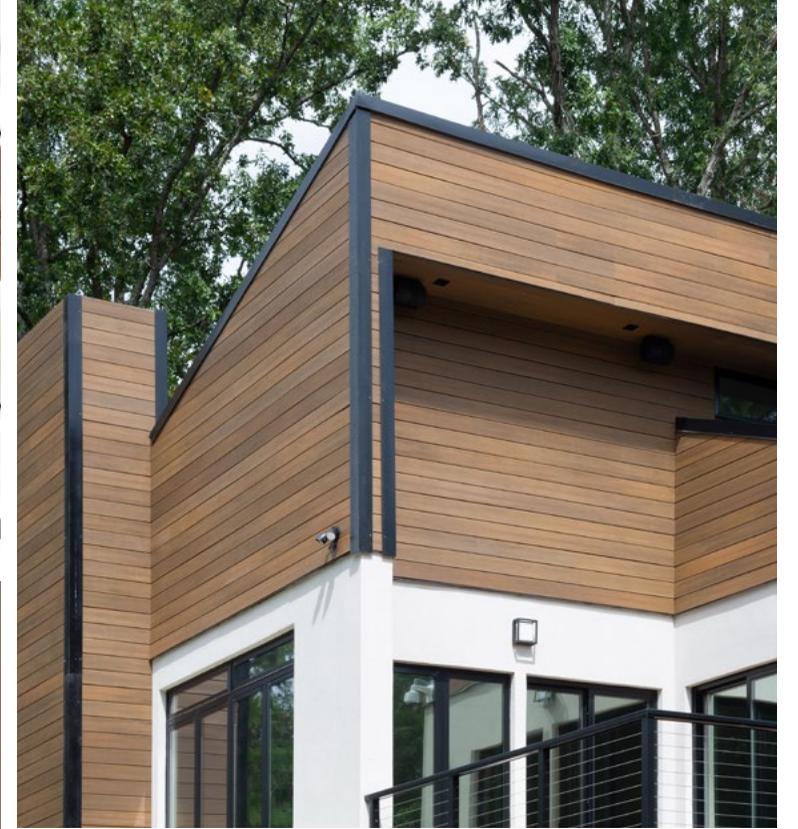


2022

ESG Report





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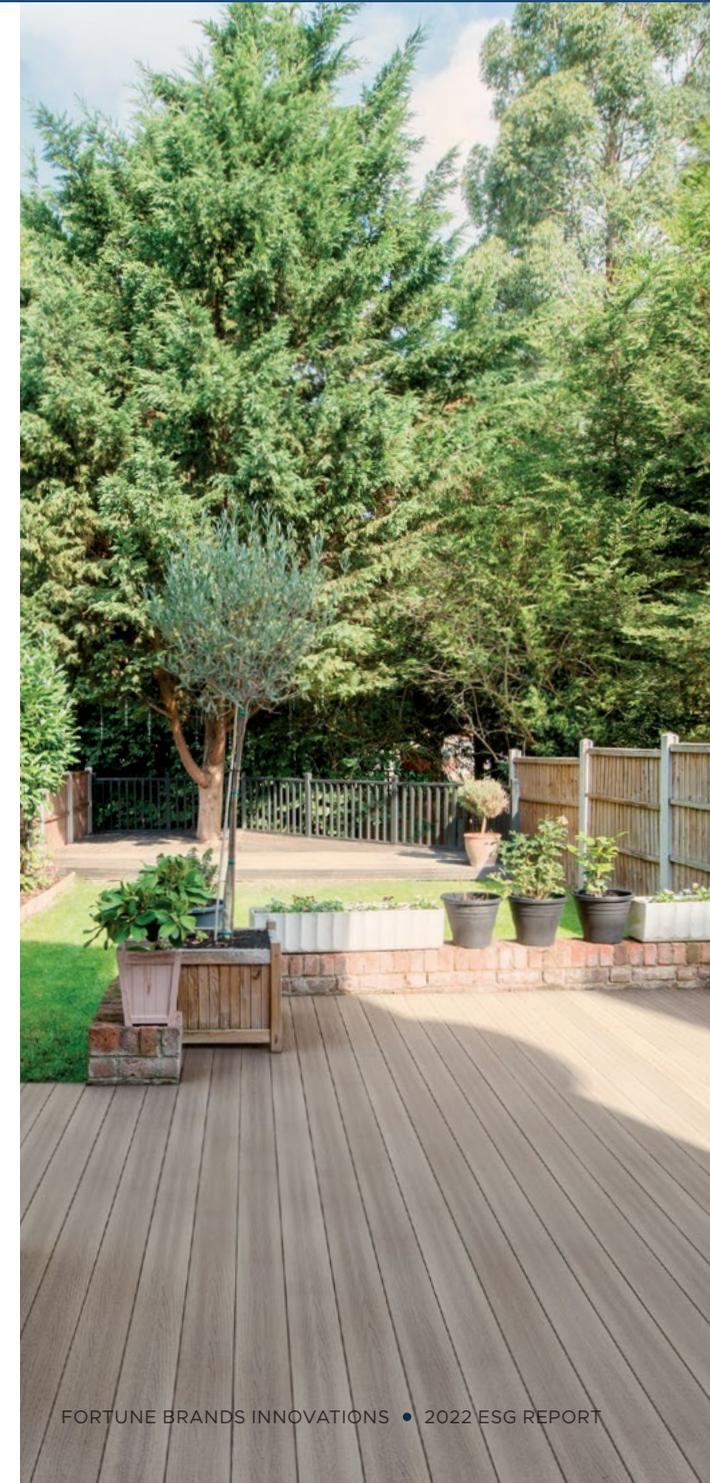
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Unless the context otherwise requires, references in this ESG Report to “Fortune Brands,” “FBIN,” the “Company,” “we,” “our” or “us” refer to Fortune Brands Innovations, Inc., including its subsidiaries. Published June 2023.

For the latest, please visit:

www.fbin.com/corporate-responsibility





CEO Message

2022 was a transformational year for our Company. During the year we separated our cabinets business and restructured into a more integrated and aligned organization. In addition to accelerating our business growth, these actions will help us drive the next steps of our ESG journey.

Today, we are Fortune Brands Innovations, Inc., and we are excited about the opportunities we have to grow our business and deliver innovative, sustainable products that play an important role in the homes and lives of millions of people.

Now operating in the high-growth categories of Water, Outdoors and Security, our Fortune Brands Innovations portfolio is well positioned to capture tailwinds from increasing need to address sustainability, safety and wellness. With our growing array of connected products, leadership in home water management, and expertise in commercial safety and material conversion, we are innovating products that help address some of the world's most pressing sustainability and safety issues. I invite you to learn more in this report about our products with ESG attributes, as well as how we are increasingly working to manufacture products in an efficient and sustainable manner.

We cannot achieve success without our people. We continue to be fueled by our culture of being accountable to do what's right. We are proud of our industry-leading safety records, efforts to expand our diversity, equity & inclusion (DEI) initiatives, as well as our work with community partners.

In a year in which we made numerous important changes in our business, I am proud that we also improved upon our key safety metrics; continued to add to our Employee Resource Groups; achieved meaningful DEI associate representation goals, ahead of plan; and provided our associates with volunteer opportunities.

I'm proud to lead a company where our associates are so passionate about serving our customers and consumers in an ethical, responsible and sustainable way. Our strong governance practices and high standards extend into our efforts to build responsible supply chains that protect the rights and safety of all.

The Fortune Brands Innovations data in this report is our new baseline as we journey forward as a more focused Company. We are evaluating our best sustainable development opportunities to fuel business growth. We will continue to build on our strong foundation to enable even greater progress ahead for our business and our stakeholders.

Nicholas I. Fink

Chief Executive Officer

Fortune Brands Innovations, Inc.



Nicholas I. Fink, Chief Executive Officer



Today, we are Fortune Brands Innovations, Inc., and we are excited about the opportunities we have to grow our business and deliver innovative, sustainable products that play an important role in the homes and lives of millions of people.”



Introducing Fortune Brands Innovations

We are a brand, innovation and channel leader focused on exciting, supercharged categories in the home products, security and commercial building markets.

In This Section

- 5 Company Overview
- 6 Locations
- 7 Awards & Recognitions
- 8 Creating Value



Company Overview

Purpose

Fulfilling Dreams of Home

Values

- **Aligned** in our work together.
- **Agile** in the face of change.
- **Accountable** to our promises.
- **Action** with integrity and transparency.

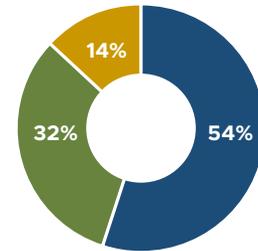
Associates*

11,200+

FY 2022 Sales*

\$4.7B

FY 2022 Sales by Segment*



- **Water:** \$2,570 million
- **Outdoors:** \$1,517 million
- **Security:** \$635 million

*As of the full year ended 2022.



WATER

Exciting Opportunities in **Connected Products, Water Management** and **Sustainability**



OUTDOORS

Exciting Opportunities in **Material Conversion, Outdoor Living** and **Sustainability**



SECURITY

Exciting Opportunities in **Connected Products** and **Safety**

Leading Brands





Locations

North America

Europe, Africa, Asia

- KEY**
- Manufacturing plants
 - Warehouses
 - Distribution centers
 - Key offices
 - ★ HQ: Deerfield, IL

Manufacturing Plants

29

Distribution Centers

24

Warehouses

28

Key Offices

9

As of the full year ended 2022.



Awards & Recognitions



ESG

- **2023 Newsweek's America's Most Responsible Companies**, 3rd consecutive year
- **2023 JUST Capital top 10 in industry**, 6th consecutive year
- **2023 The Home Depot Eco Actions Partner**, Moen Smart Water Network
- **2022 MSCI "AAA" ESG Rating**
- **2022 Green Builders Media Top 50 Sustainable Products of the Year**, Fiberon Wildwood composite cladding
- **2022 Fast Company's World Changing Ideas Honoree**, Corporate Social Responsibility category, Mission Moen

Brands

- **2023 America's Most Trusted Faucet Brand**, by Lifestory Research, Moen
- **2023 Best of KBIS Finalist**, Victoria + Albert Wanderlust palettes
- **2023 Kitchen and Bath Business Readers Choice Award**, ROHL
- **2022 Green Builders Media Brand Used Most**, Door category, 4th consecutive year, Therma-Tru
- **2022 Green Builders Media Highest Quality**, Door category, Therma-Tru
- **2022 Builder Brand Survey Brand Used Most**, Decorative Mouldings: Interior category, Fypon

Innovation

- **2023 Best of KBIS Gold Award**, Smart Home category, Moen Smart Sprinkler
- **2023 CES Innovation Award**, Moen Smart Sprinkler
- **2023 CEPro Mark of Excellence Award Winner: Automation Technology of the Year**, Moen Smart Water Network
- **2023 IoT Breakthrough Award**, Smart Home category, Moen Smart Water Network
- **2023 Better Homes & Gardens' 30 Most Innovative Products**, Moen Smart Faucet with Motion Control
- **2022 CES Innovation Award Honoree**, Smart Home category, Moen Smart Faucet with Motion Control
- **2022 Good Housekeeping Kitchen Gear Award Winner**, Moen Smart Faucet with Motion Control
- **2022 Interior Design Magazine Best of the Year Award Finalist**, Moen Smart Faucet with Motion Control
- **2022 Architectural Products' Product Innovation Award**, Fiberon Wildwood composite cladding
- **2022 Good Design Award,* Building Materials category**, Therma-Tru Impressions Integrated Storm and Entry Door
- **2022 Good Design Award,* Building Materials Category**, Fiberon Wildwood composite cladding

*As awarded by The Chicago Athenaeum: Museum of Architecture and Design. The Good Design logo is owned by The Chicago Athenaeum: Museum of Architecture and Design, used under license.



Creating Value

A Supercharged Growth Opportunity

As a more focused and aligned Company, we operate in three **high-growth categories** — Water, Outdoors, and Security — powered by strong **secular tailwinds** and underpinned by **leading brands**. These are all supported by our **Fortune Brands Advantage**, key capabilities like digital and supply chain excellence, that help us to perform in any environment. Together, we believe we have a supercharged growth opportunity to drive value for our shareholders, associates and communities.

We make products that leverage secular tailwinds in the ESG space, such as our PE composite decking and cladding, smart water products, ENERGY STAR qualified doors and commercial safety solutions.

ESG tailwinds present an exciting opportunity for us to drive incremental growth as our portfolio continues to evolve over time.

Secular Tailwinds within our High-Growth Categories

Percentages represent market compound annual growth rates (CAGRs) for each tailwind.*

Water Management



+10% to 12%¹

Connected Products



+7% to 8%¹

Material Conversion



+8% to 9%²

Safety & Wellness



+5% to 6%³

Sustainability



+7% to 8%⁴

*There is some overlap between tailwinds.

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

We are leveraging secular tailwinds in water management, connected products, material conversion, outdoor living, safety and wellness, and sustainability. **On average, we expect these areas to grow at a rate higher than the traditional U.S. home product market over the next several years. What's more exciting are the pockets of even greater growth within these tailwinds.**



Our ESG Approach: ONE Home

Fortune Brands ONE Home is our unifying approach to environmental, social and governance, where ESG contributes to brand, innovation and channel leadership through our emphasis on Home Planet, Home Safe, and Home For All.

ONE Home

In This Section

- 10 ONE Home Overview
- 12 ESG Timeline



ONE Home Overview

Our Company purpose is Fulfilling the Dreams of Home. Home is the place where we feel safe, make memories and connect with one another, and where we can be our best, authentic selves. [Watch the video to learn more.](#) Living up to that purpose means operating our business for the benefit of our associates, customers, investors, communities and our larger, collective home.

Fortune Brands ONE Home is our unifying approach to ESG. We believe Fortune Brands ONE Home ultimately makes us a stronger Company, for the benefit of all stakeholders.

Our Fortune Brands ONE Home focus areas:



Home Planet

Addressing sustainability opportunities and needs with our products, operating efficiently and working to reduce carbon emissions.

Home Safe

Making sure our associates return home in the same condition they arrived to work, and addressing safety and wellness demand with our products.

Home For All

Building an inclusive culture where our associates can bring their full, authentic selves to work, helping to ensure an engaged and productive workforce that better reflects and innovates for our consumers.



OUR COMMUNITIES

COMMUNITY CALLOUT

We support our community through partnerships and associate engagement opportunities. Check out our community callouts throughout this report!



ONE HOME OVERVIEW CONTINUED

Material ESG Topics

Our process for determining material ESG topics is to review key ESG raters' assessment of material topics for our industry, SASB's industry-specific material topics, the TCFD reporting framework and by collecting feedback from key stakeholders. We then add our own business insights to determine the areas in which Fortune Brands has the most significant impact on sustainable development, as well as the most influence on stakeholder decisions. These topics align with our Fortune Brands ONE Home ESG approach. Policies and programs are in place or in development to monitor each of the issues identified here: Associate Safety; Advancing DEI; Climate; Efficient Operations; Environmental & Social Impact of Products and Strong Governance and Ethics, including Responsible Sourcing.

Following the separation of our cabinets business in December 2022, wood sourcing is no longer a material ESG topic for Fortune Brands Innovations.

The term "materiality," as used in this ESG Report, is different than how "materiality" is used in the context of our SEC filings.

Key Stakeholders

Investors are a primary ESG stakeholder. We engage with investors on ESG through Company-hosted events, including investor days; face-to-face meetings; calls; the FBIN website; and press releases. Associates are another key ESG stakeholder. We engage with our associates through town halls and other meetings; email newsletters; and our intranet site. We also engage with customers and suppliers — often through new product discussions or surveys — as well as our community stakeholder group. Dialogue with our stakeholders helps Fortune Brands Innovations make sure we are reporting meaningful information now and staying abreast of what topics may become more important in the future.

Fortune Brands' ESG Focus Areas

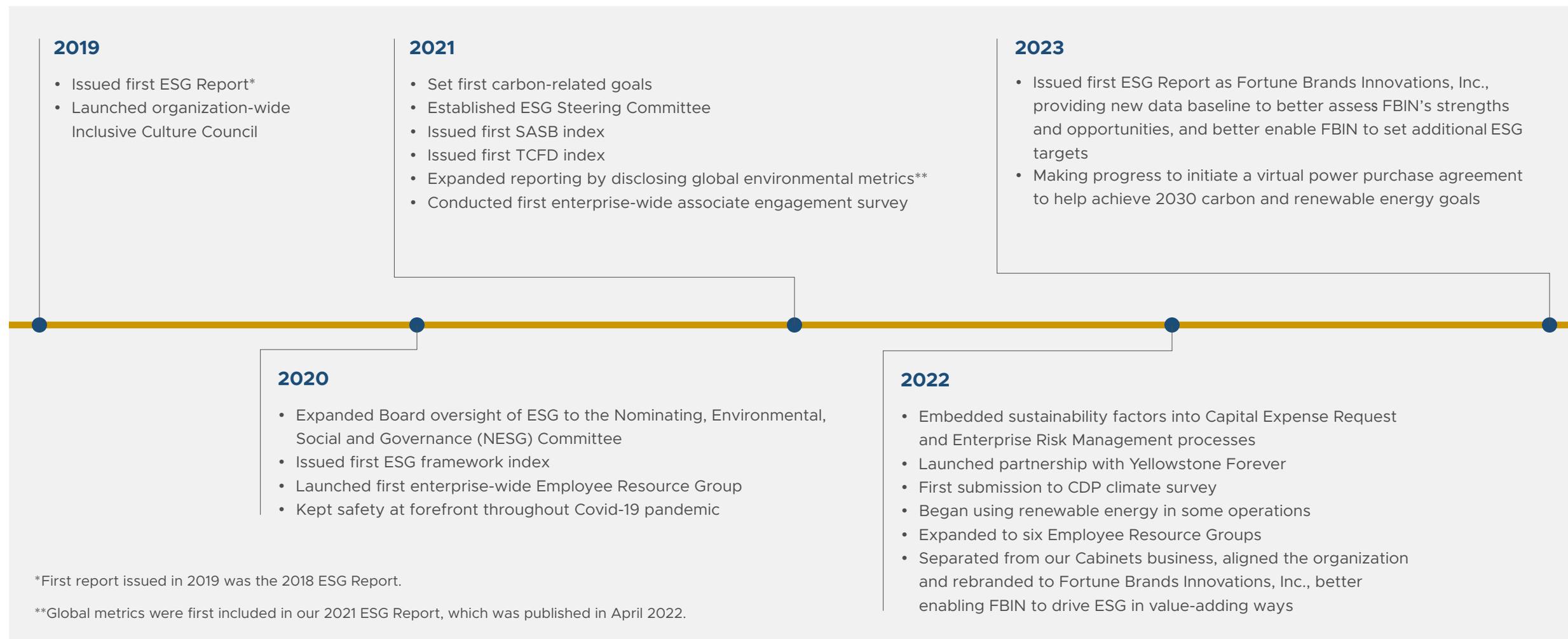
These topics align with our Fortune Brands ONE Home ESG approach. Policies and programs are in place or in development to monitor each of the issues identified here:

- Associate Safety
- Advancing DEI
- Climate
- Efficient Operations
- Environmental & Social Impact of Products
- Strong Governance and Ethics, including Responsible Sourcing



ESG Timeline

Over the last several years, we have taken important steps to better demonstrate our commitment to ESG, and to further engrain ESG into our business in value-adding ways. Check out some of our most noteworthy milestones.





