



Fortune Brands
Innovations

FORTUNE BRANDS INNOVATIONS +
CONNECTED PRODUCTS

**UNIQUE COMPANY WITH
A UNIQUE OPPORTUNITY**

December 2023

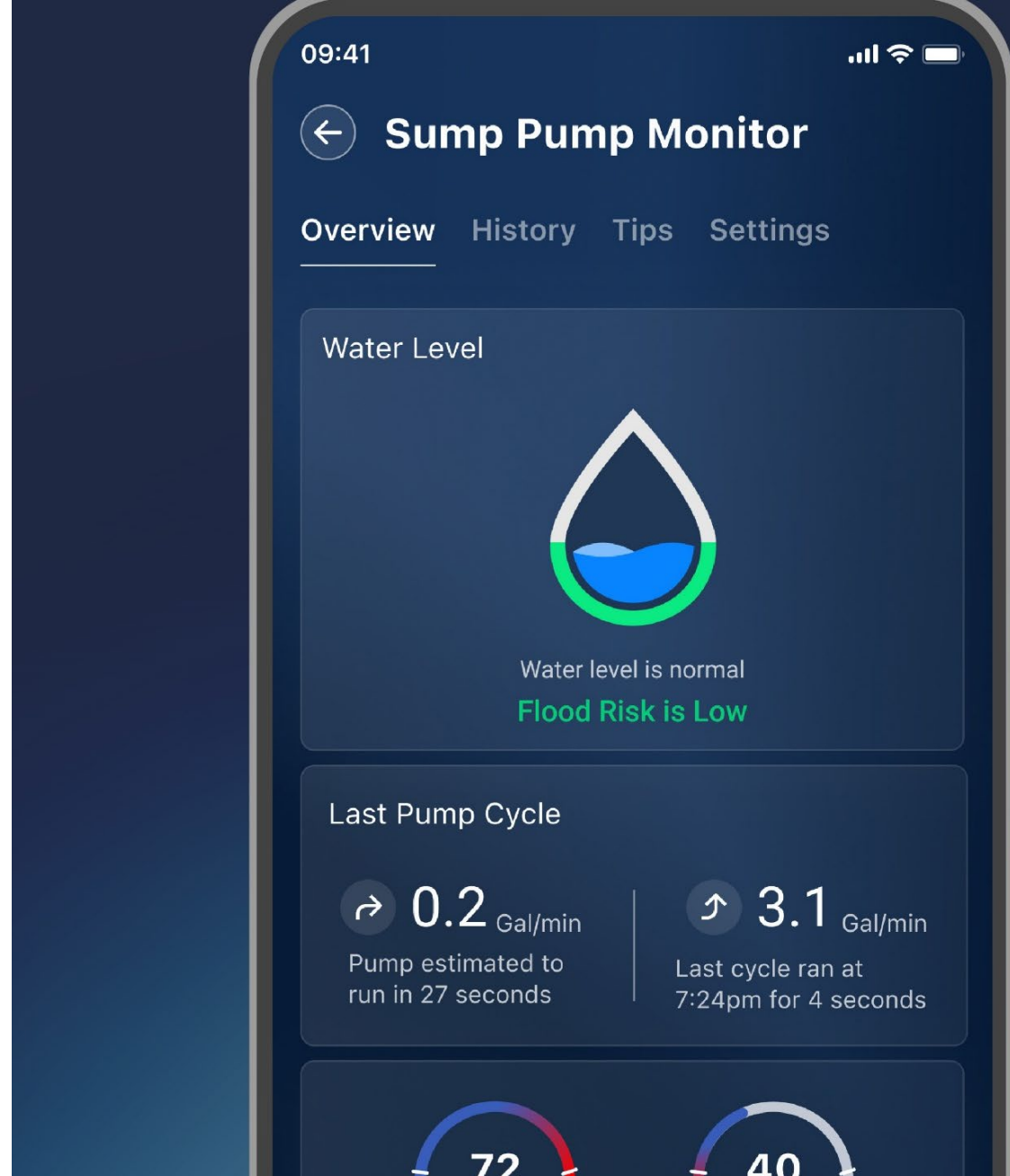


FORWARD LOOKING STATEMENTS

- This presentation contains certain “forward-looking statements” made within the meaning of the Private Securities Litigation Reform Act of 1995. Forward looking statements include all statements that are not historical statements of fact and those regarding our intent, belief, or expectations, including, but not limited to: our general business strategies, anticipated market potential, the potential impact of costs, including material and labor costs, the potential impact of inflation, the potential of our brands’ expected capital spending, expected pension contributions, expected impact of acquisitions, the anticipated effects of recently issued accounting standards on our financial statements, planned business strategies, future financial performance and other matters. Statements that include the words “believes,” “expects,” “anticipates,” “intends,” “projects,” “estimates,” “plans,” “outlook,” “positioned,” “potential,” “opportunity” and similar expressions or future or conditional verbs such as “will,” “should,” “would,” “may” and “could” are generally forward-looking in nature and not historical facts. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is based on the expectations, estimates, assumptions and projections about our industry, business and future financial results available at the date of this presentation.
- Although we believe that these statements are based on reasonable assumptions, they are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those indicated in such statements, including, but not limited to: unanticipated difficulties or expenditures relating to our acquisition of the Emtek, Schaub and U.S. and Canadian Yale and August residential smart locks businesses, including, without limitation, difficulties that result in the failure to realize expected synergies, efficiencies and cost savings from the transaction within the expected time period (if at all), our reliance on the North American and Chinese home improvement, repair and remodel and new home construction activity levels, the housing market, downward changes in the general economy, unfavorable interest rates or other business conditions, the competitive nature of consumer and trade brand businesses, our ability to execute on our strategic plans and the effectiveness of our strategies in the face of business competition, our reliance on key customers and suppliers, including wholesale distributors and dealers and retailers, risks associated with our ability to improve organizational productivity and global supply chain efficiency and flexibility, risks associated with global commodity and energy availability and price volatility, as well as the possibility of sustained inflation, delays or outages in our information technology systems or computer networks, risks associated with doing business globally, including changes in trade-related tariffs and risks with uncertain trade environments, risks associated with the disruption of operations, our inability to obtain raw materials and finished goods in a timely and cost-effective manner, the uncertainties relating to the impact of COVID-19 on our business, financial performance and operating results, our ability to attract and retain qualified personnel and other labor constraints, the effect of climate change, changes in government and industry regulatory standards, and the other factors discussed in our securities filings, including in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission.
- The forward-looking statements included in this presentation are made as of the date hereof, and except as required by law, we undertake no obligation to, and expressly disclaim any such obligation to, update, amend or clarify any forward-looking statements to reflect events, new information or circumstances occurring after the date of this presentation.

IN THIS DECK

- Fortune Brands Innovations' Transformation And Growth Drivers
- Connected Products as a Growth Driver
- Our Unique Connected Product Opportunities



WHY INVEST IN FORTUNE BRANDS INNOVATIONS



Leading Positions in Growth Categories with Long-term Secular Tailwinds



Proven Growth Engine with Defined Path to Long-Term Value Creation



Newly Aligned Organization Driving Significant Growth and Efficiencies



Successful Track Record of Through-the-Cycle Value Creation Led by Exceptional Team



