

13-May-2026

Masco Corp. (MAS)

Investor Day

CORPORATE PARTICIPANTS

Robin L. Zondervan

Vice President, Chief Accounting Officer and Investor Relations/FP&A, Masco Corp.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

Jill Ehnes

President - Delta Faucet Company, Masco Corp.

Hans-Juergen Kalmbach

Chief Executive Officer - Hansgrohe SE, Masco Corp.

VijaiKrishna Teenarsipur

President - Behr Paint Company, Masco Corp.

Christopher Waits

Merchandising Vice President, Paint, The Home Depot

Steve Stigers

President - Watkins Wellness, Masco Corp.

Lauren Westin

Vice President, Digital & Analytics, Masco Corp.

Richard Westenberg

Vice President, Chief Financial Officer & Treasurer, Masco Corp.

OTHER PARTICIPANTS

John Lovallo

Analyst, UBS Securities LLC

Keith Hughes

Analyst, Truist Securities, Inc.

Anthony James Pettinari

Analyst, Citigroup Global Markets, Inc.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Matthew Bouley

Analyst, Barclays Capital, Inc.

Stephen Kim

Analyst, Evercore ISI

Michael Rehaut

Analyst, JPMorgan Securities LLC

Sam Reid

Analyst, Wells Fargo Securities LLC

Philip Ng

Analyst, Jefferies LLC

Susan Maklari

Analyst, Goldman Sachs & Co. LLC

Michael Dahl

Analyst, RBC Capital Markets LLC

Rafe Jadrosich

Analyst, BofA Securities, Inc.

Eric Bosshard

Analyst, Cleveland Research Co. LLC

MANAGEMENT DISCUSSION SECTION

Robin L. Zondervan

Vice President, Chief Accounting Officer and Investor Relations/FP&A, Masco Corp.

Good morning, everyone. Welcome to Masco Corporation's 2026 Investor Day. I'd like to thank all of you for joining us whether here in person at the New York Stock Exchange or online. I'm Robin Zondervan, Vice President of Investor Relations and FP&A. We have a full schedule for this morning. You'll hear from many of our senior executives as we share more about the next evolution of our strategy including our various initiatives to drive both top and bottom line growth. At the end of our presentation, we have time allotted for Q&A and look forward to taking your questions then.

For those of you who are here with us in person, we hope that you will join us for lunch following the Q&A session. Before we begin our presentation, I ask that you please review the following slide. This slide acknowledges that our presentation today includes our views about our future performance, which constitute forward-looking statements. Today's presentation will also include non-GAAP financial metrics. We reconcile these adjusted metrics to GAAP on our website masco.com under Investor Relations. With that, I'd like to introduce our first presenter of the day, our President and Chief Executive Officer, Jonathon Nudi.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

All right. Thank you, Robin. And good morning, everyone. We greatly appreciate you joining us today whether in person or online for a focused look at our strategy, growth priorities and long term value creation. Our goals are clear and we aim to instill in your confidence in our strategy and path forward. Specifically, we expect you to take away the following.

Masco will deliver above market top and bottom line growth through a consumer driven strategy, leveraging our industry leading brands which we'll bring to life today, expanded commercial capabilities, and finally enhanced operational excellence. We have a strong history of consistently delivering on our commitments, and we are absolutely committed to delivering on this strategy and accelerating our growth moving forward.

Now, to set the stage for how we will execute against this commitment, I want to walk you through three key areas. First, our strengths. Second, our opportunities. And then, finally, our strategy. I'm going to start with Masco's strengths. What we've done well because they are substantial and help build the strong foundation we have today, and we will continue to build on this foundation moving forward. We have significantly streamlined our portfolio of businesses over the past two decades. We went from five segments and over 40 business units in 2005, down to four segments and 17 business units in 2015. And today we have two segments and eight business units.

When we last held an Investor Day in 2019, we discussed the plan to sell both our cabinets and windows businesses, which we successfully executed shortly afterwards. This leaves us with a more focused and simplified portfolio of businesses. Our portfolio today is focused on some of the most attractive categories in building products, Plumbing, Paint and Wellness. These categories have similar characteristics, including a larger repair and remodel composition, generally lower cyclical, and finally ongoing share growth opportunities. Additionally, these categories are all driven by strong brands excellence in design and innovation.

The Plumbing, Paint and Wellness categories were intentionally chosen due to the strong EBITDA margins and higher ROIC, we exited categories like cabinets and windows with lower margins and returns. These portfolio decisions have resulted in a more focused company with higher shareholder returns.

Another strength of Masco is our leading brands, in Plumbing our North America brands include Delta, Brizo and Newport Brass. Internationally, we have the hansgrohe and AXOR brands. In Paint, our Behr and KILZ brands are sought after by DIYers and pros alike. In Wellness we have the Hot Spring and Caldera Spa brands and our TYLÖ, Helo and FINNLEO sauna brands, we are category leaders in North America as Delta faucet is the number one faucet brand. Behr Paint is the number one DIY brand and Hot Spring Spas are the number one hot tub brand.