Products & Innovation

We are innovating products that help address some of the world's most pressing sustainability and safety issues.

In This Section

- 14 Products with ESG Attributes
- 15 Save Water
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Products with ESG Attributes

[Save Water](#)[Utilize Recycled Materials](#)[Conserve Energy](#)[Protect People](#)

Our portfolio is geared toward products with value-add, meaningful sustainable and safety attributes.

We leverage our leading positions, advantaged business model and talented team to deliver inspiring products.





Save Water

[Save Water](#)[Utilize Recycled Materials](#)[Conserve Energy](#)[Protect People](#)

Led by Mission Moen and our Smart Home Water Network, we are designing products to save water.



MISSION  **MOEN**



SAVE WATER CONTINUED

Save Water

[Utilize Recycled Materials](#)[Conserve Energy](#)[Protect People](#)

Mission Moen

Moen designs for water to celebrate its power and beauty, but also to protect the water of tomorrow.

In 2020 Moen launched Mission Moen: our promise to protect and preserve the world’s most precious resource by creating products that save water without sacrificing style or performance.

We’ve announced two bold commitments related to the mission:

- **Innovate to help consumers save 1 trillion gallons of water by 2030 through the use of our products, all while helping people enjoy water more**
- **Repurpose 2,000 tons of ocean plastic by 2030**

As we begin the third year of our program, over 178 billion gallons* of water have been saved through our products, and over 523 U.S. tons of ocean plastic have been repurposed for use in our products and packaging. Learn more at www.moen.com/missionmoen.

*As of March 2023.

178 Billion

As we begin the third year of our program, over 178 billion gallons* of water have been saved through our products.

The Smarter Way to Save Water

Many of our traditional faucets and showers are designed with water saving efficiencies — and they’re vital contributors to Mission Moen’s water savings goal. However, the future driver of water conservation in the home lies in the performance of our award-winning and innovative Smart Water Network. Not only do Smart Water Network products allow more control, comfort and security around water, but each is designed to conserve water — without lifting a finger.

The Smart Water Network is a first-of-its-kind whole-home smart water ecosystem that includes the following products and key benefits:

- **Smart Faucets.** Our Smart Faucets offer convenience, precision and intuitive voice-activation technology to help complete tasks in the kitchen. Users can create customized presets or Amazon Alexa and Google Assistant voice commands to dispense the exact amount and temperature of water that’s needed. In the event someone accidentally leaves the water running, the Smart Faucet will automatically turn off the water.

Users can also monitor their water usage and savings in the app to understand their daily consumption habits and even set conservation goals. The Moen Smart Faucet with Motion Control was a 2022 CES Innovation Award Honoree, Smart Home category.

- **Smart Showers.** Start the shower from the Moen Smart Water App and pause it once the desired temperature has been reached to avoid wasting water.





SAVE WATER CONTINUED

Save Water

Utilize Recycled Materials

Conserve Energy

Protect People

- **Smart Water Security.** This system is designed to detect and protect homes from water damage and leaks, 24 hours a day, 7 days a week. It includes the Flo Smart Water Monitor and Shutoff, Moen Smart Leak Detector and Moen Smart Sump Pump Monitor.

According to the Environmental Protection Agency, the average family can waste 9,400 gallons of water annually from household leaks, leading to higher water bills, water damage and excessive waste. In total, approximately 1 trillion gallons of water are lost in America annually due to water leaks in homes. With the Flo Smart Water Monitor and Shutoff, consumers can protect each drop and reduce annual household water wasted by 90% or more by detecting and stopping leaks. Because of its ability to prevent or minimize water damage, homeowners who install the Flo Smart Water Monitor and Shutoff may be eligible for a rebate or discount on their homeowner's insurance policy.

- **Smart Sprinkler Controller and Smart Wireless Soil Sensors.** These new network components launched in 2023 address the area of the home where the most water is used: outdoors. The Smart Sprinkler Controller can reduce an average home's irrigation water use by up to 30%, saving the home up to 15,000 gallons of water annually compared with a clock-based controller. The Smart Sprinkler was recognized with a 2023 CES Innovation Award, and a 2023 Best of KBIS Gold Award, Smart Home category.



2023 CES Innovation Award
Moen Smart Sprinkler



2023 Best of KBIS Gold
Award Smart Home category,
Moen Smart Sprinkler

Learn more about the Moen Smart Water Network at www.moen.com/smart-home.

Traditional Faucets Can Help Save Water Too

Most bathroom faucets from the House of Rohl and Moen are certified to meet the EPA's WaterSense criteria, which reduces a sink's water flow by 30% or more from the standard flow of 2.2 gallons per minute. Many of our faucets meet the more stringent California flow rate requirement of 1.2 gallons per minute.

Expanding our Digital Showering Portfolio with Aqualisa

In 2022, we added Aqualisa, a leading manufacturer of showering products in the U.K., to our portfolio. Aqualisa is a recognized innovator known for smart digital shower systems, strengthening our focus on water management and connected products. Offering full connectivity to the smart home, our Smart Showers combine the precise electronic control of a digital shower with the modern convenience of voice and app activation. In addition to a sensational showering experience, Aqualisa Smart Digital Showers include water saving and temperature safety features.





Utilize Recycled Materials

Save Water

Utilize Recycled Materials

Conserve Energy

Protect People

Fiberon composite decking and cladding is beautiful, durable and nearly maintenance free, thanks to our recycling and advanced materials technology.





UTILIZE RECYCLED MATERIALS CONTINUED

[Save Water](#)[Utilize Recycled Materials](#)[Conserve Energy](#)[Protect People](#)

Fiberon PE* Composite Decking and Cladding

Our Fiberon PE* composite products help people deepen their connection with nature. About half of what’s in our PE composite decking and cladding comes from recycled wood — sawdust and leftover material that would otherwise be discarded. The remaining material used in the core of our deck boards comes from recycled plastic, including grocery bags and recycled packaging material. Our Fiberon PE composite decking and cladding is certified for containing a minimum 94% mixed recycled wood fiber and plastic content.

- **Fiberon uses 100% recycled wood, preventing nearly one million trees from being cut down each year. That’s nearly 200 million pounds of recycled wood in a year.**
- **Our in-house recycling facility recycles around 100 million pounds of plastic each year.**

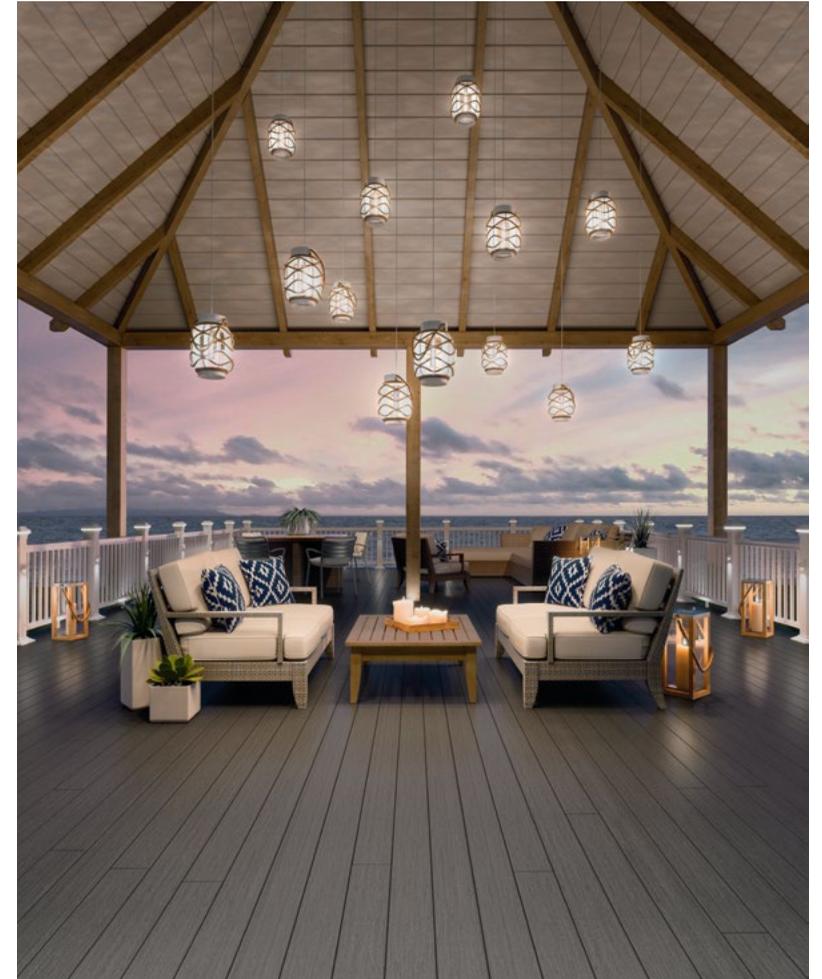


All that recycling amounts to a great outcome for our consumers and customers. Fiberon products are nearly maintenance free and retain their beauty for years to come. That means families can spend more time enjoying the outdoors. And our commercial partners can maintain beautiful stores and buildings without the work.

Learn more at www.fiberonbalance.com, and visit [SCS Global Services](#) to view Fiberon Environmental Product Declarations (EPD).

94%

Our Fiberon PE composite decking and cladding is certified for containing a minimum 94% mixed recycled wood fiber and plastic content.



*PE composite decking and cladding refers to our Fiberon products that are made from post-industrial wood and polyethylene, or “PE,” which is the most common plastic in use today. These products account for the vast majority of the decking and cladding products Fiberon makes.



UTILIZE RECYCLED MATERIALS CONTINUED

[Save Water](#)[Utilize Recycled Materials](#)[Conserve Energy](#)[Protect People](#)

Expanding Commercial Offerings with Fiberon Wildwood PE Composite Cladding

In 2022, Fiberon launched its Wildwood composite cladding. Wildwood composite cladding is perfect for architects and trade professionals who want a long-lasting, maintenance-free, sustainable alternative to traditional wood cladding.

While Fiberon deck boards had frequently been used in cladding projects, Wildwood is our first product designed specifically for cladding application. Our Wildwood offering is available in a variety of colors, board lengths and widths to add design flexibility for projects.

Visit [SCS Global Services](#) to view Fiberon Environmental Product Declarations (EPD).

Wildwood PE composite cladding has received numerous awards for its design, innovation and sustainability.



**2022 Green Builders Media
Top 50 Sustainable Products
of the Year**



**2022 Architizer A+ Product
Awards Special Mention**



**2022 Architectural
Products' Product
Innovation Award**



**Good Design Award,*
Building Materials Category**

*As awarded by The Chicago Athenaeum: Museum of Architecture and Design. The Good Design logo is owned by The Chicago Athenaeum: Museum of Architecture and Design, used under license.



UTILIZE RECYCLED MATERIALS CONTINUED

[Save Water](#)[Utilize Recycled Materials](#)[Conserve Energy](#)[Protect People](#)

Other FBIN Brands are Recycling Too

Beyond Fiberon, our other brands are working to include recycled inputs into their products, too.

Mission Moen not only sets out to conserve water, but it also includes a commitment to utilize 2,000 tons of ocean plastic by 2030. In 2020, Moen began using plastic recovered from discarded fishing nets and ropes as an installation tool component for one of its highest volume products, the posi-temp valve. In 2021, Moen designers found ways to utilize recycled plastics in even more product components. As we begin the third year of our program, we've repurposed 523 U.S. tons of ocean plastic for use in our products and packaging.* Learn more at www.moen.com/missionmoen.

More than half of Therma-Tru door end rails are made from 90% recycled or scrap material, and Therma-Tru reuses most of the scrap lite frame material from the manufacturing process to make new lite frames. End rails and lite frames are just some of the many components that make up Therma-Tru's complete door system.

*As of March 2023.



The new, Moen Verso Rainshower with Magnetix integrates recycled ocean plastic into the Magnetix dock.

MISSION MOEN™



Conserve Energy

[Save Water](#)[Utilize Recycled Materials](#)[Conserve Energy](#)[Protect People](#)

Complete door systems from Therma-Tru built to help protect against energy loss, keeping heat and air conditioning sealed inside the home.





CONSERVE ENERGY CONTINUED

Save Water

Utilize Recycled Materials

Conserve Energy

Protect People

Therma-Tru Thrive

Therma-Tru is building a better world, beyond their own doors. Therma-Tru Thrive is the brand’s commitment to make safe and sustainable products, support the communities where their associates live and work, and leave a positive, lasting impact on the environment. Making life better at home — and, in particular, boosting energy efficiency at home — is one of three key pillars of Therma-Tru Thrive, along with helping take care of our planet, and being a good neighbor. Learn more at www.thermatru.com/thrive.



There are many components to a well-functioning door system. At Therma-Tru, we manufacture or specify every aspect — from the glass to the hinges — to create complete door systems that help to seal in heat or air conditioning, and enhance the door’s durability and reliability.

Advanced Materials and Complete Door Systems

Therma-Tru experts have long been delivering industry-leading innovations. Therma-Tru pioneered the fiberglass door in 1983 upon realizing that fiberglass offers superior design and performance characteristics. Today, Therma-Tru is the leading entry door brand most preferred by building professionals in North America. We offer fiberglass doors in a wide range of colors and styles. They capture the beauty of wood while requiring minimal maintenance and being much more energy efficient than wood doors.

In fact, Therma-Tru’s industry-leading complete door systems are built to help protect against energy loss, keeping heat and air conditioning sealed inside the home.

Therma-Tru doors help to conserve energy in two ways. First, our fiberglass doors have a polyurethane foam core that offers up to four times the insulating R-Value of wood.**

Secondly, we engineer complete door systems to work together at the most critical points. By forming a tight seal against drafts and leaks, these components can help protect the door system and home against costly damage and deterioration, and help insulate against cold and heat for exceptional energy efficiency.

80%

of Therma-Tru doors are ENERGY STAR qualified.¹



Therma-Tru is proud to be recognized as the 2022 Brand Leader* by *Green Builder* magazine for offering durable, well-insulated products.

¹ Based on version 6.0 ENERGY STAR product specification for windows, doors and sidelites.

*Brand Index, 2022 *Green Builder* magazine.

**Based on studies comparing 1 ½-inch-thick doors in fiberglass versus wood, each with no glass insert.



Protect People

Save Water

Utilize Recycled Materials

Conserve Energy

Protect People

Led by Master Lock, we have solutions to protect people at work and at home.





PROTECT PEOPLE CONTINUED

[Save Water](#)[Utilize Recycled Materials](#)[Conserve Energy](#)[Protect People](#)

Protecting People at Work

Our Security business, led by the highly regarded Master Lock brand, has focused on the safety and security of people and property for over a century. Whether through traditional keyed or combination locks, or more advanced access management and tracking, we have products that help keep property and people safe.

Lockout Tagout is a common workplace challenge. In fact, lockout tagout is among the top 10 OSHA citations.* Master Lock's Lockout Tagout products help safeguard workers from hazardous energy releases.

Beyond the commercial safety products, Master Lock offers professional lockout services, including site risk assessments. Our safety industry experts work with companies around the world to develop lockout solutions to help keep their employees safe.

Arc Flash Risk Assessments and Electrical Safety Services are the latest in our arsenal of safety services. These are run by our experienced team of PE-licensed electrical engineers who specialize in power system studies, as well as our electrical field technicians. Our goal is to help companies become compliant with NFPA 70E and OSHA 29 CFR 1910 Subpart S and make sure organizations are employing best practices to mitigate the potential of electrical related injuries.

In 2022, our commercial safety products and services made up a significant portion of our segment sales, and we believe Master Lock has many opportunities to increase its safety sales. Safety will continue to be a key part of our growing commercial security business.

*National Safety Council (2022).

TOP 10

Our lockout tagout solutions can help employers avoid one of OSHA's top 10 citations and keep their workers safe on the job.





PROTECT PEOPLE CONTINUED

Protecting People at Home

Our Therma-Tru doors are designed for durability and enhanced security with pieces and parts engineered as a complete system. From the door slab and glass to the hinges and sill, Therma-Tru specifies each piece to work together at the most critical points where an ordinary door system’s performance can fail. Some of the ways in which our doors keep residents protected:

- Therma-Tru composite door frames are more reliable and up to 50% stronger on average than standard wood door frames when withstanding a simulated forced entry attempt by kicking in the door.*
- Therma-Tru fiberglass door slabs are up to 30% more resistant to kick-ins than standard steel doors.**
- Glass options feature double- or even triple-pane construction and include two panes of tempered glass for enhanced safety and performance.



Master Lock is helping people feel safe and secure with products like the Master Lock Folding Door Security Bar. It’s the only adjustable door bar on the market designed to offer both robust strength and compact storage and portability — making it convenient for travelers and homeowners to use, adding an additional layer of protection to most standard entryway and sliding patio doors.

Finally, Moen Home Care products help prevent falls in the bathroom. As older generations are “aging in place,” it’s important to make adjustments to homes to accommodate. Moen Home Care products include bath grips, hand grips and shower chairs.



