



A SUPERCHARGED GROWTH OPPORTUNITY

INVESTOR DAY 2022

December 6, 2022



All references to operating income, operating margin, EBITDA, EBITDA margin and net debt / EBITDA are on a before charges/gains basis.

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This presentation contains certain “forward-looking statements” made within the meaning of the Private Securities Litigation Reform Act of 1995. Forward looking statements include all statements that are not historical statements of fact and those regarding our intent, belief, or expectations, including, but not limited to: our general business strategies, anticipated market potential, the potential impact of costs, including material and labor costs, the potential impact of inflation, the potential of our brands’ expected capital spending, expected pension contributions, expected impact of acquisitions, the anticipated effects of recently issued accounting standards on our financial statements, planned business strategies, future financial performance and other matters. Statements that include the words “believes,” “expects,” “anticipates,” “intends,” “projects,” “estimates,” “plans” and similar expressions or future or conditional verbs such as “will,” “should,” “would,” “may” and “could” are generally forward-looking in nature and not historical facts. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is based on the expectations, estimates, assumptions and projections about our industry, business and future financial results available at the date of this presentation.

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This presentation includes measures not derived in accordance with generally accepted accounting principles (“GAAP”), such as organic sales and before charges/gains measurement of operating income, operating margin, segment income, segment operating margin, EBITDA, EBITDA margin, segment EBITDA margin and net debt to EBITDA. These measures should not be considered in isolation or as a substitute for any measure derived in accordance with GAAP and may also be inconsistent with similar measures presented by other companies. Reconciliation of these measures to the most closely comparable GAAP measures, and reasons for the company’s use of these measures, can be found in the Appendix of this presentation.

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AGENDA



A Supercharged Growth Opportunity

Nicholas Fink, Chief Executive Officer



Industry Overview & Growth Accelerants

John Lee, Chief Strategy & Growth Officer; Interim Chief Digital Officer



Leading Brands, Innovation & Channel

Cheri Phyfer, Group President



Our Digital Transformation

John Lee, Chief Strategy & Growth Officer; Interim Chief Digital Officer



Fireside Chat: Global Supply Chain

Ron Wilson, Chief Supply Chain Officer



Financial Overview & Outlook

Patrick Hallinan, Chief Financial Officer



Q&A Session



Brand Leader

FORTUNE BRANDS INNOVATIONS

[PLAY VIDEO](#)



A SUPERCHARGED
GROWTH OPPORTUNITY

Nicholas Fink
Chief Executive Officer

INTRODUCING FORTUNE BRANDS INNOVATIONS

A Brand, Innovation and Channel Leader Focused on Supercharged Growth Opportunities within the Home, Security and Commercial Building Markets



Leading Positions in Attractive Growth Markets with Secular Tailwinds



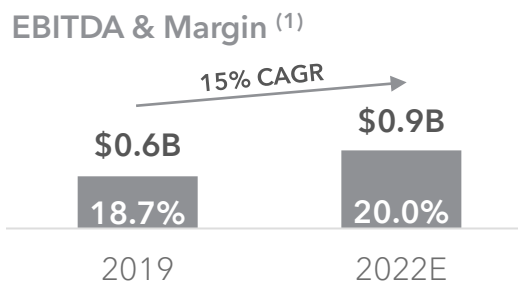
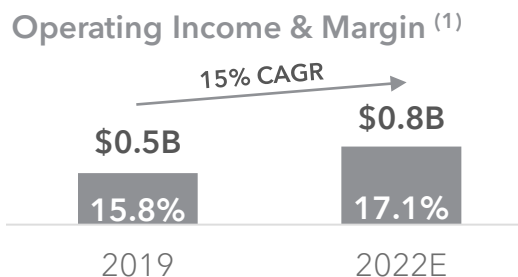
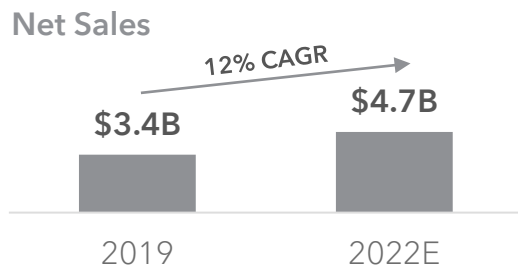
Aligned Organization and Fortune Brands Advantage Driving Exceptional Returns



Track Record of Through-the-Cycle Value Creation Driven by Talented Team

ESG LEADER | DISCIPLINED ACQUIRER | POISED TO DELIVER ACCELERATED GROWTH

FORTUNE BRANDS INNOVATIONS: DIFFERENTIATED GROWTH



Water
55% of 2022E Net Sales

MOEN
HOUSE OF ROHL

+9% CAGR
Net Sales
2019 - 2022E

+270 bps
Operating Margin
2019 - 2022E

+282 bps
EBITDA Margin
2019 - 2022E

Outdoors
32% of 2022E Net Sales

fiberon **LARSON**
THERMA TRU
DOORS

+25% CAGR
Net Sales
2019 - 2022E

+120 bps
Operating Margin
2019 - 2022E

Security
13% of 2022E Net Sales

Master Lock
SentrySafe

+3% CAGR
Net Sales
2019 - 2022E

+166 bps
EBITDA Margin
2019 - 2022E

Outdoors & Security

+120 bps
Operating Margin
2019 - 2022E

+166 bps
EBITDA Margin
2019 - 2022E

(1) Presented on a before charges & gains basis and includes corporate SG&A

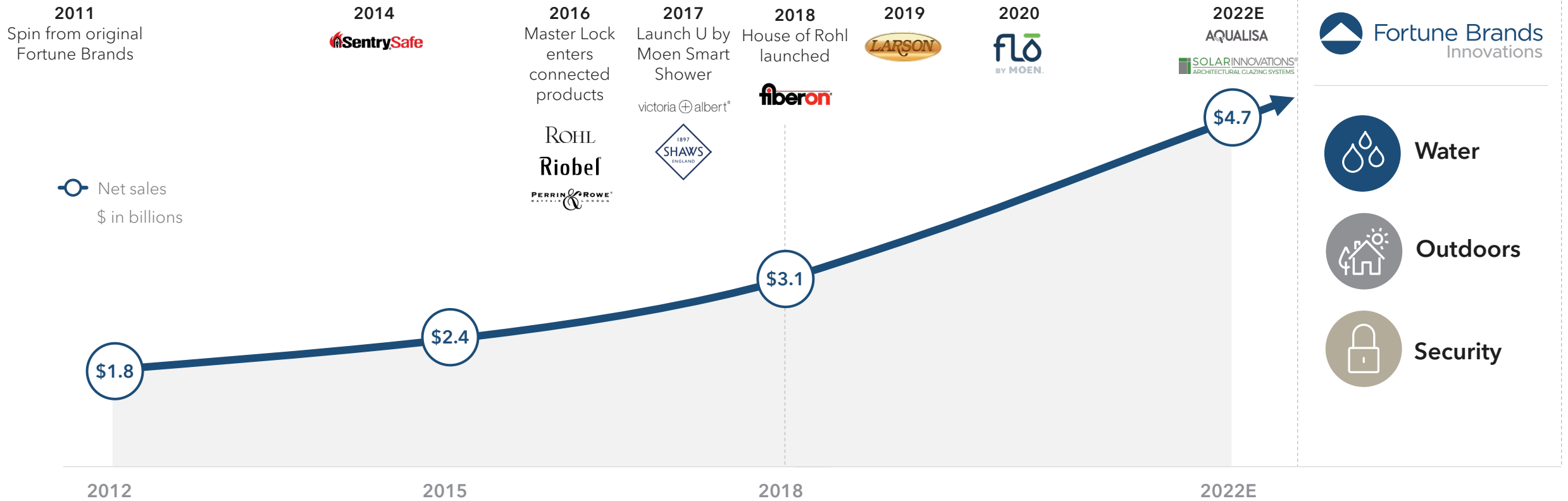
EVOLUTION OF FORTUNE BRANDS INNOVATIONS

THE START OF A NEW ERA

Category Outperformance and Expansion Through the Housing Market Recovery

Execution Excellence through Global Disruptions

Winning Brands in Super-Charged Categories





SUPERCHARGED CATEGORIES

WE OPERATE IN THREE HIGH-GROWTH CATEGORIES...



WATER



OUTDOORS



SECURITY

...POWERED BY SECULAR TAILWINDS...



Connected Products



Outdoor Living



Sustainability

Water Management



Material Conversion



Safety and Wellness



...UNDERPINNED BY LEADING BRANDS

MOEN®

HOUSE OF ROHL

THERMA TRU®
DOORS

LARSON

fiberon®

Master
Lock

SentrySafe



#1
consumer
faucets



#1
luxury K&B
fixtures among
designers



#1
fiberglass entry
doors among
builders



#1
storm doors



#3
composite
decking



#1
mechanical
padlocks



#1
fire
safes

Claims based on North American data



ALIGNED BUSINESS MODEL

FORTUNE BRANDS ADVANTAGE OUR POWERFUL BUSINESS SYSTEM



**Category
Management**



**Business
Simplification**



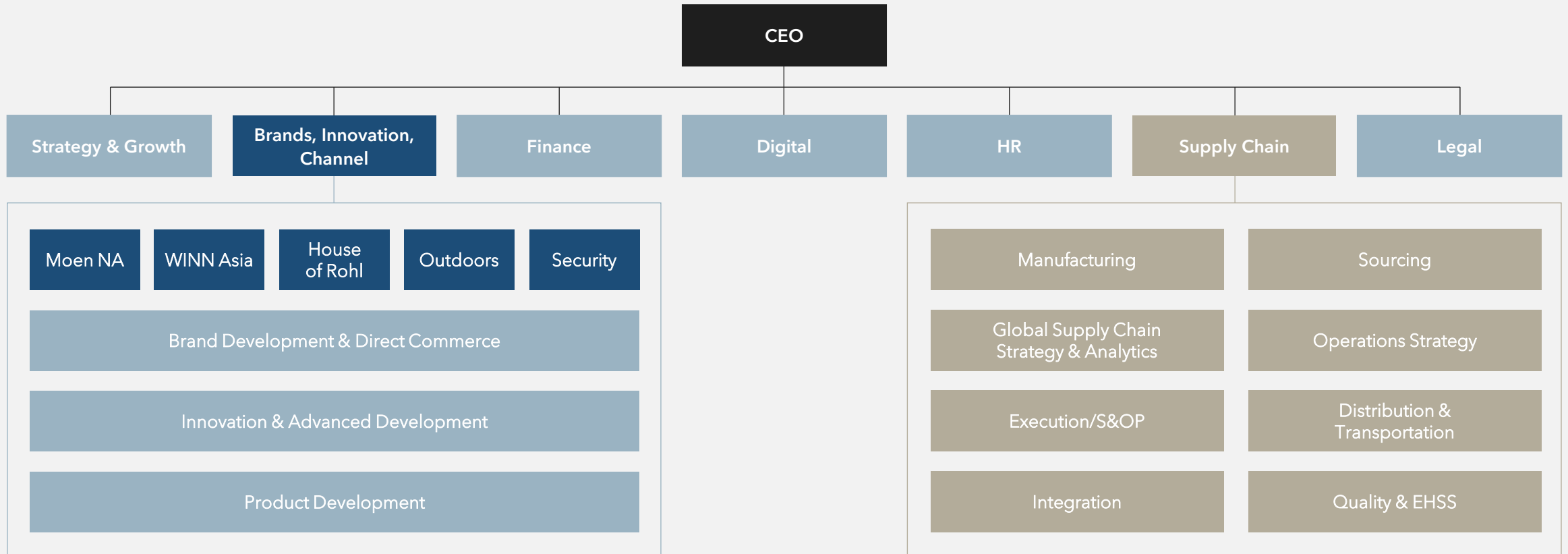
**Global Supply Chain
Excellence**



Digital Transformation

ALIGNED ORGANIZATION

STREAMLINED OPERATING STRUCTURE SUPPORTING OUR UNIFIED APPROACH



WINNING TALENT & CULTURE



DIVERSE AND TALENTED TEAM TO GUIDE FORTUNE BRANDS INNOVATIONS



Nicholas Fink
Chief Executive Officer



Hiranda Donoghue
General Counsel & Secretary



Sheri Grissom
Chief Human Resources Officer



Patrick Hallinan
Chief Financial Officer



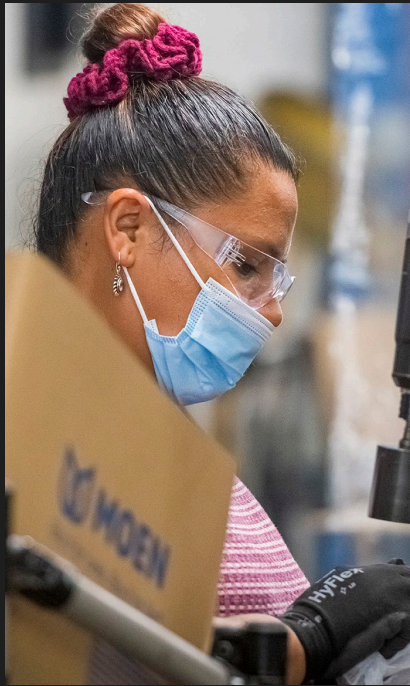
John Lee
Chief Strategy & Growth Officer
Interim Chief Digital Officer



