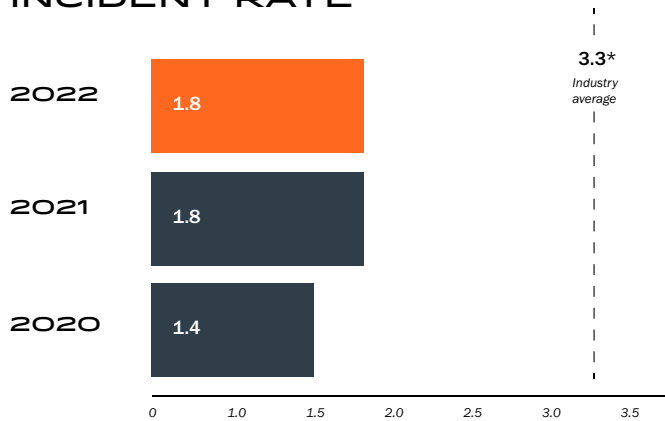
INVESTING IN OUR EMPLOYEES

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

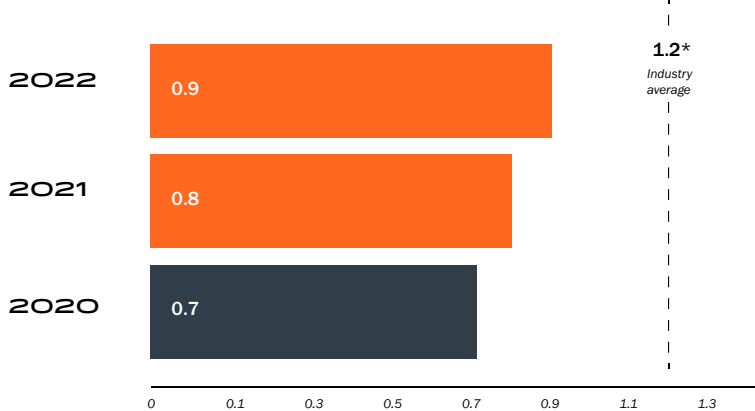
The safety of our employees is integral to our Company and is handled responsibly and quickly. We encourage a high standard of safety in the workplace, and we identify, assess and investigate incident and injury data centrally, each year setting a goal to improve key safety performance indicators by at least 10 percent. 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”, 2021

LOST DAY FREQUENCY RATE



*The Bureau of Labor Statistics incidence rates of nonfatal occupational injuries and illnesses for Industry “Manufacturing”, 2021



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 at 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 anonymous 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

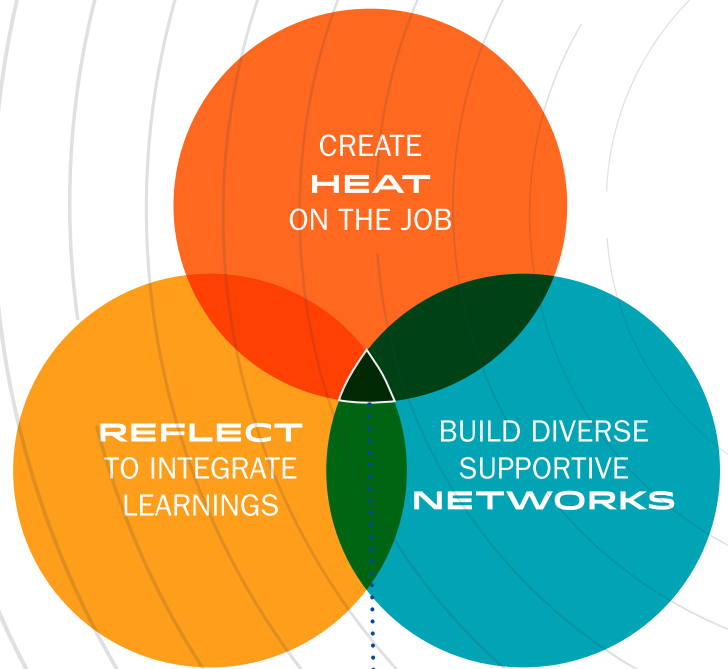
Talent capability and readiness assessment, calibration and action planning

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, and having forums and time to reflect and capture learnings.