45 seconds

On average, a home is burglarized in the U.S. every 45 seconds.¹

¹ FBI Uniform Crime Reporting Program, “2019 Crime in the United States.”

*Comparison of Therma-Tru doors in pendulum impact test: fiberglass versus standard steel. Visit www.thermatru.com for details.

**Comparison of Therma-Tru doors in pendulum impact test: fiberglass versus standard steel.



Product Design & Innovation



Under our aligned organizational structure, our Innovation Center will be a place for even more of our associates to connect and innovate.

Fortune Brands Innovations has an exciting opportunity to drive incremental growth as our portfolio continues to evolve over time toward supercharged tailwinds, such as water management, connected products, material conversion, safety and wellness, and sustainability.

We make significant investments in research and development, including product development, product improvement, product engineering and process improvement. In 2022, our New Product Vitality, a metric that shows annual sales coming from innovations launched in the past three years, was 21%. Going forward, and with our increased focus on innovation, our New Product Vitality target is 25% to 30%.

GOALS

25% to 30%

New Product Vitality Target

DEI SPOTLIGHT

Women’s Engagement Network for STEM and Advocacy (WENSA) Expands

WENSA is an internal community of associates that serves to further the professional development of women in STEM so that they can contribute to the organization to their fullest potential. WENSA helps women in STEM focus on development efforts that drive growth in current roles and build greater competence. WENSA additionally facilitates networking, outreach, and advocacy to further themselves, their workplaces and the greater community. WENSA is Fortune Brands’ longest-running Employee Resource Group, and had been focused on only the Water Innovations segment. Starting in 2023, this group has merged with Fortune Brands’ Women’s Impact Network Employee Resource Group, opening up more opportunities for learning and networking across our entire organization!





PRODUCT DESIGN & INNOVATION CONTINUED

Designing with ESG in Mind

Increased demand for sustainable building products and packaging is driven by consumers, retailers, architects and builders that are responding to both consumer demand, regulation, or increasing focus on industry groups and certifications, such as National Green Building Standard, the U.S. Green Building Council LEED rating system and ENERGY STAR certified homes.

Across Fortune Brands, sustainability is factored into design, helping us do even more to save water, conserve energy, leverage recycled materials and keep people safe.



Associates in Innovation

Whether they work in our Innovation Center in Ohio or on a virtual team, our associates are doing truly innovative things behind the scenes, including how we improve our processes, leverage data and connect with each other. We also have associates who are dedicated to innovating our products so they meet the needs of today's consumers and customers, as well as look out for the needs of the future, including how our products can leverage ESG tailwinds for the good of our business, people and the planet. These roles include our engineers, research and development teams, members of our quality group and Digital Factory.

As a newly aligned organization, we are already better leveraging innovation and product design expertise across more of our brands. We expect these associates will have even more opportunities to learn and grow their career, making FBIN an even more attractive target for innovation centric roles.

DESIGN SPOTLIGHT



Partnering with Northwestern University's Institute for Sustainability and Energy (ISEN)

This year, Fortune Brands Innovations has partnered with Northwestern University's Institute for Sustainability and Energy (ISEN). ISEN forms strategic alliances between corporate, civic and not-for-profit partners. By leveraging shared expertise and resources across disciplines and locations, ISEN and its partners are able to discover, develop, and deploy sustainability and energy-related solutions more quickly and with transformative impacts. In addition to sharing our expertise in material conversion and science and manufacturing, we believe bringing in outside voices can also help to spark new ideas for our products.





PRODUCT DESIGN & INNOVATION CONTINUED



OUR COMMUNITIES

Partnering with our Products and Expertise

Yellowstone Forever

In 2022, Fortune Brands announced a new partnership with Yellowstone Forever, the official nonprofit partner of Yellowstone National Park, to provide cash and product donations over the next three years to help the park reach its sustainability goals. Yellowstone has launched a major effort to revitalize employee housing and enhance sustainability efforts throughout the park. So far Fortune Brands has provided over \$150,000 in both cash and in-kind donations, the majority of which are Therma-Tru doors and Moen plumbing products to help update housing for park staff and some of the park's facilities. These new products will help the nation's oldest national park meet its goals to reduce water consumption and conserve energy while increasing the comfort and functionality of employee housing and common spaces. We are also lending our expertise for how the park can conserve water and secure its facilities.



YELLOWSTONE
FOREVER



150 YEARS
YELLOWSTONE
NATIONAL PARK





PRODUCT DESIGN & INNOVATION CONTINUED



OUR COMMUNITIES

Partnering with our Products and Expertise

Habitat for Humanity

Fortune Brands' purpose of Fulfilling the Dreams of Home ties right into the work of Habitat for

Humanity. We are proud to partner with our local Habitat for Humanity chapters to build and rehab affordable housing for low-income Habitat Partner Families by volunteering on construction sites, donating product and providing financial support. In 2022, Fortune Brands donated over \$100,000 in cash and product to local Habitat for Humanity chapters, in addition to the hours we volunteered.



Rebuilding Together

Fortune Brands has a multi-year partnership with Rebuilding Together — a national nonprofit organization with the mission to repair the homes of people in need — to create the Dreams of Home community revitalization project. Since 2021, Fortune Brands has committed \$500,000 through the project to support critical home repairs for underserved neighbors in communities near several of its operations, including the Chicago metro area; Northeastern Ohio; and the greater Charlotte, North Carolina, area. Additionally, we have donated safety products — like grab bars, handheld shower heads, shower seats, padlocks and personal safes — to support homeowners in need who would prefer to age in place or cannot afford assisted living.





ENVIRONMENTAL

Home Planet

Fortune Brands Innovations believes the protection of our natural resources is important to our business. We strive to reduce the energy, water and materials we use, as well as reduce, reuse or recycle the waste generated.



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Carbon Emissions & Energy

Fortune Brands recognizes the importance of developing a proactive and holistic approach toward climate change. We are committed to being part of solutions that keep our collective home — earth — safe and healthy.

We are committed to reducing our carbon impact on the environment while continuing to manufacture our products, serve our customers and create value for all our stakeholders. We have invested in new software and systems to improve and streamline environmental data collection processes, capture global data, enhance future reporting, and better evaluate opportunities. This data is key to helping us understand our direct carbon emission impacts and to set environmental goals.

We are also using the TCFD to discuss climate-related risks and opportunities. Additionally, Fortune Brands Innovations submitted our first CDP climate survey in 2022 to help us better track our climate-related risks and opportunities in more concrete ways and provide additional useful data to our stakeholders. A key result of our 2022 CDP climate survey is that we are starting to look at our emissions data on a more granular level to help us assess opportunity areas. Also, through CDP, we have another vantage point into what environmental components are important to customers.

Our Goals

In 2021, we set goals to reduce our absolute Scope 1 and 2 carbon emissions by 30% by the year 2030, and to offset 50% of our electricity usage with renewable sources by 2030.

To help reach our goals, Fortune Brands Innovations currently plans to identify and help fund a renewable energy project by entering into a virtual power purchase agreement (VPPA). By supporting a renewable energy project, we will source clean power to match our electricity needs, address our carbon emissions and contribute to adding long-term green energy options to the existing supply of energy in the United States.

We feel our goals and path to achieve them are both appropriate for our industry and realistic. As we work toward these targets, we will also remain open as new or more options to reduce carbon emissions become available in the future.

Carbon Mitigation Strategy

Our carbon mitigation strategy includes:

- Supporting renewable energy: We plan to enter into a VPPA for a project that generates renewable energy.
- Using renewable energy: Our plant in Changshu, China installed solar panels in 2022, and we expect about 70% of their power will be derived from the panels. Additionally, our facility in Pine Grove, Pennsylvania, uses solar panels.

- Reducing our own energy usage: The majority of our locations have switched to energy-efficient lighting, and we routinely check and repair our equipment to ensure it is running efficiently. We also invest in new equipment that is more energy efficient. While we have already taken many actions to run more energy-efficient operations, we are on the lookout for more opportunities to conserve energy.
- Investing in making responsible products: Manufacturing energy-efficient Therma-Tru doors and using recycled inputs as the main components for our Fiberon PE composite decking is part of how we can help to mitigate carbon emissions.

OUR GOALS

- **30% reduction in absolute Scope 1 and Scope 2 carbon emissions by 2030.**
- **Offset 50% of our electricity usage with renewable sources by 2030.**



CARBON EMISSIONS & ENERGY CONTINUED

Carbon Emissions

In metric tons of CO₂ unless otherwise noted

2022

Scope 1 from Energy Used 27,590

By Country

United States	19,637
Mexico	2,191
Canada	456
China	0
Rest of World	5,306

Scope 2 from Energy Used 100,427

By Country

United States	86,496
Mexico	8,744
China	2,694
Canada	<1
Rest of World	2,493

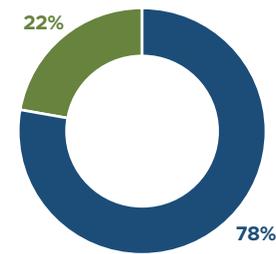
Total Scope 1 and 2 from Energy Used 128,017

CO₂ Intensity from Energy Used (Scope 1+2)

2.711

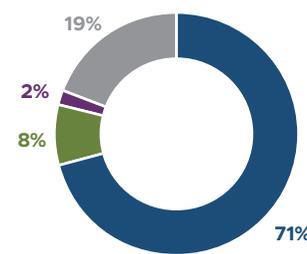
(In metric tons of CO₂ / Unit net global sales (x10⁻⁹))

2022 Carbon Emissions by Type



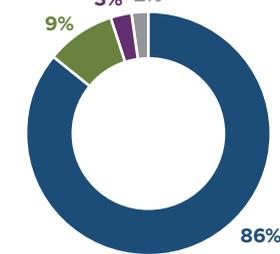
● Electricity (Scope 2)
● Natural Gas (Scope 1)

2022 Scope 1 Carbon Emissions by Geography



● United States
● Mexico
● Canada
● Rest of World

2022 Scope 2 Carbon Emissions by Geography



● United States
● Mexico
● China
● Rest of World

Our energy data is based on the criteria for Scope 1 direct and Scope 2 electricity indirect GHG emissions, as defined by the GHG Protocol. Direct GHG emissions, or Scope 1, occur from sources that are owned or controlled by the Company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc. Electricity indirect GHG emissions, or Scope 2, accounts for GHG emissions from the generation of purchased electricity consumed by the Company. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the Company. Scope 2 emissions physically occur at the facility where electricity is generated.

Environmental metrics from acquired businesses are generally included for the year in which the acquisition took place. LARSON, acquired late December 2020, is included in 2021 data. Solar Innovations and Aqualisa, both acquired in 2022, are included in 2022 data for the full year.

See additional years' data in our ESG Data Tables.

Energy Usage

In million GJ

2022

Total Energy 1.48

By Country

United States	1.14
Mexico	0.18
Canada	0.02
China	0.01
Rest of World	0.13

Electricity (In million kWh) 258.4

Natural Gas (In million therms) 5.2



Conserving Water

Water is one of Earth’s most precious resources and a key to having healthy communities around the world. Water is also a key component of Fortune Brands Innovations’ manufacturing process, and we are focused on utilizing water in the most practical and efficient ways in our more water-intensive manufacturing processes.

Our facilities track water usage to allow FBIN to report on total water use. We rely on our operational and Environmental, Health & Safety teams to identify water-related impacts to our manufacturing, primarily by finding ways to reduce the amount of water used, implement or maintain recycled water systems, or clean wastewater.

For example, our Fiberon plants utilize a closed-loop water system for minimal waste discharge, enabling Fiberon to use the same water every day, and saving nearly 3.5 billion gallons of water annually. At our Shaws site in the United Kingdom, improvements to the plant’s settling tank have helped us to more efficiently filter out metal and clay from water waste streams. We continue to look for ways to improve how we manage water in the manufacturing process.

Most recently, innovative offerings like the Moen Smart Water Network exemplify how the business is leading the charge into a new era of monumental change in how people encounter water every day. Moen is focused on creating exceptional experiences with water, and helping raise awareness around ways to leverage more water efficient products within the home.

WATER SPOTLIGHT

WORLD WATER DAY

As part of Mission Moen, we helped to raise awareness of the scarcity of water, and why it’s important to conserve it. For World Water Day 2023, Moen’s *Our Mark on Landmarks* campaign reimagined what could happen at three iconic landmarks if we aren’t smarter with how we use water.



OUR COMMUNITIES

Fortune Brands Rallies after Catastrophic Flooding in Yellowstone

We are proud to support Yellowstone Forever, the official nonprofit partner of Yellowstone National Park. In June 2022, the park was hit with catastrophic flooding that closed the park and caused damage to the entire community. Fortune Brands and its businesses quickly rallied in response, and in the weeks following the crisis, announced over \$30,000 in support to the Yellowstone Resilience Fund. This gift included a special dollar-for-dollar employee match for associate contributions to the fund, and associates from every brand participated in the effort to help restore Yellowstone National Park for future generations.



CONSERVING WATER CONTINUED

Water Metrics

In million gallons

2022

Total Water Withdrawn

197.3

Water Use Intensity (In gallons / Unit net global sales)

0.042

See additional years' data in our ESG Data Tables.

We are assessing our 2022 environmental data for Fortune Brands Innovations to help us identify and pursue opportunity areas.



OUR COMMUNITIES

Partnering on Water

Partnerships with nonprofit organizations enable us to expand our efforts to positively affect the world's water system. In addition to making water-saving products and incorporating ocean recycled plastics into our designs, we are proud to be part of many initiatives to engage people around water education and conservation.

Fortune Brands has donated over \$1 million to The Nature Conservancy since 2012, primarily in support of freshwater initiatives in the Great Lakes — a region where many of our associates work and live — and around the world. In addition, our associates have contributed time and money to their local The Nature Conservancy chapter.

In 2021, Moen announced a partnership with the Chicago Children's Museum to construct a new exhibit, "Moen Presents: Water City," dedicated to Moen's mission of protecting and elevating experiences with our most precious resource, water. The exhibit, which opened in spring 2023, connects water play and STEM experiences for the next generation of young explorers and their families.

Moen's contributions to Drink Local. Drink Tap. over the last decade — an organization that inspires individuals to recognize and solve our water issues through creative education, events and providing safe water access to people in need — have helped bring clean water to nearly 45,000 people in Uganda, removed more than a half million pieces of trash from Lake Erie's shores, and have educated more than 20,000 students in Northeast Ohio, United States.



Children explore 'Moen Presents: Water City' exhibit.



Waste Reduction

For Fortune Brands Innovations, our responsible approach to business means finding a way to balance our commitment to environmental stewardship with delivering exceptional products. Reducing waste streams is better for the environment and can also help us save money.

All Fortune Brands Innovations facilities have a commitment to manage waste streams in support of our EH&S principles. In 2022, ten of our manufacturing and distribution center sites achieved a recycling rate of 75% or better.

Many of our facilities use 80/20 techniques and lean practices to assess waste streams and help find ways to reduce, reuse or recycle. Some of the most common materials we recycle or reuse are wood, plastics and metals, and we participate in recycling programs in most of our locations for these materials.

Less than one half of 1% of the waste we produce is hazardous waste. We adhere to global rules and regulations related to hazardous waste management, conduct internal audits of our processes, and ensure any associates who deal with hazardous waste receive the proper training. To complete our cradle-to-grave focus on safe material use, we work with transportation, storage and disposal partners that adhere to compliant methods.

Our associates look for innovative opportunities to reduce our contribution to the waste stream. Their innovation and stewardship help us reduce our environmental impact and strengthen FBIN with additional value creation.

Waste Metrics

In thousand tons

2022

Total Waste Generated	65.4
Diverted (Recycled, Reused, Re-purposed)	36.2
Landfill	29.0
Hazardous Waste	0.2
Waste Intensity (In U.S. tons / Unit net global sales (x10 ⁻⁵))	1.38

Not included in our "Diverted" metric is the approximately 100 million pounds of recycled plastic, and approximately 200 million pounds of post-industrial wood used to make our Fiberon PE composite decking and cladding products in a year, or the ocean plastic we use in Moen products and packaging to help fulfill our Mission Moen goal.

We are assessing our 2022 environmental data for Fortune Brands Innovations to help us identify and pursue opportunity areas.



SOCIAL

Home Safe

Associate safety is our top priority. Providing a safe workplace is not only the right thing to do, it's essential to maintaining our high-performance culture, attracting new talent and outperforming our markets.



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Safety

Our Safety Goals

We are proud of our best-in-class safety results. Each location has set annual improvement targets for Total Recordable Incident Rate (TRIR) and Lost Time Rate (LTR). In addition, we are putting more focus on identifying and measuring leading indicators to prevent incidents.

As Fortune Brands Innovations acquires new businesses, we work closely with them on safety processes and controls. One of our most powerful acquisition synergies is that we make acquired companies safer through immediate assessment and investment in sustainable safety systems and establishment of safe work practices.

OUR SAFETY GOALS

- Each location sets its own annual TRIR and LTR improvement targets.
- Improve safety for newly acquired businesses.

Global Safety Metrics

Safety metrics include all global full-time employees, temporary workers and contractors under our direct supervision, and is calculated per 100 employees.

Metric	2018	2019	2020	2021	2022
Total Recordable Incident Rate (TRIR)	1.11	1.33	1.07	1.66	1.16
Lost-Time Rate (LTR)	0.56	0.50	0.47	0.66	0.45
Total Number of Work-Related Fatalities	0	0	0	0	0

Metrics from acquired businesses are generally included for the year in which the acquisition took place. LARSON, acquired in December 2020, is included in 2021 data. Solar Innovations and Aqualisa, acquired in 2022, are included in 2022 data. Prior years' data have been restated to show Fortune Brands Innovations from a continuing operations basis, and do not include the Cabinets business that was spun-off in December 2022.





SAFETY CONTINUED

Improving Safety at Acquired Businesses

Strategic acquisitions are a key part of how Fortune Brands Innovations intends to grow and create shareholder value. FBIN is committed to ensuring that newly acquired locations are safe and productive parts of our Company by making immediate investments into their safety practices. Even before acquisitions are solidified, our EH&S and operations leaders create improvement plans to implement in the first 90 days. Two of our largest and most recent acquisitions, Fiberon and Larson, are great examples.