Cheri Phyfer
Group President



Ron Wilson
Chief Supply Chain Officer



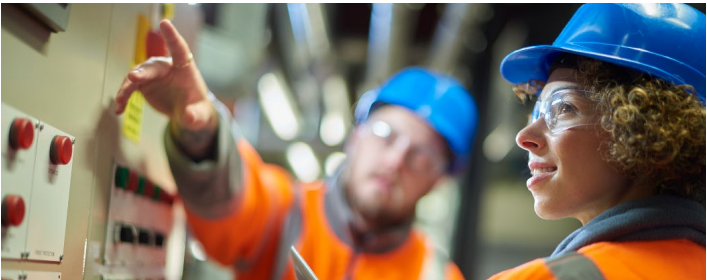
DOING THE RIGHT THING IS EMBEDDED IN OUR CULTURE



- 12,000+ associates globally
- Commitment to diversity across the organization
- Above benchmark response rate for first-ever enterprise-wide engagement survey in 2021



- Prioritizing safety for our people and for our customers
- Strong safety record, with a target of zero safety incidents for existing businesses and improved safety for newly acquired businesses



- Focused on water, renewal and climate, across the enterprise and in our products
- Announced carbon reduction and renewable energy goals



ESG TAILWINDS

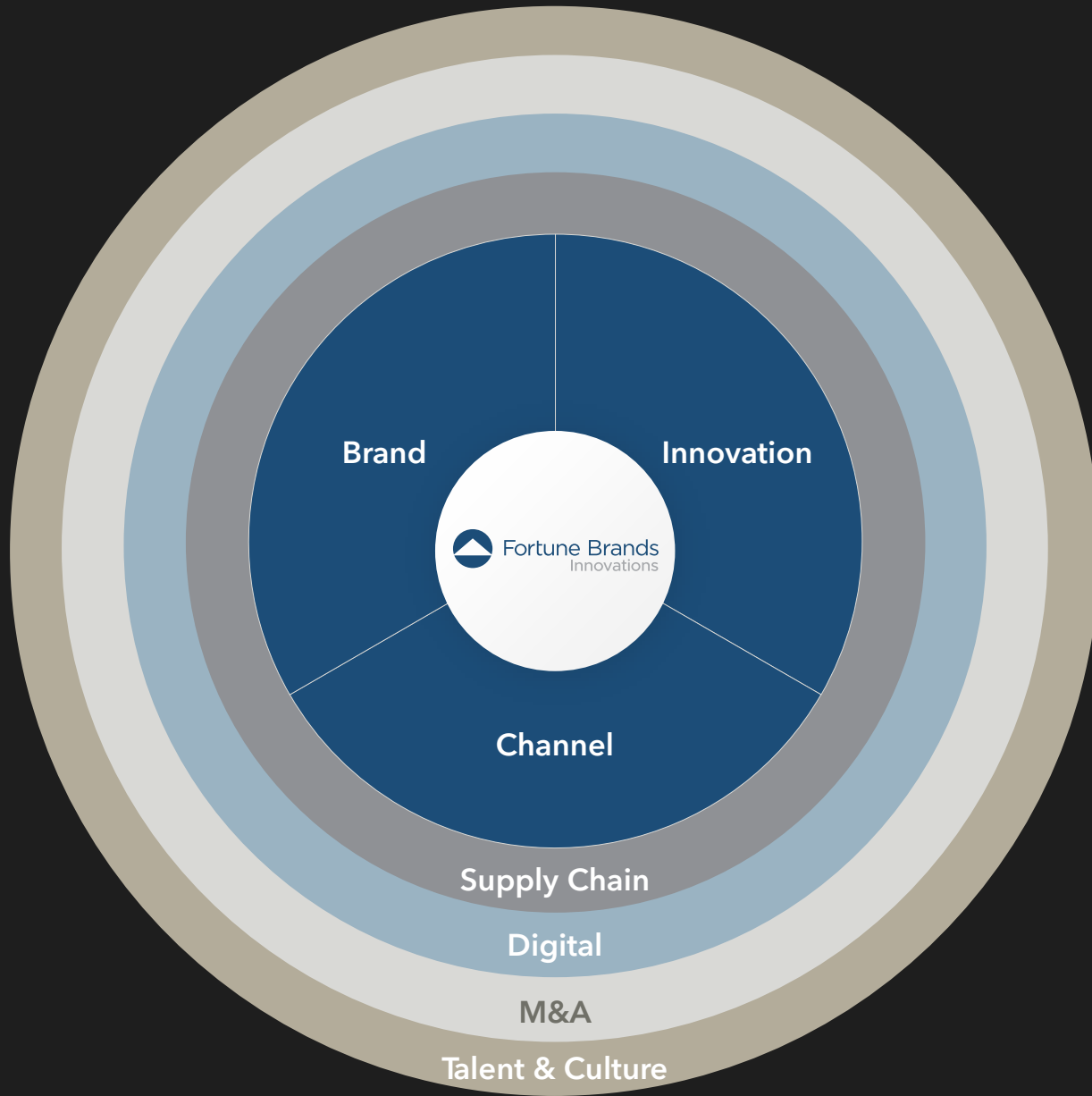
WE LEVERAGE OUR LEADING POSITIONS, ADVANTAGED BUSINESS MODEL AND TALENTED TEAM TO DELIVER INSPIRING PRODUCTS THAT...



save water | utilize recycled materials | conserve energy | protect people

WINNING FORMULA FOR
SUPERCHARGED
GROWTH AND MARGIN



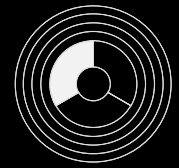


**WINNING FORMULA
FOR SUPERCHARGED
GROWTH AND MARGIN**

BRAND BUILDING IS AT THE CORE OF OUR DNA

- Leading brands across each of our businesses
- Trusted, iconic names inspiring loyalty and confidence
- Aligned branding strategies supported by strength in innovation and channel management

Our powerful brands are differentiators that enhance our competitive advantage



Brand



AMANDA BY VICTORIA+ALBERT AZURE BY RIOBEL FEATURING CLASSIC SHAKER MODERN BY SHAW'S DEED BY PERRIN & ROWE GRACELINE BY ROHL

OUR CULTURE OF INNOVATION DRIVES GROWTH, PRODUCTIVITY AND BRAND HEALTH



Innovative Solutions



Innovative Operations

DIFFERENTIATED OMNI-CHANNEL APPROACH

- ✓ Wholesale dealers
- ✓ Leading home centers
- ✓ Showrooms
- ✓ eCommerce
- ✓ National builders
- ✓ Distributors

Delivering unique brand
insights and innovation



EFFICIENT & RESILIENT GLOBAL SUPPLY CHAIN

- ✓ Strategic sourcing
- ✓ Automation, machine learning & AI
- ✓ Global scale
- ✓ Data-driven insights & processes

Maintaining market leading service levels while delivering fuel for growth



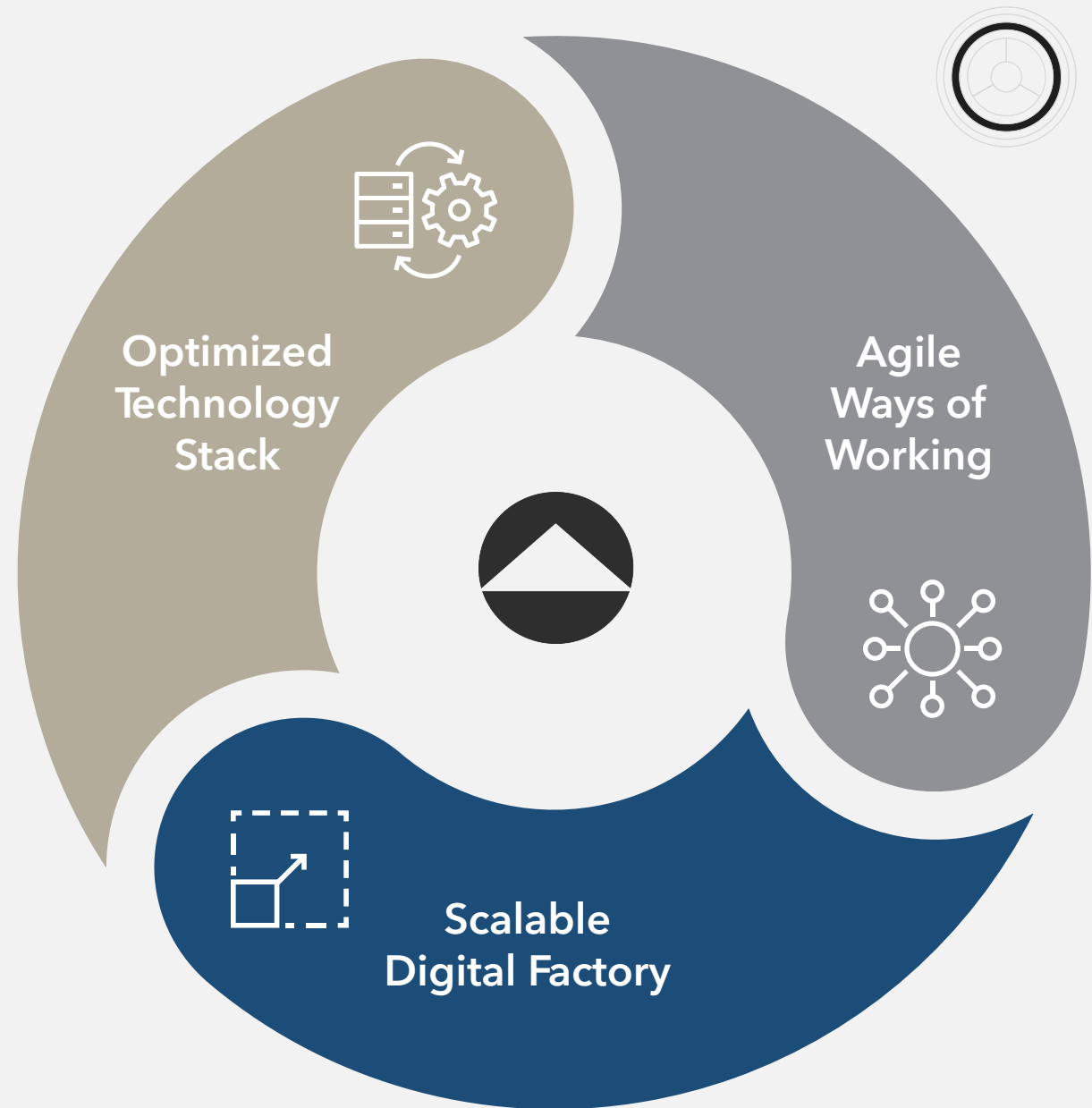
Supply Chain

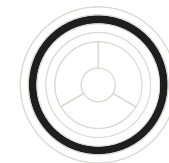


ACCELERATING DIGITAL TRANSFORMATION

- ✓ Integrating our digital & technology organization
- ✓ Accelerating innovation and speed to market
- ✓ Driving sustainable productivity and efficiency
- ✓ Enhancing employee development, satisfaction and retention