Across our companies, we also provide differentiated development opportunities 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 & 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 merit increases based on performance
- 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
- Critical skills and capabilities to support business strategies

We also seek to make consistent compensation decisions that are understood by employees. We utilize an annual merit increase review process to recognize performance and adjust 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. The individual performance factor for executive officers and other key executives includes assessing their contribution to diversity, equity & inclusion (DE&I) initiatives.

Equal pay is an essential element of DE&I. Our approach to equal pay strives to be comprehensive, including reviewing policies and practices, analyzing 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 been evolving to a more common approach for conducting employee surveys and to gain employee insights and measure perspective. Our survey participation rate is strong at 69 percent in 2022, up from 65 percent in 2021. Across the entire survey population, 76 percent reported as actively engaged in 2022. This is slightly above the 75 percent reporting as actively engaged in 2021 and is well above our baseline of 66 percent reporting as actively engaged in 2019. We have found that 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 are our primary drivers of engagement.

U.S. EMPLOYEE SURVEY DATA

Employees Self-reporting as Actively Engaged



Survey Participation Rate



■ 2022 ■ 2021

2022 data includes a total of 8,813 responses. Some international-based businesses did not participate. Data includes all pay rate types.

Turnover

We remain focused on understanding and ensuring we are retaining our talent. In 2022, our voluntary turnover rate globally was approximately 14 percent, which is down from 19 percent in 2021.

Our average 2022 U.S. workforce tenure was 9.2 years, with our salaried workforce averaging 10.4 years and our hourly workforce averaging 8.3 years of tenure.

GLOBAL VOLUNTARY TURNOVER



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 employees, our consumers and customers, and our community partners.

We ground our companies in a unifying set of DE&I Guiding Principles (see page 31) 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:

- Governance, accountability and engagement across our family of companies to drive progress.
- Communicating progress and opportunities for continuous improvement towards our enterprise-wide measurable goals.
- Maturing our leader-led, intersectional DE&I councils at our business units.
- 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").



- Providing more consistent and transparent communications internally and externally on our initiatives, progress and learnings.
- Publicly disclosing our current state workforce demographics, including our EEO-1 report which can be found on our Company website (masco.com).
- Advancing the progress of our Supplier Diversity Program.
- Identifying 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

To promote a sense of inclusion and belonging, in 2020 we established a goal of achieving an 80 percent favorable score on our DE&I index for all demographic groups by 2025. Our DE&I index is comprised of six questions within our annual survey that measures employees' perceptions related to DE&I. In 2022, our DE&I index score was 77 percent favorable across our workforce, up from 76 percent favorable in 2021.

Additionally, in 2020, we established aspirational representation goals for certain groups (see chart below). Aligned with our culture of continuous improvement, these goals were designed to help us stretch. Accordingly, the aspirational goals are ambitious and there are complexities and variables that are impacting our progress and may result in us not achieving our goals, such as the tightening labor market, challenging economic environment, changes to our portfolio of businesses via acquisitions or divestitures, and adjustments to our job levels and managerial headcount. We continue to strive to reach these aspirational goals by implementing the various practices and initiatives described in this report.