Strong Financial Position & Cash Flow to Accelerate Growth Strategy



Meaningful and Achievable Sustainable Margin Expansion Roadmap



LEADING BRANDS

MOEN®



#1
consumer
faucets

HOUSE OF ROHL



#1
luxury K&B
fixtures among
designers

THERMA TRU®
DOORS



#1
fiberglass entry
doors among
builders

LARSON



#1
storm doors

fiberon®



#3
composite
decking

**Master
Lock®**



#1
mechanical
padlocks

SentrySafe®



#1
fire
safes

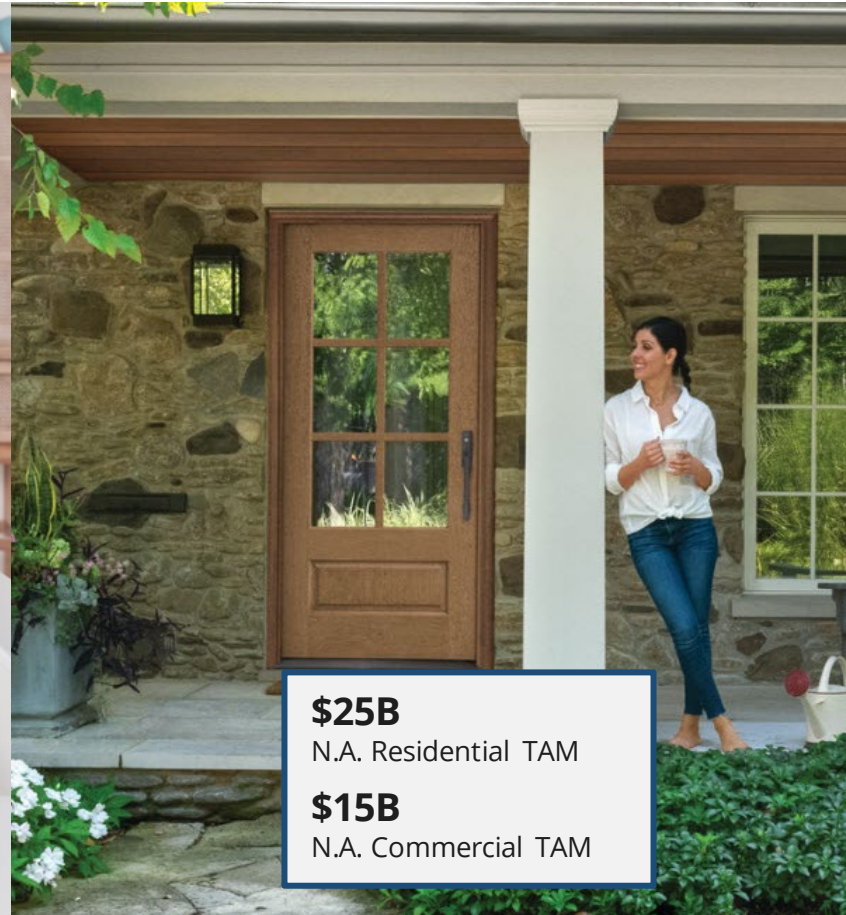
Claims based on North American data

LARGE AND PROVEN GROWTH CATEGORIES

WATER



OUTDOORS



SECURITY



THE RECENT EVOLUTION OF FORTUNE BRANDS ENABLES OUR FOCUS ON CONNECTED PRODUCTS



Cast a wide net for all things “housing,”
resulting in a broad portfolio

Decentralized and siloed

Pockets of excellence

Early days of digital / connected

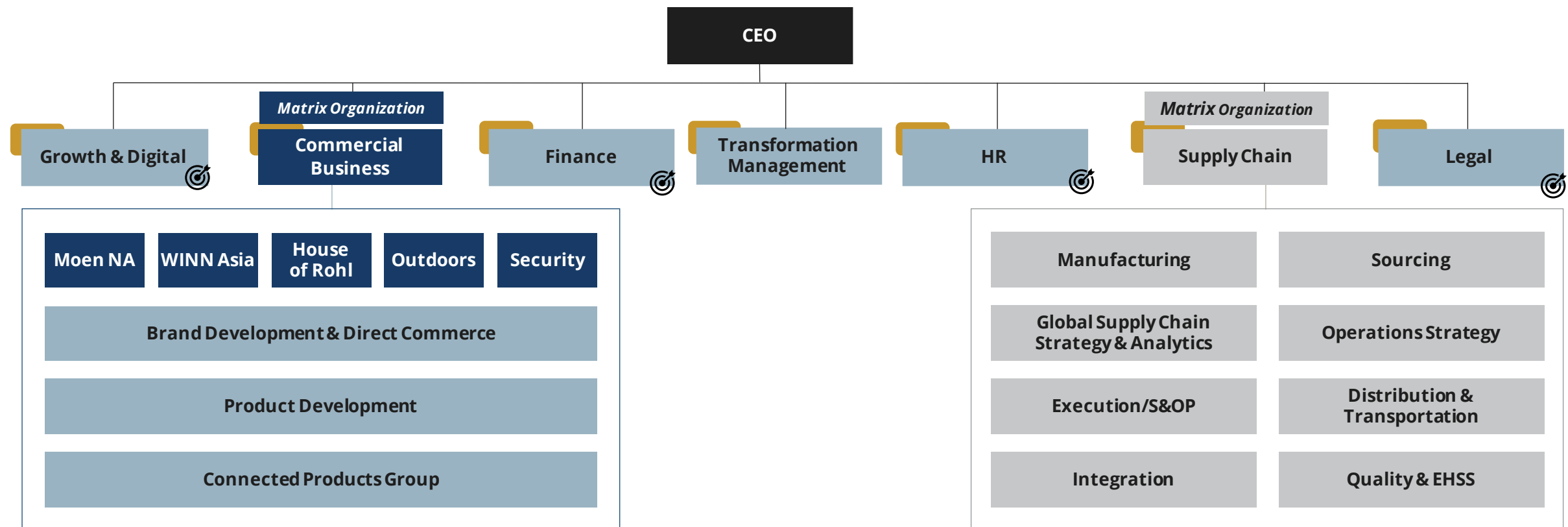
Focused on leading brands, innovation
and channel positions in segments with
growth tailwinds

Leaner and aligned; increased agility

Total scale deployed across FBIN

Newly enhanced capabilities in digital and
connected will be fully unlocked and harnessed
across the full organization

NEWLY ALIGNED STRUCTURE WILL DRIVE GROWTH, EFFICIENCY & RESULTS IN CONNECTED PRODUCTS AND BEYOND



Yale, August, Emtek and Schaub acquisition adds **digital expertise** and **scale**

FBIN Leadership Team

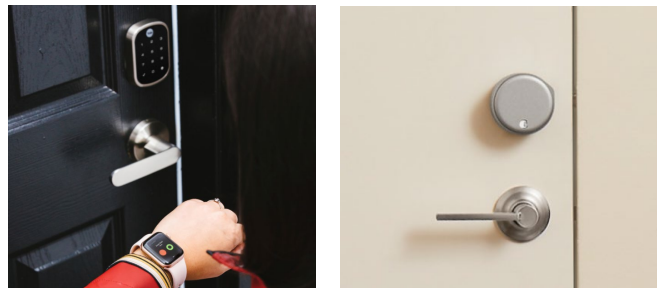
Core Function

RECENT ACQUISITION OF YALE AND AUGUST ASSETS IS A TRANSFORMATIVE GROWTH ACCELERANT

Fortune Brands Innovations' existing assets combined with the acquired assets uniquely positions us to deliver first-to-market and scaled solutions.