Transforming our culture to enhance the way we work

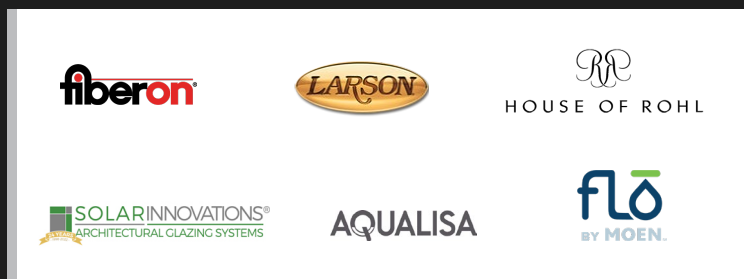




DISCIPLINED ACQUISITION STRATEGY AUGMENTING ACCELERATED GROWTH

Proven track record of value-creating acquisitions in high-growth categories

- 11 major acquisitions since 2011
- >\$2 billion deployed into M&A since 2011
- Contributing ~\$1B to 2022 Net Sales



Go Forward Priorities



Profitable & Supercharged End-Markets



Innovative Brands



Digital or Advanced Material Tailwind



Omni-Channel Capability



Operating Synergies

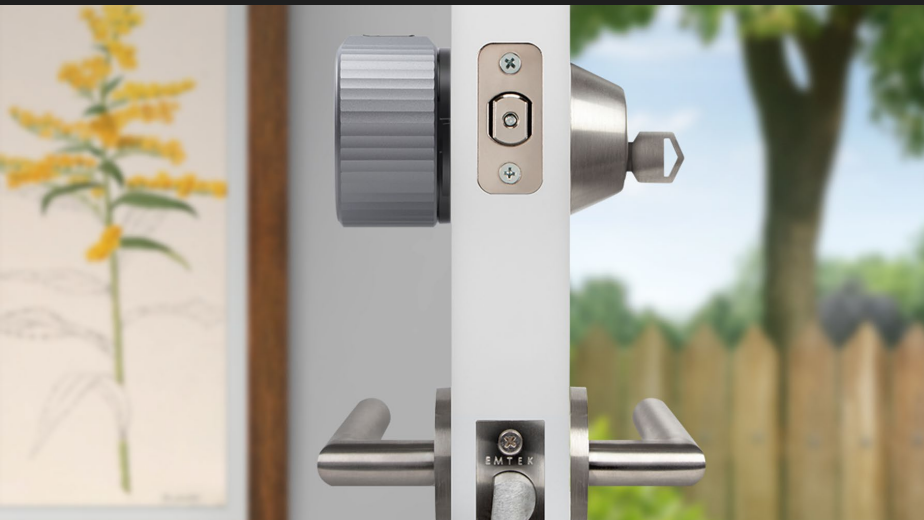


Commitment to Returns

ANNOUNCED STRATEGIC TRANSACTION - ALIGNED WITH FOCUS ON SUPERCHARGED CATEGORIES

Signed conditional agreement to acquire two businesses from ASSA ABLOY

- **Emtek** and **Schaub**, premium and luxury door and hardware business
- **Yale** and **August** residential smart locks business in the U.S. and Canada



RESIDENTIAL SMART LOCKS

- Residential smart home access products under iconic smart lock brands
- Proprietary software platform developed and maintained by in-house engineers
- Distributed through integration partners, B2B, eCommerce, and retail customers
- Efficient, asset-light supply chain
- **15%** 4-year sales growth CAGR

EMTEK. *Schaub*

PREMIUM HARDWARE

- Designs, sources and assembles premium and luxury hardware
- Leader in design and innovation with the most comprehensive product offering
- Distributed through showroom, door shops and lumberyards, and eCommerce customers
- Efficient, asset-light supply chain
- **11%** 5-year sales growth CAGR

ATTRACTIVE MARGIN BUSINESSES WITH CLEAR POTENTIAL FOR SYNERGIES ACROSS THE PORTFOLIO



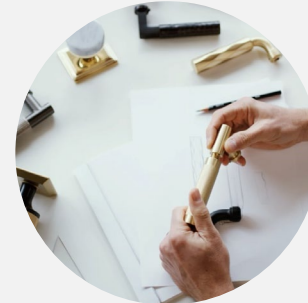
Yale

RESIDENTIAL SMART LOCKS

- Expand retail/omnichannel and wholesale door lock business
- Broaden residential connected product ecosystem
- Accelerate smart door innovation
- Leverage Fortune Brands Advantage



eugust



EMTEK.

PREMIUM HARDWARE

- Drive showroom productivity and velocity (e.g. finish matching, cross-selling)
- Expand distribution by leveraging House of Rohl and Therma-Tru relationships
- Increase hospitality penetration
- Leverage Fortune Brands Advantage



Schaub

WHERE WE'RE GOING

2022E

Net Sales
\$4.7B

Operating Margin ⁽¹⁾
~17%

EBITDA Margin ⁽¹⁾
~20%

Leading Positions in Attractive
Growth Markets with Secular
Tailwinds

Aligned Organization and
Fortune Brands Advantage
Driving Exceptional Returns

Track Record of Through-the-
Cycle Value Creation Driven
by Talented Team

Organic Targets

Net Sales CAGR
6% - 9%
GLOBAL HOUSING MARKET 4% - 6%

Operating Margin ⁽¹⁾
20% - 22%

EBITDA Margin ⁽¹⁾
23% - 25%

(1) Presented on a before charges & gains basis and includes corporate SG&A

INDUSTRY OVERVIEW & GROWTH ACCELERANTS

John Lee

Chief Strategy & Growth Officer
Interim Chief Digital Officer

UNDERLYING FUNDAMENTALS SUPPORT LONG-TERM R&R GROWTH

> **R&R FOCUSED**
~67%
of FBIN's North America mix is R&R

> **RECORD HIGH HOME EQUITY**
\$300,000
average equity per homeowner⁽¹⁾

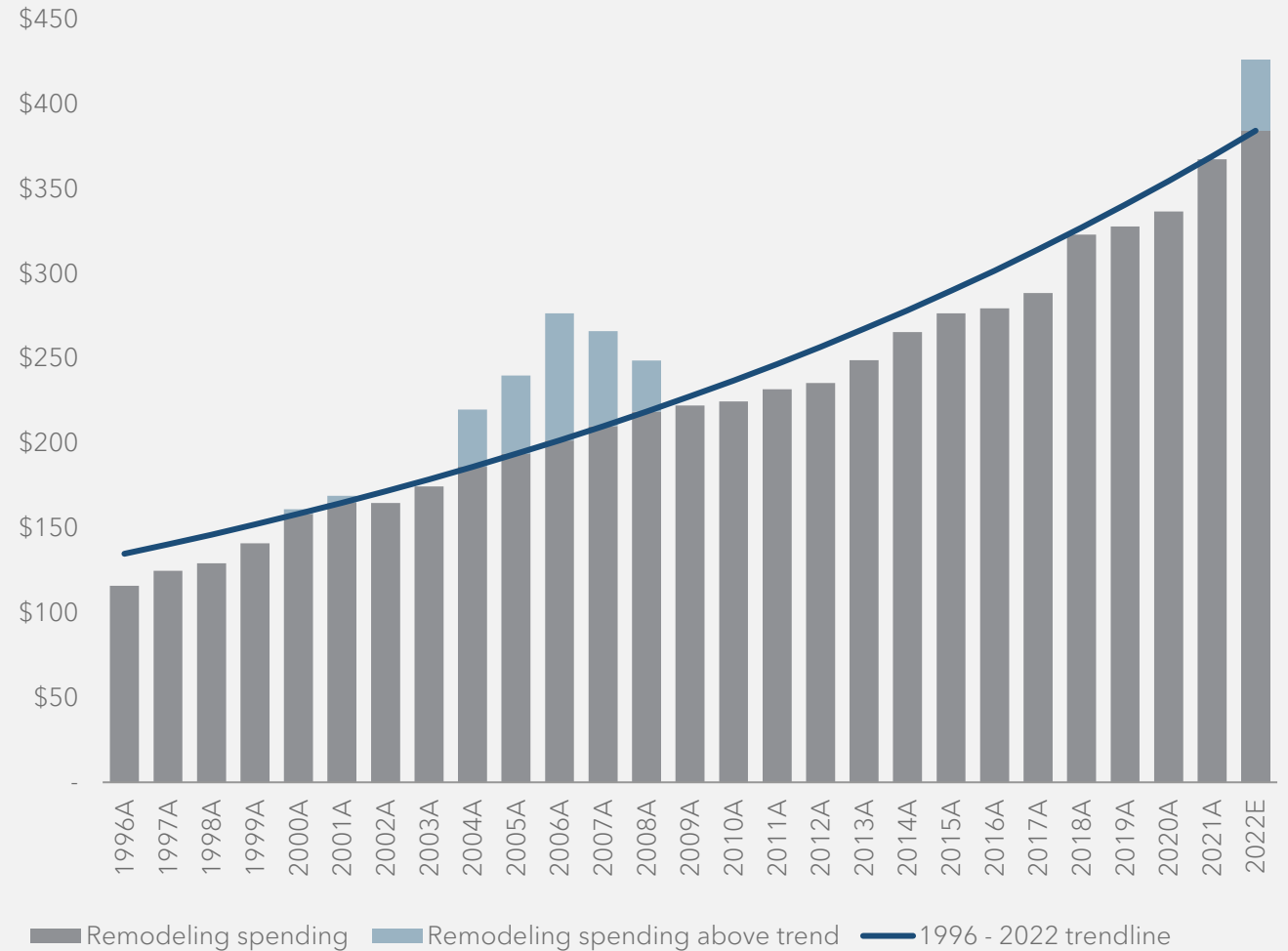
> **AGING HOUSING STOCK**
~40 years
average home age⁽²⁾

(1) CoreLogic Homeowner Equity Report 2Q22

(2) US Census, FBIN Analysis

(3) Harvard Joint Center for Housing Studies (Homeowner Improvements & Maintenance)

U.S. Remodeling Spend Has
Grown at a 5% CAGR Since 1996⁽³⁾



LONG-TERM NEW CONSTRUCTION OUTLOOK REMAINS FAVORABLE

> HOUSEHOLD FORMATION
12 million
households formed 2018-2028 ⁽¹⁾

> HOUSING UNDERBUILD
3 million
units underbuilt since 2002 ⁽²⁾

> PENT-UP DEMAND
3 million
More young adults living home
vs. pre-2008 ⁽³⁾



(1) Harvard Joint Center for Housing Studies
(2) FBIN Analysis
(3) US Census

WE OPERATE IN DEEP, OPPORTUNITY-RICH, GROWING CATEGORIES


HIGH-GROWTH CATEGORIES 4% - 6% MARKET CAGR



Water

\$20B
N.A. Residential TAM


\$15B
N.A. Commercial TAM



Outdoors

\$25B
N.A. Residential TAM

\$15B
N.A. Commercial TAM



Security

\$30B
N.A. Residential TAM

\$45B
N.A. Commercial TAM

SUPERCHARGED TAILWINDS

+10-12%¹
Water Management

+7-8%¹
Connected Products

+8-9%²
Material Conversion

+5-6%³
Safety & Wellness

+7-8%⁴
Sustainability

DRIVING INCREMENTAL GROWTH AS PORTFOLIO EVOLVES OVER TIME

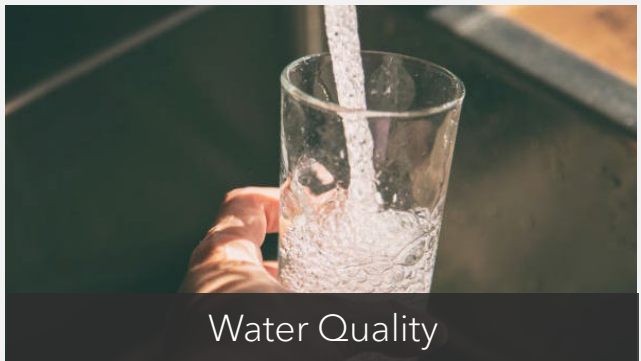
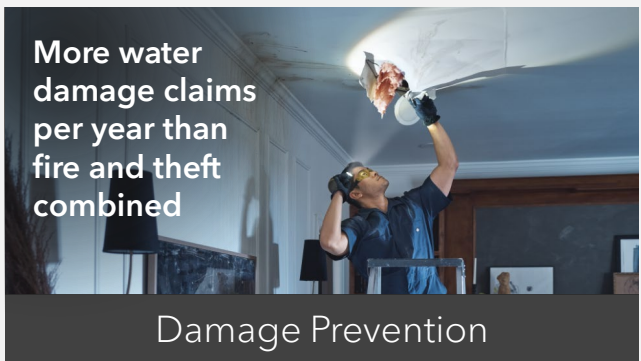
Source: 1. Omdia Smart Home Device Penetration Forecast; 2. Principia Composite Decking Growth Forecast; 3. McKinsey "US Wellness Market Continues to Boom"; 4. IRI/NPD w/ NYU Stern Center for Sustainable Business