Our brands are known for their performance, quality, design and innovation. Our streamlined portfolio of businesses with leading brands focused on the most attractive categories has led to our strong and consistent financial performance through cycles. Since 2019, revenue has compound at a growth rate of 2%. Adjusted operating profit also has a compound annual growth rate of 2% and adjusted EPS has a compound annual growth rate of 10%. We grew adjusted EPS from \$2.28 per share in 2019 to \$3.96 per share in 2025, which is a credit to the focus and diligence of our teams across our businesses.

As a reminder, during this period, we navigated through supply chain challenges, a global pandemic, significant inflation, and sizable increases in tariff costs. Yet we still generated strong results, including double-digit adjusted EPS growth. This strong financial performance drove shareholder value. We returned over \$9 billion to shareholders since 2015. Our ROIC averaged 45% annually since 2019, and our dividend has increased annually for the past 13 years. So there's a lot we've done really well over the past several years and we have a very strong foundation to build upon.

Yet, we do have opportunities and with focus and strong execution, we can drive additional shareholder value. Now when I came on board as CEO last year, I completed a listening tour. And one thing I heard consistently is our largest opportunity is to accelerate top-line growth, which hasn't grown since 2022. We are energized by this opportunity and absolutely believe we can drive additional top-line growth across our businesses. You'll hear a lot more about that over the course of this morning.

Now at the same time, we will stay true to delivering strong bottom-line performance. So you'll also hear more about our strategic initiatives around margins and profitability. Accelerating top-line growth is a priority. You'll hear today specific plans to do just that from the leaders of our four largest business units. Each business has key focus areas and opportunities to drive growth.

In Plumbing, we have three key growth opportunities. First, advancing e-commerce leadership. We have consistently gained share in this channel through differentiated capabilities, and these capabilities are increasingly important as technology rapidly advances and consumers embrace digital experiences. Next, we have an opportunity to accelerate the growth of our luxury brands, Brizo, AXOR, Newport Brass brands resonate with consumers and have performed very well over the past few years, yet they are still a smaller portion of the portfolio. So growth opportunities remain.

Finally, we have an opportunity to drive global projects. We have a significant international presence and we can use our scale to deliver products which meet the needs of our customers investing in large global projects, including hospitality and multifamily luxury projects. Jill Ehnes and Hans-Juergen Kalmbach will bring these opportunities to life in just a few minutes.

Now in Paint, we intend to strengthen our DIY leadership amidst a backdrop of a challenging environment. Our Behr brand delivers amazing quality and value, so we want to clearly communicate these benefits to consumers. At the same time, our investments in pro paint are paying off. We plan to continue to drive share gains and win with Pro by offering services and support which meet the day to day needs, their day to day lives. We remain tightly aligned with the Home Depot around driving growth of pro. In pro paint, we have less than a 10% share of the category, so there's a large opportunity for us to continue to grow and gain share. VJ Teenarsipur will walk you through these plans in more detail later this morning.

Finally in Wellness, Steve Stigers will detail the strong secular trends in this space, as well as the opportunity to increase household penetration in both hot tubs and spas. Collectively, this business provides an outsized opportunity for growth. As I mentioned earlier, we also remain focused on driving our bottom-line. We certainly won't ask shareholders to fund our investments to accelerate the top-line. Instead, we'll grow margins and generate investment dollars by leveraging our scale and managing our costs effectively. Now, we've already begun taking actions which include further streamlining our business with the recent announcement of the integration of Liberty Hardware into the Delta Faucet organization. We're standing up Centers of Excellence and disciplines where advanced capabilities will drive performance across all of our businesses, optimizing our footprint across our manufacturing and distribution facilities, and continuing to utilize our Masco operating system to adopt best practices across our enterprise which drive productivity and efficiency and take costs out of the business.

As an example, we have the opportunity to optimize indirect purchasing to leverage our global scale and reduce our overall costs. So after detailing our strong foundation and our opportunity to accelerate growth, let me take a step back to really walk through a key message for the day. As I mentioned earlier, we plan to deliver above market top and bottom-line growth through a consumer driven strategy, leveraging our industry-leading brands, expanded commercial capabilities and enhanced operational excellence.

Let me spend some time unpacking each of these key components of our strategy in a bit more detail. Now, a key driver to above market growth is leveraging our industry-leading brands. And we've got a great stable of brands. A consistent differentiator of our brands ever since Alex Manoogian founded Masco and invented the single handle faucet has been a focus on innovative products. We combine innovation, design, quality and performance which makes our brands stand out and lead in the market.

We also innovate to meet consumer needs and solve their problems is driven by a pull from the market versus a push into the market. In Plumbing, our portfolio of Plumbing brands is uniquely positioned to meet the needs of both Pro consumers and pros. Leveraging our brands means developing products based on consumer insights, focusing on function, design, form and sustainability. In Paint, our Behr brand has industry-leading quality at an incredible value. We're also further communicating our value proposition with pros as Behr Paint and Kilz primer have both the performance and price they want.