U.S. REPRESENTATION GOALS

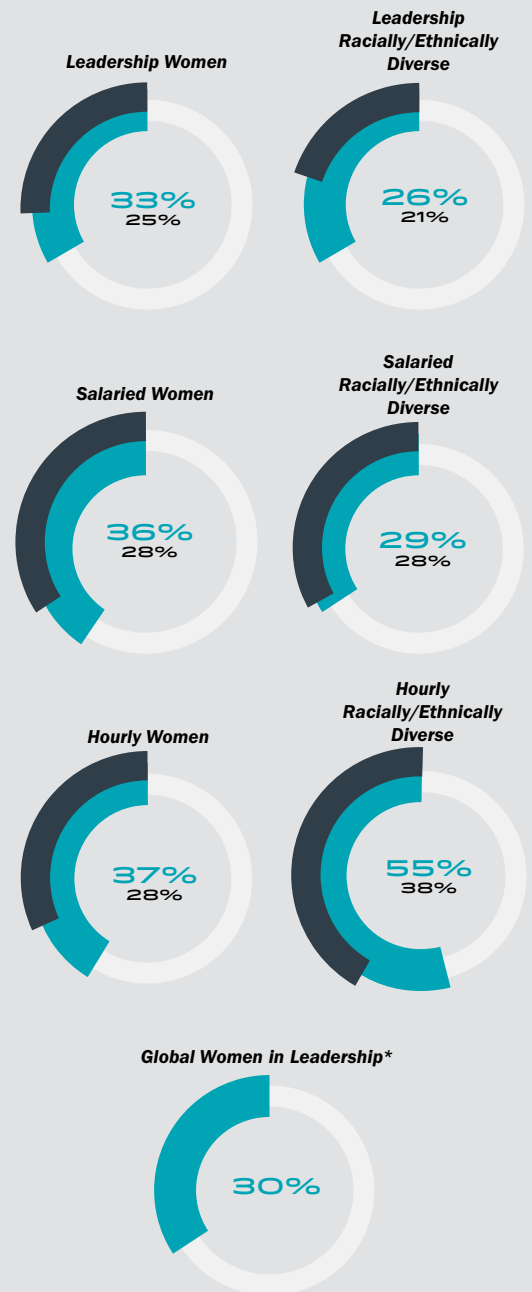
	2022 STATE	2025 GOALS
Gender Representation in Leadership	33%	40%
Racial and Ethnic Representation in Leadership	26%	31%
African American or Black Representation in Salaried Workforce	5%	7%

Leadership refers to manager and above levels.

These goals are aspirational and are not intended to be commitments, promises or guarantees. These goals represent forward-looking statements, and for an explanation of some of the factors that may cause results to be different, see the Cautionary Statements on page 48.

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.



■ MASCO 2022 YEAR END ■ EEO-1 BENCHMARK

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

Leadership includes first level managers and above.

Salaried includes EEO categories of leadership, professionals and technicians.

Hourly includes all other EEO categories.

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

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 to reach and increase the diversity of our candidate pools
- Exploring blind resume screening tools and practices
- Striving to have balanced interview candidate slates (more than 50 percent diverse)
- Enabling the use of data and insights to understand areas of opportunity
- Priming decision-makers about potential bias before talent decision-making processes occur

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 Building 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 2020-2022, over 1,200 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. Initial 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 employees, consumers and 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

In 2022, Masco formally adopted a set of DE&I Guiding Principles (see page 31) 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 were 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 2022 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.

One of our winners was Patrick Sullivan of Masco Support Services. Working with a couple friends, Patrick has been helping train a cyclist, Joshua, for the Indiana Special Olympics each year since 2020, with goals to improve stamina and bike handling skills, as well as speed work when race day is approaching. Riding from spring through fall, Joshua rode a total of 264 miles with Patrick and his friends in 2022!



Group Activities

As COVID-19 restrictions lessened, 2022 saw an increase in group volunteer activities across our enterprise.



Behr Paint employees worked with nearly 600 elementary school students at Huntington State Beach to support Kids Ocean Day, an annual statewide celebration to protect the world's oceans. Together, they collected over 115 pounds of trash.



A group of Kichler Lighting employees used their company-paid volunteer time to wrap 1,400 boxes in holiday paper for A Special Wish Foundation of Northeast Ohio's Holiday Drive-Thru event benefiting families with sick children.



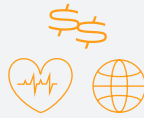
Watkins Wellness employees celebrated Earth Day with a beach cleanup.

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.



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.

DELTA FAUCET COMPANY SPONSORS IBE'S 2022 BLACK BUSINESS CONFERENCE

In July 2022, Delta Faucet Company was thrilled to once again partner with Indiana Black Expo (IBE) for Summer Celebration, IBE's largest event that showcases ten days of music, arts, fashion, food, sports, youth development, education, and economic and health equity designed to address the need of providing a sense of belonging for African Americans in Indiana.