WATER TAILWINDS

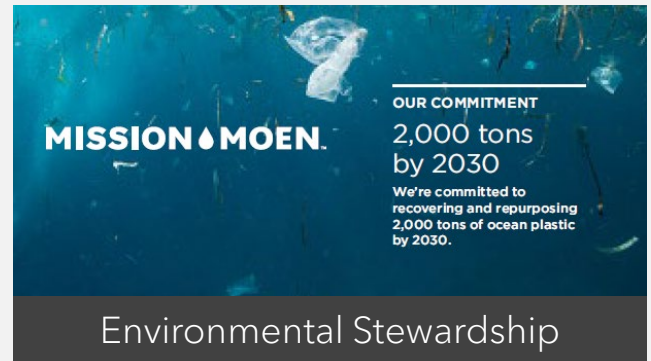
CONNECTED PRODUCTS



SAFETY & WELLNESS



SUSTAINABILITY



WATER MANAGEMENT

OUTDOORS TAILWINDS

OUTDOOR LIVING



Outdoor Living space ranked **#1 most-popular home exterior upgrade** category in 2022 AIA architect survey ⁽¹⁾

(1) AIA Home Design Trends Survey (2022)
(2) Ducker (2022)
(3) Principia/Barclays (2022)

MATERIAL CONVERSION

Exterior Door Market Volume ⁽²⁾

50%
Fiberglass

50%
Conversion Opportunity
(other materials)

Fiberglass vs. Wood

- ✓ Less maintenance
- ✓ Energy savings
- ✓ Greater longevity
- ✓ More sustainable

Decking Market Volume ⁽³⁾

25%
Composite PVC

75%
Conversion Opportunity
(other materials)

Composite/PVC vs. Wood

- ✓ Less maintenance
- ✓ Lower lifetime cost
- ✓ Greater longevity
- ✓ More sustainable

SUSTAINABILITY



Fiberon composite board is made with **~95% recycled material**, preventing more than **70,000 tons of plastic and wood waste per year**

SECURITY TAILWINDS

CONNECTED PRODUCTS



<10%
consumer smart/
connected lock
penetration
today¹

**Real estate &
rental properties**

**Remote
unmanned
access**

**Electrified door
access**

(1) Omdia Smart Device Penetration (2021)
(2) National Safety Council (2022)

SAFETY & WELLNESS

Consumer
Concerns

GALLUP®
POLITICS OCTOBER 28, 2022
Record-High 56% in U.S.
Perceive Local Crime Has
Increased



Commercial /
EHS Needs

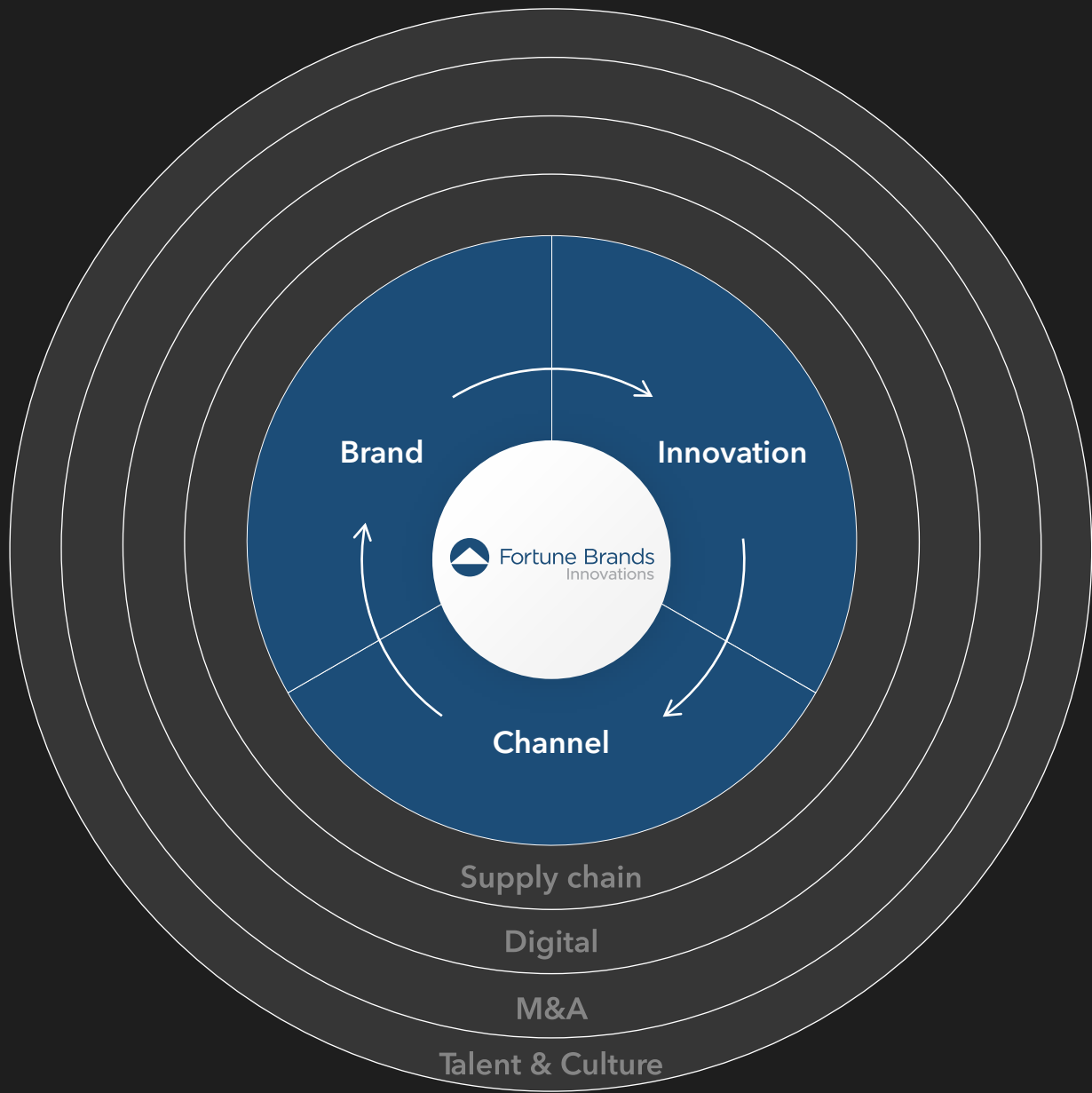
Lockout/Tagout
among **top 10**
OSHA citations²



—

LEADING BRANDS, INNOVATION, AND CHANNEL

Cheri Phyfer
Group President



**WINNING FORMULA
FOR SUPERCHARGED
GROWTH AND MARGIN**

MOEN[®]


HOUSE OF ROHL

THERMA TRU[®]
DOORS



fiberon[®]

Master
Lock.





#1
consumer
faucets



#1
luxury K&B
fixtures among
designers



#1
fiberglass entry
doors among
builders



#1
storm doors



#3
composite
decking



#1
mechanical
padlocks



#1
fire
safes

Claims based on North American data



THE POWER OF BRANDS

[PLAY VIDEO](#)

CASE STUDY: CONSOLIDATING BRAND STRENGTH WITH HOUSE OF ROHL

Riobel

victoria ⊕ albert®


SHAW'S
ENGLAND

PERRIN & ROWE
MAYFAIR LONDON

ROHL

5
Acquired Luxury Plumbing Brands Across Product Categories

3
Separate Routes to Market




HOUSE OF ROHL

Riobel victoria ⊕ albert® SHAW'S PERRIN & ROWE ROHL

1 Umbrella Brand

1 Route to Market

17% Net Sales CAGR (2019-2022E)



Delivering Curated, Luxury Kitchen & Bath Products that Resonate with Designers and Customers

WINNING THE CONSUMER SHOPPING JOURNEY FROM SEARCH TO DELIVERY

Brands matter in our categories

Our innovative brands lead

Category	% of Consumer Search that Starts with Retailer Brand	% of Consumer Search that Starts with Manufacturer Brand	Fortune Brands Rank
Decking	0%	48%	#3 fiberon
Faucets	7%	47%	#2 MOEN
Padlocks	2%	42%	#1 Master Lock
Exterior Doors	19%	27%	#1 THERMA TRU DOORS

Consumers search for our **leading brands** more than retailer brands, creating a **competitive advantage**

NEW IDEAS FUEL THE INNOVATION ROADMAP

SOURCES OF NEW IDEAS

- ✓ Customers and end-users
- ✓ Internal crowdsourcing
- ✓ Supplier innovation program
- ✓ External inventors
- ✓ Academia