SMART ENTRY



THERMA-TRU DOORS + YALE AND AUGUST SMART RESIDENTIAL LOCKS WILL UNLOCK NEW PRODUCTS

DIGITAL & CONNECTED CAPABILITIES AT SCALE

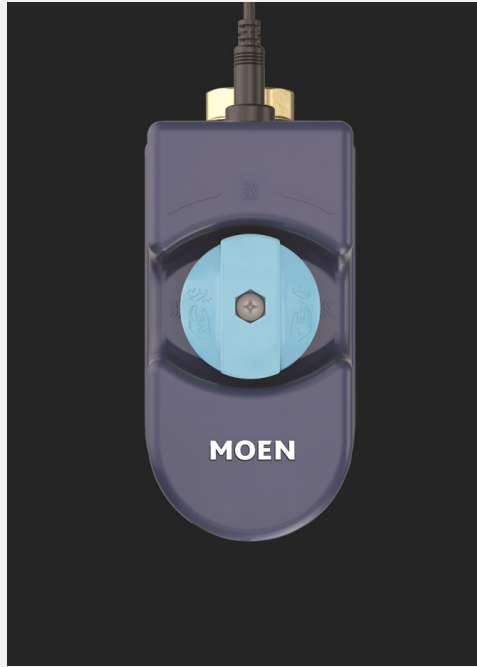


EXISTING DIGITAL CAPABILITIES + TEAM OF ~100 ENGINEERS CAN BRING ENHANCEMENTS AT SCALE

GROWTH POTENTIAL IS DRIVEN BY LONG-TERM SECULAR TAILWINDS



CONNECTED
PRODUCTS



WATER
MANAGEMENT



MATERIAL
CONVERSION

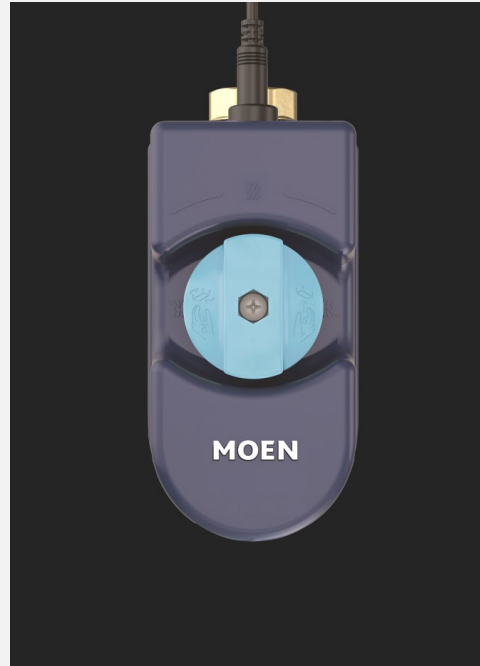


OUTDOOR
LIVING



SUSTAINABILITY
& SAFETY

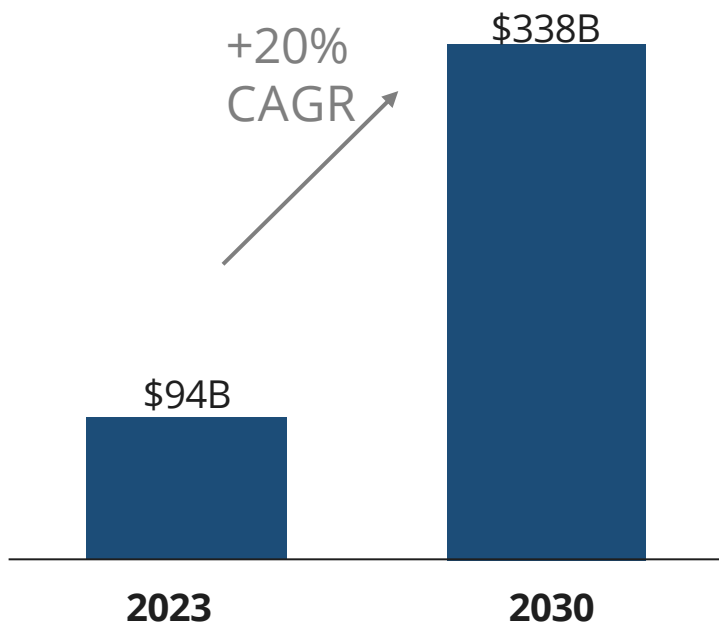
GROWTH POTENTIAL IS DRIVEN BY LONG-TERM SECULAR TAILWINDS



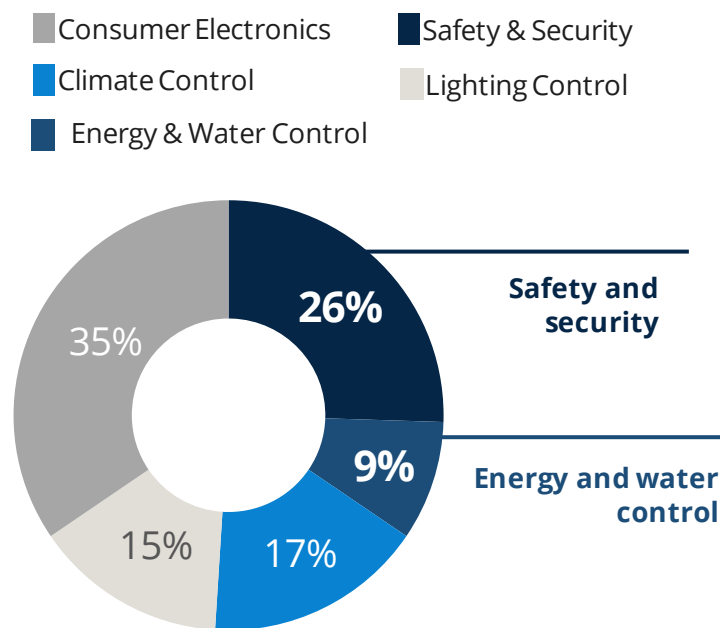
Today's focus:
CONNECTED PRODUCTS

ESTIMATES INDICATE THE GLOBAL SMART SAFETY AND SECURITY AND ENERGY AND WATER MARKET WILL BE \$100B BY 2030

Global Smart Home Market¹



Global Smart Home Market by Device Type¹



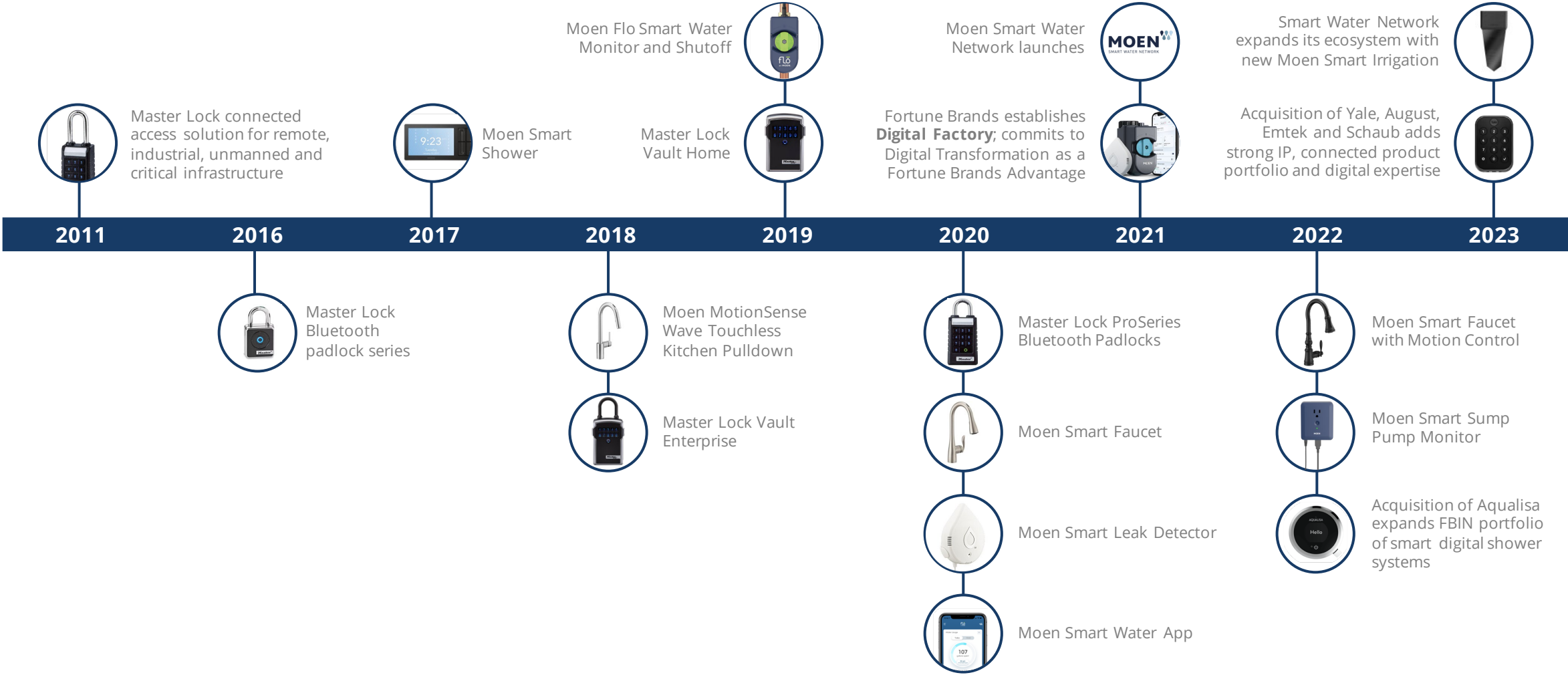
~\$100 billion¹ 

potential market for **smart safety and security** and **smart energy and water control**

Drivers include:

- Smart home systems becoming ubiquitous
- Consumers expecting more from smart devices after the initial purchase
- Potential to get even smarter with AI

DIGITAL TRANSFORMATION AT FBIN



FBIN HAS MADE EARLY PROGRESS IN CONNECTED PRODUCTS, WITH MUCH MORE OPPORTUNITY AHEAD

Setting the stage
EARLY PROGRESS

↑ ~3x

FBIN connected product sales
nearly tripled from 2020 to 2022

~4 million

Connected User Lifetime
Activations, as of Q3 2023

Sales data does not include Yale and August.
Activation information includes Yale and August,