We are the top rated interior paint, top rated exterior paint and top rated exterior stain by Consumer Reports. We've always been a leader in sustainable products and will continue to be a leader moving forward. In Wellness, we will leverage our brands to drive increased household penetration. Spas are only in about 6% of US homes and saunas are only in 1% of US homes representing a large category growth opportunity. Our Hot Spring, Caldera and Endless Pools, Tylö and Finnleo brands are either number one or number two brands in the respective markets. So with a continued roll out of innovative products, we can capitalize on this growth opportunity in this sector.

Now a second key driver to above market growth is expanded commercial capabilities. One of these capabilities is digital marketing and e-commerce. Digital marketing is the way forward. Consumers typically start their search online and they're increasingly making purchases there as well. Delivering a personalized experience is now essential. We intend to accelerate investments in these digital capabilities which can be leveraged across all of our businesses to drive growth. We've appointed a digital marketing leader for our organization, Lauren Westin, and you'll hear more from Lauren later today on this topic. You'll also hear more from VJ and Lauren about how ChatHUE helps us solve our paying customers' number one biggest challenge, picking the right color. Additionally, you'll hear about how we'll continue to expand our marketing capabilities to optimize and tailor the consumer experience based on individual needs and preferences. Our business units are already making progress in implementing various commercial excellence capabilities. We've developed tools which bring greater visibility into what's driving our commercial performance. We've created processes which allow for faster and more structured pricing and trade decisions, and we're growing our data and analytics capabilities to better inform the choices we make which impact our revenue and our margin.

Finally, the final key driver to above market growth is enhanced operational excellence. The how behind the strategy. This really consists of a new executive committee which for the first time in Masco's history, includes direct representation from our largest business units. Simplification at scale as evidenced by bringing Liberty Hardware into Delta and Centers of Excellence to develop key capabilities, which can be applied across our business to move with increased speed and drive enhanced results. Our executive committee consists of leadership from Delta Faucet, Hansgrohe, Behr Paint and Watkins Wellness, all of whom you will hear from today. In addition, our executive committee includes key functional leaders, including two recently announced additions, our Chief Supply Chain Officer, Arun Iyer, and our Chief Procurement Officer, Steve Nikolopoulos. All of our executive committee members are here today and you'll have a chance to meet them if you're with us in New York City this morning.

Now we're standing up Centers of Excellence as well to develop common tools, capabilities, guidance and insights which our business units can tailor to their strategies and customer needs, resulting in faster decision making, enhanced customer experiences and high quality execution. Finally, we have a consumer driven strategy, approximately 90% of our sales are branded consumer facing products. This includes sales to professionals who are loyal consumers of our products as well. As we talked about earlier, consumer insights drive our product development and innovation pipeline, products which meet the needs and preferences of our consumer, accelerate our top-line growth and drives incremental profitability.

Winning today requires a relentless focus on consumers and everything we do. Our strategy is an evolution putting on a strong foundation to capture the opportunities in front of us. As you've heard from me, Masco will deliver above market, top and bottom-line growth through consumer driven strategy, leveraging our industry leading brands, expanded commercial capabilities and enhanced operational excellence. Now let's dive into each of our businesses in a bit more detail. We'll start with Plumbing. So please join me in welcoming Jill Ehnes to the stage. Thank you.

Jill Ehnes

President - Delta Faucet Company, Masco Corp.

Thank you, John. Good morning, everyone. My name is Jill Ehnes. I am the President of Delta Faucet Company and North American Plumbing. Today, my colleague Hans-Juergen Kalmbach and I are going to share how Masco's Plumbing platform is built to win by taking share, expanding margins and compounding value through any point in the cycle. What we're going to walk you through is not theoretical. It's grounded in data. It's proven in performance and it's already showing up in our results. Now we win by doing three things exceptionally well. First, we build structural advantages that are anchored in our industry leading brands. Second, we invest in targeted

growth accelerators by expanded commercial capabilities. And third, we drive operational excellence that supports best in class cost structure and margin durability.

So let me start with our structural advantages. We operate in a \$32 billion market that's growing at about 3% to 4% through the cycle. And within it, we are the largest branded faucet and showering player globally. At \$4.5 billion in revenue and with about 90% of our business in faucets and showering, we hold leading share positions across our core markets and we serve customers in more than 100 countries. Our scale is a structural advantage, allowing us to leverage our brand leadership, our channel strength and our cost position. As a result, we are one of the most profitable decorative Plumbing businesses amongst our global peer set.

Our model is built for resilience. We are intentionally less exposed to new construction with a majority of our revenue coming through repair and remodel. And where we do participate in new construction, we focus on builders that really align with our brands with higher spec homes and they deliver more attractive margins. And we complement this with our global project business built on marquee developments specified by world renowned architects and designers. That business is supported by a multiyear pipeline that provides brand visibility and a more predictable multiyear demand for our global hansgrohe and AXOR brands. The results, lower volatility, more durable margins, and more consistent performance through cycles.