ROBUST IDEA DEVELOPMENT AND VALIDATION



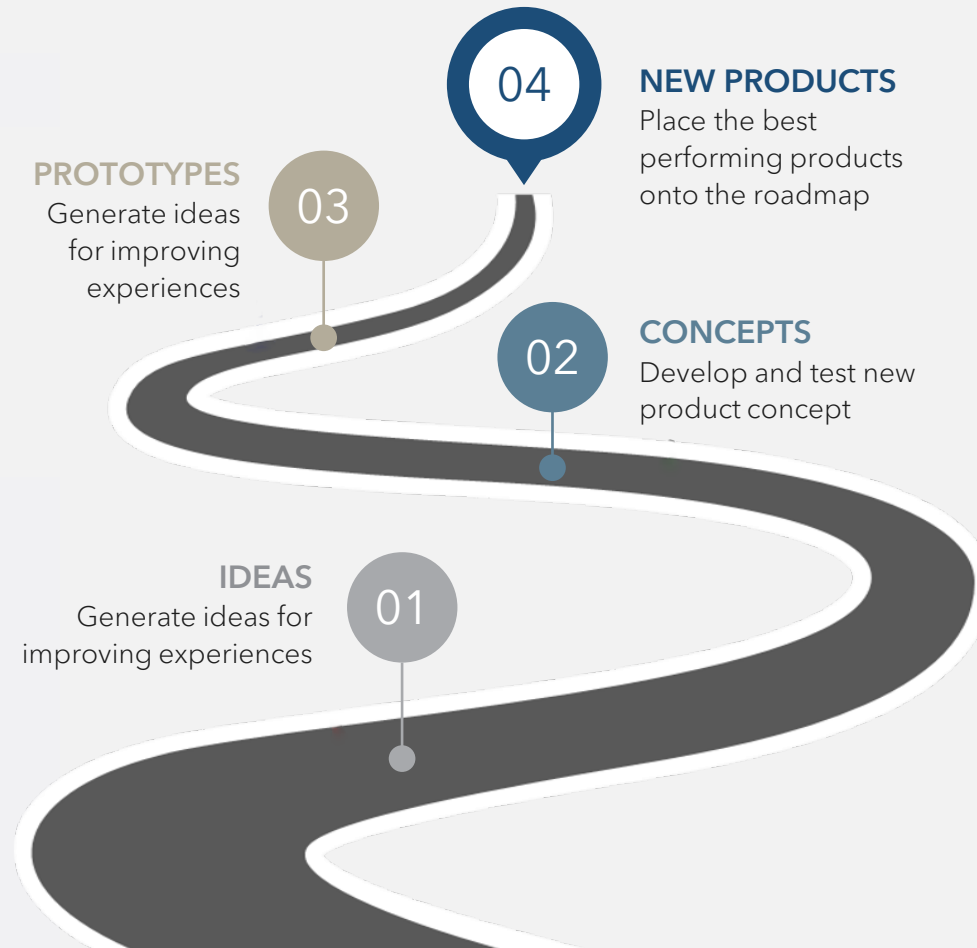
1200+

Ideas created or collected every year



100+

New product concepts tested every year



NEW PRODUCT VITALITY TARGET

25%-30%

of annual sales to come from innovations launched in the past 3 years

REDEFINING EXPECTATIONS IN OUR CATEGORIES

WATER



Spot Resist™ Finish



Moen® Smart Water Ecosystem



Moen® Reflex® Faucets



Moen® Lighted Garbage Disposal

OUTDOORS



Therma-Tru® PrismaGuard® Premium Finish



Solar Innovations® Bifold Doors



Fiberon® Sanctuary



Impressions Integrated Storm Door

SECURITY



Master Lock® Bluetooth® Lock Boxes



eLockout/Tagout



Master Lock Vault App

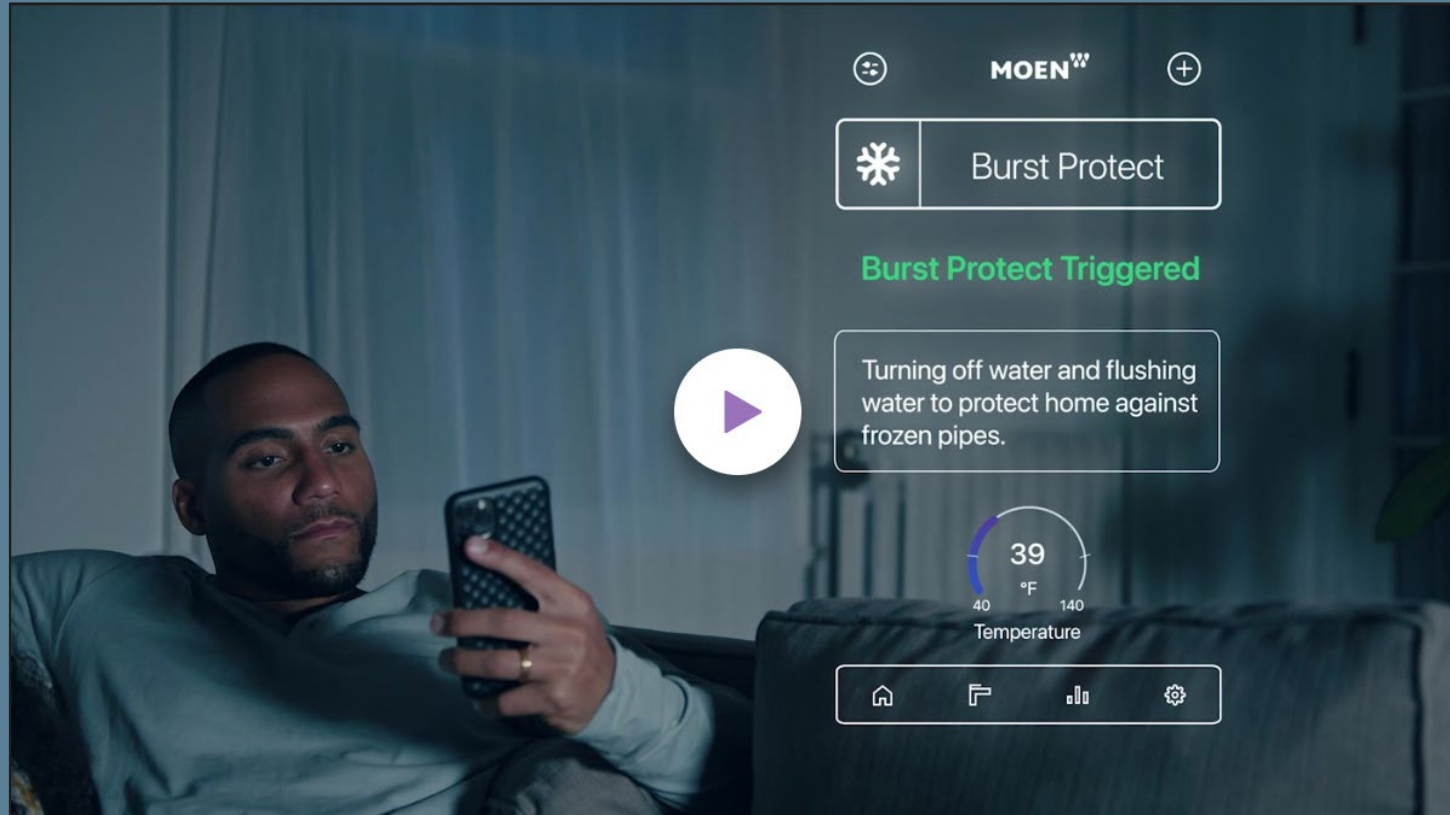


Master Lock® Speed Dial™ Lock

IMPROVING WATER EXPERIENCES WITH THE MOEN SMART WATER ECOSYSTEM

- Collection of smart products in a **single, integrated app**
- **Leak Detect** senses the presence of water and sends an alert
- **Burst Protect** automatically shuts off water supply and flushes water to protect against frozen pipes
- **Health Protect** automatically flushes stagnant water to reduce risk of water-borne disease





MOEN SMART WATER ECOSYSTEM

[PLAY VIDEO](#)

CASE STUDY: DRIVING SECONDARY DOOR ATTACHMENT WITH IMPRESSIONS STORM DOOR



We're better together.

Therma-Tru and LARSON offer a combined 120+ years of innovation and market-leading solutions to deliver high-quality products you can trust from the #1 entry door brand* and #1 storm door company.**



*Brand Use Studies, 2021 *Builder* and 2019 *Remodeling* magazines.
**Based on market data 2020 / 2021.

Purposeful design.

Explore first-to-market advanced technology in an integrated storm and entry door solution from Therma-Tru, in partnership with LARSON. The Impressions integrated storm and entry door system is designed to outperform expectations.



CASE STUDY: PROVIDING A CUSTOMIZABLE CONNECTED LOCK SOLUTION AT SCALE



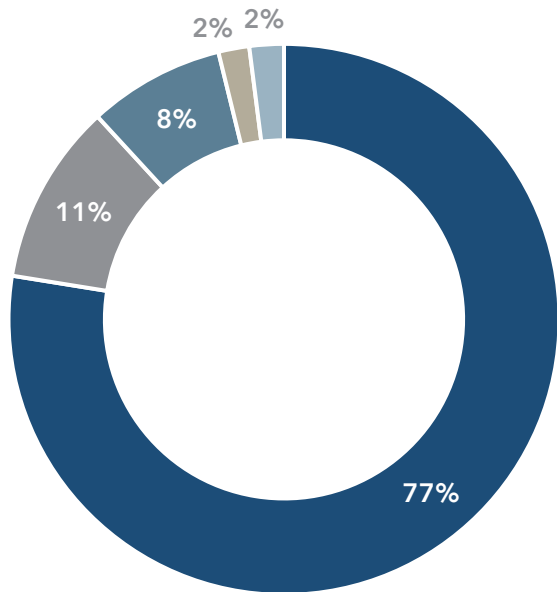
Provided 9,000 realtors in the Metropolitan Indianapolis Board of Realtors® (MIBOR) with:

- > Connected lockboxes and door hardware
- > Property showing app integration, Digital key management
- > Business services (training, onboarding, tech support)
- > Opportunity for recurring revenue



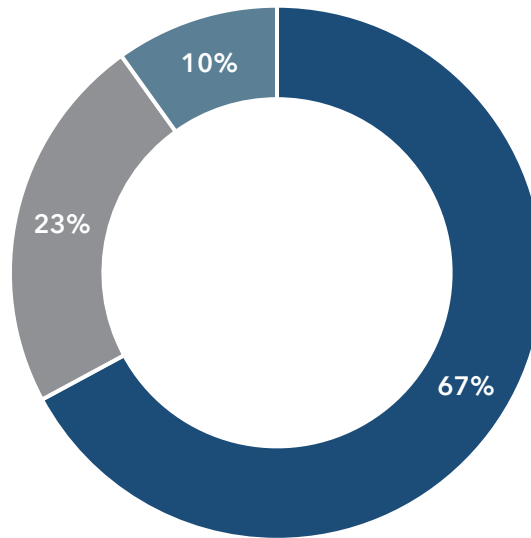
DIVERSE GEOGRAPHY AND CHANNEL MIX, WITH FOCUS ON U.S. R&R

SALES BY COUNTRY



- United States
- Canada
- ROW
- China
- EU/UK

NORTH AMERICA HOME PRODUCTS BY CHANNEL

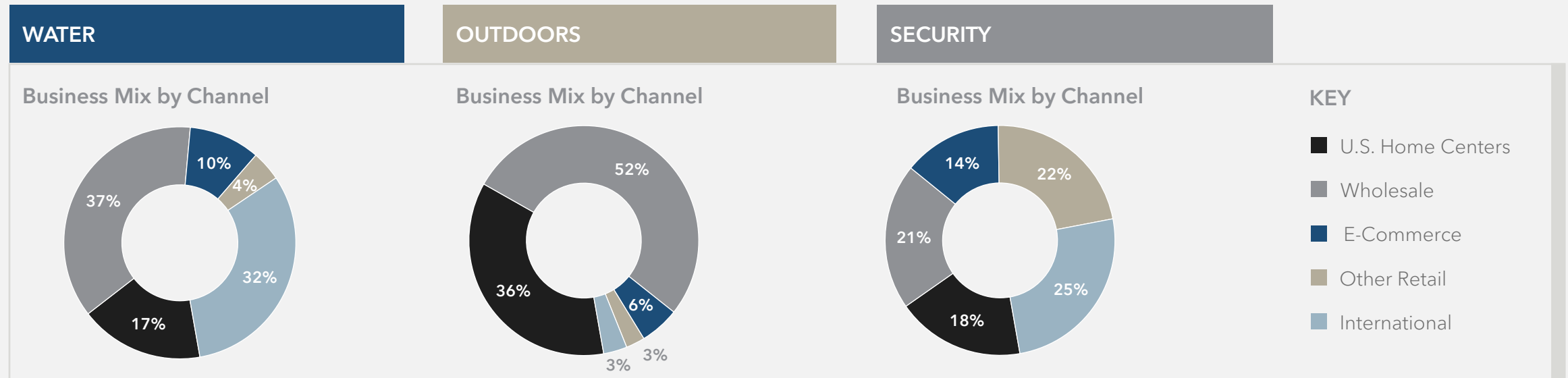


- R&R
- Single Family New Construction
- Multi Family New Construction

Data based on 2021 actuals



WINNING CHANNEL MANAGEMENT UNDERPINNED BY STRONG CUSTOMER LOYALTY ACROSS CATEGORIES



- Strong wholesale distribution
- Deep relationships with national builders
- Leading home center and omni-channel retail presence
- ~950 Moen showrooms in China

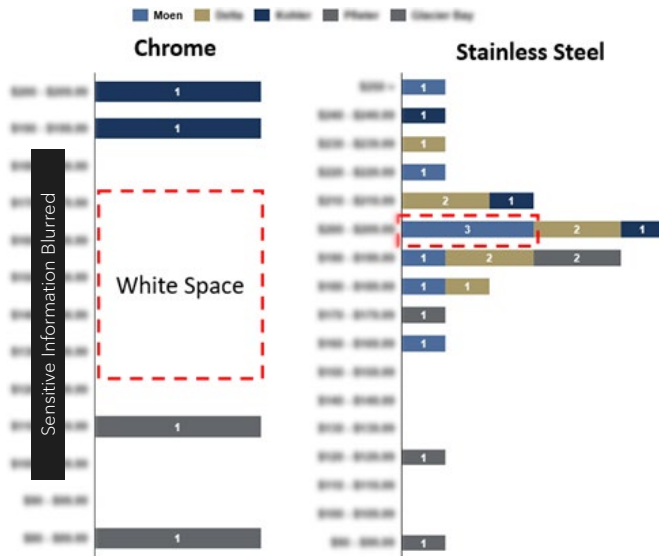
- Leading distribution & dealer fabrication network
- At least one Therma-Tru door on ~70% of top 20 builders' closings
- Deep U.S. home center relationships

- Distribution across all major home centers
- Commercial relationships with 17 of the top 20 industrial distributors
- Top Safety supplier tier with Grainger, largest US MRO
- Lockout/Tagout leader