OPPORTUNITY
ahead

\$1B growing to \$5B+



WATER



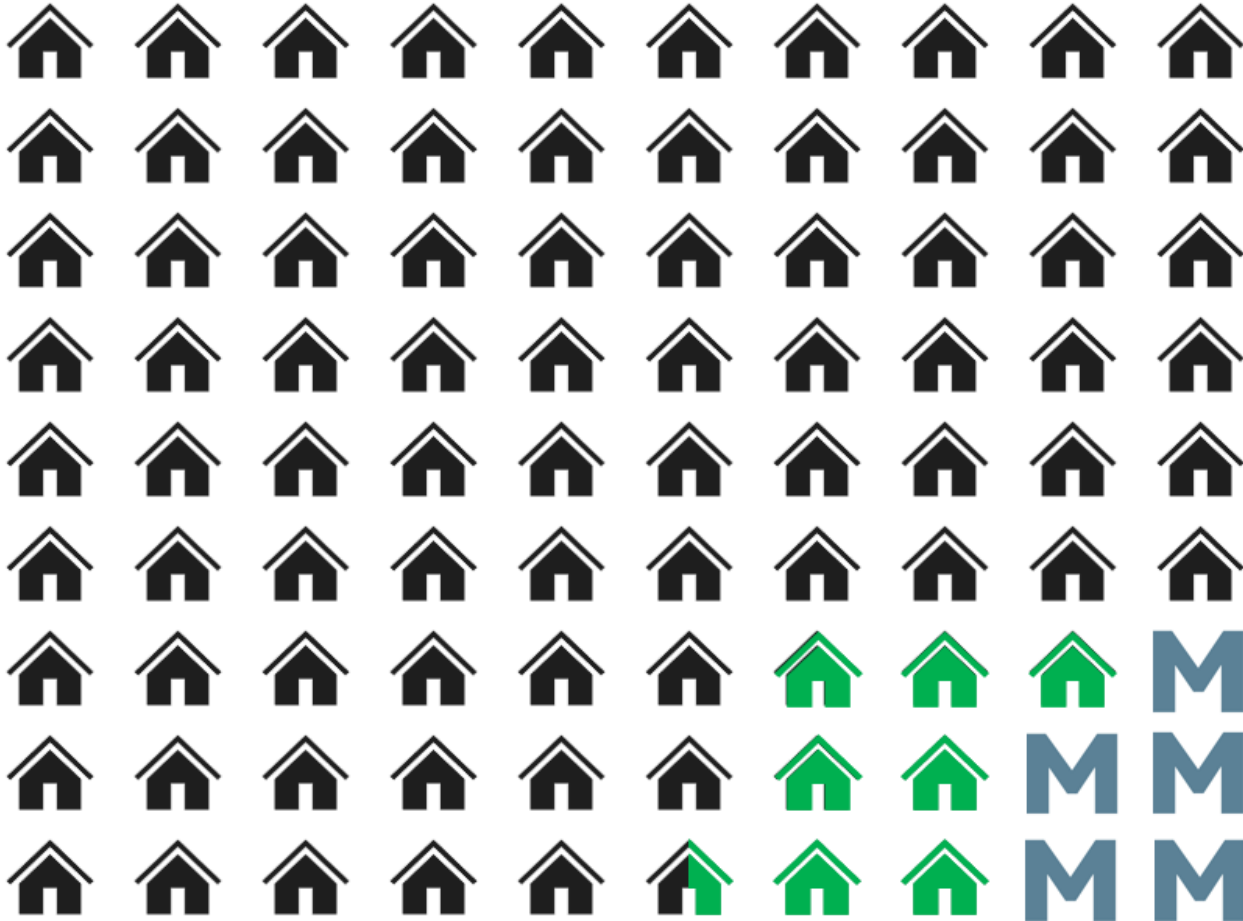
SECURITY



ENTRY

CONNECTED WATER OPPORTUNITY, BEGINNING WITH MOEN FLO SMART WATER MONITOR AND SHUTOFF

Household penetration + right to win = breakout business



90M

Housing Units



15%

Potential
Market Penetration



35%

Potential Moen Share



~\$1B

Potential Future Sales

CONNECTED SECURITY OPPORTUNITY: GREATER SCALE AND CONNECTED FOOTPRINT

**Master
Lock.** 2022

<2% Connected
Products

Approximate sales from
connected products



**Master
Lock.**
Yale | e 2030

40% Connected
Products

Potential sales from
connected products

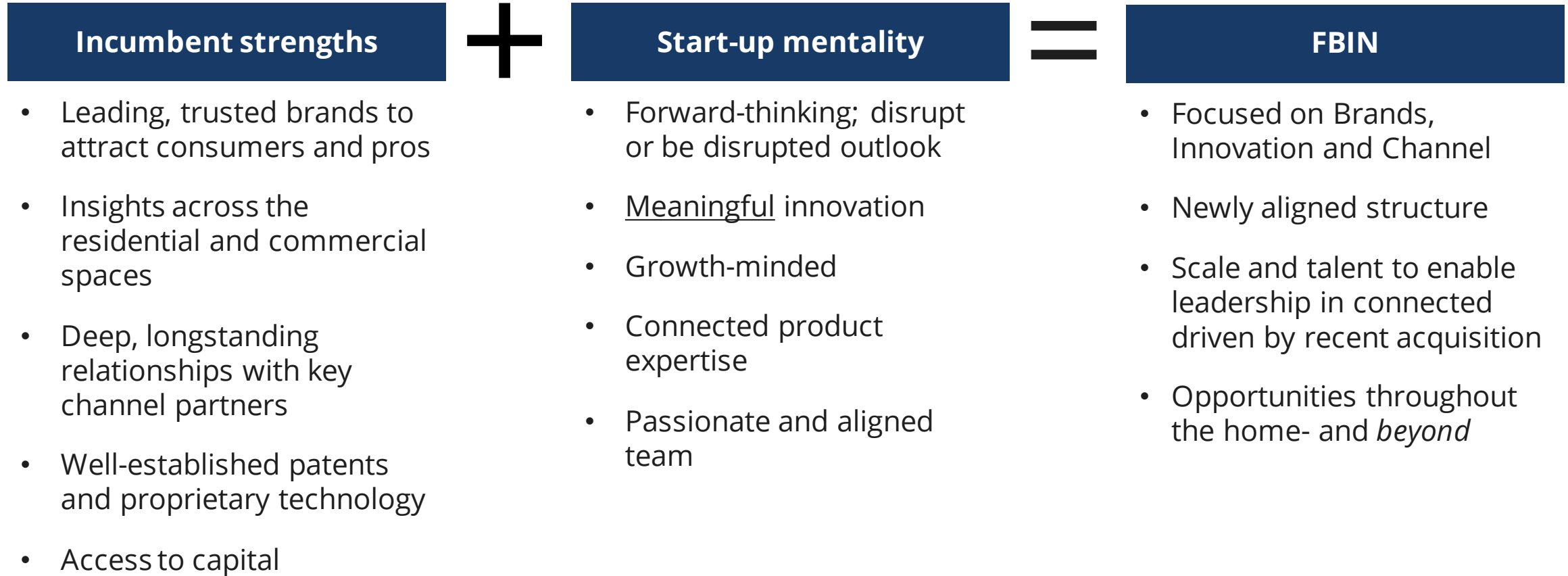
We're leveraging connected products expertise
across security, with attention to:

**Connected Home
Ecosystem**

+

**Safety & Access
Solutions**

FBIN IS UNIQUELY POSITIONED TO CAPTURE GROWTH



We innovate to make the world smarter, safer and more sustainable.

CONNECTED WATER



FLO SMART WATER MONITOR AND SHUTOFF: THE HUB OF OUR CONNECTED WATER NETWORK

Homeowners can monitor their water usage, detect small leaks in their pipes, and automatically shut off their water supply before a catastrophic leak damages their home.