We create demand, as John said, by winning with decision makers. And our strategy starts with that deep consumer insight, understanding how they research our products, how they purchase our products, and then ultimately how they use our products. We take a targeted approach across a broad set of decision makers, starting from those consumers, also professional installers, architects, designers and showroom associates. And that insight advantage allows us to tailor our brand positioning, our product innovation, our pricing and our channel access by segment. The result is consistent share capture. Across market conditions and independent of market growth.

Now a cornerstone of our ability to win is branded product leadership. Our platform includes our seven core brands with the scale, positioning and economics to grow profitably over time. Together, they form what we believe is the strongest brand portfolio in decorative Plumbing. Our hero brands, Delta and hansgrohe are each over \$1 billion in revenue and hold leadership positions in their domestic markets. We complement that with a highly attractive \$450 million luxury portfolio that includes Brizo, AXOR and Newport Brass. These brands are selectively distributed, they're designer and architect specified and they serve a more resilient, higher margin consumer.

Collectively, this portfolio positions us to win across price points with strong economics. Our business is anchored in the most attractive profit pools in decorative Plumbing, faucets, and showering represent roughly one-third of the \$90 billion global market, yet they capture over 50% of the profit pool. These categories are less commoditized, more brand driven, and enable meaningful differentiation through design, finish and functional innovation. That creates a strong foundation not only to win in our core categories, but to expand selectively into adjacencies by leveraging our brands, our channel access, our innovation capabilities and our global reach. So we'll continue to deploy capital where brand matters most, and commoditization is lowest.

In our categories, distinctive new products create demand and reinforce brand relevance, conversion and pricing power and this is where we excel. Our approach is repeatable and disciplined. First, we start with deep consumer insight. Then we translate insight into differentiated designs and innovations. And then we work quickly to deliver those new products to market at speed. And the results reinforce that. Today, our new product vitality or percent of revenue coming from products that have been launched in the last three years is approximately 25% with a

clear path to 30%. And we are well positioned to deliver on that goal with a prospective pipeline of over \$1.5 billion.

Now we reach our decision makers where they choose to shop. Our data shows that consumers engage with our brands across approximately ten touchpoints before making a purchase, and we take a true omni-channel approach, walking alongside them throughout their journey across trade, retail and online. We do this while maintaining selective distribution of our luxury brands to protect exclusivity and brand positioning. We have deep, trusting relationships with all of our decision makers, and we'd like you to hear from a few of them.

[Video Presentation] (00:23:12 -- 00:25:23)

Now that video has a focus on the Delta brand. This message is reflective of the sentiment of our decision makers across all of our brands. Our omni-channel model ensures that we capture demand wherever it's created and translated into share across channels while also reducing reliance on any single channel or customer.

We have one of the broadest global footprints in decorative Plumbing. Through hansgrohe and AXOR we sell in over 100 countries with dedicated commercial operations in approximately 35 markets. That local presence enables tailored execution and sustained demand creation. We will continue to leverage the strength of hansgrohe and AXOR to expand our global leadership, particularly in the attractive Global Projects segment.

And finally, we're seeing several market trends that are structurally favorable to our business. First, the purchase journey is increasingly digital. In the US, approximately 27% of faucet and showering revenue is now online, growing at an approximate 15% CAGR over the last decade and we expect that online growth to continue to outpace the overall market.

Currently, over 50% of consumers and pros begin their home improvement shopping journey online. And with the continued proliferation of social media and AI tools, the use of digitally-assisted sales will only continue to accelerate. Second, the luxury decision maker has remained resilient across cycles, supporting our premium and luxury portfolios. And third, we are seeing increased globalization. This trend where globally brands win when they're locally relevant, which plays directly to our operating model. Combined, these trends align with our strengths and reinforce confidence in our strategy.

Building on these structural advantages, we are investing in targeted growth accelerators to extend our leadership. We're focused on four areas where we have the right to win and the ability to scale, digital luxury, new product development and innovation, and global projects. Together, these growth accelerators expand our commercial capabilities and position us to drive above market growth and gain share.

As I said, the purchase journey is increasingly digital and we are winning. We invested in online early building a dedicated e-commerce team and set of capabilities nearly a decade ago, and as a result, we hold an outsized digital shelf position. Digital influences the purchase even when the transaction happens in-store or through trade. With 95% of shoppers researching online. Winning digitally means winning overall.

Our performance reflects that leadership with an approximate 15% CAGR over the past five years, well ahead of the market, which grew at an approximate 8% CAGR and gaining over 800 basis points of share. Today, with the majority of our online sales coming through pure play e-tailers and our channel partners online platforms, our online faucet share is approximately 1.5 times that of our nearest competitor. And looking ahead, we're scaling this advantage in partnership with our digital COE to drive continued share gains and profitable growth.

Our omni-channel leadership is powered by a connected set of digital capabilities that we've built over time. And at the core is advanced analytics which helps drive our decision, including what products we're going to launch, where to compete, and how to win the digital shelf. We also take an online first product launch approach allowing us to test, learn and unlock incremental revenue opportunities.