Data based on 2021 actuals

BUILDING LEADING CATEGORY MANAGEMENT CAPABILITIES TO WIN AT THE POINT OF SALE

White Space Analysis



Shelf Optimization

Moen SKU #	87233	87233SRS	87233SRS	87233BRB
Moen Description	ADLER PULLDOWN CHR	ADLER PULLDOWN, SRS	ADLER PULLDOWN, SRS	ADLER PULLDOWN, BRB
Finish	Chrome	Spot Resist Stainless (SRS)	Spot Resist Stainless (SRS)	Bronze Mediterranean (BRB)
Strategy	Everyday Low Price	Everyday Low Price	Hi - Lo	Everyday Low Price
Gross List Price				
List x Multiplier Price				
Invoice Price				
GM %				
Retailer DNUC				
LPI Listed MSRP				
Base MSRP				
Base Retailer Margin				
Base Retailer Margin %				
Promo MSRP				
Promo Retailer Margin				
Promo Retailer Margin %				
% of Volume Sold on Promo				
Maximum Promo Weeks				
Key Drive Times				
Map Price				
Moen Unit Margin				
Moen CM %				
Moen Profit Pool %				
Key Competition				
Notes				

Features & Benefits Assessment

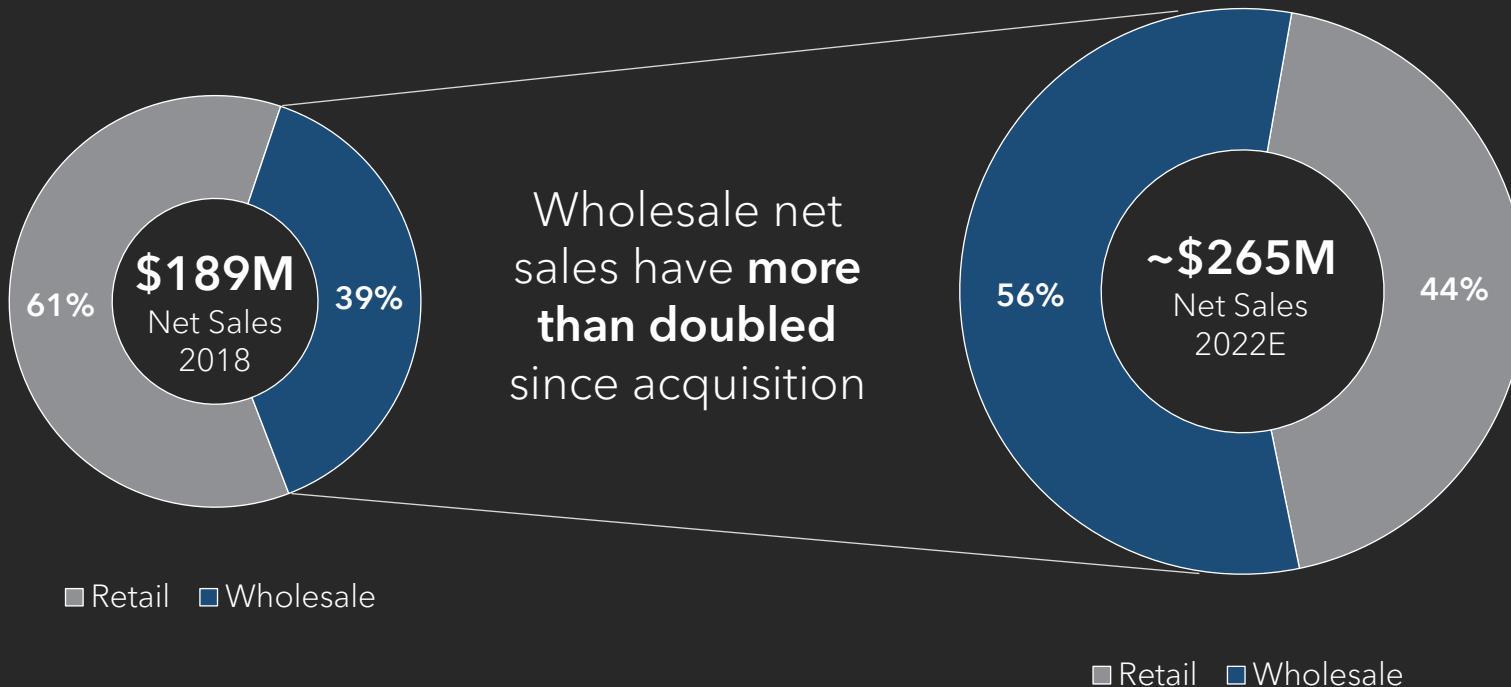
	SentrySafe	Competitor A	Competitor B	Competitor C
Retail Price	\$199-\$269			
Size	.8 cu-ft			
Fire	✓ 1-Hour UL Rated			
Master Lock Security	✓ Built in			
Water	Yes			
Batteries	✓ Lithium, factory installed			
Bolts	✓ 3 Large 1" Diameter			
Keypad	✓ 10-Key			
Digital Media	✓ 1-Hour, 3 rd party verified			
After-Sales Support	✓ QR Support Link, US Customer Service			
Handle	✓ Integrated Metal			

- Recognize key unmet needs
- Leverage understanding of consumers and pros

- Identify gaps and redundancies
- Optimize price

- Understand features consumers are willing to pay for
- Educate on value of trade-up

CASE STUDY: DOUBLED FIBERON WHOLESALE CHANNEL FOLLOWING 2018 ACQUISITION



Leveraged relationship with longstanding Therma-Tru partners to expand distribution of Fiberon products



+



CASE STUDY: DRIVING BRAND, INNOVATION, AND CHANNEL EVOLUTION AT THERMA-TRU

BRAND

- ✓ The **most preferred brand** for entry doors by building professionals for **20+ consecutive years**
- ✓ **Most popular exterior entry door brand** ⁽¹⁾



INNOVATION

- ✓ Pioneered the first fiberglass door, **driving material conversion** with enhanced durability, energy savings, and the look of wood
- ✓ Opened **30,000 square foot innovation center** dedicated to bringing additional improvements and advancements to market

CHANNEL

- ✓ Expanded from wholesale-only to an **omni-channel approach** with national retail distribution and strong wholesale relationships
- ✓ A **preferred partner of fabricators across the country**



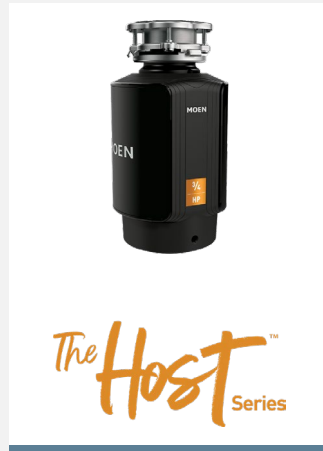
(1) TraqLine survey

CASE STUDY: LEVERAGING BRAND, INNOVATION, AND CHANNEL TO GAIN SHARE IN GARBAGE DISPOSALS

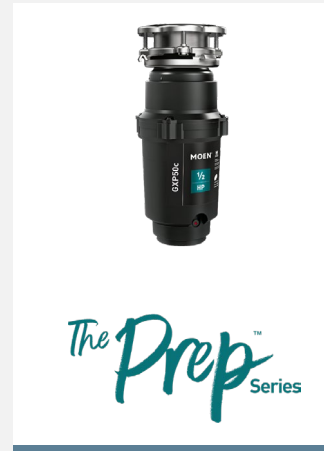
MOEN DISPOSAL PORTFOLIO



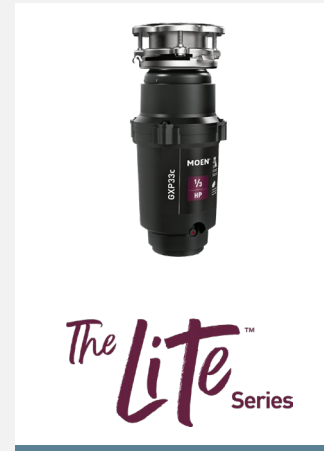
Designed for those who love to get creative in the kitchen and need the strongest cleanup.



Designed for those who frequently cook for guests and need advanced cleanup power



Designed for those who slice, dice and peel as part of basic meal prep and need a little more help with cleanup



Designed for those who rarely cook from scratch and want cleanup to be simple

MOEN[®]

#2

U.S. Garbage Disposal
Market Share

~3X

Increase in Market Share
Since 2019

Source: TraQline (\$)

CHANGED SHOPPING EXPERIENCE FROM FOCUS ON HORSEPOWER TO FOCUS ON COOKING HABITS

OUR NEXT PHASE OF GROWTH



Growing our eCommerce business and opportunities



Doubling down on the connected products space



Utilizing our data-informed insights to further leverage our unique omni-channel position



Strategically moving into adjacent, synergistic categories in the commercial space



Continuously evolving our portfolios with innovative new solutions, driven by customer insights

OUR DIGITAL TRANSFORMATION

John Lee

Chief Strategy & Growth Officer
Interim Chief Digital Officer

OUR DIGITAL TRANSFORMATION HAS ALREADY BEGUN

WE'VE SET SOME BIG GOALS

- In 5 years, we **aspire to be the digital leader** in our industry
- Products of the future will be supported by **best-in-class services, technology, data** and **analytics**
- Using **data science** to unlock valuable consumer and business insights
- Leveraging **agile ways of working** to deliver at pace and scale



DIGITAL FACTORY

DIGITAL FACTORY

- Modern digital organization designed to improve speed to market and value delivery
- Culture that fosters innovation, collaboration, and value creation
- Cross-functional, missions-focused teams dedicated and accountable for objectives and key results
- Focus areas:

Connected Products

Sourcing

eCommerce

Data Science

IN 2022:

- **10** digital teams launched
- **400** leaders and associates trained on Agile
- **92%** pulse survey satisfaction
- **96%** retention rate

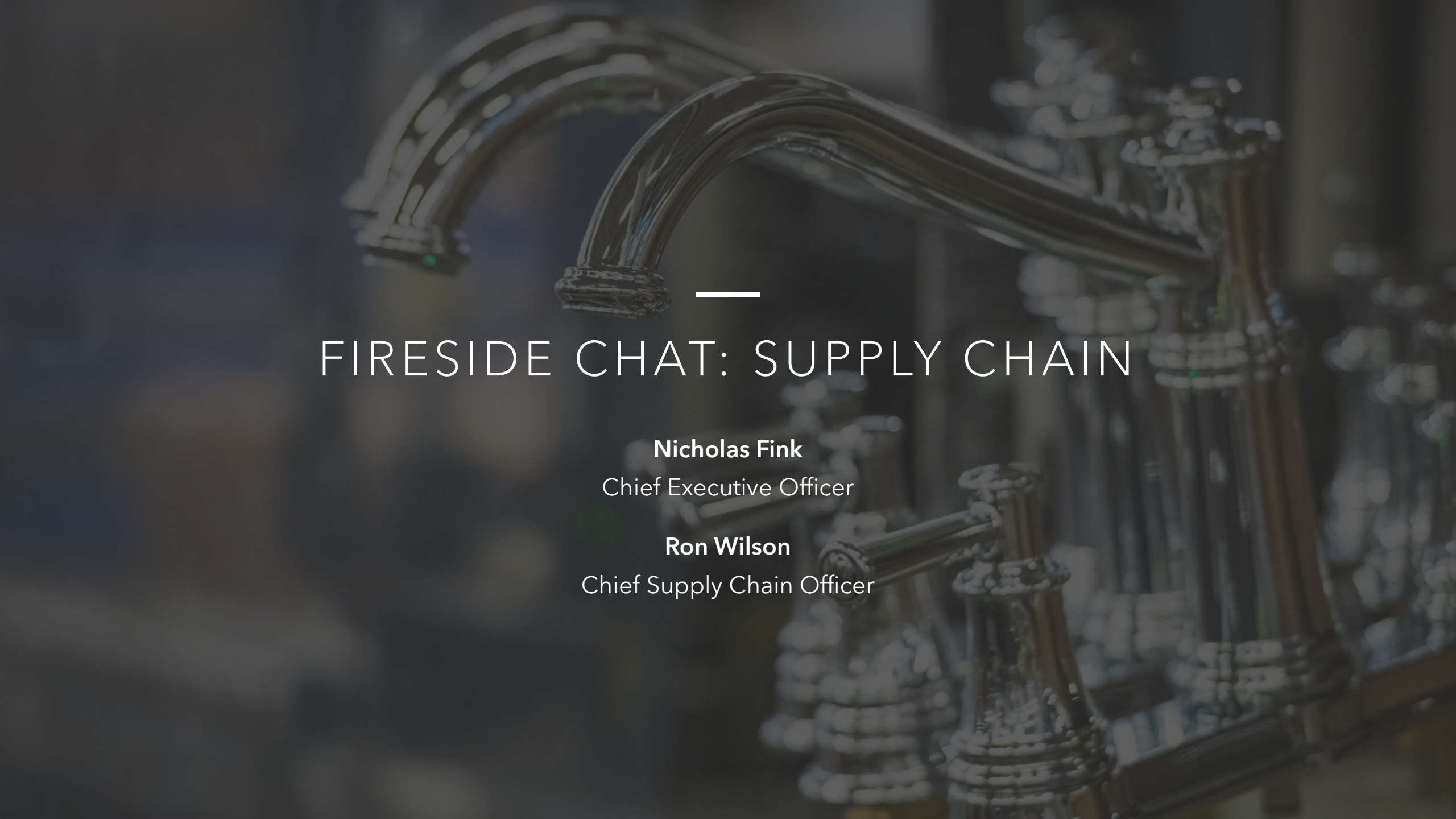
OUTCOME:

- **120+** eCommerce tests launched
- **33%** improvement in Moen app rating
- **>\$8 million** in indirect sourcing savings

A modern bathroom with a wood-paneled wall. Two white sinks are mounted on dark, curved vanity units. A white bathtub is in the foreground. A mirror is mounted on the wall above each sink. A vase of green flowers is on the right vanity. A wire basket with towels is on the floor in the foreground.