24/7 Real-Time Alerts



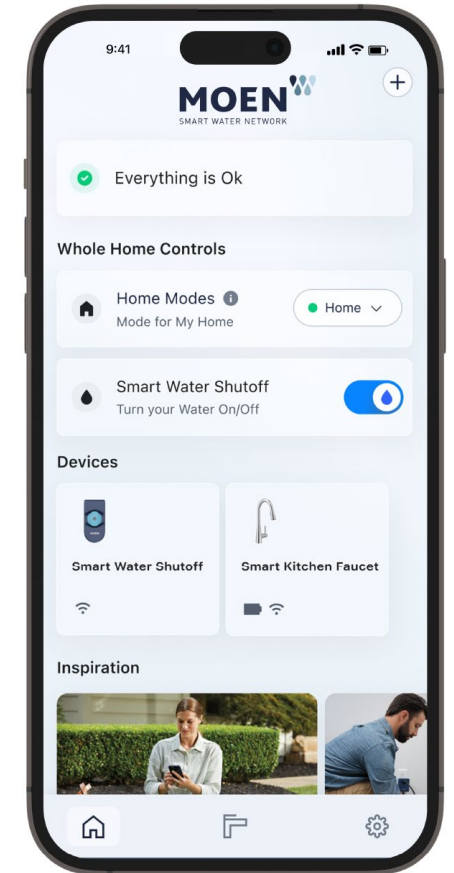
Automatic Water Shutoff



Mobile App Control



Supports Mission Moen

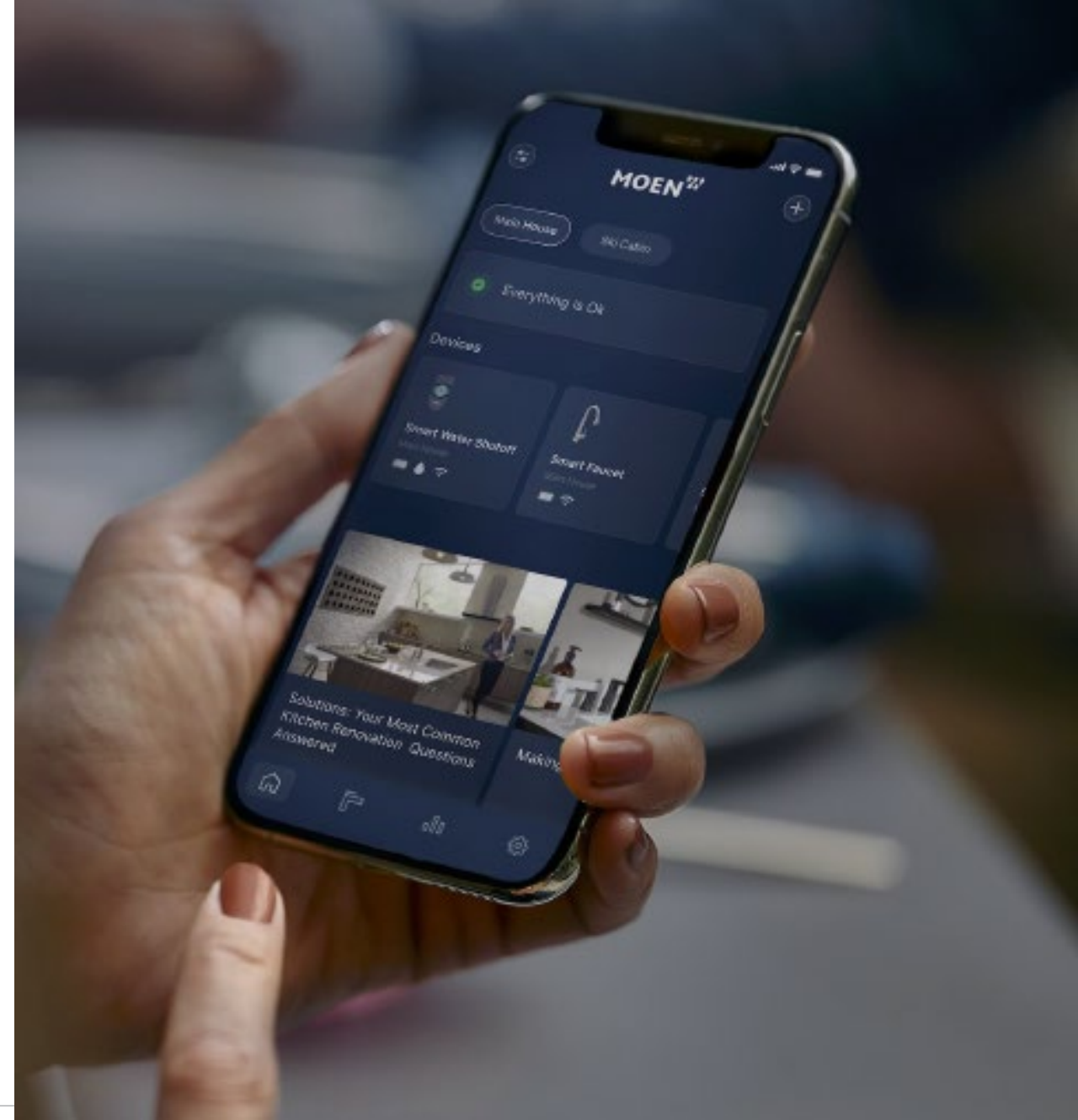


IMPROVING WATER EXPERIENCES WITH THE MOEN SMART WATER ECOSYSTEM



SMART WATER APP

- Whole-home monitoring 24/7
- Water security and safety
- Notifications and alerts
- Track water usage and conservation goals
- Control your smart water products from anywhere
- Customization and personalization



MOEN DIFFERENTIATION

- Moen's brand strength, omni-channel expertise, global supply chain, digital factory and patent ring-fence provide competitive advantages in the emerging water security market
- Advantages that Moen has compared to other home water management device makers include:

MOEN®

+ Automated shutoff capability

+ Brand strength

+ Omni channel distribution

+ Whole home water portfolio

+ First-to-market advantage

STRONG RECEPTION

AWARDS INCLUDE:

2023 IoT breakthrough Awards, Moen Smart Water Network

2023 CEPro Mark of Excellence Award Winner - Automation Technology of the Year, Moen Smart Water Network

2020 Fast Company Innovation by Design Award – Home Category, Flo by Moen Smart Water Detector

2021 KBIS Best of KBIS Finalist, Flo by Moen Smart Sump Pump Monitor

Popular Mechanics Best of CES 2021, Flo by Moen Smart Water Security System

2023 KBIS Best of KBIS Winner 2023, Moen Smart Sprinkler

2023 CES Innovation Awards, Moen Smart Sprinkler

CES innovation Award 2022 Honoree - Smart Home Category, Moen Smart Faucet with Motion Control



THIS IS THE BEST INVENTION EVER! IT SAVED US FROM A HUGE FLOOD cannot recommend enough!!!

When we came home and turned the water back on, there was a leak but because Moen Flo caught it and turned our water off for us, it saved everything!!!! NO HOUSE SHOULD BE WITHOUT THIS DEVICE!!!! period.



Stop reading reviews and just buy this already...

Superbly built, relatively easily installed, and brings immense peace of mind even if you never actually get a flood (touch wood). Mine has detected multiple slow leaks over the last three years (all thankfully eg slow dripping shower heads) and it saved me overflowing my pool when I left for work all day having forgotten to turn off the hose that was topping off an already near-full pool.



Saved Major Damage

I installed it a month ago. Right away it detected a leak. I found it and replaced my upstairs shower valve.

This week I had a tile guy in another bathroom and I got an alert the night after he left. I figured it had to be in the shower where he was but we couldn't find it. There was no water anywhere. Taking the shower valve off I could see a leak behind the tile. Tearing open the drywall behind the shower, I found a very fast leak that I would have never found otherwise.

OPPORTUNITIES TO WIN, WIN, WIN, WIN

Connected Water:

Good for homes.

Good for business.

Good for the Planet.



WATER DAMAGE IS MORE COMMON THAN PEOPLE THINK

7x
more likely

7x more likely for homeowners to file an insurance claim for water damage vs. fire and theft¹

40%
have suffered

40% of homeowners have suffered from water damage¹

95%
underestimate

95% of consumers underestimate the likelihood of water damage vs. fire damage and theft¹

“If I had known about Flo and had it installed I would have been able to catch the leak in my basement before it was too late. Instead, we had to spend thousands of dollars on restoration work, not to mention months of upheaval to our home.”
– Homeowner, January 2023



WATER DAMAGE PUTS STRAIN ON HOME INSURERS

\$10,500

The average home insurance claim for water damage¹

1 in 6 homes

file a claim for water damage over ten years¹

~\$15 billion

Each year, insurance companies have approximately **\$15 billion** in water damage¹, of which a significant amount are tied to leaks²

↓ 96%
in paid water leak claims

Flo by Moen Smart Water Shutoff can significantly reduce preventable water damage claims

A 2020 Lexis Nexis study³ showed that one year following installation of the Flo by Moen Smart Water Shutoff, **homes saw a 96% decrease in paid water leak claims compared to two years prior to installation, while control group home claims increased 10% during the same period.** Because of its ability to prevent or minimize water damage, some homeowner's insurance providers offer discounts for homes that use Flo by Moen.



¹ Insurance Information Institute, U.S. data for “water damage and freezing” claims
² [Non-Weather Water Claims](#)

³ Results from the 2020 LexisNexis Study can be found [here](#)

“THERE IS SIMPLY NO WAY TO OVERSTATE THE
WATER CRISIS OF THE PLANET TODAY.”