That capability is already producing tangible outcomes, including stronger ecommerce vitality at 35%. But it's not just about online sales, that online first product launch approach allows us to take the learnings and extend those top selling products into other channels and customers generating meaningful omni-channel revenue created from whitespace opportunities that we identified online.

And now we're introducing AI to help us identify those opportunities faster, optimize our performance in real time, and automate execution at scale. The takeaway is simple, we've built the digital foundation and now with AI, we're ready to multiply it. As I shared earlier, luxury is a highly attractive profit pool and a key growth opportunity for us. The luxury kitchen and bath market in North America is roughly \$2 billion. It's more resilient than the mass market. It offers higher margins, and it's growing at roughly 2 times the rate, making it an important segment for share expansion.

Today, our portfolio is well positioned to accelerate growth with demand in brands, strong advocacy from key influencers and deep existing channel partnerships. Not every competitor can play in this segment, and even fewer can scale profitably. Luxury is not one consumer, one channel or one aesthetic, it's a continuum, and that is why we compete with a portfolio of distinct brands. Each has a clear role and differentiated positioning. In a fragmented market where exclusivity and personalization drive demand, portfolios win where single brands are more challenged.

And we have a proven track record of building brands in this space. Brizo's 14% CAGR over the last decade and strong influencer advocacy are clear proof. Today, Brizo is the number two luxury brand in North America, the fastest growing in the segment, the most recommended by showroom associates and it has 84% awareness with designers.

Now we're applying that same luxury playbook to Newport Brass to move the brand up market. And since integration into Delta Faucet Company just last year, we have sharpened the brand positioning, accelerated product launches, and leveraged our scale and relationships to drive growth. Early results are encouraging. Within nine months we've outpaced market growth and we've gained share. We were also awarded the Architectural Digest Great Designs Award. We've garnered over 100 million earned media impressions and increased our digital engagements by 40%.

And as leading global luxury brands, we know there's significant opportunity to unlock further growth from hansgrohe and AXOR in North America. By increasing coordination across our portfolio and establishing dedicated leadership, we're driving synergies and scaling more effectively. Our unique brand portfolio provides differentiation that drives preference and our scale drives faster, more profitable growth.

Now I'd like to turn it over to Hans-Juergen, who will share more with you about our innovation and global project growth strategies.

Hans-Juergen Kalmbach

Chief Executive Officer - Hansgrohe SE, Masco Corp.

Thank you very much, Jill, and good morning to every one of you. Innovation is the fuel for growth. Innovation creates demand pull, innovation strengthens our brand relevance and innovation supports modern development.

Water is life and our passion as we keep saying that, we create inspiring moments with water while treating this precious element in a responsible way. We focus our innovations where it matters most, in function, design, form and sustainability. Let me share with you a few examples of our water innovations.

First, function, in water quality the faucet is the delivery point. But looking at the consumer desires, we saw the opportunity to do more. We converted our faucet into a complete reverse osmosis system, our drinking water systems are now highly differentiated, the most certified in their class, and already scaling quickly exceeding our sales expectations. Second, design, in premium and luxury design really matters, consumers increasingly expect products to deliver both performance and design aesthetics that are on trend. Brizo's Beauclere collection is a great example for that, by pairing unique design and performance Beauclere won already multiple design awards.

Let me talk about Form, number three. We also innovate by rethinking how our products are coming together as a complete solution and our customers experience our product. With hansgrohe Avalegra solution, we integrated a faucet, a basin and an upward spraying face shower into one single wash place system. Therefore, we created a new water experience so that the consumer can use the face shower to rinse the face after showering – after shaving or to remove makeup.

Number four, sustainability. Of course, sustainability is also top of mind of our consumers. With innovative technologies like, hansgrohe EcoSmart or CoolStart, we reduce the water consumption in a shower or a faucet by up to 60% without compromising the comfort of a shower. Therefore, we improve water and energy efficiency and we also, of course, reduce by that the carbon footprint of the product.

With a proven high volatility rate and our \$1.5-plus billion pipeline for water innovations, we are well positioned to continue converting consumer insight led innovation into sustainable growth across the categories, the markets we play channels as well as price tiers.

Let me talk about the global project business, which is a significant growth engine for Plumbing. We achieved profitable growth of approximately up to \$400 million with a growth rate of plus 8% over the past five years. And our ambition is clear, we will further drive accelerated growth in the premium and luxury hospitality as well as residential project segment. At its core, the global projects demand in premium and luxury continues to expand at a strong pace. That makes our project channel not only resilient but also a powerful lever for sustained profitable growth.