—
BREAK

INVESTOR DAY 2022



FIRESIDE CHAT: SUPPLY CHAIN

Nicholas Fink

Chief Executive Officer

Ron Wilson

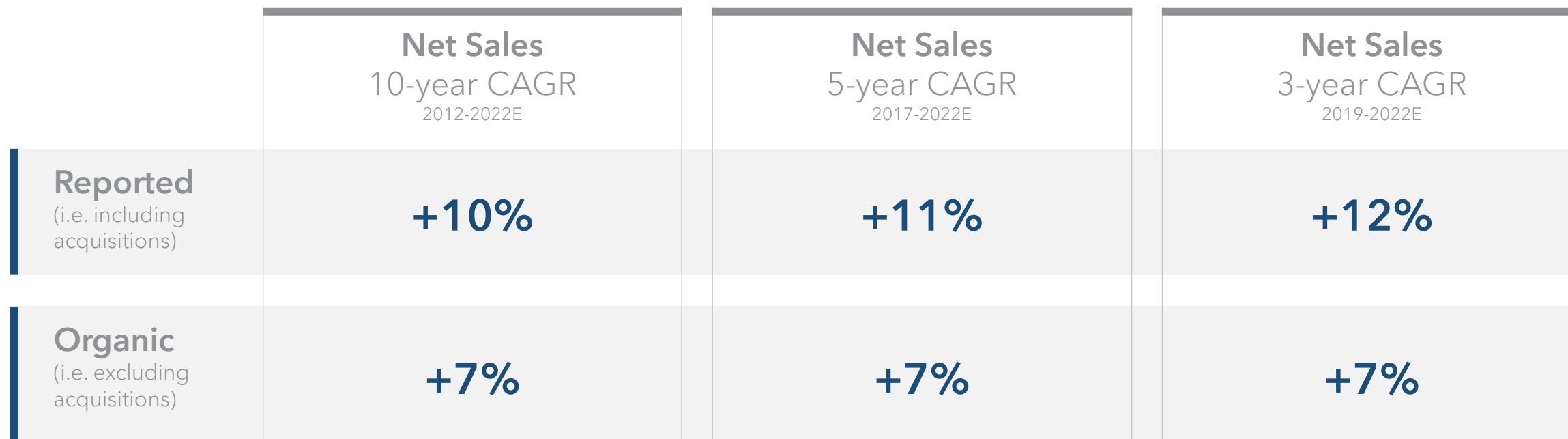
Chief Supply Chain Officer

FINANCIAL OVERVIEW

Patrick Hallinan
Chief Financial Officer



FORTUNE BRANDS INNOVATIONS IS A GROWTH COMPANY



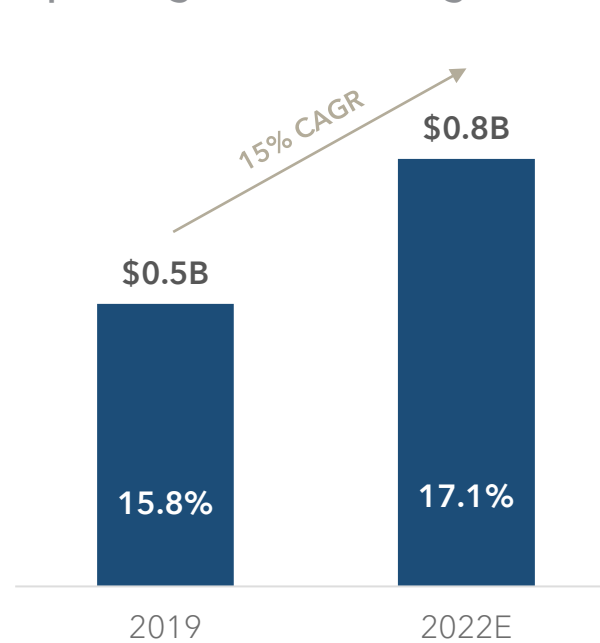
ACQUISITIONS HAVE CONTRIBUTED **+300 TO +500 BPS** OF GROWTH

PROVEN TRACK RECORD OF GROWING PROFITS FASTER THAN SALES

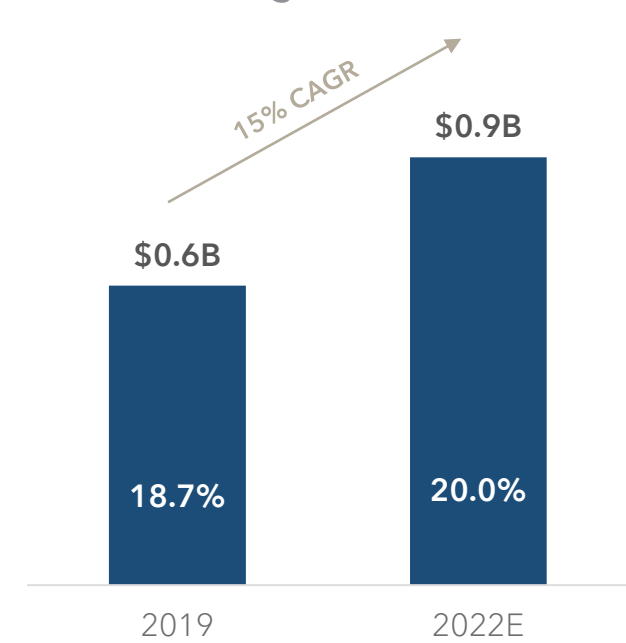
Net Sales



Operating Income & Margin ⁽¹⁾



EBITDA & Margin ⁽¹⁾



(1) Presented on a before charges & gains basis and includes corporate SG&A



PATH TO ACCELERATED GROWTH AND SUSTAINED VALUE CREATION

LARGE ADDRESSABLE, HIGH-GROWTH MARKETS

- Products increasingly aligned with supercharged categories
- Industry-leading market positions and brands
- Developing software solutions with recurring revenue potential

OPERATING MODEL ADVANTAGE

- Shared brand, channel, and innovation capabilities amplified under unified structure
- Insight-driven innovation focused on supercharged tailwinds
- Digital transformation
- Scaled and data-driven supply chain
- Talent

TARGETED PORTFOLIO

- Enhanced strategic and management focus
- Tailored, efficient capital allocation
- Increased investment in brand and innovation
- Investor base aligned toward more distinct investment opportunity

PREPARING TO SUCCESSFULLY NAVIGATE 2023

2022E

Market Growth

2% - 4%

Global Home
Products Market

3% - 5%

U.S. Home
Products Market



Fortune Brands Innovations

(2%) - 0%

Net Sales Growth

~17%

Operating Margin ⁽¹⁾

~20%

EBITDA Margin ⁽¹⁾

2023E

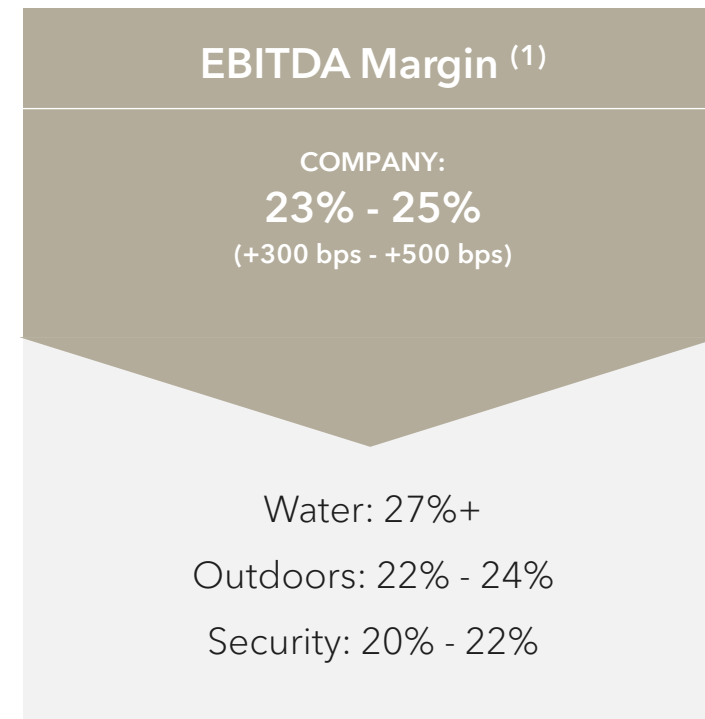
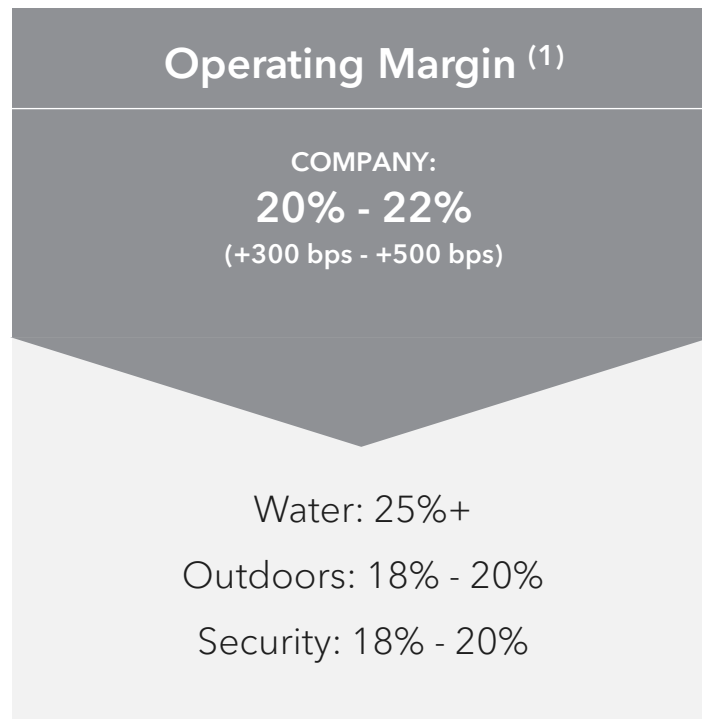
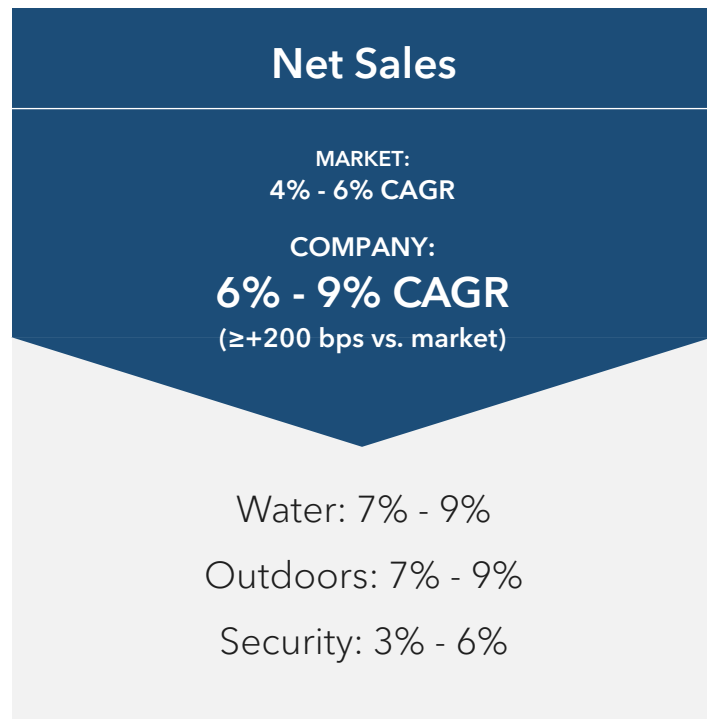
- Expect market to be down mid-single digits
- Taking proactive measures to drive market-beating sales growth
- Expect to deliver decremental operating margins of 20% - 30% if market is down mid-single digits or better
- Maintaining investments in core strategic initiatives
- Prioritizing margins and cash generation
- Well-positioned with strong balance sheet

