

# Gunner Smith

President, Roofing



**INVESTOR** DAY  
2021

# Growing from a Strong Foundation

What you will hear today

1

## Continued performance

Market-leading products with a cost advantage

2

## Business growth opportunities

Contractor conversions  
Components expansion  
Product innovation

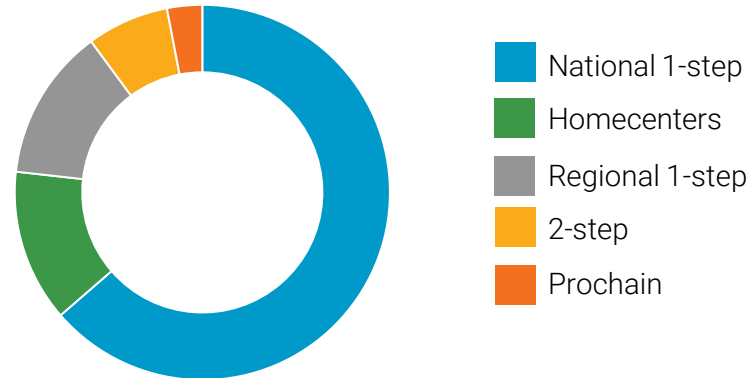
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## Investing to increase supply position

Through productivity, process innovation and continued capacity expansion in our existing plant network

# A Leader in the North American Residential Roofing Market

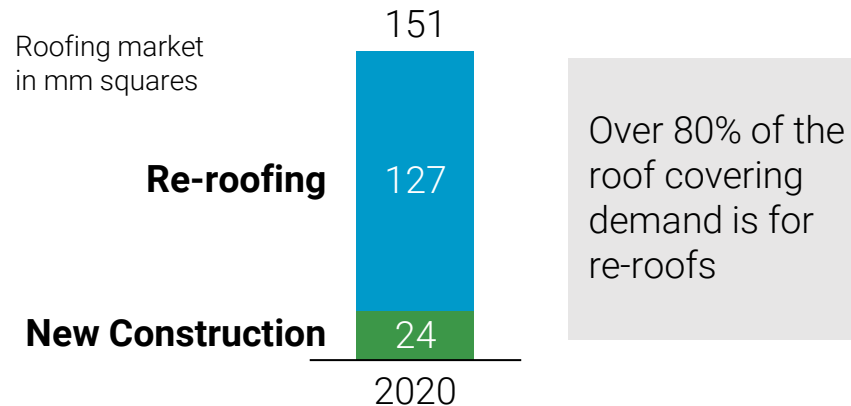
## 2021 Estimated Market Mix by Channel



## We have Prominent Partners in All Channels



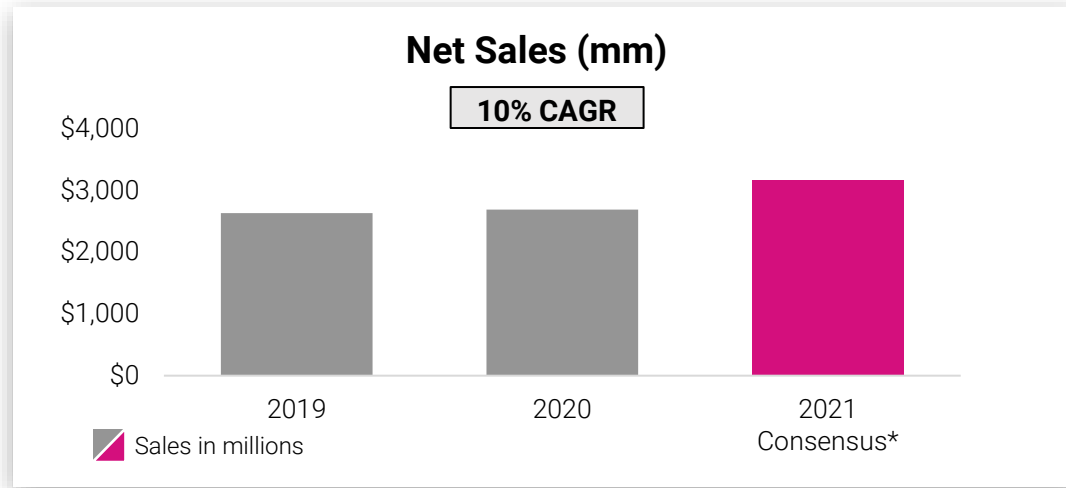
## Repair and Remodeling Focused Business