Delta Faucet Company served as the presenting sponsor of the Summer Celebration's 2022 Black Business Conference, which included free workshops geared towards certification and procurement opportunities for businesses, as well as an Employment Opportunity Fair and networking opportunities like the Mayor's Breakfast hosted by Indianapolis Mayor Joe Hogsett and the Governor's Reception hosted by Indiana Governor Eric Holcomb.

"We're excited to once again work with Indiana Black Expo," said Ken Roberts, President, Delta Faucet Company. "Our collaboration with IBE is more than a great opportunity to pair our passion and resources with this critically important organization; it also fully aligns with our internal priorities, including attracting and retaining diverse talent."

Delta Faucet Company employee LaTanya McCann also emphasized that joining the event on behalf of her workplace was a great experience. "I enjoyed attending the Mayor's Breakfast as well as the Governor's Reception, and volunteering at the Exhibit Hall," she said. "Being a part of this impactful celebration is meaningful because it gives me a chance to give back to the community while also celebrating Black culture."



2022 Overview

2022 saw much of the world transition into a truly hybrid era, where COVID-19 responses adapted to rising and falling transmission levels and blended with the steady return to normalcy. For our philanthropic partners, this often meant coordinating in-person volunteers for the first time in two years, planning fundraising events that could turn virtual at the last minute and filling increasing gaps between families and basic needs like food and shelter as the government suspended aid programs begun during the pandemic.

In response, Masco continued to prioritize supporting our nonprofit partners' current challenges. We increased our charitable giving to meet the skyrocketing demands facing many of our grantee organizations. In particular, Masco and our business units grew our combined funding for housing and shelter organizations by over 40% between 2021 and 2022, donating over \$2.4M to nonprofits combating rising homelessness as pandemic-era eviction moratoriums and tax credits expired. Moreover, the increased feasibility of in-person volunteering allowed our business units to bring more employee groups back to food banks, Habitat for Humanity sites, and even volunteer opportunities held inside the workplace using paid Volunteer Time Off programs.

Learn more about our impact in our [2022 Giving Report](#).

2022 GIVING AT A GLANCE

**\$7.3
MILLION**

given in corporate and business unit cash donations to over 340 nonprofits across the U.S. and Canada