REMAIN CONFIDENT IN LONG-TERM FUNDAMENTAL DEMAND FOR HOUSING

(1) Presented on a before charges & gains basis and includes corporate SG&A

DRIVING RESILIENT, ACCELERATED GROWTH AND MARGIN PROGRESSION THROUGH THE CYCLE

ORGANIC TARGETS

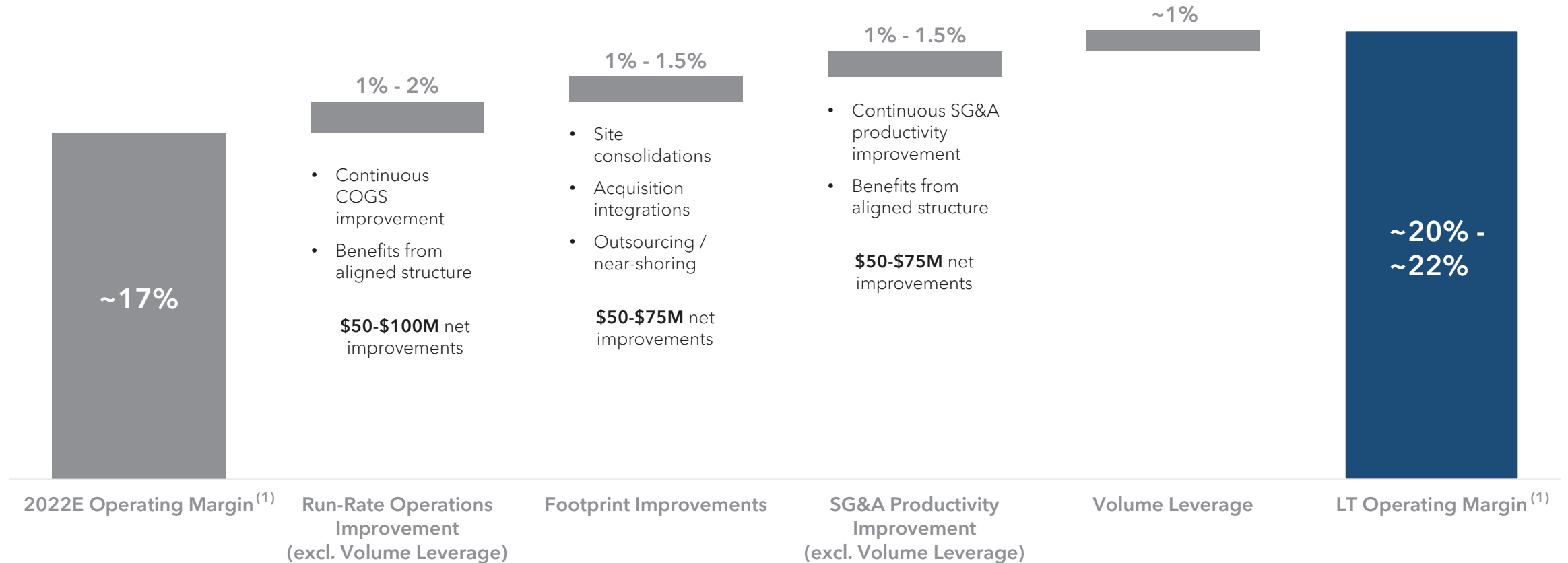


ACQUISITIONS PRESENT AN OPPORTUNITY TO ACCELERATE GROWTH FURTHER

(1) Presented on a before charges & gains basis and includes corporate SG&A

KEY DRIVERS OF +300-500 BPS OF MARGIN EXPANSION

INCLUSIVE OF SG&A PRODUCTIVITY GAINS TOTALING \$50 TO \$75 MILLION NET OF REINVESTMENT



(1) Presented on a before charges & gains basis and includes corporate SG&A

LONG-TERM CAPITAL ALLOCATION PRIORITIES

ORGANIC GROWTH

- Brand, Innovation, and Channel investments
- Investments in digital factory and connected products
- High-returning CapEx investments

TARGETED M&A

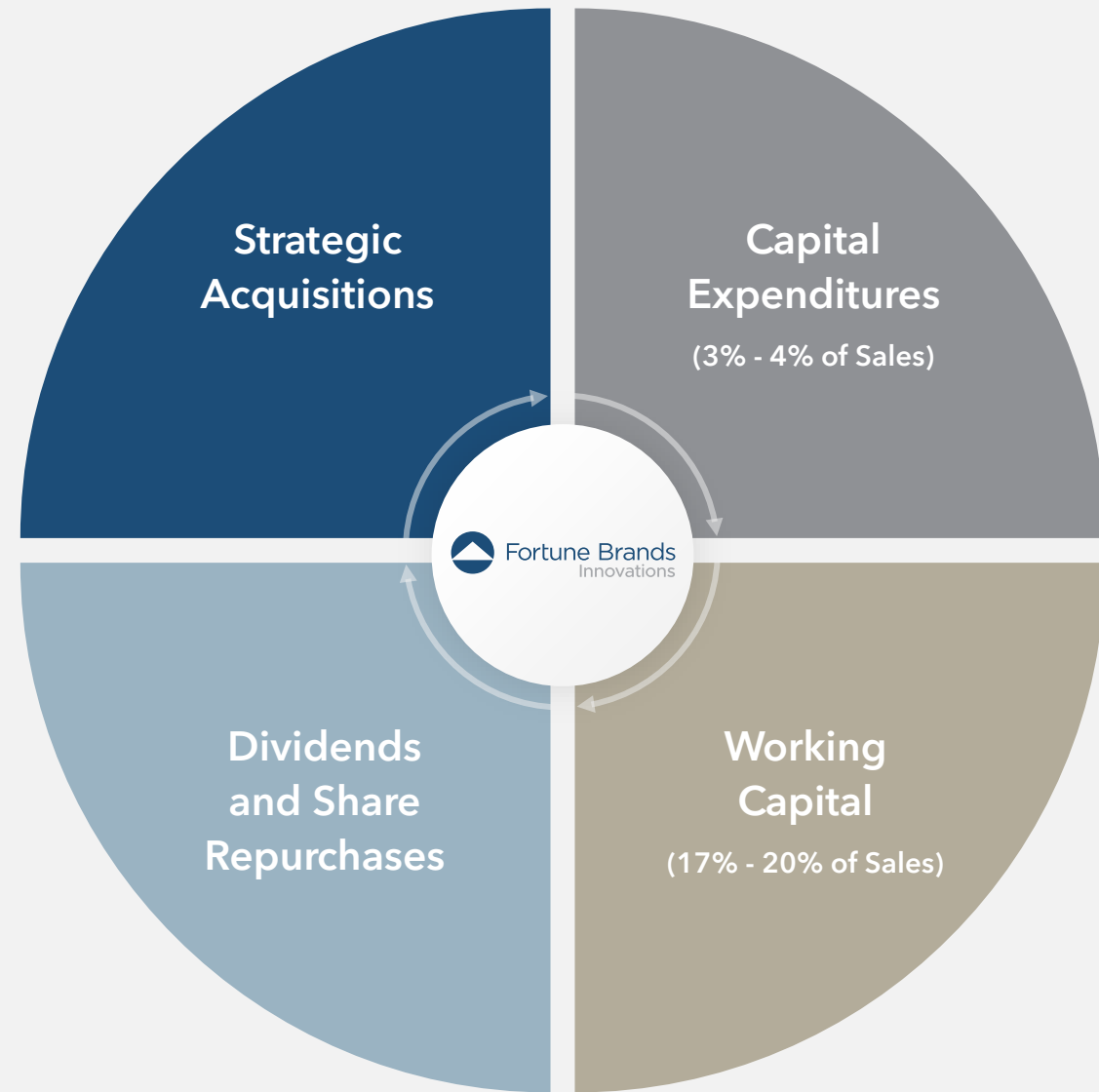
- Acute focus on supercharged categories
- Create value via channel and supply chain synergies
- Enhanced capabilities allowing for faster integration and synergies

CAPITAL RETURN

- Quarterly dividend payments
- Opportunistic share repurchases

SIGNIFICANT CAPITAL DEPLOYMENT OPPORTUNITY

- > **\$4B to \$6B** available to deploy over the long-term
 - ~2/3 available for strategic acquisitions and share repurchases
- > Strong generator of free cash flow
- > Committed to investment-grade balance sheet
- > Track record of thoughtfully deploying capital



ANNOUNCED ACQUISITION PROVIDES ATTRACTIVE OPPORTUNITY CONSISTENT WITH DISCIPLINED APPROACH

- Purchase price of \$800M in cash (~\$700M net of tax benefits)
 - Cash-free, debt-free acquisition
- 7.8x 2022E Adjusted EBITDA, before synergies; after standalone costs
 - Blended EBITDA margin of ~22.5%
- ~\$400M net sales in 2022E
 - ~55% Emtek
 - ~40% Yale & August
 - ~5% Schaub & other
- Expected to be roughly EPS neutral in year 1 and positive thereafter (inclusive of \$0.16-\$0.17 PPA)
- Conditioned on successful resolution of current Department of Justice antitrust lawsuit related to sale by Spectrum Brands, Inc. of its hardware and home improvement business to ASSA ABLOY
 - Anticipate a Q2 2023 close



EMTEK.



Schaub



Yale



August

UPDATE ON SEPARATION INTO TWO WORLD-CLASS COMPANIES

PROGRESS UPDATE

- **11/21** FBHS Board approved separation
- **11/30** Form 10 effective
- **12/2** Date of Record
- **12/14** Date of Distribution
- **12/15** Begin Regular-Way Trading

- MasterBrand Board of Directors and senior leadership team in place
- Public company reporting and governance functions in place
- MasterBrand is well-positioned to succeed as a public company

MASTERBRAND CAPITAL STRUCTURE

Sources		Uses	
Term Loan A	\$750M	Dividend to FBIN	\$940M
Revolver	\$500M	Transaction Fees	\$10M
Total	\$1.25B	Available Liquidity	\$300M
		Total	\$1.25B

POST-CLOSE NET DEBT / PRO FORMA EBITDA

- MasterBrand ~2.3x
- Fortune Brands Innovations ~2.0x

WHY FORTUNE BRANDS INNOVATIONS

A Brand, Innovation and Channel Leader Focused on Supercharged Growth Opportunities within the Home, Security and Commercial Building Markets



Leading Positions in Attractive Growth Markets with Secular Tailwinds




Aligned Organization and Fortune Brands Advantage Driving Exceptional Returns



Track Record of Through-the-Cycle Value Creation Driven by Talented Team

ESG LEADER | DISCIPLINED ACQUIRER | POISED TO DELIVER ACCELERATED GROWTH



Q&A

A modern kitchen with a dining table and chairs, featuring a dark color palette and large windows. The kitchen has dark grey cabinets, a black countertop, and a stainless steel oven. A dining table with a black top and metal legs is set with a loaf of bread, glasses, and a bottle. Four spherical pendant lights hang above the table. Large windows on the right side offer a view of a cityscape.

—
LUNCH BREAK

INVESTOR DAY 2022