Fiberon: Acquired 2018

Fiberon has significantly improved its TRIR, thanks to facility and technology improvements:

- **Added fall protection.** Fortune Brands installed a boom crane with a harness, allowing associates to walk safely alongside railcars several feet in the air.
- **Implemented better fire prevention controls.** The Fiberon plants use a lot of wood dust, as recycled wood is one of the key components of PE composite deck boards and cladding. Fortune Brands invested in early heat detection infrared technology to detect heat before a spark occurs. We are also now using drones to look for heat signatures in hard-to-reach spaces.



Larson: Acquired 2020

Larson has also significantly improved on safety performance. Some of the investments we've helped usher in include:

- **Added automation and tools.** Automated processes reduced manual, repetitive labor. Fortune Brands installed “tuggers”, machines to move materials, so there is significantly less manual pushing.
- **Improved personal protective equipment.** Fortune Brands provided more comfortable gear that is easier to implement and work in.
- **Added physical safeguards.** Additional barriers were installed to better separate associates on foot from powered industrialized vehicles.

Fiberon and Larson added hundreds of associates and multiple locations to our Company. We are proud of the positive impact we've had on so many associates and their loved ones! We are working to ensure our latest acquisitions, Solar Innovations and Aqualisa, can learn from our rigorous safety standards. And as our EH&S strategies highlight, integrating future businesses into Fortune Brands Innovations' safety practices will be a part of our success.



SAFETY CONTINUED

Our Approach to Safety

Our commitment to creating and maintaining safe work environments is highlighted in our [EH&S Principles](#) and comes to life through our EH&S strategies, which are: strong management systems, relentless risk mitigation, foundational compliance, accountability to each other, engaged and caring culture, and integration precision.

59%

of our associates are working in plants, distribution centers and warehouses, where safety is especially important.

We track organization-wide health and safety metrics using our EH&S management system. Data regarding safety trainings, safety or security incidents, near misses and the business’ “Critical Elements” are tracked for full-time, part-time and contract or temporary workers across our Company. Weekly safety meetings are held with our Chief Supply Chain Officer to discuss safety issues and best practices. Each month, safety updates are presented to the CEO and the CEO’s leadership team. We report on health and safety metrics, trainings and initiatives annually to the Nominating, Environmental, Social and Governance (NESG) Committee of the Board.

We keep safety at the forefront of everything we do. Safety is routinely emphasized by leaders during trainings, town halls, video messages and other communications channels. Associates participate in regular safety trainings tailored to their work environment and are empowered to speak up if they see unsafe behavior.

The majority of our legacy locations have years of strong safety protocols and experience, resulting in strong safety performance. **As Fortune Brands Innovations continues to evolve, we are reimagining safety and looking at how we can make incremental improvements to reach the next level of strong safety performance.** Going forward, we will:

- Place more emphasis on leading safety indicators, such as on-time corrective action closure rate and near miss reportable rate.
- Continue to make investments in technology and leverage data to inform safe decision making.
- Increase our associate feedback and engagement with tools like safety Learning Teams to better encourage both top-down and bottom-up involvement and drive even safer outcomes.

Critical Elements Program

We are working to heighten awareness and mitigate risk on 15 critical safety components within our global manufacturing and distribution operations. These components are identified as having the most potential for severe injury:

- Combustible dust
- Confined space
- Contractor management
- Dock safety and material storage
- Electrical safety and arc flash
- Fall protection
- Fire prevention
- Industrial hygiene
- Integrated emergency response
- Lock-out tag-out
- Machine guarding
- Overhead doors
- Pre-startup safety reviews and management of change
- Powered industrial vehicles
- Physical security

We have also developed customized auditing protocols that score progress around each Critical Elements program component. In addition, we flag and capture specific incident data to enhance our understanding of causation and drive subsequent corrective action activities. We then modify our processes through a Plan-Do-Check-Act system and share lessons learned with the EH&S Leadership and senior management.



SAFETY CONTINUED

Safety Training

We believe it is our responsibility to make sure people go home in the same condition they came to work. Safety training is the foundation of that commitment and our management systems.

We require our manufacturing and distribution associates to participate and demonstrate knowledge in appropriate and required employee and environmental safety programs.

As part of our [Supplier Code of Conduct](#) process, EH&S resources assist our suppliers with training on topics such as fire prevention, occupational illness prevention, and the importance of implementing health and safety management systems.

SAFETY SPOTLIGHT

FORTUNE BRANDS INNOVATIONS SAFETY DAY

In the Fall of 2022, Fortune Brands Innovations held its inaugural Safety Day event. This two-day virtual meeting is led by our EVP and Chief Supply Chain Officer, as well as other operations leaders. Each plant and distribution center manager presents their safety performance, wins and challenges. The event helps to raise awareness of safety at the highest levels and increases accountability in all locations. It's also a great opportunity to recognize performance and improvements, and to share best practices that other locations can implement. The Safety Day exemplifies our values: Aligned, Agile, Accountable and Action.

Ergonomics

Fortune Brands pays special attention to how we can prevent strains associated with manual material handling. We look for ways to reduce or eliminate the need to lift weight and the distances it needs to be taken, as well as improve postures and minimize force or vibrations.

Increasingly, we are adding automation to help improve ergonomics, reduce the amount of repetitive motions and minimize the physical labor required of our associates. For example, Master Lock implemented automated lock testing, reducing the need to physically twist a padlock or enter a key hundreds of times each day. At Shaws, vacuum lifts and lifting tables eliminated the need for associates to lift sinks, which can weigh around 150 pounds, by hand. New machinery and process improvements in our Therma-Tru lines remove points of higher ergonomic strain when building doors. Fortune Brands invests in new machines and technologies to continue to improve ergonomics and improve associates' workdays.

Beyond equipment, we also have great health and wellness programs for musculoskeletal issues. Associates on Fortune Brands' medical plan can access a free digital musculoskeletal program to discover healthy ways to manage back, neck and joint pain. This unique program provides personalized treatments related to four distinct treatment paths: prevention, acute pain, chronic pain and support with pre- and post-rehab surgery. Each path includes advanced motion sensors, an all-in-one app experience, wearable pain management, plus access to experts, such as nurses, nutritionists, health coaches, physical therapy doctors, orthopedic surgeons and more. We receive a lot of

positive feedback from our associates about this benefit. For 2022, we broadened the services and made it easier to enroll.

In 2023, Fortune Brands has begun implementing its first company-wide, comprehensive industrial ergonomics program with the help of VelocityEHS Ergonomics, a leader in industrial ergonomics support. Through the program, associates are attending safety workshops to receive ergonomics training, helping them identify risks at their sites and then implement and maintain strong ergonomic practices to help prevent soft tissue injuries and musculoskeletal disorders. This program is available at all of Fortune Brands' locations.

Our newly aligned organizational structure has moved our previously decentralized supply chain and operations to now report through one supply chain team, making it easier than ever before for environmental, health, safety and security investments like the powerful VelocityEHS Ergonomic program to be leveraged across the Company. Having a consistent program also provides associates with a common language and understanding of ergonomics to help teams discuss safety enhancement opportunities, challenges and progress, making it easier to find solutions and share best practices across the full organization.

In addition to the VelocityEHS Ergonomic program, locations that have experienced success with the MoveSmart program and Active Release Techniques initiative continue to leverage those resources. MoveSmart trains associates to use their major muscle areas when doing heavy lifting to avoid applying force to joints that are more susceptible to injury. The Active Release Techniques initiative provides associates with free therapeutic sessions with the goal of alleviating pain and learning how to manage and prevent conditions from occurring in the future.



SAFETY CONTINUED



Learning Teams Strengthen Safety Across Fortune Brands Innovations

Learning Teams are being deployed across Fortune Brands Innovations to help us continuously improve safety and enabling us to reach the next level of strong safety performance and add to our operational excellence.

Learning Teams at Fortune Brands Innovations:

- Use an associate-focused engagement approach to problem identification and problem solving.
- Are small, informal and collaborative teams; they include associates from the area of concern or those who have similar job functions.
- Set out to understand context around an event or incident, helping to increase understanding of how any associate might act outside of the formal safety procedures and systems to complete a task.
- Are assembled reactively, following any recordable safety incident, or proactively, to address an issue before someone is hurt.
- Have senior leaders' support and commitment to hearing the Learning Teams' findings and recommendations.
- Will help the Company to track more leading safety indicators.

Celebrating Safety

We love to celebrate safety achievements, both big and small! In addition to major safety achievements, we recognize individual departments, shifts and teams for reaching memorable safety milestones and for their important contributions to the culture of safety at Fortune Brands. Groups have earned special gear and meals to celebrate their success, and their achievements are promoted organization-wide through the Fortune Brands Innovations' intranet and associate app. Often, teams earning safety awards give back to their local communities by turning their award into a financial donation.

Visit our website at www.fbhs.com/corporate-responsibility/safety-milestones-recognitions to see our safety milestones.

While some teams and plants in Fortune Brands have been using Learnings Teams, many others are starting this year. As we expand Learning Teams across the full Company in 2023 and beyond, we look forward to sharing more.

Beyond Physical: Cyber safety

Cyber safety is a crucial component to keeping our associates and business safe. With the general increase in cyber threats and growing sophistication of cyberattacks, we know that protecting our digital assets and associates' personal information is essential to ensure our business can operate uninterrupted.

Fortune Brands Innovations has enhanced our teams and technology to better prevent cyber risks and shut down attacks. We've provided tools and extensive training to help our associates more easily identify and report a variety of malicious content, like emails, links and text messages. Comprehensive web-based trainings and reminders on our intranet site and associate app raise awareness about the importance of cybersecurity and how to stay safe, both at work and at home. Periodic real-world testing with our associates is conducted to evaluate our progress. Our cyber safety program leverages the Stop.Think.Connect. campaign initiated by the U.S. Department of Homeland Security.



Health & Benefits

Meaningful Benefits

We value our people and offer a total rewards package designed to help associates and their families maintain or improve their physical, emotional and financial health. Offering meaningful benefits is part of how we can attract and retain the best talent. In 2022, Fortune Brands Innovations invested nearly \$200 million toward associate health and wellbeing programs.*



Be Healthy: Benefits That Support Physical Health & Wellness

We place high priority on our associates' health, which includes health insurance and wellness services. Our leadership and HR teams work extensively to control rising long-term costs while maintaining quality health and wellness benefits. Fortune Brands Innovations offers market competitive health care plans to our U.S. associates, which makes up a majority of our workforce. Associates on our health care plan are encouraged to take advantage of Company-provided services to help them stay

healthy, reduce costs and make the most of their benefits, which include:

- Resources to guide associates through a new diagnosis, find doctors or specialists, solve issues with medical bills, and support for finding low cost, high quality health care services.
- Telemedicine for easy, low-cost, 24/7 doctor visits.
- Virtual health screenings that include an at-home blood pressure monitor and easy-to-use blood test kit.

- A diabetes management program with connected devices to help monitor blood glucose, as well as coaching.
- Musculoskeletal digital program with access to experts and at-home exercise therapy for back, neck and joint pain.
- Weight management and fitness programs.
- Additionally, tobacco cessation assistance is available to all FBIN associates.

BE HEALTHY SPOTLIGHT

NURSES ON-SITE

Fortune Brands Innovations employs a nurse who works with associates in our Moen North Carolina, United States, locations to obtain convenient medical care on-site. We also provide access to a nurse to our associates at our Victoria + Albert South Africa facility, which is located in an area where seeing a medical professional can be challenging. Our on-site nurses mainly help with conservative care, such as ergonomic and orthopedic issues, and conduct health screenings that help alert associates to when more urgent and comprehensive medical attention is needed. They also help connect associates to the benefits available to them.

*Investment amount includes related taxes paid by the Company.



HEALTH & BENEFITS CONTINUED

Be Balanced: Programs That Support Life Outside of Work

Our associates are encouraged to take their paid time off and create flexible work arrangements that allow them to thrive both in and out of the workplace. Additional work-life balance benefits include:

- Employee assistance program (EAP) that provides free counseling to our associates and their family members. The EAP is available to all FBIN associates.
- Paid parental leave for new parents available at all our businesses.
- Parental support program to help navigate through the parenthood journey; it encompasses preconception, fertility, surrogacy, adoption, pregnancy, postpartum and return to work after parental leave. This program is available to associates on our health care plan. Additionally, we offer adoption assistance programs.
- Matching gift programs are available to 100% of our U.S. associates, allowing them to increase their support of non-profit organizations most important to them.

- Increased flexibility for when and where associates complete their work. Hybrid schedules with some working days at home and some days in an office have become the norm for our traditional “office” workers, allowing associates to gain more work-life balance while still getting to benefit from collaborating with others in person. Additionally, there are opportunities for associates to work remotely. In our plants, we are also looking for ways to provide more shift flexibility through alternative schedules and an increase in part-time opportunities.

Be Secure: Benefits for Financial Security, Now and in the Future

The majority of our associates share in Fortune Brands’ success by participating in a number of programs that include:

- Annual cash incentive plan (bonus program)
- Annual profit sharing contributions

Additionally, most FBIN associates are eligible to participate in a Company-sponsored 401(k) plan and many are eligible to receive Company matching contributions to their

retirement fund. Our associates also have access to personalized retirement planning services, budgeting tools, college savings resources, debt management, and other financial education and resources through our 401(k) plan.

Through our cybersecurity awareness trainings and communications, we also reinforce what associates can do to protect against cyber-scams, phishing attempts and other malicious digital attempts that work to gain personal and financial information.

Be Inspired: Encouraging Personal and Professional Growth

Fortune Brands encourages informal and formal learning to support the unique learning needs of each of our associates. Our salaried associates have access to personalized, online learning resources, facilitator-led classes and leadership development programs. Guidance on one-on-one effective conversations, setting goals, ways to reward and recognize, career development and other personal topics are highlighted through our intranet site.

BE BALANCED SPOTLIGHT

MENTAL HEALTH CARE RESOURCES

Virtual counseling visits are available to associates on our health care plan through our telemedicine provider. These visits help with managing stress, relationship issues, depression and other behavioral and mental health topics. Our largest Therma-Tru plant had been running a pilot program that offered on-site counseling to associates. The pilot was so successful that the pilot has been converted to a long-term program at the site. Finally, we provide teams with resources to help associates avoid burnout, manage stress and develop healthful habits. While the Covid pandemic raised the importance of mental health, it is a topic our leaders continue to address throughout the year.



SOCIAL

Home For All

We want all associates to feel welcomed, valued, have a sense of belonging and to be able to bring their full, authentic selves to the workplace. This includes a commitment to helping all our associates and leaders develop skills and to grow within Fortune Brands Innovations.



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Diversity, Equity & Inclusion

Our Approach: Home For All

Having diverse teams that feel welcomed, engaged and listened to help drive greater product and solution innovation that is a key part of our business strategy. It is important that our workforce represents our consumers and communities so we can better understand, predict and meet consumers' needs with new products to drive customer loyalty and profitability.

DEI at Fortune Brands Innovations is more than increasing representation of underrepresented groups. In step with our purpose of Fulfilling the Dreams of Home, we continue our journey to build a Home For All at Fortune Brands. We want all associates to feel welcomed, valued, have a sense of belonging and to be able to bring their full, authentic selves to the workplace. This includes a commitment to helping all our associates and leaders develop skills and to grow within Fortune Brands Innovations.

We are taking many actions to create a Home For All that contribute to increased associate engagement, retention and productivity. These are all important outcomes as Fortune Brands Innovations charts a new path as a smaller, more collaborative company striving for accelerated growth and productivity.

To hold ourselves accountable for making progress, Fortune Brands Innovations has key DEI aspirations to increase representation of people of color in our U.S. senior leader and professional positions. We also aspire to expand our already above-industry metrics for women leaders. In 2022, we made significant progress in our DEI strategy, and we are excited to share some of the specific actions we are taking.

DEI SPOTLIGHT

DESIGNING FOR ALL ABILITIES

Master Lock offers an Americans with Disabilities Act (ADA)-Compliant built-in combination and keyed locker lock that operates like the other locks in the system — so no lock looks different, and no student is singled out. The lock is designed specifically to meet the Federal regulations defined in the United States Department of Justice “2010 ADA Standards for Accessible Designs”.

Master Lock ADA Inspired locks go a step further and address special needs beyond those outlined in the “2010 ADA Standards for Accessible Design”. These portable locks are designed to be easy to use and assist those with physical or cognitive challenges operate a lock independently. All ADA Inspired locks fit most standard lockers.

In addition, many Moen faucets, shower valve controls, and sinks also comply with ADA specifications. Providing products that support the growing number of adults who want to age in home is important to our purpose and our growth.

Now that we have a robust network of ERGs, we are enabling strategic collaboration between those groups of diverse employees and product teams to better understand and anticipate the needs of our consumers and deliver innovative outcomes.

OUR DEI GOALS

Fortune Brands Innovations has key DEI aspirations to increase representation of people of color in our U.S. senior leader and professional positions. We also aspire to expand our already above-industry metrics for women leaders. In 2022, we achieved meaningful DEI associate representation goals, ahead of plan.



DIVERSITY, EQUITY & INCLUSION CONTINUED

DEI Strategy

Fortune Brands joined the W.K. Kellogg Foundation’s Expanding Equity program in 2021 to gain access to more tools to advance racial equity and DEI. As part of Expanding Equity, select Fortune Brands senior leaders attended workshops focused on tactical methods for establishing a racial equity strategy, and identifying initiatives that can quickly be put into action. A diverse group of cross-functional associates then worked to adapt and apply many of the principles from the Expanding Equity program, helping to build our comprehensive DEI strategy.

Our DEI strategy revolves around four pillars: Attract, Belong, Promote and Influence.

- **Attract.** We aim to increase representation of professionals of color and women. We will identify key partnerships to help us recruit a more diverse pool of talent, as well as standardize and optimize the interview process to help our hiring managers make fact-based decisions.
- **Belong.** We will look for ways to reduce the barriers to inclusion through our policies, programs, business practices and education. “Belonging” is one of the attributes we are measuring in our engagement pulse surveys, and we are leveraging the feedback associates provided to help us do even better in this area. Additionally, we will continue DEI trainings and listening sessions.
- **Promote.** We want to better prepare our professionals of color and women for promotion into manager level positions and above, and will be launching mentoring circles in 2023 to support this pillar.
- **Influence.** We will publicly demonstrate our DEI commitment. Already, we have increased diversity at the highest levels of our organization — both our Board of Directors and our Leadership team — and we are supporting many community organizations that promote equity.