NEARLY

**\$440
THOUSAND**

donated through our 1:1 Matching Gift Program, benefiting 550 nonprofits

OVER

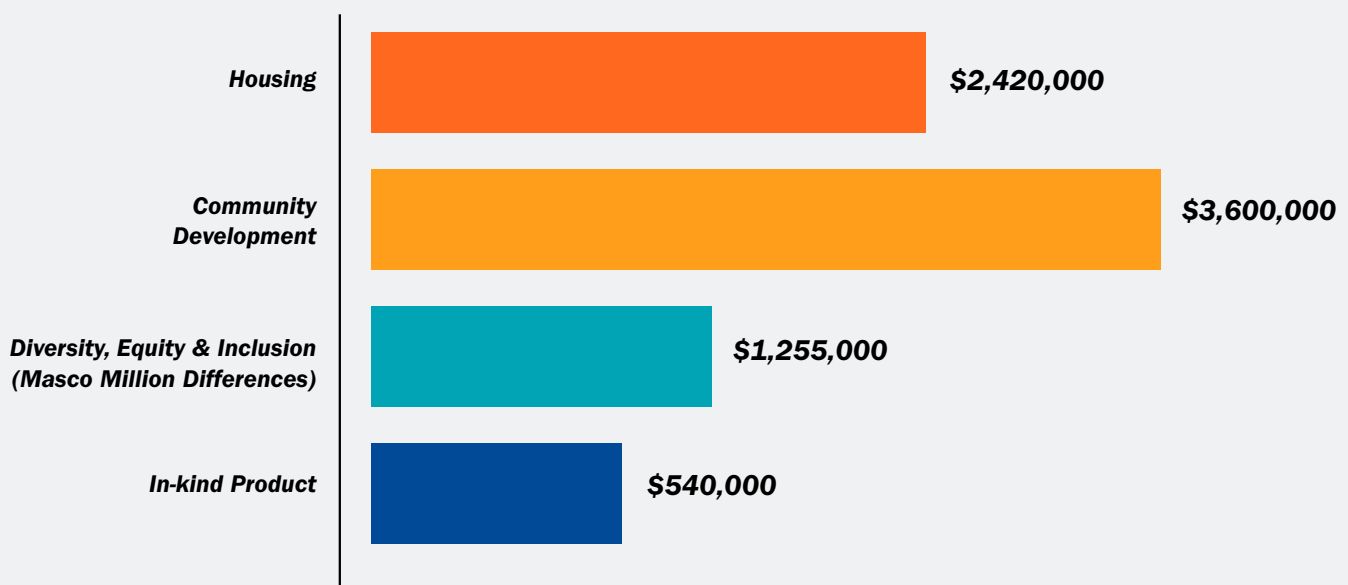
**\$540
THOUSAND**

donated through in-kind products

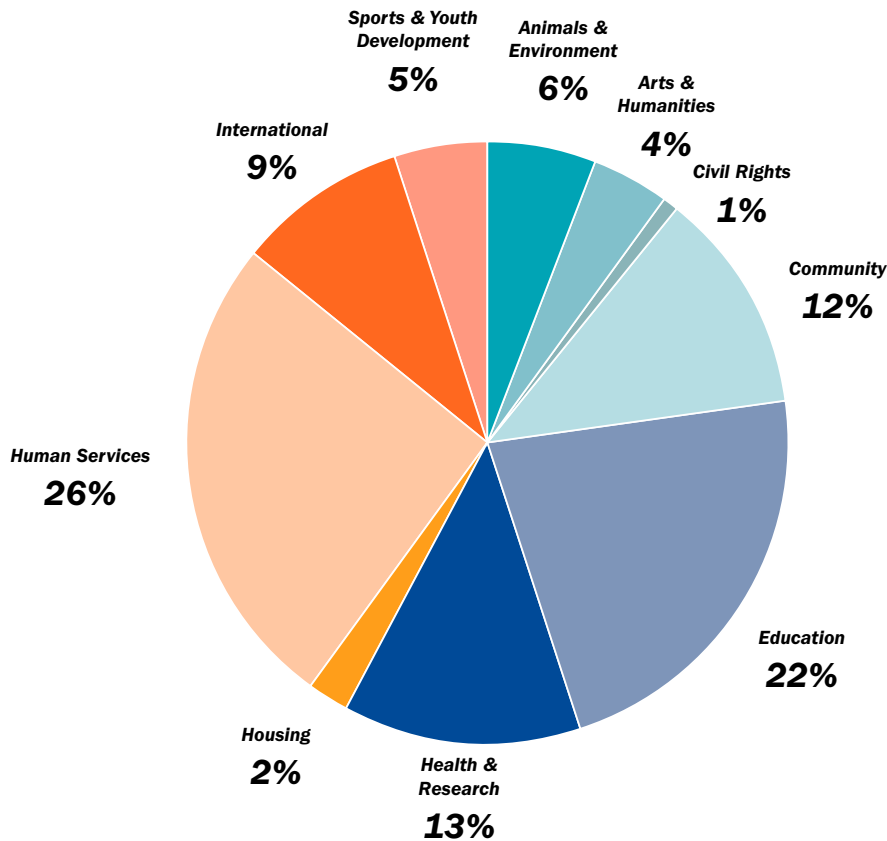
**50+
NONPROFITS**

received funds during the fifth year of our Masco Million Differences diversity, equity and inclusion program

MASCO CORPORATE AND BUSINESS UNIT GIVING 2022



MATCHING GIFTS BY CATEGORY



*Data reflects matches paid out between January-December 2022.

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. In 2022, we matched nearly \$440,000 in employee donations to 550 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, when considering Volatile Organic Compounds (VOCs) in regard to chemicals in our products, our boundary included our relevant business units such as Behr Paint Company.