## Roofing Market Drivers

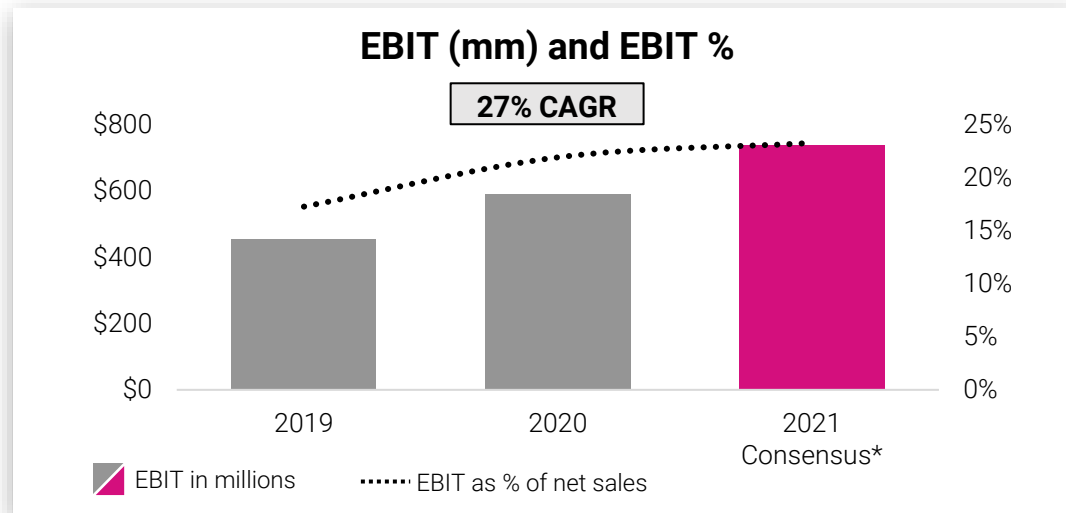
- 1 Age of housing stock
- 2 Continued investment in home improvement
- 3 Aesthetics and exterior upgrades
- 4 Complete roofing systems to improve performance

# Strong Financial Performance



## Key Drivers for Business Growth

- Continue to enhance industry-leading Duration® shingles
- Invested in our Components business to accelerate our growth
- Best-in class commercial team



## Key Drivers for Improved Performance

- Vertical integration and asphalt capabilities create a leading cost position
- Focusing on efficiencies in our manufacturing process drive productivity and capacity gains
- Innovation will continue to deliver performance for our multimaterial roofing systems
- Industry-leading contractor network



# Industry Leading Contractor Network is a Key to our Success

The right products, tools and commercial team to accelerate contractor conversions

## What We Have Done

- ✓ **9 out of 10** professional roofing contractors **prefer** to install **Duration® Series Shingles with SureNail® Technology<sup>1</sup>**
- ✓ Increased local **marketing capabilities** with in-market leaders
- ✓ Built an extensive suite of **contractor services**
- ✓ **Accelerated system-selling** through a complete product portfolio and multi-material marketing support
- ✓ **Grown our contractor network to over 22,000 members**, from 14,000 over the past 5 years