Fortune Brands’ Chief Human Resources Officer (CHRO) and other members of HR report annually on our DEI strategy progress to the NESG Committee of the Board.



DEI SPOTLIGHT

ENGAGEMENT SURVEYS

We are ensuring our associates are heard by leveraging our bi-annual engagement surveys to ask pointed questions about belonging and bringing one’s full self to work. We are committed to action in areas where we have opportunities to do even better.

Fortune Brands has strict [Anti-Harassment and Whistleblower Policies](#) to ensure compliance in creating a safe and respectful culture.



DIVERSITY, EQUITY & INCLUSION CONTINUED

Inclusive Culture Council

Fortune Brands' Inclusive Culture Council (ICC)'s goal is to attract and retain the best talent that represents the diversity of our consumers and communities and allows us to outperform our markets and competitors. The council is sponsored by our CEO and CHRO, and includes leaders across the business. The ICC's responsibilities have grown since its formation in 2019. Now, it establishes DEI priorities for the Company and ensures each part of our business is held accountable to diversity and inclusion goals, in line with our DEI strategy.

Partnering With CEO Action for Diversity & Inclusion

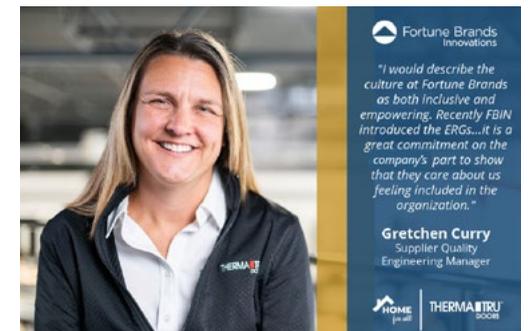
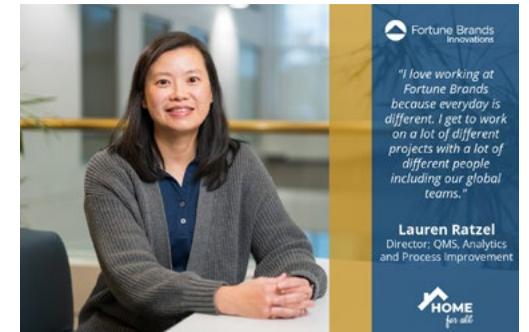
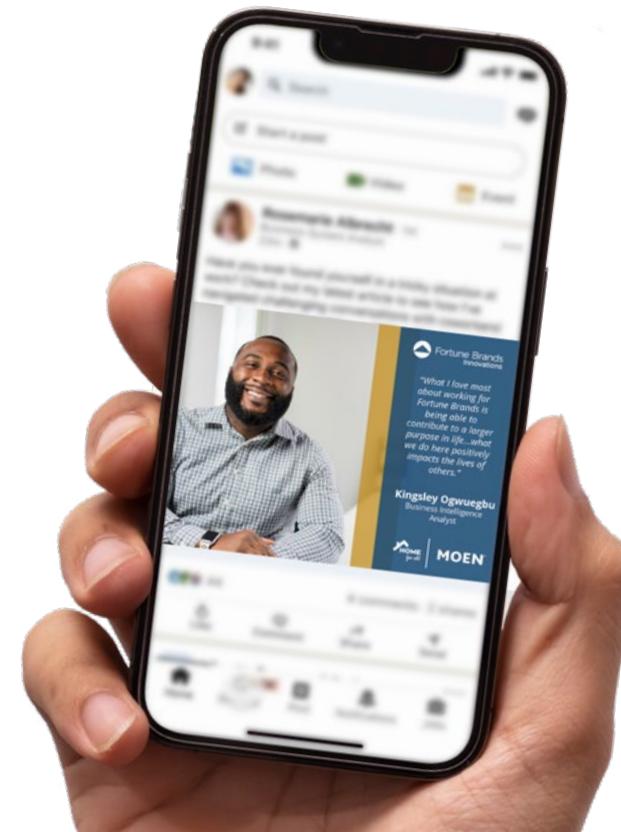
In the summer of 2020, Fortune Brands joined as a signatory of the CEO Action Pledge, underscoring our commitment to ensuring our associates feel accepted and heard, and can fully contribute their unique perspectives to our business. We also commit to continue to cultivate workplaces that support open dialogue on complex, and sometimes difficult, conversations about race, identity and belonging; encourage unconscious bias training education to find and improve our blind spots; and continue to create and share strategic plans with our Board of Directors to further progress in these areas.

75%

Over the past year, we've seen a **75% increase in applications from diverse candidates**. The sizeable increase has helped us make progress toward our representation goals.

Expanding our Talent Search

One recent outcome from our Expanding Equity partnership is that Fortune Brands is leveraging more ways to increase representation in our talent pipeline. First, we have embedded DEI into our recruitment metrics and talent processes in order to gain a better sense of current state, future opportunities and to assess progress. We also hired two diversity recruiters. They focus on sourcing candidates for four key areas where we need more diverse talent: manufacturing, mid-level managers, sales and technology and engineering. In our online channels, such as LinkedIn, we are showcasing ways in which Fortune Brands is a Home For All, and making sure to share perspectives from a variety of associates. Finally, our diversity recruiters and Employee Resource Group members are tapping into more diverse networks and recruiting platforms than ever before.





DIVERSITY, EQUITY & INCLUSION CONTINUED

Advancing Gender Equality

Women are involved in 60% to 70% of home product purchasing decisions,* so it makes business sense for women to be on our leadership and product development teams. Studies also show that greater gender diversity in leadership roles leads to greater innovation and fosters a more inclusive culture.

While women are often underrepresented in manufacturing industries, Fortune Brands Innovations is above benchmarks for manufacturing companies.

Fortune Brands Innovations and the Women’s Impact Network ERG continue to partner with NextUp, a premiere learning and leadership community, to help eliminate barriers for women in the workplace.

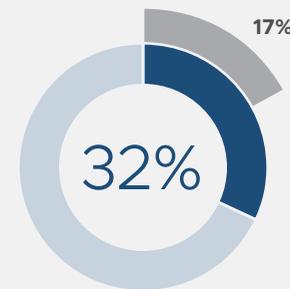
*2022 U.S. consumer data from TraQline reports.

43%

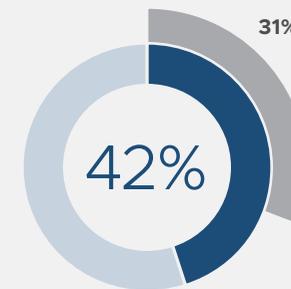
Women make up 43% of the FBIN Leadership Team as of YE 2022

Women in FBIN’s U.S. Workforce Exceed EEO-1 Benchmarks

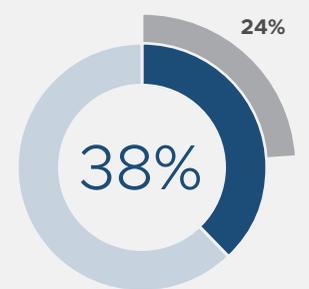
U.S. Women Senior Leaders



U.S. All Salaried Women



U.S. Hourly Women



● FBIN U.S. Women ● EEO-1 Benchmark



Learn more about our [Leadership Team](#) and [Board of Directors](#) at our website.



DIVERSITY, EQUITY & INCLUSION CONTINUED

Employee Resource Groups

In 2020, Fortune Brands launched our first enterprise-wide ERG, the Women’s Impact Network. Today, associates across the Company have the option to participate in any of eight ERGs. Each group has an executive sponsor, a team who leads programming and membership, and a dedicated site on our Company intranet.



Women’s Impact Network

Established 2020.

Our Women’s Impact Network empowers and raises the visibility of women through networking, professional development, engagement, and business opportunities within an inclusive culture. Through Women’s Impact Network, top women leaders at Fortune Brands and its Board of Directors

have been able to share their experiences with a broader group. This ERG also offers monthly professional development events called Sharpen the Saw.

In 2023 this group expanded to include the Women’s Engagement Network for STEM & Advocacy (WENSA), which had traditionally been an internal community of associates from our water segment, and that now is open to the whole Company. WENSA serves to help women in STEM careers access development opportunities that drive growth in current roles and build greater competence. WENSA additionally facilitates networking, outreach, and advocacy to further themselves, the Company and the greater community.



Black Employee Impact and Networking Group (BEING)

Established 2021.

BEING builds and sustains an equitable company where people of color feel truly included and have networking and mentoring opportunities that can expand their personal and professional mobility. BEING guest speakers have addressed

inclusive leadership and the science behind bias that affects decision making. Additionally, through community outreach, this ERG demonstrates Fortune Brands’ commitment to issues facing the black community. Last year, BEING hosted a “Benefits to Wealth” webinar where external financial savings experts helped our associates discover how Fortune Brands’ benefits offerings can help build and protect net worth.



Pride Alliance

Established 2021.

Pride Alliance is an ERG for the Lesbian, Gay, Bisexual, Transgender, Queer/Questioning, Intersex, and Asexual community, including all gender and sexually diverse employees and straight allies across Fortune Brands. Pride Alliance elevates the visibility of this community and encourages individuals to be proud to be their authentic selves within a safe and

inclusive work environment. In 2022, Pride Alliance sponsored multiple Pride events throughout the U.S., as well as hosted an educational series for managers. We have also partnered with Plexus, one of the affiliates of the National LGBT Chamber of Commerce, to enhance this group’s educational and awareness-building offerings.



DIVERSITY, EQUITY & INCLUSION CONTINUED

INSPIRA

Established 2021.

INSPIRA aims to empower the professional development of Hispanic associates to achieve more and be successful. INSPIRA members strive for an organization in which everyone can make an impact, share their full potential and grow professionally, all while feeling a sense of belonging. INSPIRA hosts lunch-and-learn style events called “Éxito con Inspira” and professional development opportunities. Last year, we also began partnering with the Hispanic Alliance for Career Enhancement (HACE). HACE helps us bring in diverse talent and provides additional educational and awareness-building resources about the Hispanic community. Members of Fortune Brands Innovations have participated in HACE’s national leadership summit, leveraged the organization’s virtual career fairs for recruiting and attended professional development workshops.

Military Excellence Recognition and Integration Team (MERIT)

Established 2022.

MERIT is an ERG for all current and former military personnel and their allies across Fortune Brands’ companies. MERIT wants this community to thrive and have the chance to apply what they’ve learned during their years of military service to Fortune Brands to create good working relationships and business outcomes. This ERG focuses on recruitment and retention of veterans and currently serving military personnel, community outreach and support of our local military and veteran communities, and internal veteran support and recognition. During their kick-off event, participants got to hear from Kyle Carpenter, the youngest living Medal of Honor recipient.



OUR COMMUNITIES



Helping Veterans with Rebuilding Together

In 2022, we expanded our work with Rebuilding Together to fund their Veterans at Home program, which provides preventative home modifications and repairs for veterans and their families to improve safety and accessibility, increase independence and facilitate aging-in-place. We supported repairs for several veterans’ homes and centers in or near communities where our associates live and work. Repairs ranged from electrical rewiring, masonry, replacing windows and rotten wood, painting and landscaping to more significant repairs like a new roof for one homeowner and water damage restoration.



DIVERSITY, EQUITY & INCLUSION CONTINUED

Parents and Caregivers Together (PACT)

Established 2022.

PACT is dedicated to developing a supportive community of parents and caregivers and fostering a working environment that can support associates facing the challenges of being a caregiver. This ERG also aims to encourage communication among associates, their human resources partners and managers. PACT has partnered with AARP to host several webinars for associates, such as Prepare to Care for Working Caregivers, which provided tips and advice for working caregivers as well as education and awareness of the resources available to make the job of caring for a loved one more manageable.

Fortune Brands Professionals Network (FBPN)

Expanded in 2023 so associates across Fortune Brands Innovations can now participate.

Focused on career, connection and community, the FBPN promotes learning and development opportunities, enables access to leaders and key speakers and sets up volunteer opportunities. FBPN is also a platform to increase cross-functional collaboration across Fortune Brands Innovations, something that is even more important in our newly aligned organizational structure. Through networking, collaboration and connection, we want to develop and retain our young leaders and other professionals, helping them grow into increasing positions of responsibility and impact at Fortune Brands.

DEI SPOTLIGHT



MORE INCLUSIVE PARENTAL BENEFITS

In 2022, Fortune Brands enhanced key parental benefits to be more inclusive.

In alignment with the Belong pillar of our DEI strategy, we now offer a program that provides all U.S. associates and their partners with specialized support through their parenthood journey, encompassing preconception, fertility, surrogacy, adoption, pregnancy, postpartum and return to work after parental leave. The program includes many providers who are experienced

in serving LGBTQIA+ couples along their journey to parenthood. We also enhanced our medical plan to eliminate the requirement of a diagnosis of infertility, enabling same-sex couples to also gain access to benefits such as in-vitro fertilization, embryo transfer and artificial insemination.



DIVERSITY, EQUITY & INCLUSION CONTINUED

Global Workforce

As of Year-End 2022

	2022
TOTAL GLOBAL WORKFORCE	11,236
Job Type	
Production Hourly	6,639
Salaried ^a	4,597
People Managers	1,149
Senior Leaders ^b	142
Production Hourly	6,639
Men	3,911
Women	2,728
Salaried^a	4,597
Men	2,797
Women	1,800
People Managers	1,149
Men	780
Women	369
Senior Leaders^b	142
Men	100
Women	42

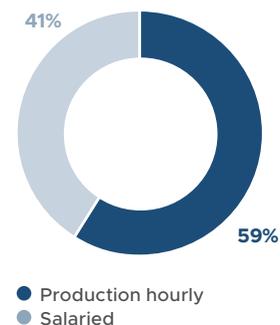
In addition to the above information, Fortune Brands Innovations will make available its people metrics from our EEO-1 Report later this year, following our next filing with the U.S. Equal Employment Opportunity Commission.

U.S. Workforce

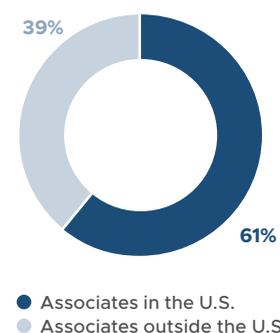
As of Year-End 2022

	2022
TOTAL U.S. WORKFORCE	6,888
Job Type	
Production Hourly	4,291
Salaried ^a	2,597
People Managers	807
Senior Leaders ^b	121
Production Hourly	4,291
Men	2,673
Women	1,618
Salaried^a	2,597
Men	1,497
Women	1,100
People Managers	807
Men	544
Women	263
Senior Leaders^b	121
Men	82
Women	39
People of Color	2,289
Production Hourly	1,688
Salaried ^a	461
People Managers	119
Senior Leaders ^b	21

2022 Global Workforce by Job Type



2022 Global Workforce by Location



a Salaried population includes people managers and senior leaders.

b Senior leaders who are people managers included in people manager total.



OUR COMMUNITIES



Advancing DEI in our Communities

Our conviction to build a Home for All at Fortune Brands extends to our charitable partnerships. Fortune Brands was the first corporate sponsor of the Sistema Ravinia: Harza Nucleo student orchestra, part of non-profit Ravinia Festival's Reach Teach Play initiative in the Northern Chicago area. For over five years now, our support has helped give students in diverse, low-income communities access to music education. We have also supported local schools in under-resourced communities, minority trade associations, organizations serving people with disabilities and more. Additionally, our ERGs support charitable organizations that align with their purpose.



Training & Development

Part of our commitment to building a Home For All includes empowering our team members to develop new skills and have opportunities to pursue their career goals with us.

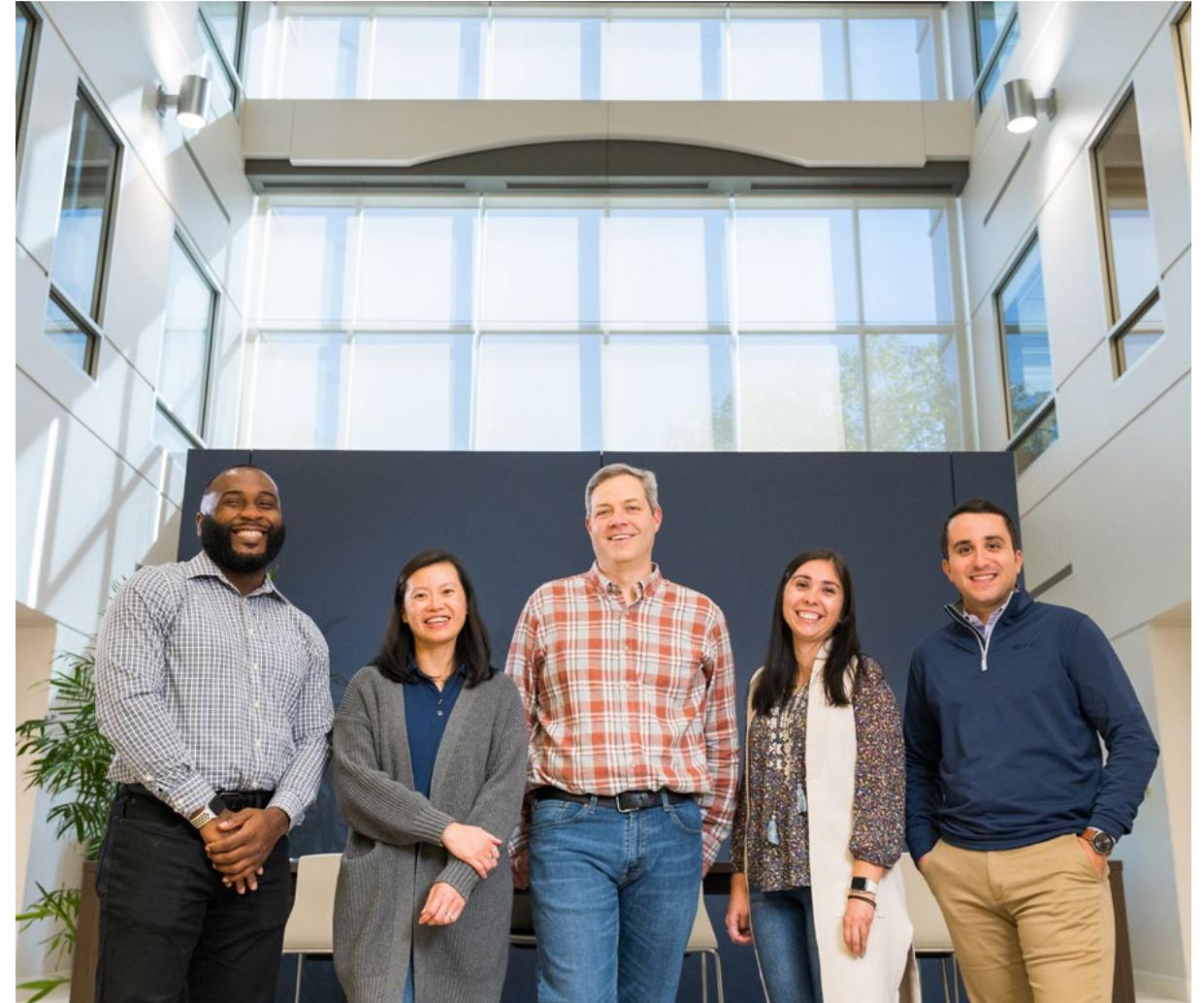
Learning-Centric Culture

At Fortune Brands Innovations, we grow and develop our people by fostering a learning-centric culture that embeds continuous learning opportunities into every element of what we do. Whether that's through formal development programs, on-the-job training, mentorship, stretch assignments, or individual coaching, we provide our associates with the processes, programs and tools to be successful in the role they have today, while helping them develop the tangible skills needed to advance their professional careers.