With our portfolio, particularly our brand AXOR, hansgrohe as well as Brizo and Newport Brass, we are strongly positioned because we have a strong partnership with global architects and designers, leading hospitality brands and luxury and premium real estate developers and investors. Regionally, Asia and the Middle East stand out as the most attractive area for the global projects business. So for example, as you see on the chart, as a guest, you can experience our AXOR faucets and showers, for example, in the Mercedes-Benz Tower in Dubai or at luxury hotels and resorts such as the [indiscernible] (00:38:08), Mandarin Oriental, Four Seasons, the Ritz-Carlton, and many more. For these kind of properties, the designer collections from our AXOR designers, Philippe Starck, Antonio Citterio or Barber Osgerby from London are very well demanded.

Our growth trajectory is well founded in our approach to project business as we created a robust global projects pipeline for the next years. And to further expand the pipeline as well as the conversion, we will strengthen our presence in global design hubs where we treat architects and designers directly to support specification. In London, for example, in Dubai, Singapore, Hong Kong, here in New York, as well as in Miami in order to help scaling large projects with architects and designers.

Our growth strategy focuses on three key priorities. First, strengthen luxury leadership with AXOR, Brizo and Newport Brass to fully capture the expanding high-end segment, in particular in the fast growing brand and resident segment such as the Louis Vuitton, Mercedes-Benz or Aston Martin residences. Second, gain market share with our brand hansgrohe in the premium and mid-segment that offer scalable growth opportunities. And third, position Masco as the trusted partner for complete bathroom solutions for projects. As we execute with discipline and deepening our relationships with architects and designers, we will leverage the Global Projects business as a scalable engine for further profitable growth.

Fueling and sustaining growth requires also operational excellence. As a Plumbing platform, we have been invested in our operations and supply chain capabilities for several years. Now, we are taking it to the next level with a robust, multi-pronged program and a simplified North American platform. To improve our operational excellence, we are executing focused initiatives across three areas that drive new capabilities and meaningful margin improvement over the next years.

First, let me talk about footprint optimization. We are actively managing our production locations and our utilization while increasing the use of third-party and contract manufacturing. This includes, for example, moving portions of our hansgrohe faucet manufacturing, finishing and assembly in Germany to our new plant in Eastern Europe, Serbia. Additionally, we are optimizing our North American manufacturing and distribution network. Second, automation and productivity. We are driving value engineering across materials and also invest in automation to reduce labor dependency while improving speed and production flow in our facilities. And third, sourcing and scale leverage, in partnership with our procurement Center of Excellence, we are optimizing spend across direct and indirect categories to increase and scale the buying power we have. These initiatives are executed to build upon our strong track record of delivering productivity and cost savings.

To deliver on our growth strategy we also need the right operating model. Historically, our North American business has been organized as multiple, distinct operating entities. We've been consolidating that structure to create a more scaled, integrated organization that can move faster and execute more effectively. As a result, our North American Plumbing business is larger, more diversified, and better positioned to drive sustainable long-term growth. This consolidation positions us to scale shared capabilities, including innovation, analytics and e-commerce and drive cost synergies across supply chain and overhead roles. And it also unlocks growth by expanding our brands across a wider set of complementary offerings. Together, this drives stronger execution and operational synergies, enabling reinvestment in growth and also improved profitability.

At its core, Masco's Plumbing platform, with its industry-leading brands is built on structural advantages that compound over time. We operate at scale in categories where brand and innovation matters. With a portfolio and mix that have proven resilient through economic cycles. From this strong foundation, we are expanding our commercial capabilities to accelerate growth where returns are the highest. We are extending our share through a consumer-led innovation strategy, investing in digital, scaling luxury with a differentiated portfolio and steadily expanding our global projects pipeline.

Just as important, we are enhancing our operational excellence to execute with discipline. We are streamlining the North American business, optimizing our footprints and leveraging global scale to drive lower cost, more flexible operating models not as an end in itself, but as an enabler. That discipline allows us to reinvest in our brands, in our innovation, and in our capabilities while continuing to expand margins. The combination of structural advantage, targeted growth and cost discipline is what differentiates Masco.

And now I would like to invite VJ Teenarsipur, President of Behr to be with you on stage. VJ?

Vijaikrishna Teenarsipur

President - Behr Paint Company, Masco Corp.

Thank you, Hans. Good morning, everyone. I'm VJ Teenarsipur, President of Behr Paint Company. It's my pleasure to share with you today how Behr is well positioned to deliver above market profitable growth through our industry leading brands, expanded commercial capabilities and enhanced operational excellence. Our value proposition is straightforward, Behr wins with industry leading brands powered by innovation and a continuous improvement operating system that enables adjacent category expansion. We have a fast growing Pro platform and an exclusive scale partnership with the Home Depot. This combination is difficult to replicate and underpins sustained above market growth and attractive returns.

Behr is the number one brand in DIY with approximately 30% share and we are top rated across all paints and stains categories. Behr is also the fastest growing pro brand in the US. That brand equity and quality leadership drive pricing and mix strength and create a solid foundation for sustainable, high quality performance. We continually invest to strengthen the Behr and Kilz brands' product performance, color leadership and ability to deliver a seamless omni-channel experience. Our brand strength is a clear competitive advantage.