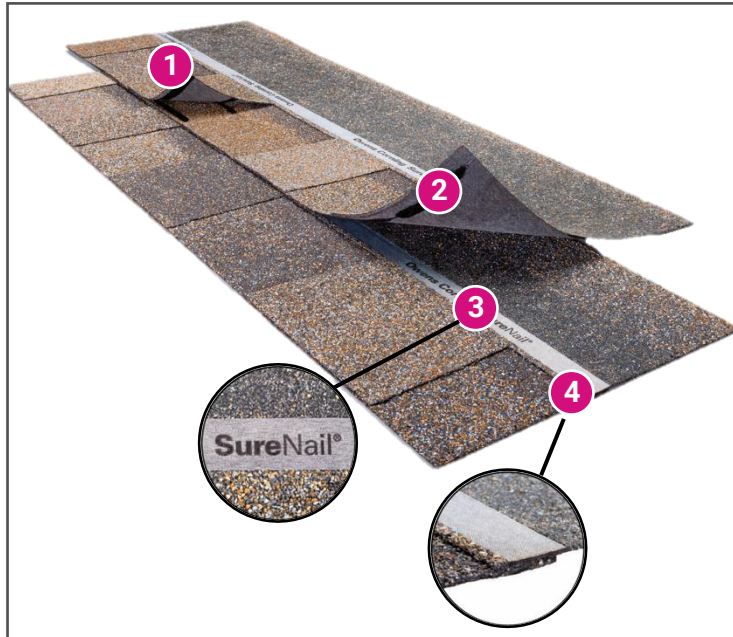
## What We are Doing

**Continuing to invest in contractors to help build their business through:**

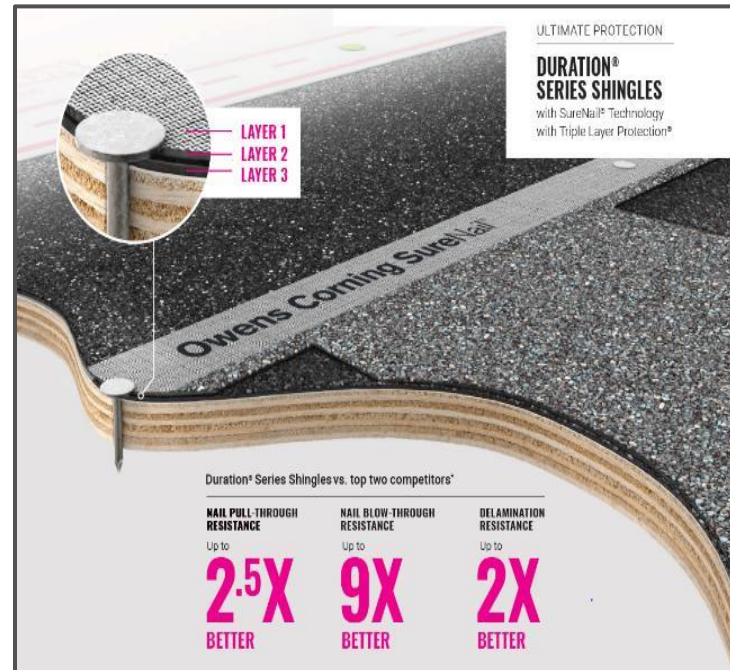
- ✓ **Innovative products and systems** that are easy to sell in the home
- ✓ **Enhanced marketing and digital tools**
- ✓ Additional training, webinars and analytics to **better support the network**
- ✓ A commitment to **enhancing existing plant network and increasing inventory levels**