A Unified Performance Management Approach

It's important to the growth of both our Company and our associates that all people managers and associates have a clear understanding of our enterprise-wide strategic roadmap and align associate development with that roadmap. Awareness and alignment with the Company's strategic roadmap empowers us to remain agile in the face of change and helps everyone feel connected to and accountable for delivering on our goals. We've developed a performance management process to support this by enabling conversations between managers and associates that help us define, individually and collectively, what we want to accomplish.

In 2023, we are launching a unified, company-wide performance management process for all global salaried associates to further align our efforts and build equity in associate development and reviews. One-to-one dialogue between managers and associates is the most important piece of the process, with associates engaging in one-to-one conversations. These conversations focus on measurable goals and the competencies and behaviors to achieve those. By doing this, we not only support high-performance outcomes, but we strengthen employee development, engagement and belonging.





TRAINING & DEVELOPMENT CONTINUED

Leadership Development Programs and Learning Tools

We recognize the benefits of formalized leadership development programs for our associates. We offer a variety of programs designed to build key leadership skills in the areas of cultivating inclusive cultures, emotional intelligence, team effectiveness, communications, conflict management, negotiation, feedback delivery and more. We partner with best-in-class training and development partners and leverage globally recognized learnings tools to not only deliver — but augment — these programs.

In 2022, 10% of our people leaders participated in one of our development programs.

Salaried Associates

Our salaried associates have access to LinkedIn Learning, an award-winning online training platform with a digital library of over 16,000 courses taught by real-world experts.

Front-line Supervisors and Managers

Our TrueLeader program, targeted to front-line and manager level associates, establishes a sustainable foundation of supervisory skills and supports our positive associate relations culture initiatives. This program also helps implement consistent front-line leadership experiences across the enterprise, something that's even more important in our newly aligned

organization. Fortune Brands Innovations also leverages Development Dimensions International (DDI), a global leadership consulting firm, to provide science-based insights that help us customize and implement our TrueLeader materials for our associates.

Mid-level and Senior Managers

These leaders receive targeted support through a program called Building Elevated Skills for Tomorrow (BEST). BEST is a virtual cohort program that develops the skills essential for managing a high-performing team while preparing for leading in the future. Fortune Brands Innovations also leverages DDI to help us customize and implement our BEST materials for our associates.

Directors and Above

These leaders receive targeted support through a program called Leadership Experiences for Accelerated Development (LEAD). This program is a joint venture in leadership development between Fortune Brands Innovations and The Weatherhead School of Management at Case Western Reserve University. The program provides focused development experiences to selected talent in competency and skill areas that are key to achieving the Fortune Brands Innovations strategy. We also offer Zenger Folkman's award-winning training, The Extraordinary Coach, to help our leaders elevate their coaching and critical conversation skills.

High Potential Senior Leaders

We support our high-potential senior leaders through an accelerated development program. FBIN makes a significant investment in ensuring our leaders are prepared for greater levels of responsibility and can successfully transition into new roles. This program includes targeted assessment and a customized development program for executive successor candidates. Nominees complete an online 360 survey, and an interview covering career history, achievements, and leadership approach. Nominees also receive an Executive Coach through The Vaya Group.

Other Tools

Other tools we offer include Pluralsight, an online learning platform that specifically helps to develop critical tech skills through online assessments and exercises; Ezra Coaching, personalized digital coaching at scale; and Predictive Index, a talent optimization platform that helps to develop top talent through a robust behavioral assessment.



TRAINING & DEVELOPMENT CONTINUED



Training for a Faster Moving World

Our Company is on a digital transformation, with impacts to our front-end, back-end systems and the products we deliver to consumers. To be successful in an increasingly digital and fast-changing world, we continue to look for new and innovative ways of working!

We continue to utilize Agile methodology and expand Agile within the Company to deliver solutions for our stakeholders at a higher speed.

We have developed Agile pods of associates who are hyper-focused on executing critical strategic work and have expanded Agile training and execution across the organization, including in Indirect Sourcing, Human Resources, eCommerce, Connected Products and Data & Tech. Over the last year, we have trained 300+ associates on Agile ways of working.

With the pace of change moving quicker than ever, teaching our associates how to successfully navigate and embrace ongoing changes has become critical. We are working to give our associates helpful change management processes and tools. Our change management resources are both internally created with our specific FBIN audiences in mind, in addition to leveraging external partnerships. For example, we use Prosci, an organizational change management partner, to help us educate and train on change management methodology, processes and tools.

LEARNING SPOTLIGHT

GET TO THE POINT

In a world where associates are getting hundreds of pieces of information a day, making sure we communicate effectively is even more important. To help, we offer Korn Ferry's Get to the Point training. This training helps our associates fine-tune presentation skills and learn to get their points across quickly, concisely and with confidence.



Engaging Our Associates

We know an engaged workforce is more productive. Employee Resource Groups, performance management and learning and development programs are all part of how we engage our associates at Fortune Brands Innovations. In addition, we use employee pulse surveys, leverage community relations and make sure associates can hear from and ask questions of senior leaders.

Fortune Brands Innovations' Voice of the Employee Strategy

Gathering associate feedback has always been important. With the accelerated pace of change in our business and in a more connected world, it's even more important to have frequent touch points with our associates to help monitor and assess employee engagement.

The Fortune Brands Innovations Voice of the Employee Strategy includes short pulse surveys at critical associate milestones and allows us to gather faster and more focused people insights. The survey insights help us understand how specific drivers of engagement, such as culture, leadership, growth and inclusion, relate to our people and business outcomes, such as productivity, turnover, wellbeing and satisfaction. Our pulse surveys feed data-driven discussion and actions, helping us to continue making our Company a great place to work.

In 2022, we invited all 11,000+ associates across plants, distribution centers and offices around the world to participate in our engagement pulse survey. We achieved an 84% participation rate, a 10% increase over the last survey cycle, and we collected 12,000 comments. We are conducting our next companywide survey in the first half of 2023.

It's also important our people leaders know how to share the results back to the team and enable ongoing two-way dialogue. We provide support sessions for managers, and specific tools and resources to help them prepare to share survey results and facilitate team conversations. Our leaders and teams leverage the feedback from these short pulse surveys and work together on taking action at all levels across our Company.

We are committed to conducting these engagement pulse surveys twice a year. This cadence helps us to maintain our strengths, identify our opportunities, and assess our progress in making sure we are a company that retains and attracts top talent.



OUR COMMUNITIES

Supporting Associates With Matching Gifts and Volunteer Opportunities

Giving back is important to our associates, and we are proud to support the organizations that are meaningful to them. Matching gift programs are available to most of our associates, and we offer a variety of volunteer activities across the Company, ranging from Habitat for Humanity Build Days to product drives for local organizations, volunteering at community food pantries and supporting local families with gifts or food during the holidays, and more. We also run employee giving campaigns and offer designated volunteer days where associates can make a difference in their community on a work day without using their paid time off hours. Many locations have associate-led engagement and community groups that direct volunteer efforts to the most meaningful situations.

In 2022, we donated \$1.86 million in cash, in-kind and matching contributions. This does not include the gifts our associates make.



84%

In the last 2022 survey, we achieved an 84% participation rate, a 10% increase over the prior survey cycle.



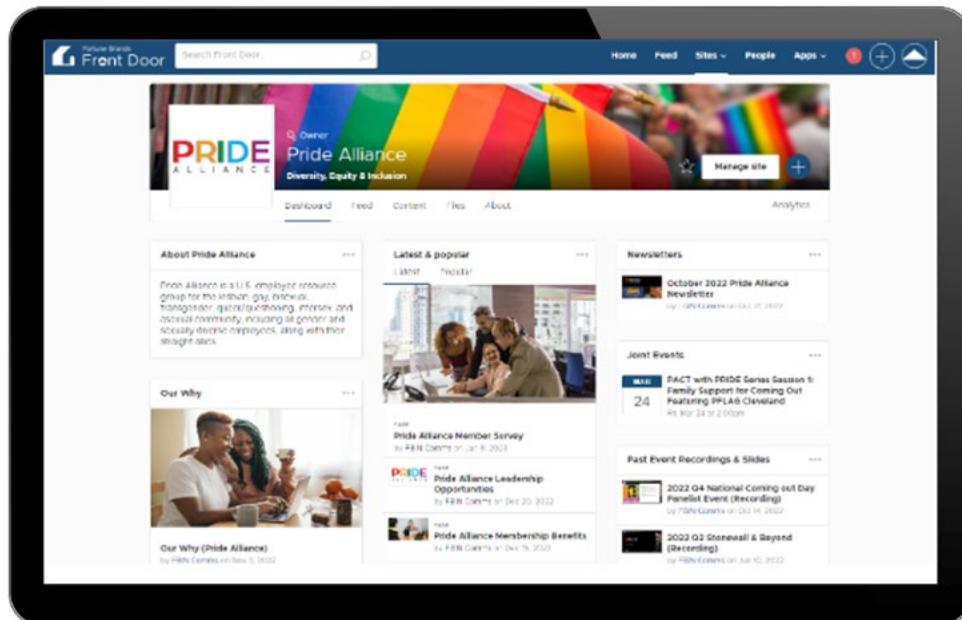
ENGAGING OUR ASSOCIATES CONTINUED

Fortune Brands Innovations Front Door, Our New, Unifying Intranet

At the start of 2023, we rolled out the digital welcome mat to our associates with Fortune Brands Front Door, our new, unifying intranet.

Front Door is the main entrance to everything our associates need to know about Fortune Brands news, events and activities, people, announcements and culture. This virtual hub allows associates to easily access and find the information needed to become more effective in their roles, connect with other associates, support key initiatives, and keep up with what’s going on across the Company. The extraordinary amount of change our Company has been through recently makes it even more important to have unifying and centralized information all in one place.

Front Door is currently available to all our global professional associates with translations available. We are working to expand access to this new tool to all of our associates. We continue to reach out to hourly production associates with our associate mobile app.



Connecting with Leaders

We offer multiple opportunities for associates to hear directly from, and ask questions of, our highest-ranking leaders through Town Halls and our FYI Series.



Our CEO’s virtual Town Halls are open to all associates. During these quarterly events, associates get to hear our CEO’s thoughts about our Company’s performance, our markets and what’s ahead.

In 2022, we also launched a series called Fortune Brands For Your Information (FYI). Each virtual FYI session features one of our senior leaders, letting associates get to know the leader better and deepen associates’ organizational knowledge and understanding of our business.

As a more aligned company, we are ensuring that associate audiences across Fortune Brands are getting the touch points they need from senior leaders from different functions and businesses. We share recordings and information from most of these meetings on our intranet, Front Door, for easy access and for those who couldn’t make the live meeting, in order to accommodate everyone’s schedules.

We frequently request feedback on the different meetings with leaders to make sure the content is meaningful for associates and to learn about any opportunities to improve.



GOVERNANCE

Governance

While 2022 was a transformative year for the Company, our commitment to operating with integrity and accountability remained a priority. We continue to be driven by our culture of doing the right thing, as evidenced by our safety records, ESG practices and our strong governance practices and Board oversight of our ESG programs and related risks.

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Board of Directors

Our Board of Directors is committed to maintaining a strong corporate governance program designed to promote the long-term interests of our stockholders, strengthen Board and management accountability and drive long-term success of Fortune Brands Innovations. All members of the Board, other than CEO Nicholas Fink, are independent under the New York Stock Exchange rules.

Our commitment to foster diversity of thought and experience to reflect our customers extends to our Board of Directors. The Board has undergone continuous refreshment over the last several years, adding five new, diverse members since 2019 as part of its succession planning process and to broaden its perspectives and skills to enhance its performance. Our Board's succession planning process has helped expand the expertise and experience of our Board, enhanced diversity and demonstrated our commitment to Board refreshment while maintaining the continuity brought by members with longer tenure.

Responsible business operations and strong governance are good for our shareholders, associates, and our business, and contribute to long-term value creation.

View more on our Board, SEC filings and corporate governance policies at www.FBIN.com/investors.

FBIN

Fortune Brands Innovations is a publicly traded company on the New York Stock Exchange as FBIN.

Board Qualifications, Expertise and Key Skills

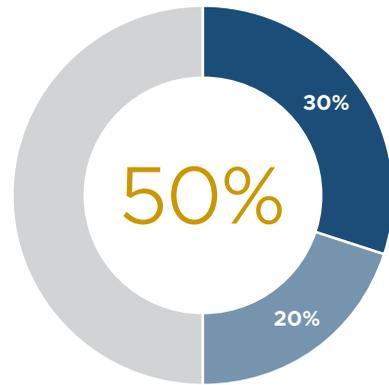
- **Consumer products expertise**
- **Financial and/or accounting expertise**
- **Public company experience as a chief executive, chief operating or chief financial officer**
- **Public company board experience**



BOARD OF DIRECTORS CONTINUED

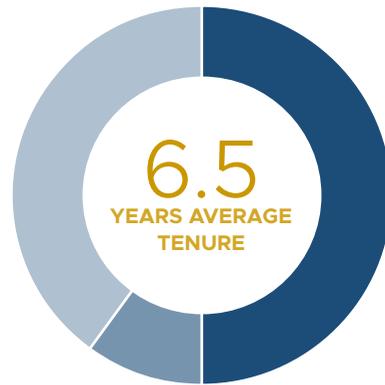
Board Composition*

Diversity by Race and Gender



- Women
- Ethnically/Racially Diverse

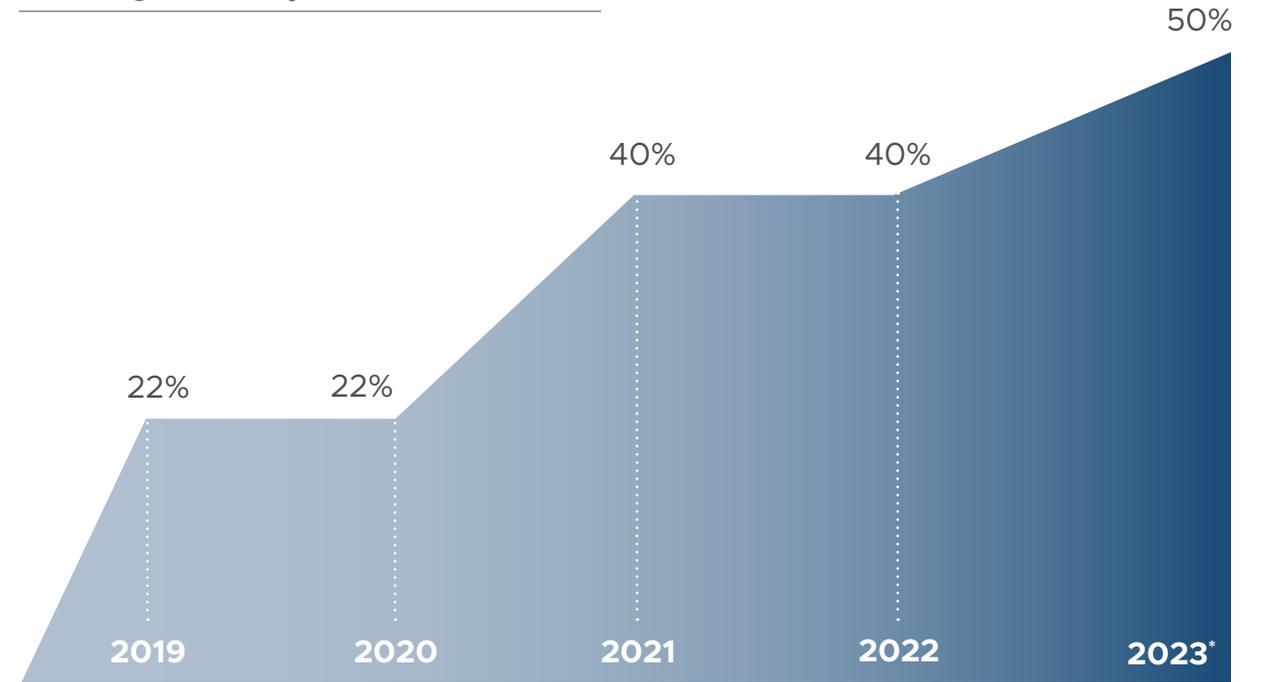
Tenure



- 0-4 years
- 5-9 years
- 10+ years

Board Refreshment

Percentage Diverse by Race and Gender



Learn more about our Board of Directors on [Fortune Brands Innovations' website](#).

*Board of Directors data for 2023 reflects the composition of the Board immediately following the Company's annual shareholder meeting on May 16, 2023.

*Board Composition is as of May 16, 2023, immediately following the annual shareholder meeting.