Maude Barlow, author and activist

LEAKS CONTRIBUTE SIGNIFICANTLY TO WATER WASTE

- 10% of homes have leaks that waste 90 gallons or more per day¹
- 1 slow leak (1 drip per second) amounts to over 3,100 gallons wasted per year²
- The average American home wastes more than 10,000 gallons of water every year due to leaks¹
- A burst pipe when no one is home adds up to 10,000 gallons of water wasted in ***just a few hours***³

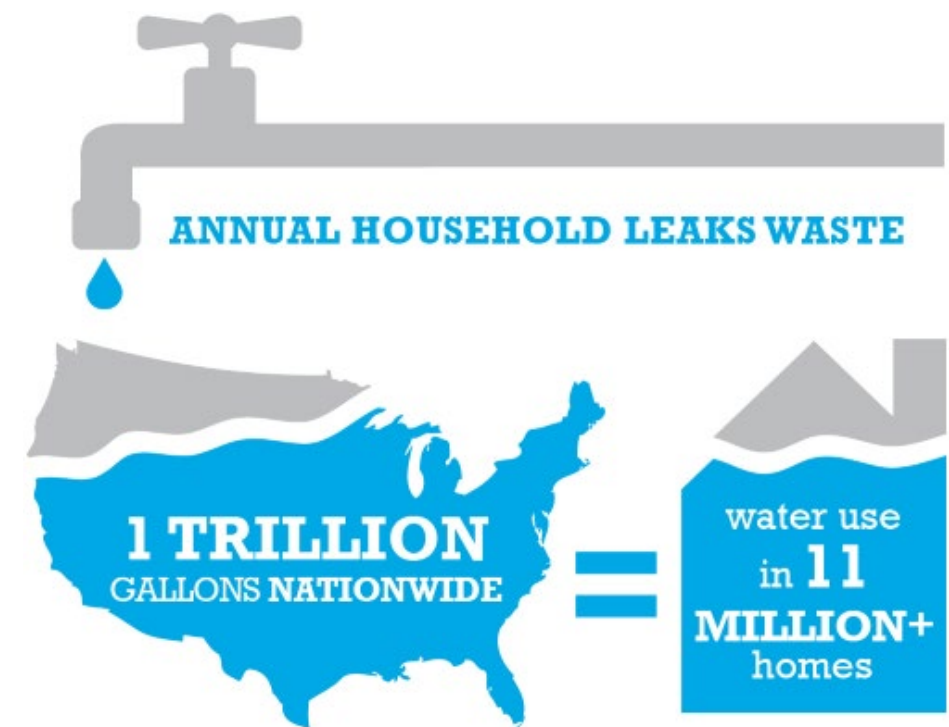


Image from epa.gov

¹ [EPA.gov/watersense/fix-leak-week](https://www.epa.gov/watersense/fix-leak-week)

² [Drip Calculator \(drinktap.org\)](https://www.drinktap.org/drip-calculator)

³ [North Texas Municipal Water District](https://www.ntmwd.com/)

MISSION MOEN HELPS RAISE AWARENESS ABOUT PRODUCTS THAT CAN HELP

Our core products will drive meaningful water savings.

Our connected products can change the game.



MISSION MOEN™

Mission Moen is our ambitious commitment to create innovative water-saving products with a goal of allowing end-users to save up to 1 trillion gallons of water, in addition to repurposing 2,000 tons of ocean plastic, by 2030.

FLO BY MOEN CAN HELP CONSUMERS REDUCE WATER CONSUMPTION

The Moen App helps users see how much water they're using, and to set conservation goals.



WATER IS CLIMATE

- The collection, distribution, and treatment of drinking water and wastewater nationwide consume tremendous amounts of energy, adding CO2 emissions and contributing to climate change¹
- 30% to 40% of most U.S. municipalities' energy consumption is on operating drinking water and wastewater plants¹
- The collection, distribution, and treatment of drinking water and wastewater nationwide consume tremendous amounts of energy and release approximately 116 billion pounds of carbon dioxide (CO2) per year—**as much global warming pollution each year as 10 million cars**²



This [study](#), published in the journal Environmental Research Letters, shows that

Customer-focused water conservation programs are just as cost-effective (and in some cases, are more cost-effective) as energy efficiency programs in reducing electricity use, GHGs and other energy-intensive operations³

¹ [EPA.gov greenhouse gas equivalencies calculator](#)

² [NRDC Water Efficiency Saves Energy](#)

³ [UC Davis Study "Saving water saves energy and reduces greenhouse gas emissions"](#)

MISSION  MOEN™

in ENERGY

4.7 METRIC TONS
of carbon dioxide avoided

The equivalent to greenhouse gas emissions
from 1 million gasoline-powered passenger
vehicles driven for one year

CONNECTED WATER ADOPTION: A MATTER OF WHEN, NOT IF

We continue to improve our product and consumers' experience

- Our AI-enabled product is constantly learning and getting more accurate
- The more users in our Moen Smart Water Network, the more data and insights we have that improve machine learning/AI First mover advantage

We can utilize push and pull strategies to drive awareness and adoption

- Aided by strong brand recognition and reputation with plumbers, and growing awareness of the need to conserve water

Multiple opportunities to drive adoption

- Insurance Providers
- Builders
- Retailers
- Government / Municipalities
- 3rd Party Integrators



MOEN
SMART WATER NETWORK

Flo is the hub of our Moen Smart Water Network.

A man with a beard, wearing a light purple shirt and a black watch, is holding a smartphone. He is standing in front of a white door with a red wooden panel. A black smart lock is mounted on the door. The lock has a digital display showing the numbers 112131415 and 017181910. The man is looking at the phone screen, which displays a list of items. In the background, there is a chain-link fence and a yellow sign that says "WATCH FOR VEHICLE".

CONNECTED SECURITY

MASTER LOCK CONNECTED SECURITY PRODUCTS: SMART. SIMPLE. SECURE.

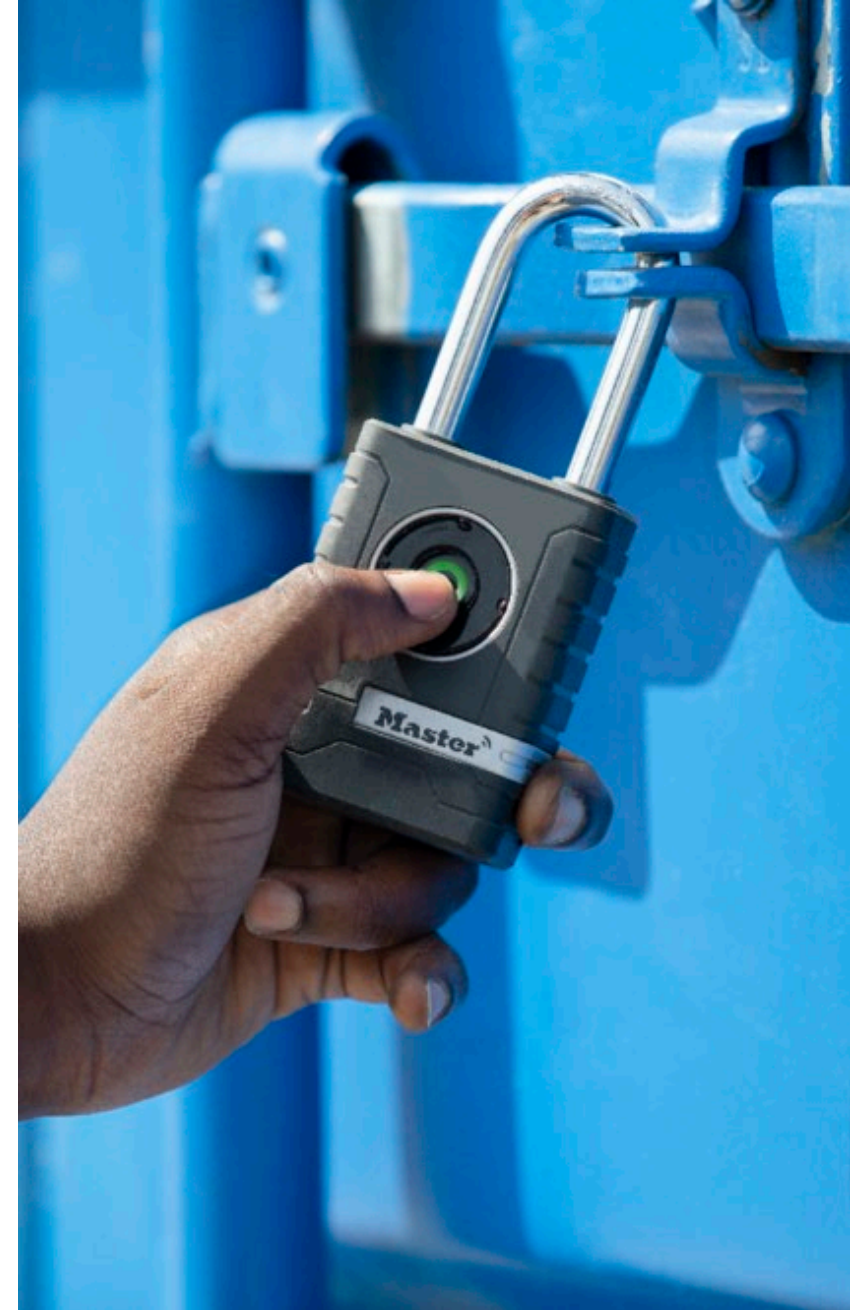


Master Lock's integrated software platform enables you to grant access to individuals, multiple users and user groups—temporarily or on an ongoing basis