We are a leader in consumer centric innovation. We have over 300 plus granted patents, and we consistently lead the category by solving real life consumer and professional painter pain points. Innovation is a core driver of our growth and has supported premiumization and margin expansion. You will see that on the next slide.

As mentioned, innovation is a core driver of growth and profitability for Behr. We have built a repeatable innovation engine that improves customer experience, it drive share and expands margin. Whether it's about simplifying a job by introducing a product like paint and primer in one or improving performance by having features like scuff resistance or advancing sustainability with a plant-based acrylic product, Behr has consistently introduced industry firsts in terms of category-defining innovation. We will continue to invest in innovation and remain an industry leader on this front.

Adjacencies provide meaningful growth opportunity. We see an opportunity to expand in over \$2 billion in adjacent categories, and that includes aerosols, stains, coats and sealants and patch and repair. These are one-step adjacencies where we have the license to play and the right to win, leveraging our brands, our channel access, and our operating capabilities to take meaningful share over time. Our Pro business has delivered 12% CAGR over the last 10 years and we have over 98% awareness with the Pro. This momentum emphasizes our focus on expanding commercial capabilities. We and our partner, the Home Depot, are investing behind the Pro in the places that matter most, expanding outside sales coverage, expanding in Pro specialists, improving Pro relevant capabilities like jobsite delivery and significantly scaling training and other engagement events.

The goal is simple, we want to make it easier for pros to specify Behr by Behr and stay with Behr. Our exclusive partnership with the Home Depot is a key differentiator and a meaningful competitive advantage. We have been named partner of the year 16 times and we hold over 80% category share of the Home Depot. This partnership is built on solid strategic alignment and strong commercial execution. Our partnership has scaled from \$5 million in 1979 to about \$2.4 billion today. And this is across 2,350 stores. This reflects consistent, disciplined execution and a strong alignment to support growth. Our success is built on a long term, proven partnership model, and this partnership has never been stronger. We're well-aligned on innovation, digital and winning with the pro. Currently, we have 15-plus initiatives underway to improve product and customer experience, accelerate digital tools and expand pro penetration. These programs are designed to drive conversion, improve attachment and strengthen loyalty.

Before we move into segment dynamics and our strategic focus areas, this is a good point for us to hear from Home Depot's merchandising vice president for our categories, Mr. Chris Waits. And he's going to talk about the strength of our partnership and the runway ahead.

Christopher Waits

Merchandising Vice President, Paint, The Home Depot

Good morning and thank you for the opportunity to be a part of Masco's Investor Day. I'm pleased to speak about the importance and continued strength of our partnership with Behr. At the Home Depot, our focus is simple, deliver the best products, value and experience to both DIY and pro customers. Behr being a critical partner in supporting that strategy. Together, we've built one of the strongest partnerships in home improvement. One that consistently delivers growth for both companies and meaningful value for our customers.

What sets Behr apart from the rest is the combination of innovation, brand strength, product quality, which all lead to exceptional value for our customers. Whether it's industry leading paint performance, best in class color capabilities, our continued advancements in sustainability, Behr brings differentiated solutions that scale effectively across our platform.

Looking ahead, we see meaningful runway for continued Paint category growth. On the DIY side, Behr continues to play a key role in converting inspiration into purchase through strong digital and in-store experiences. On the pro side, momentum is building as we expand a more complete one stop solution that combines product, service, delivery and dedicated support. Our teams are deeply integrated across merchandizing, supply chain and in store. That alignment allows us to move quickly, scale innovation and execute consistently. Behr is just a supplier to the Home Depot, they're a strategic growth partner. Together, we're well positioned to drive continued category expansion, deliver long term value for both customers and our shareholders.

Thank you for the time. Have a great meeting.

Vijaikrishna Teenarsipur

President - Behr Paint Company, Masco Corp.

I'm glad you got to hear from Chris and the passion he has around our partnership. Now moving on to segment dynamics. The DIY segment is roughly \$4.5 billion. Over time, that market has shifted from a do it yourself to a do it for me model and broader macro factors treasure discretionary projects. That said, we anticipate DIY to stabilize in the short to midterm as existing home sales and other drivers stabilize. Pro is a \$10.5 billion segment and it's growing at roughly 4.5% CAGR with tailwinds from this DIY to DIFM shift, particularly in the residential repaint segment. We are positioned to continue to win with our DIY leadership while accelerating pro share gains. In DIY, we are the number one brand and we have a leading position in color match, quality and value. The seamless omni-channel experience that our brands deliver reinforces that leadership. We will continue to strengthen and extend the DIY leadership position we have through innovative new products delivering best-in-class customer experience and service leadership.

In pro, we have delivered approximately 200 basis points of share gain over the last five years. Further investments in service, delivery and our salesforce to expand coverage and improve the pro experience will unlock additional growth. Pro is our largest incremental growth opportunity. As Jon mentioned, we will win by doing three things extremely well. We will leverage our industry leading brands to establish Behr as the color leader, as the leader in color. We will accelerate pro growth by expanding commercial capabilities, and we will lead in service and customer experience through enhanced operational excellence. Our strategy is simple,

strengthening DIY leadership and winning with the pro. And we will enable this with continued development of best in class service and operational capabilities.