ESG Oversight

Our commitment to sustainability, social responsibility and inclusion efforts reaches the highest levels of our organization. The Board’s NESG Committee maintains oversight of Fortune Brands’ ESG programs and related risks. The Board’s Audit Committee maintains oversight of Fortune Brands’ enterprise risk management program, which includes monitoring cybersecurity and climate-related risks. We believe that Board oversight provides appropriate emphasis on reviewing ESG in a strategic, holistic manner, and underscores the Company’s commitment to meaningful ESG activities and disclosures. See the [NESG Charter](#).

Governance Principles and Oversight

The Board has a set of standards that assists in the exercise of their responsibilities and helps create a common set of expectations for how the Board, its committees and directors should perform their respective functions. These standards can be viewed in [Fortune Brands’ Corporate Governance Principles](#) and [Committee Charters](#).

CONTINUAL IMPROVEMENT GOALS

Our philosophy is to have a holistic ESG program, integrated throughout our business, that focuses on what matters to our Company and its stakeholders, with the goal of continual improvement.

ESG Steering Committee

Fortune Brands has a cross-functional management committee designed to support the Company’s ongoing ESG commitments. This committee assists the Company’s leadership team in setting our ESG strategy, implementing and monitoring initiatives based on that strategy, and overseeing ESG-related communications and reporting. The ESG Steering Committee reports directly to Fortune Brands’ CEO.

Managing ESG Topics in a Fast-Changing Environment

The ESG landscape continues to quickly evolve, and Fortune Brands has many ESG initiatives underway. The fast pace of change and breadth of activities has meant that the NESG Committee and full Board are updated throughout the year on environmental and social programs, progress, risks and strategies.

Our Board of Directors has three committees:

BOARD COMMITTEE	MAIN AREAS OF OVERSIGHT
Audit	<ul style="list-style-type: none"> Oversees the integrity of the financial statements, financial reporting process and internal controls Oversees the performance of the external and internal auditors, compliance program and whistleblower helpline calls Monitors enterprise risk program Monitors developing risks, such as cybersecurity and climate-related
Compensation	<ul style="list-style-type: none"> Develops executive compensation philosophy to attract, motivate and retain key talent Sets compensation for executives and grants equity Sets performance metrics for the executive compensation programs Oversees risks related to compensation programs
Nominating, Environmental, Social and Governance (NESG)	<ul style="list-style-type: none"> Develops corporate governance policies and practices Recruits, identifies and nominates director candidates Monitors environmental, social and governance programs, progress and risks, including safety, environmental, diversity, equity and inclusion, talent and global citizenship initiatives



Governing with High Standards

We believe that the high standards by which we conduct our business will help us to build on our strengths and continually improve how we measure and monitor our progress on responsible business operations and ESG-related initiatives. We hold our contractors and our suppliers to the same high standards. Conducting business ethically, responsibly and sustainably is one way that we generate economic value.

Our responsible approach to business is interwoven into our daily work, from our accounting practices to our dealings with customers, to our employment practices, to our respect for the environment.

Ethical Conduct

The [Code of Business Conduct and Ethics](#) applies to every Fortune Brands associate, at every level and in every location, as well as the members of our Board of Directors. In 2022, additional requirements specific to the Board of Directors were added to the Corporate Governance Principles. The Board has also adopted a [Code of Ethics for Senior Financial Officers](#), a set of standards applicable to the CEO, CFO and principal accounting officer to ensure accuracy of our financial reporting.

Our Compliance Committee, which includes Fortune Brands' CFO, Chief Legal Officer and other senior members of management, oversees compliance with our Code of Business Conduct and Ethics, which includes our anti-corruption and U.S. Foreign Corrupt Practices Act policies. This Compliance Committee reports to the Board of Directors annually regarding these programs, compliance and associate training.

Our [Anti-Corruption Compliance Policy](#) states that all bribery is prohibited and provides guidance for avoiding questionable situations, and highlights the importance of keeping accurate records and appropriate transaction documentation. Good-faith reports of actual or suspected violations can be made to Fortune Brands' legal department or our third-party Compliance Helpline. All reports of potential FCPA violations are investigated and reported to the Audit Committee.

Additional ethics and compliance and other ESG-related policies that set the standards for how we operate include:

- [Human Rights Policy](#)
- [EHS Policy](#)
- [Conflict Minerals](#)
- [Privacy Policy](#)
- [Supplier Code of Conduct](#)

Compliance & Ethics Week

Over the past two years, our outdoors and security brands have celebrated Compliance & Ethics week. In 2023, we look forward to launching Compliance & Ethics Week across our full Company. As in prior years, we will spotlight our values, policies and our compliance helpline. Using contests and giveaways, as well as messages from senior leaders, our people affirm our commitment to doing the right thing, every day.



Policy Against Political Contributions

Fortune Brands Innovations has never used corporate funds or assets to participate or intervene in any campaign of a candidate for public office, or to influence any political election or referendum. We continue to follow our policy against political contributions.



GOVERNING WITH HIGH STANDARDS CONTINUED

Compliance Training

Our compliance training program includes online and in-person trainings, new hire onboarding, and special events to educate associates on the importance of understanding Company policies, all applicable laws affecting our businesses, and how to comply with these policies and laws. The following topics are included in our compliance program:

- Harassment-free workplaces
- Handling material non-public information appropriately to avoid insider trading
- Avoiding conflicts of interest
- Appropriate use of technology
- Transparent and accurate financial reporting
- Antitrust considerations
- Anti-bribery, and how to work responsibly with third parties
- Safety and environmental trainings

Every associate and board member at the time of appointment signs off on the Code of Conduct at the time they are hired. As we enter our first full year as Fortune Brands Innovations, we are taking this opportunity to help all associates reconnect with the Code. In 2023, we plan to ask all 11,000+ associates to receive training on the Code and re-certify that they have reviewed and understand the Code.

Cybersecurity Governance

Fortune Brands Innovations has a comprehensive enterprise-wide cybersecurity program aligned to the U.S. Department of Commerce National Institute of Standards and Technology Cybersecurity Framework industry standards, and maintains systems and infrastructure continuity and contingency plans. The Company maintains and annually tests an incident response plan.

Associates receive automated online training twice a year and mock phishing campaigns on a regular basis throughout the year. Associates are advised to immediately report anything suspicious with any IT systems or emails to their IT service desk. In the case of suspicious emails, we have a “report phish” button in our email system that will allow the suspicious email to be immediately sent to the IT service desk and the cybersecurity team.

The cybersecurity team provides regular updates to our senior executives and typically reports twice a year to the Audit Committee. In 2022, the CIO also reported to the Board of Directors on cybersecurity programs and risk mitigation efforts. Fortune Brands Innovations is in the process of forming a Data Council, which will include executive leaders, to address cybersecurity and data privacy matters related to our business.

COMPLIANCE HELPLINE

Our associates are trained to seek out guidance if they become involved in or aware of a situation that involves possible wrongdoing or ethical misconduct. They are trained to understand the importance of bringing those concerns to their manager, a human resources representative, or the Fortune Brands legal department or Compliance Committee.

Associates can also relate concerns through the Company’s confidential Compliance Helpline, operated by a third party.

Information on how to access the helpline is available on the Company’s website and www.FBINcompliance.com, as well as internal communications channels, such as our intranet site and associate app.

Fortune Brands investigates any reports of ethical violations and follows a strict “no retaliation” policy for reports made in good faith. Concerns brought forward through the Compliance Helpline are reported to the Audit Committee on a quarterly basis.

Suppliers who believe the Supplier Code of Conduct is not being supported may also report concerns through the Compliance Helpline or website.



Supply Chain

Starting Off Right

Fortune Brands Innovations qualifies potential suppliers on the basis of several factors, including quality, reliability and global citizenship.

Our supply chain is a critical element in meeting our commitment to responsible business. We expect all suppliers and contractors to comply with our strict standards for the respect of human rights, workplace safety and protection of the environment in the work they perform and the services they provide, in accordance with our [Supplier Code of Conduct](#).

Auditing Our Suppliers

Fortune Brands Innovations' risk-ranking methods and complementary audit process allow us to focus our time and resources on supplier partnerships that adhere to the same strict standards we set for ourselves.

Across our organization, our internal management system processes support the International Standards Organization (ISO) and the Occupational Health and Safety Assessment Series (OHSAS) certifications. For supply chain partnerships in

developing countries, Fortune Brands Innovations' sourcing team provides support to help our business evaluate a new opportunity or existing partnership.

We take a targeted approach at assessing supplier audits, including using sophisticated risk identification methods. Fortune Brands utilizes a model that scores suppliers on key attributes, such as type of product, use of third-party certifications and location. From this assessment, we identify the appropriate level of audit for that supplier.

Suppliers who show areas for improvement are tracked for corrective action. Suppliers who fall below our standards and do not have the capacity or desire to make necessary adjustments may be removed. Fortune Brands Innovations supplements our efforts with tailored training, both internally and externally, on compliance matters, updates and best practices.

SUPPLIER AUDITING SPOTLIGHT

FORTUNE BRANDS SPEND CUBE

Fortune Brands Innovations implemented a unified Spend Cube, which gives us a clearer, comprehensive look into our purchases and contracts, and will generate recurring cost savings. This centralized data also gives us better insights into our suppliers, setting the stage to be able to track and increase supplier diversity. Today, all U.S. direct and indirect suppliers have been cataloged in our system.



Resources & Indices

In This Section

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- 68 [ESG Data Tables](#)
- 72 [Task Force on Climate-related Financial Disclosures \(TCFD\) Index](#)
- 75 [Sustainability Accounting Standards Board \(SASB\) Index](#)



Links to Supporting Materials

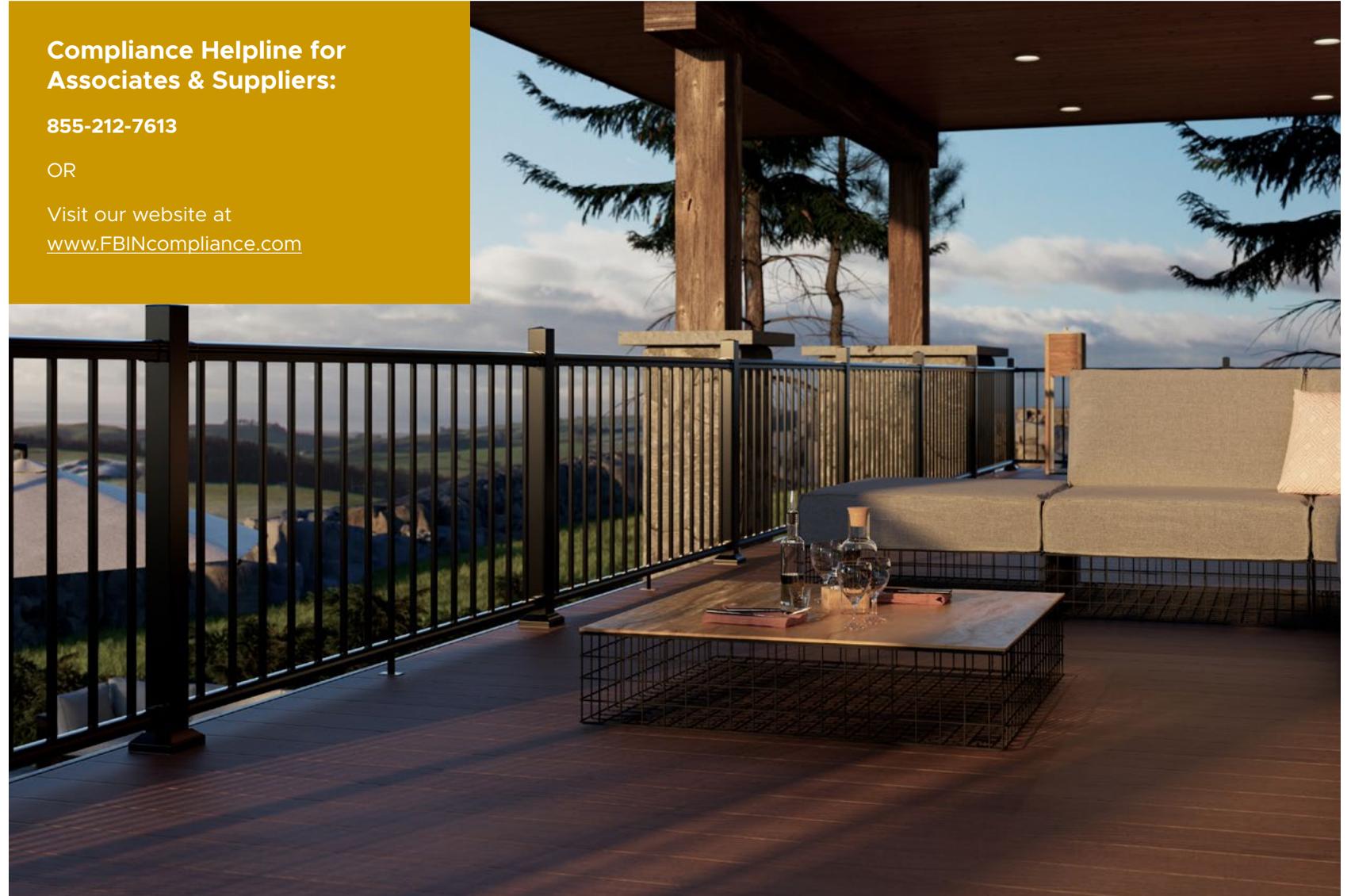
- [Annual Report](#)
- [Code of Business Conduct & Ethics \(English\)](#)
- [Code of Business Conduct & Ethics \(multi-language\)](#)
- [Code of Ethics for Senior Financial Officers](#)
- [Corporate Governance Principles](#)
- [Environmental, Health & Safety Principles](#)
- [FCPA/Anti-Corruption Policy](#)
- [Human Rights Policy](#)
- [Mergers & Acquisitions History](#)
- [Proxy Statement](#)
- [Supplier Code of Conduct \(English\)](#)
- [Supplier Code of Conduct \(multi-language\)](#)
- [Whistleblower Policy](#)

Compliance Helpline for Associates & Suppliers:

855-212-7613

OR

Visit our website at
www.FBINcompliance.com





ESG Data Tables

Environmental Data

CARBON EMISSIONS 2021

<i>In metric tons of CO₂ unless otherwise noted</i>	2021	2022
Scope 1 from Energy Used	29,759	27,590
By Country:		
United States	20,052	19,637
Mexico	2,464	2,191
Canada	391	456
China	0	0
Rest of World	6,852	5,306
Scope 2 from Energy Used	104,224	100,427
By Country:		
United States	87,836	86,496
Mexico	10,932	8,744
China	3,172	2,694
Canada	<1	<1
Rest of World	2,284	2,493
Total Scope 1 and 2 from Energy Used	133,983	128,017
CO ₂ Intensity from Energy Used (Scope 1+2) (In metric tons of CO ₂ / Unit net global sales (x10 ⁻⁵))	2.791	2.711

WATER

<i>In million gallons</i>	2021	2022
Total Water Withdrawn	225.7	197.3
Water Use Intensity (In gallons / Unit net global sales)	0.047	0.042

ENERGY USAGE

<i>In million GJ</i>	2021	2022
Total Energy Used	1.57	1.48
By Country:		
United States	1.18	1.14
Mexico	0.19	0.18
Canada	0.02	0.02
China	0.01	0.01
Rest of World	0.16	0.13
Electricity (In million kWh)	270.8	258.4
Renewable Energy	—	Yes
Natural Gas (In million therms)	5.6	5.2
Renewable Energy Goal	Yes	Yes

WASTE

<i>In thousand tons</i>	2021	2022
Total Waste Generated	46.3	65.4
Landfill and Incinerated Vs. Diverted (In thousand tons)		
Diverted (Recycled, Reused, Re-purposed)	18.3	36.2
Landfill	27.7	29.0
Hazardous Waste	0.2	0.2
Waste Intensity (In U.S. tons / Unit net global sales x10 ⁻⁵)	0.964	1.38



ESG DATA TABLES CONTINUED

Social

SAFETY						
	2018	2019	2020	2021	2022	
Total Recordable Incident Rate (TRIR)	1.11	1.33	1.07	1.66	1.16	
Lost-Time Rate (LTR)	0.56	0.50	0.47	0.66	0.45	
Total Number of Work-Related Fatalities	0	0	0	0	0	

TRIR and LTR include all global full-time employees, temporary workers and contractors under our direct supervision, and is calculated per 100 employees.

COMPANY DONATIONS ^a			
	2020	2021 ^b	2022
Cash and In-Kind Donations (In millions)	\$1.12	\$2.51	\$1.86

a In addition to Company donations, Fortune Brands associates donate their own time and money.

b 2021 contributions increased from what was shown in the 2021 ESG Report due to additional, significant product contributions having been identified for 2021.



ESG DATA TABLES CONTINUED

GLOBAL WORKFORCE (as of 12/31/2022)

	2022 (people)	2022 (% of global population)
Total Global Workforce	11,236	100%
Job Type		
Production Hourly	6,639	59%
Salaried ^d	4,597	41%
People Managers	1,149	10%
Senior Leaders ^d	142	1%
Production Hourly	6,639	59%
Men	3,911	59%
Women	2,728	41%
Salaried ^c	4,597	41%
Men	2,797	61%
Women	1,800	39%
People Managers	1,149	11%
Men	780	68%
Women	369	32%
Senior Leaders ^d	142	1%
Men	100	70%
Women	42	30%

c Salaried population includes people managers and senior leaders.

d Senior leaders who are people managers are included in people manager total.

e Salaried population includes people managers and senior leaders.

f Senior leaders who are people managers are included in people manager total.

*Fortune Brands Innovations will make available its people metrics from our EEO-1 Report later this year, following our next filing with the U.S. Equal Employment Opportunity Commission.