Innovative Features Include:

- Efficiently manage access to ensure the right users have the right access
- Simplify security set-up with bulk user and lock uploads
- Easily monitor access and access history with robust data and audit trails
- 256-bit, military-grade encryption



EXAMPLES OF WHERE MASTER LOCK VULT ENTERPRISE IS BEING USED TO PROVIDE CONNECTED, PORTABLE SECURITY



Real Estate



Property Management



Industrial



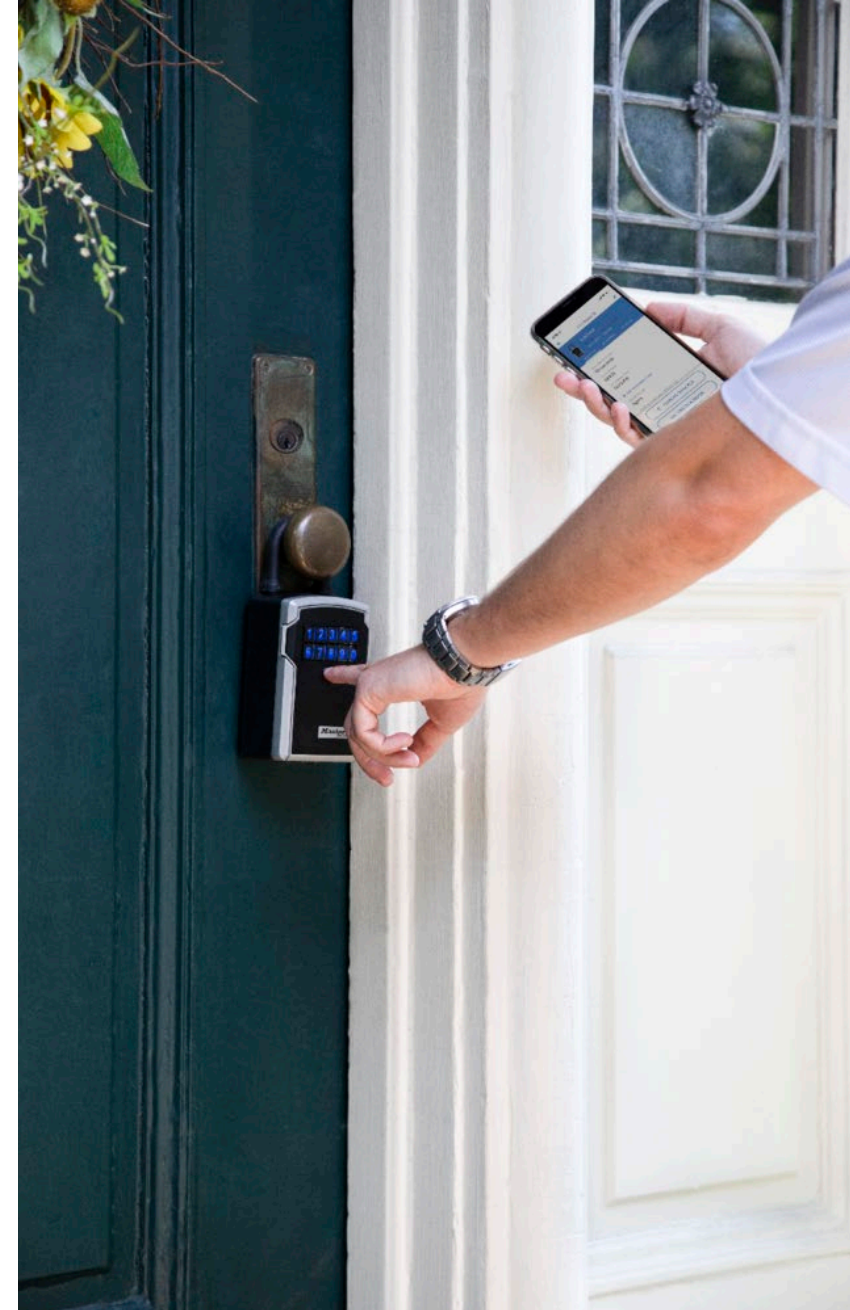
Municipalities



Airports



Utilities



ENHANCED SECURITY

- With Master Lock commercial solutions, no keys to lose, no combinations to forget, no unauthorized key duplications
- Easy and secure access
- Increased accountability and tracking
- Opportunities to work more efficiently and save money



Southwest Airlines is known for providing superior customer service, and our daily operations play a key role in our success. In a busy, time-driven environment like an airport, it's critical that we can effectively and efficiently manage access to our tugs so they're available when and where employees need them. Master Lock Vault Enterprise checks those boxes and I'd recommend the solution to any operations team looking for a better way to manage access to the many locks within their facility.

Pat Brumm, Manager, Southwest Airlines at Denver International Airport



We want to serve our clients to the best of our ability, and this includes embracing technology that allows us to provide real-time information and the level of security our higher-end market expects and demands. Master Lock Vault Enterprise and Bluetooth lock boxes are far ahead of anything I've seen in the market. It's the kind of product we need to take our business to the next level."

Mark Siwiec, Real Estate Broker



Tracking down lost tools and equipment takes time and reduces productivity. With Master Lock Vault Enterprise, we know who used them last and where—and that saves money."

Bryan Zavitz, Yard Supervisor,
The Pike Company

SMART ACCESS FROM YALE & AUGUST

Convenience and Peace of Mind, From Brands You Can Trust.



Giving You More Ways to Key-Free

Unlock using the keypad, Auto-Unlock, Wi-Fi access on the app, your unique fingerprint and now, even Apple home keys.



Smart Lock Solutions for Every Door

Our portfolio covers a wide range of offerings from keypad replacement locks, to retrofit smart locks and even multi-family solutions.



Working With Your Smart Home

Yale and August smart locks have dozens of integrations giving users the most flexibility when adding to their smart home.

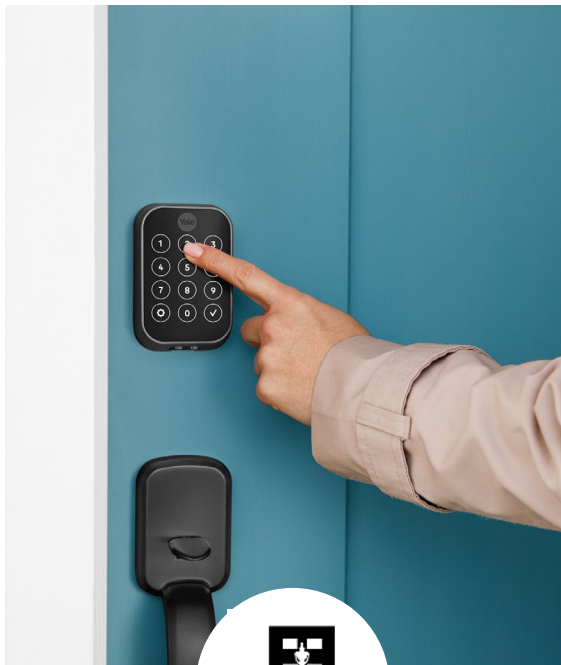


Tested to Industry Standards

Our full replacement smart locks are tested to ANSI BHMA standards and are certified at Grade 2 or higher and IPX5 certified.