# Innovation that Creates Value

Our flagship product:  
**Duration®**



Offers the industry's  
**Best Performance**



And has been enhanced  
over time



# Components are Key to Accelerating Performance

Our components portfolio has accelerated growth with margins similar to shingles

## Where We Participate

Hip & Ridge

Starter  
shingles



Self adhered  
underlayment

Underlayment



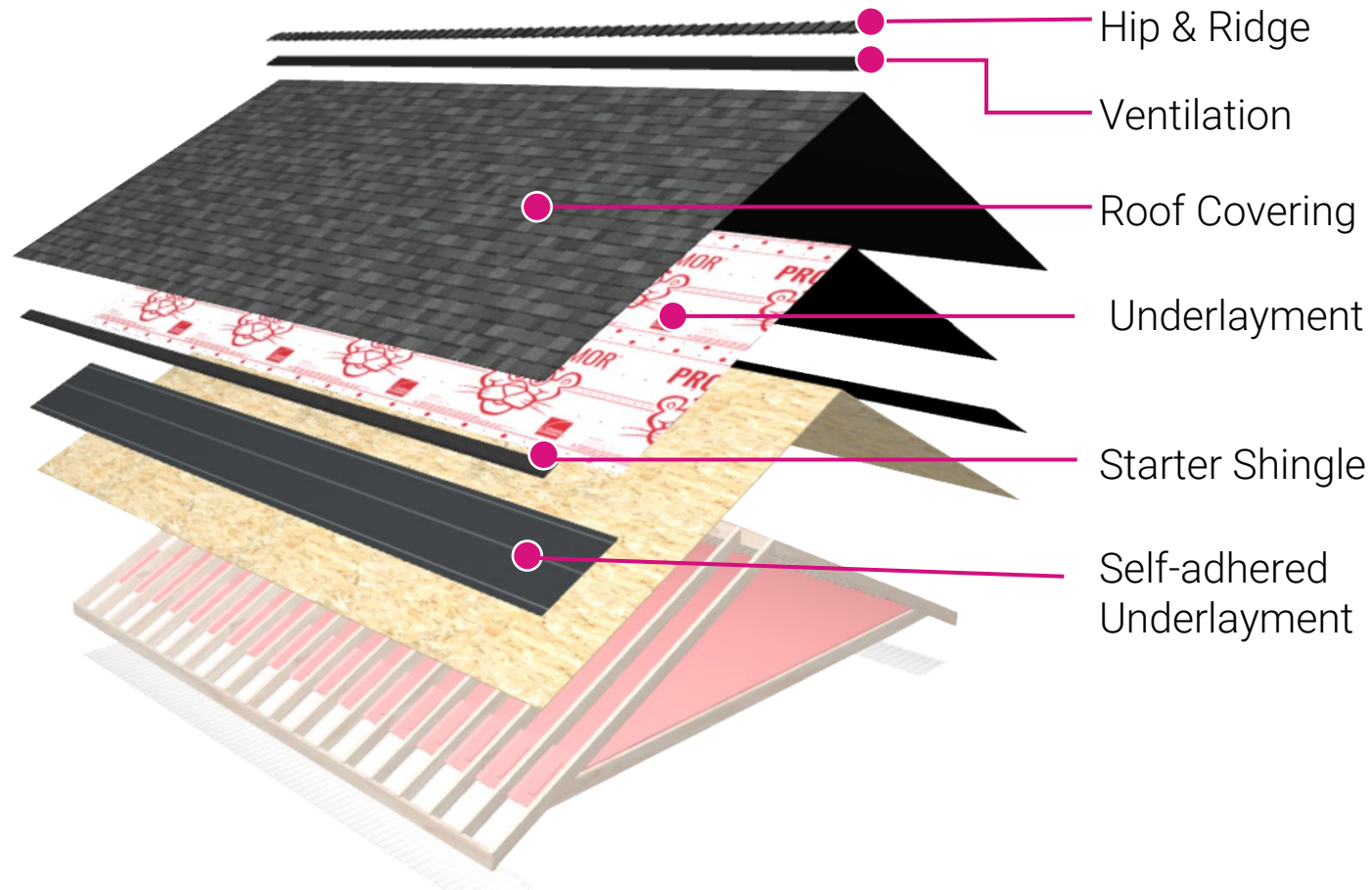
Ventilation

## Accelerating Growth

- Our Components business has grown faster than the market as a result of our investments
- We have increased our attachment rate by 40% over the past 5 years<sup>1</sup>
- There is room to grow in our offering as we create a better roofing system

# Continuing to Expand our Multimaterial Roofing System

The Total Protection Roofing System® is a leading selling story for our contractors

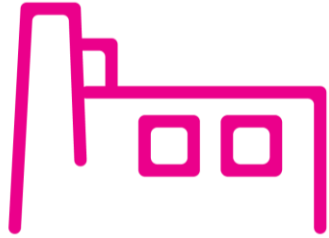


- Expanding our multimaterial system offering positions Roofing for future growth
- Functionality innovation creates winning opportunities
- Uniquely positioned to deliver value across customer channels

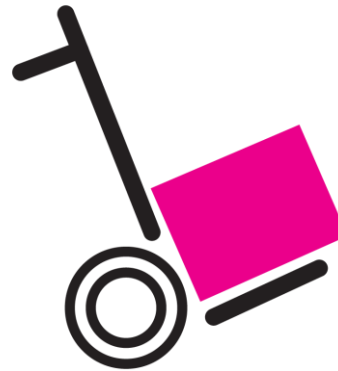


# Investing to Supply the Market Effectively

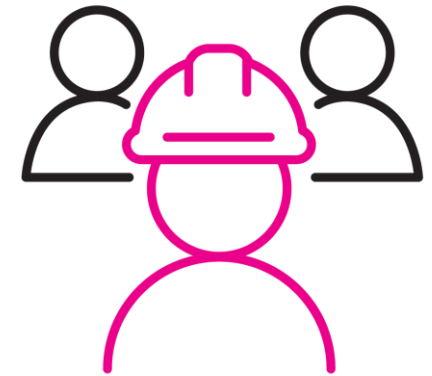
Increasing our ability to support our growing contractor network



Upgrading capacity at existing manufacturing facilities



Building and maintaining enhanced inventory levels to meet market demand surges



Focusing on workforce and TPM to minimize downtime and maximize throughput

# Growing from a Strong Foundation

Competitive advantages and investments will support above market growth

## Market-leading products with a cost advantage

- Vertical integration creating supply security and synergies
- Asphalt and manufacturing excellence producing a leading cost position
- Innovation capabilities providing industry-leading performance

## Growing through contractor conversions and Components

- Opportunity for expanding and enhancing our contractor program
- Multimaterial roofing system providing contractors the best roof to sell to their customers
- Growing Components business allowing expansion into new categories

## Advancing existing plant network and increasing inventory

- Continue investing in capacity and inventory to support our growing contractor network