U.S. WORKFORCE* (as of 12/31/2022)

	2022 (people)	2022 (% of U.S. population)
U.S. Workforce	6,888	100%
Job Type		
Production Hourly	4,291	62%
Salaried ^e	2,597	38%
People Managers	807	12%
Senior Leaders ^f	121	2%
Production Hourly	4,291	62%
Men	2,673	62%
Women	1,618	38%
Salaried ^e	2,597	38%
Men	1,497	58%
Women	1,100	42%
People Managers	807	12%
Men	544	67%
Women	263	33%
Senior Leaders ^f	121	2%
Men	82	68%
Women	39	32%
People of Color	2,289	8%
Production Hourly	1,688	39%
Salaried ^f	461	18%
People Managers	119	15%
Senior Leaders	21	17%



ESG DATA TABLES CONTINUED

Governance

BOARD OF DIRECTORS ^g					
	2019	2020	2021	2022	2023 ^h
Total Number of Directors	9	9	10	10	10
Number of Independent Directors	8	7	9	9	9
Number of Female Directors	2	2	2	2	3
Number of Ethnically / Racially Diverse Directors	0	0	2	2	2
Percentage Diverse by Race and Gender	22%	22%	40%	40%	50%

^g Board of Directors data for 2019–2022 is as of the date of filing of the Company’s definitive proxy statements filed with the Securities and Exchange Commission (SEC).

^h Board of Directors data for 2023 reflects the composition of the Board immediately following the Company’s annual shareholder meeting on May 16, 2023.

POLITICAL CONTRIBUTIONS				
	2018	2019	2020	2021
Total Contributions	\$0	\$0	\$0	\$0

ESG Data Table Notes

LARSON, acquired late December 2020, is included in 2021 data presented in these ESG Tables. Full year data for Solar Innovations and Aqualisa, both acquired in 2022, are included in 2022 data presented in these ESG Tables.

Prior-year data has been restated to show Fortune Brands Innovations from a continuing operations basis, and does not include the Cabinets business which was spun-off in December 2022.

Environmental data for the year 2021 is provided in addition to the most recent year’s data in order to provide transparency and a point of comparison for our stakeholders. In 2021, we began using a more precise, zip-code based carbon emissions calculation in our web-based EHS system. Adjusting additional previous years of carbon data to be able to provide meaningful comparable data was determined to be overly burdensome.

Given the transformative changes at the Company in 2022, which included the separation of the Cabinets business and a reorganized company structure, we are using 2022 as our baseline year for FBIN.



Task Force on Climate-related Financial Disclosures (TCFD) Index

GOVERNANCE

FORTUNE BRANDS DISCLOSURE

Disclose the organization’s governance around climate-related risks and opportunities.

Board oversight of climate-related risks and opportunities

Our Board of Directors is committed to overseeing the integration of ESG initiatives and progress throughout the Company. In 2020, the Board broadened the role of its Nominating, Environmental, Social & Governance Committee (the “NESG Committee”) to include oversight of the Company’s ESG initiatives, strategies, and related risks, including those related to climate. Environmental and social programs, progress, risks and strategies are reported to the Board and its committees on a quarterly basis. In addition, the Board’s Audit Committee oversees the Company’s enterprise risk management (ERM) program, which includes some climate-related risks. In addition to reviewing the annual assessment of enterprise-wide risks, the Audit Committee is also updated on enterprise-wide risks throughout the year as needed, to account for quickly changing business dynamics.

Management’s role in assessing and managing climate-related risks and opportunities

The Company formalized an ESG Steering Committee in 2021. The ESG Steering Committee is a cross-functional management committee created to assist the Company’s senior leadership team in setting ESG strategy; developing, implementing, and monitoring initiatives and policies based on that strategy, including climate-related risks and opportunities. The ESG Steering Committee reports directly to the Company’s CEO. Representatives from the ESG Steering Committee report updates to the NESG committee. With the newly broadened NESG Committee’s role and many ESG initiatives underway, the ESG Steering Committee is reporting progress to the NESG Committee throughout the year.

STRATEGY

FORTUNE BRANDS DISCLOSURE

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.

Climate-related risks and opportunities

The Company has identified the following short-, medium- and long-term risks and opportunities related to climate change. We consider short, medium and long-term risks to be those that could have a sizeable impact on our business within the next 1 to 2 years, 3 to 5 years, and 6 to 10 years, respectively.

Physical Risks

Short-term climate-related risks include acute physical risk to our operations and supply chains due to severe weather events. Any prolonged disruption in our operations — or supply chain — due to the destruction of, or damage to, any facility as a result of natural disasters, including fires, floods, hurricanes and tornadoes, could negatively impact our profitability and competitive position and adversely affect our results of operations, cash flows and financial condition.

To mitigate acute physical risks, we have created operational contingency plans, which include distributing production across multiple lines or facilities, and identifying alternate third-party suppliers. The adequacy of our partners’ supply is analyzed routinely in considering sourcing options and inventory planning. Business interruption and property insurance is in place for significant losses. On an annual basis, associates in storm areas undergo emergency preparedness training and store materials on-site to protect against weather-related emergencies. The Company also is strengthening its supply chain and has the agility to make adjustments as needed in the case of supply constraints due to severe weather events. Additionally, we have included climate-related considerations into our capital expense request process.

Medium-term chronic physical risk includes the impact of increased insurance premiums for our facilities located in areas more likely to be impacted by severe weather, including fires, tornados and flooding. Fortune Brands considers the likelihood of severe weather and natural disasters when deciding where to locate new facilities.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX CONTINUED

STRATEGY

FORTUNE BRANDS DISCLOSURE

Transition Risks & Opportunities

Market

- **Risks:** As the call from consumers for more sustainable products and packaging grows, we need to be ready to meet that need in order to continue gaining share. Additionally, we are subject to raw material and commodity price volatility that may be caused by weather. From time to time, we use derivative contracts to manage our exposure to commodity price volatility, and we enter into commodity swaps to manage the price risk associated with forecasted purchases of materials used in our operations.
- **Opportunities:** As the threats of climate change increase and awareness builds, we have an opportunity to engage new environmentally conscious customers with high quality options to meet their needs, and an added opportunity to successfully introduce new sustainable products. Climate-related opportunities are generally incorporated into product strategies at a brand level.

Opportunities for Our Responsible Products

Fortune Brands has opportunities to continue selling and expanding its product offerings that have environmentally friendly or climate-aware attributes, such as:

- Water products that help people save water, manage their water, and reduce energy costs associated with wasted water. Offerings in the Moen Smart Water Network can help to significantly conserve water. The Mission Moen commitment helps to underscore the importance of water conservation and sustainability, and can make our Moen brand even more appealing to sustainability-minded consumers.
- Fiberon PE composite decking and cladding that is certified for containing a minimum 94% mixed recycled wood fiber and plastic content. The Fiberon Balance story, which also emphasizes manufacturing processes that conserve water and reusing almost all waste, helps to underscore the importance of sustainability, and can make our Fiberon brand even more appealing to sustainability-minded consumers.
- Complete door systems from Therma-Tru that are built to help protect against energy loss, keeping heat and air conditioning sealed inside the home. 80% of Therma-Tru doors are ENERGY STAR qualified. Therma-Tru Thrive is the brand's commitment to make safe and sustainable products, support the communities where Therma-Tru associates live and work, and leave a positive, lasting impact on the environment. Therma-Tru's energy-conserving doors are part of this brand commitment.
- Weather-durable and storm-resistant decking, entry and storm doors, and security devices from Fiberon, Therma-Tru, LARSON and Master Lock.

Regulation

- **Risks:** We, like all companies, are subject to federal, state, and local laws and regulations designed to protect the environment. These laws and regulations could impose liability for remediation costs and civil or criminal penalties in cases of non-compliance. Compliance with environmental laws increases our costs of doing business. Because these laws are subject to frequent changes, we are unable to predict the future costs resulting from environmental compliance.
- **Opportunities:** Demand for our products and services could be positively impacted by the introduction of tax incentives for purchasers of our products and services that contribute to reducing energy use, conserving water, or that are made predominantly from recycled inputs.

Reputation

- **Risks:** Like all companies, if Fortune Brands is perceived as being irresponsible regarding climate change, that may adversely impact our business and reputation. Management and the Board of Directors have been focused on assessing the current impact of climate change on our operations and taking action to contribute to renewable energy, and increasing the quality and transparency of our ESG performance and disclosures of our management approach — to better demonstrate our commitment to sustainability.
- **Opportunities:** Fortune Brands' ability to demonstrate it is a responsible corporate citizen and is acting responsibly regarding climate change may positively impact our business and reputation. The more we can be seen as a responsible company, the more we can improve our ESG ratings, increase our investors through ESG outreach, leverage ESG publicity opportunities, and attract and retain talent.

To date, the Company has not undertaken climate change scenario planning.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX CONTINUED

RISK MANAGEMENT

FORTUNE BRANDS DISCLOSURE

Disclose how the organization identifies, assesses, and manages climate-related risks.

Our processes for identifying and assessing climate-related risks

The Company's leadership team has identified and defined key external, strategic, operational, financial and compliance risks for the management team to consider as part of the annual enterprise risk management (ERM) assessment process. Each year, members of management review and rank the risks, and in 2022 their risk assessment was reviewed at a segment level by the segment's president and chief financial officer. Each segment's risk assessment was aggregated and ranked at the Fortune Brands enterprise level. The Company is making adjustments to its ERM process to better align with Fortune Brands' reorganized structure. Results of the ERM are presented to the Company's executive committee, as well as to the Audit Committee of the Board of Directors. During the ERM process, climate-related risks are considered a driver that indirectly influences components of risk, rather than a standalone risk category. For example, climate-driven risks to the regulatory landscape is assessed as part of our overall assessment of regulatory risk and the impact of weather events is assessed as part of our overall assessment of catastrophic loss. All risks are addressed with a plan to accept, mitigate, share or avoid risks.

Our processes for managing climate-related risks

All our facilities operate under a common set of EH&S principles, which provide an overall foundation for environmental stewardship. The specific ways in which each location manages climate-related risks varies due to the diversity of our business, the products we make and where we are located. We maintain contingency plans and production is distributed among multiple lines, or alternate third-party suppliers have been identified to mitigate short-term acute risks. On an annual basis, associates in storm areas undergo emergency preparedness training and store on-site materials to protect against weather-related emergencies. To mitigate short- and medium-term risks, the adequacy of supply is analyzed routinely in considering sourcing options and inventory planning. Business interruption and property insurance is in place for significant losses. We are addressing medium- and long-term climate-related transition risks to our reputation by increasing the quality of our disclosure around our sustainability programs and commitments and approach to managing our ESG focus areas.

Integration into overall risk management

While climate-related risks are already indirectly incorporated into our ERM program, we plan to more formally incorporate specific climate-related risks into our ERM process.

METRICS & TARGETS

FORTUNE BRANDS DISCLOSURE

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Greenhouse gas (GHG) emission metrics

Currently, the primary metrics Fortune Brands uses to measure climate-related risks and performance are Scope 1 and Scope 2 carbon emissions.

2022 Global Carbon Emissions from Energy Used

Scope 1: 27,590 metric tons CO₂
Scope 2: 100,427 metric tons CO₂
Total Scope 1+2: 128,017 metric tons CO₂

2022 U.S. Carbon Emissions from Energy Used

Scope 1: 19,637 metric tons CO₂
Scope 2: 86,496 metric tons CO₂
Total Scope 1+2: 106,133 metric tons CO₂

Management uses this data to help evaluate opportunities for using renewable energy and to identify focus areas for energy reduction efforts. At this time, Fortune Brands is not tracking our Scope 3 emissions.

Targets

We have set goals to reduce our absolute Scope 1 and 2 carbon emissions by 30% by the year 2030, and offset 50% of our electricity usage with renewable sources by 2030. We have adjusted our baseline year from 2020 global operations, to year-end 2022, to best reflect the Company's operating footprint after the separation of its Cabinets business in December 2022. To help reach our targets, Fortune Brands plans to identify and help fund a renewable energy project by entering into a virtual power purchase agreement (VPPA).



Sustainability Accounting Standards Board (SASB) Index

TOPIC	ACCOUNTING METRIC	CODE	FBIN RESPONSE
Energy Management in Manufacturing	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	CG-BF-130a.1	<p>(1) Total energy consumed in 2022: 1.48 million gigajoules.</p> <p>(2) We currently purchase nearly 100% of our electricity from energy companies. Our plant in Changshu China installed solar panels in 2022 which provide energy to that site. Additionally, our plant in Pine Grove, Pennsylvania, has solar panels which provide some of its energy.</p> <p>(3) Negligible. We have started to use renewable energy derived from solar panels on our buildings in our Changshu China and Pine Grove, Pennsylvania locations. While we know some of our energy providers include renewable sources in their energy mix, we are still working to determine what, if any, renewable energy derived from our energy providers can be attributed as renewable energy used by FBIN.</p> <p>In 2021, Fortune Brands set goals to reduce our absolute Scope 1 and 2 carbon emissions by 30% by the year 2030, and to offset 50% of our electricity usage with renewable sources by 2030.</p>
	Management of Chemicals in Products	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-BF-250a.1
	Percentage of eligible products meeting VOC emissions and contents	CG-BF-250a.2	Fortune Brands does not consider this metric to be material to our business or our products.



SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX CONTINUED

TOPIC	ACCOUNTING METRIC	CODE	FBIN RESPONSE
Product Lifecycle Environmental Impacts	Description of efforts to manage product lifecycle impacts and meet demand for sustainable products	CG-BF-410a.1	<p>Increased demand for sustainable building products and packaging is driven by consumers, retailers, architects and builders that are responding to both consumer demand, regulation, or increasing focus on industry groups and certifications, such as National Green Building Standard, the U.S. Green Building Council LEED rating system, ENERGY STAR certified homes, Passive House Institute, and Department of Energy Certified Net Zero Energy Homes.</p> <p>Across Fortune Brands Innovations, sustainability is factored into design, including input materials and packaging. We design products to improve water savings while ensuring high performance and excellent user experiences; this is part of one of Water Innovations' key pillars: "Save, but don't sacrifice."</p> <p>Not only does Therma-Tru design energy-efficient doors, it designs and manufactures entire door systems, resulting in superior air and water tightness, which helps conserve energy for the consumer. 80% of Therma-Tru doors are ENERGY STAR qualified.</p> <p>We also strive to design products that can be manufactured with recycled input materials, when feasible. Fiberon PE composite decking and cladding is certified for containing a minimum 94% mixed recycled wood fiber and plastic content. Moen is incorporating recycled plastics in its designs for components, such as faucet docks, with a commitment to repurpose 2,000 tons of ocean plastic by 2030.</p> <p>Our Master Lock business works through retailers and take-back organizations to follow Extender Producer Responsibility regulations that require electrical and electronic equipment and batteries to be recycled at end-of-life. Our other businesses do not have formal take-back programs; however, WINN handle returns and have programs in place to resell, recycle or reuse parts to keep those out of waste streams.</p>
	(1) Weight of end-of-life material recovered, (2) percentage of recovered materials recycled	CG-BF-410a.2	<p>We are currently tracking the weight of end-of-life material recovered for use in our product manufacturing for Fiberon and Moen.</p> <p>(1) Fiberon: Approximately 45,360 metric tons of recycled plastic, and approximately 88,000 metric tons of post-industrial wood were incorporated into Fiberon composite deck boards and cladding products in 2022. Moen: 182 metric tons of ocean recycled plastic was incorporated into products in 2022, including in an installation tool component for one of its highest volume products, the posi-temp valve.</p> <p>(2) Fiberon: PE composite decking and cladding is certified for containing a minimum 94% mixed recycled wood fiber and plastic content.</p>



SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX CONTINUED

TOPIC	ACCOUNTING METRIC	CODE	FBIN RESPONSE
Wood Supply Chain Management	(1) Total weight of wood fiber materials purchased, (2) percentage from third-party certified forestlands, (3) percentage by standard, and (4) percentage certified to other wood fiber standards, (5) percentage by standard	CG-BF-430a.1	<p>Fiberon PE composite decking and cladding is certified for containing a minimum 94% mixed recycled wood fiber and plastic content. In 2022, Fiberon used approximately 45,360 metric tons (50,000 U.S. tons) of recycled plastic, and approximately 88,000 metric tons (97,000 U.S. tons) of post-industrial wood.</p> <p>Fiberon completed a voluntary product lifecycle assessment and environmental product declaration in 2021 for its PE composite decking, and another voluntary product lifecycle assessment and environmental product declaration in 2022 for its PE composite cladding to gain an even better understanding of its environmental impacts and future opportunities.</p>
	(1) Total recordable incident rate (TRIR) and (2) fatality rate for direct and contract employees	RT-CH-320a.1	Fortune Brands' direct and contract employees achieved a 1.16 TRIR in 2022 and 0 fatalities.
Workforce Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	RT-CH-320a.2	<p>Our commitment to creating and maintaining safe work environments is highlighted in our EH&S Principles and through our EH&S strategies and Critical Elements Program. Fortune Brands has identified 15 Critical Elements, or safety components, that have the most potential for severe injury in our manufacturing and distribution operations. Each business focuses on the Critical Elements most relevant to its operations. Read more on pages 40-41.</p> <p>We track health and safety metrics for full-time, part-time and contract or temporary workers at each of our businesses using our organization-wide EH&S management system. We report on health and safety metrics annually to the NESG Committee of our Board of Directors.</p>
ACTIVITY METRIC	CODE	FBIN RESPONSE	
Annual production	CG-BF-000.A	Fortune Brands believes "annual production" is not a meaningful data point for a large, diversified company that produces a variety of products.	
Annual sales	CG-BF-250a.1	\$4,723,000,000 total 2022 sales.	
		Fortune Brands uses sales to normalize environmental metrics.	
Area of manufacturing facilities	CG-BF-000.B	Approximately 1,311,000 square meters.	
		Beginning with the 2022 ESG Report, we are leveraging real estate site tracking software to provide a more complete view of this activity metric.	



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Throughout this ESG Report, we refer to numerous trademarks, trade names and brands. Moen, Riobel, Rohl, Perrin & Rowe, Shaws, Victoria + Albert, Fiberon, Therma-Tru, LARSON, Master Lock and SentrySafe are among the trademarks or trade names held by subsidiaries of Fortune Brands Innovations, Inc., and are registered,

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Therma-Tru was awarded the No. 1 most-used entry door brand in the United States among residential building professionals, based on the 2021 Builder magazine Brand Use Study.

Fortune Brands was named to Newsweek's 2023 list of America's Most Responsible Companies.

For questions regarding this report, contact Investor.Questions@FBHS.com.

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