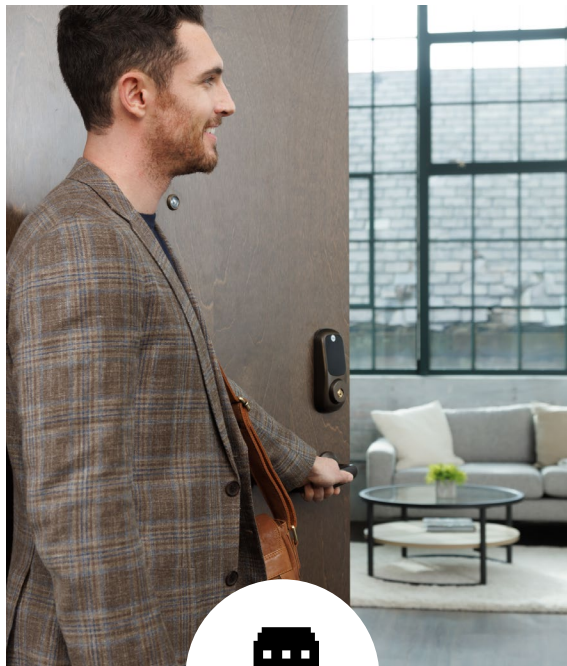


SECURITY, BEYOND THE FRONT DOOR



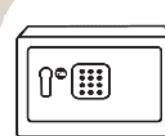
Smart Locks

Convenient, and secure, key-free access to your home or rental property.



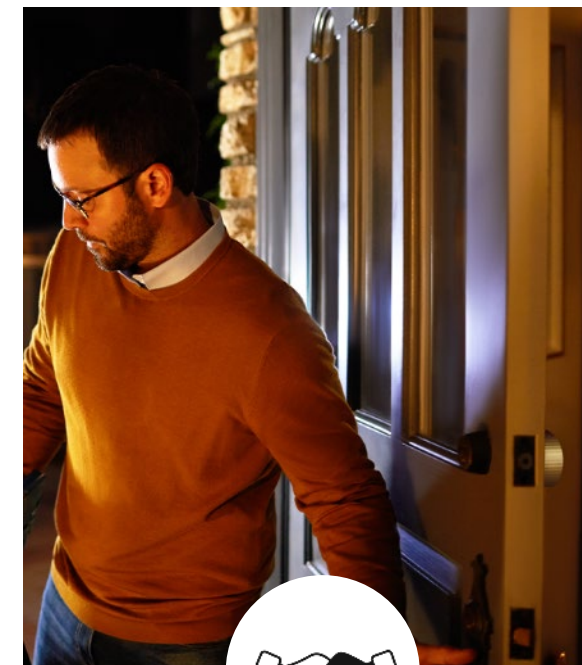
Multi-Family

Keyless access for renters and property managers – from common areas to individual units.



Smart Storage

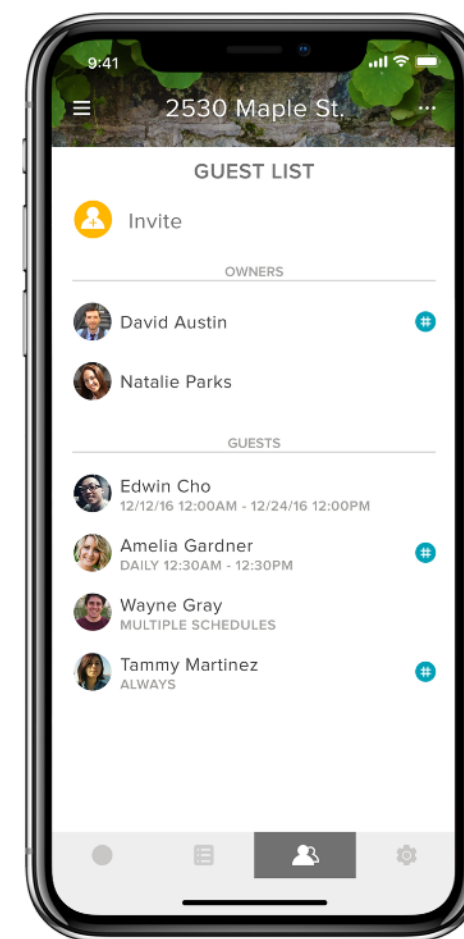
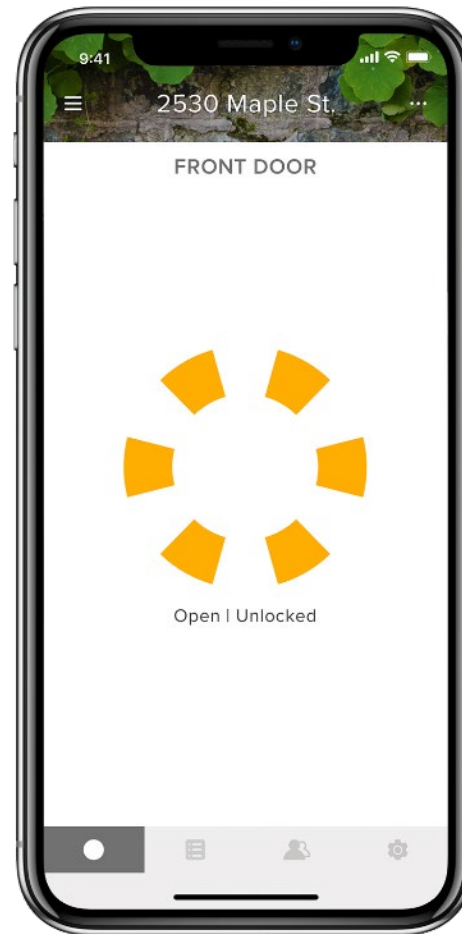
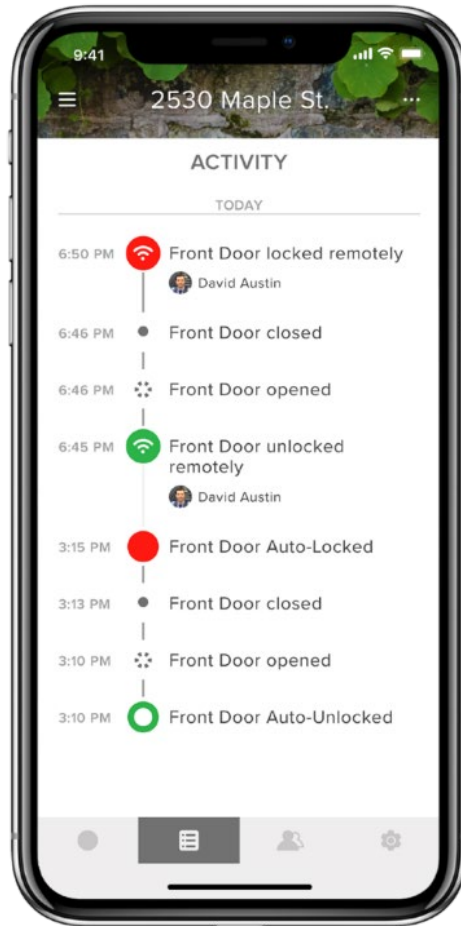
Smart security for personal belongings, documents, valuables, medicine and even packages.



Partners

August and Yale work with leading rental property and smart home brands.

4.5+ STAR SMART LOCK APPS



ADDED CONVENIENCE AND PEACE OF MIND

- **Codes Over Keys** - Never worry about getting locked out of your home because of lost keys.
- **No More Hiding Keys** – Assign friends, family and trusted service people a unique entry code so they can let themselves in.
- **Added Security** – Keyless smart locks mean you can't lose your keys.
- **Let Go of Worries** – No need to wonder if you've locked the door, thanks to Auto-Lock.



Yale | August

Lose your keys.
For good.®

FBIN IS UNIQUELY POSITIONED TO CAPTURE GROWTH

Consumers and businesses appreciate the value proposition of connected security

- Currently, roughly 10% of U.S. homes are smart home smart lock households, and expect 1 million more smart lock households each year in the U.S. for next four years¹

We have an expanded security connected product portfolio and capabilities to keep growing

- Strong brand recognition with iconic security brands
- Scaled resources devoted to innovating and advancing technology
- Ability to leverage FBIN channel relationships to partner
- Recent acquisition is a growth accelerant, providing unique opportunities to leverage our security, door, hardware products and digital expertise

Opportunities to expand

- | | |
|----------------|-------------------------------------|
| • Builders | • E-Commerce |
| • Retailers | • 3 rd Party Integrators |
| • B2B Partners | • Wholesalers |



FUTURE OPPORTUNITY: SMART ENTRY

- Leading residential entry doors
- Leading residential smart locks
- Strong brand recognition
- Teams focused on innovation
- Investments and capabilities of a nearly \$5 billion dollar company
- Dedicated connected product teams



THERMA TRU
DOORS

LARSON

Master
Lock

Yale

eugust

FORTUNE BRANDS INNOVATIONS + CONNECTED PRODUCTS

UNIQUE COMPANY WITH A UNIQUE OPPORTUNITY