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, 2022.

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) and German (www.hansgrohe.de).



Significant Changes

This report does not contain any significant changes in scope, boundary or measurement methods by comparison to the previous 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, 2022, include the following:

- **Employees:** Masco and its business units had approximately 19,000 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 38 percent of our consolidated 2022 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 30 distribution and warehouse facilities, and its principal facilities outside North America consist of 8 manufacturing facilities and 16 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 2022, we continued our robust shareholder engagement program. In both the spring and the fall, we requested the opportunity to engage with shareholders holding approximately 55 percent of our outstanding shares. Of the shareholders with which we engaged, we discussed our recent Board refreshment, our robust orientation process for new directors and new Board leaders, as well as our Board's oversight of ESG 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, human capital management 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 2022.

External Assurance

External report assurance was not sought for this report.

Date of Previous Report

Our most recent Corporate Sustainability Report was for 2021.

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. Additional information about Masco, our business units and brands is available on our website at www.masco.com and in our 2022 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	14	Board oversight	Board oversight of climate-related risks and opportunities	2-9	Governance structure and composition				
Board Oversight	16	Identification and assessment of risks	Organization's processes for identifying and assessing climate-related risks	2-23	Policy commitments				
External Initiatives	23								
Data Protection and Cybersecurity	17					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	8			2-7	Employees	10	Reduced inequalities		
Collective Bargaining	8			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		
Memberships	9			2-28	Membership associations				
Operations	8			2-1	Organizational details				
				2-6	Activities, value chain and other 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	19	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	19			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	22			306-2	Waste by type and disposal method	12	Responsible consumption and production		
Product Lifecycle Management	22							CG-BF-410a.1	Description of efforts to manage product lifecycle impacts and meet demand for sustainable products
Water Use	21			303-3	Water withdrawal	6	Clean water and sanitation		
Water Use in Stressed Locations	21			303-5	Water consumption	6	Clean water and sanitation		
Water Risk Management	21			303-3	Water withdrawal				
Carbon Emissions	19	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
Waste Intensity				306-2	Waste by type and disposal method	12	Responsible consumption and production		
Executive Message	5			2-22	Statement on sustainable development strategy				
Entities	40			2-2	Entities included in the organization's sustainability reporting				
Defining Report Content	40			3-1	Process to determine material topics				
Material Aspects and Boundaries	41			3-2	List of material topics				
Significant Changes	41			2-4	Restatements of information				
Material Aspects and Boundaries	41			3-3	Management of material topics				
				3-3	Management of material topics				
Reporting Period	43			2-3	Reporting period, frequency and contact point				
External Assurance	43			2-5	External assurance				
Date of Previous Report	43								
Report Cycle	43			2-3	Reporting period, frequency and contact point				
Report Contact	43			2-3	Reporting period, frequency and contact point				
Group	42			2-29	Approach to stakeholder engagement				
Selection	42			2-29	Approach to stakeholder engagement				
Approach	43			2-29	Approach to stakeholder engagement				
Concerns	43								
Standards Traceability	44				Requirement 7: Publish a GRI content index				
Managing Product Risk	23							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	23								
Volunteerism	36					16	Peace, justice, and strong institutions		
Philanthropy	37			201-1	Direct economic value generated and distributed	8	Decent work and economic growth		
Advocacy	35			413-1	Operations with local community engagement, impact assessments, and development programs				
Employee Safety	24			403-9	Work-related injuries	8	Decent work and economic growth		
				403-6	Promotion of worker health	8	Decent work and economic growth		
Turnover	29			401-1	New employee hires and employee turnover	8	Decent work and economic growth		
Diversity, Equity and Inclusion	30			406-1	Incidents of discrimination and corrective actions taken	8	Decent work and economic growth		
Human Rights Policy	17			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	25			404-2	Programs for upgrading employee skills and transition assistance programs	4	Quality education		
	28					3	Good health and well-being		
	28					4	Quality education		
	26					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 2022. 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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