In DIY we are addressing the number one consumer pain point, color selection by applying AI to improve confidence and increase conversion. Our tools leverage 10 plus years of color data to improve the digital to in-store experience, drive conversion and build loyalty. Our ChatHUE AI application now includes improved visualization and we are building towards significantly enhanced chat features. We have seen a huge increase in customer satisfaction ratings with some of the new enhancements we have rolled out. And we have seen several thousand photo uploads to utilize the visualization feature.

The possibilities of how this can assist and aid end users in their purchase journey in the future is very exciting. We're also consistently gaining consumer mindshare in the category. In 2025 alone, we generated over 16 billion impressions and we are ranked number one on Pinterest and we have seen very strong year-over-year growth in terms of share of Huawei. Connecting the digital experience seamlessly at the store level drives higher conversion. To execute this well at the shelf, we have trained over 15,000 plus associates and conducted 160,000 plus training sessions just over the last year. The goal is to build consistent in-store expertise that improves conversion and drives loyalty.

We're modernizing training with AI-enabled tools to scale best practices quickly and keep in-store teams current as assortments and features evolve. Our training team is continuously investing in our capabilities to deliver the best customer experience. Just recently, we have implemented a new AI enabled training platform.

Our strategy to win with the pro is centered around building a fully integrated one stop shop experience at The Home Depot. We are simplifying the job for contractors by bringing together product, delivery and coverage into a seamless solution. This drives higher share of wallet and makes Behr easier to do business with.

We have scaled a dedicated pro sales force with The Home Depot. Now, collectively, we have over 500 reps and they are focused on building relationships and converting customers in a segment that has historically been relationship driven. We're investing in fulfillment, so pros can get what they need when they need it. In this category, speed and reliability directly translate to loyalty. We're also deepening engagement. We've had over 300 pro events this year alone, and that drives trial and repeat usage.

By combining scale, service and execution working closely with The Home Depot, we're positioning Behr to win with the pro. We see significant runway to grow in the pro by targeting the largest and most attractive sub-segments. As an example, the residential repaint segment alone represents a \$4.5 billion opportunity with additional scale across adjacent segments where we are currently underpenetrated. We're approaching this with tailored offerings, partnering with the Home Depot, we want to provide digitized transactions, expanded rep coverage, have in-store pro specialists and provide financing options and combine all of this with targeted outreach and marketing.

By segmenting the market and aligning capabilities to specific pro needs, we're positioning Behr to drive sustained share gain and realize higher customer lifetime value. Operational excellence strengthens both service levels and cost performance. We have made targeted investments across operations and commercial excellence to run the business more efficiently while improving customer experience.

Over the last two years, we have invested in automation in our distribution centers and our manufacturing facilities, and we are scaling those improvements at a faster pace going forward. In closing, we have the platform, the capabilities and the momentum to accelerate from here. We are leaning into our strengths to go after the most

attractive parts of the market with confidence. With our industry leading brands, we're establishing Behr as the clear leader in color and delivering a best in class consumer experience.

We're expanding our commercial capabilities to drive a comprehensive offering to the pro to accelerate growth. And we have established leadership in service and customer experience through our enhanced operational excellence. Through our brands, strategy and execution, Behr is well positioned to deliver above market growth and sustained value creation.

With that, I want to thank you all very much for the time. We are going to go into a short break now, so if you could please join us in 15 minutes. That'd be great. Thank you very much.

Steve Stigers

President -Watkins Wellness, Masco Corp.

Good morning. I'm Steve Stigers, President of Watkins Wellness. It's a pleasure to be here with you this morning to share why Watkins is positioned to be a powerful growth engine within the Masco portfolio. As you have heard throughout today's presentations from my colleagues, we are focused on leveraging our strategic enablers to drive growth. For Watkins, we are operating in a highly attractive, yet deeply fragmented space. Over the next few minutes I will walk you through our three pillar strategy to accelerate our core category leadership position while driving growth and margin expansion.

Let's begin by looking at the robust market fundamentals that are supporting our sustainable growth outlook. Watkins is well positioned to be a growth engine within the Masco portfolio capitalizing on a \$1.5 trillion global Wellness trend. In the United States alone, Wellness represents \$500 billion in annual consumer spend, growing at an impressive 8% compound annual growth rate. Over 50% of consumers now prioritize Wellness routines in their daily lives. The Wellness categories in which Watkins participates are high interest, yet low penetration, which presents a large expanding market and a sustainable long term trajectory for growth and value creation. We operate across four highly attractive Wellness categories hot tubs, saunas, aquatic fitness and cold plunge. Watkins is uniquely positioned as the only player at scale that participates across all of these segments.

Our portfolio has evolved far beyond recreation. We provide essential health solutions that accelerate recovery, improve sleep, promote detoxification, offer low impact exercise options, and build resilience among others. These benefits make our products non-negotiable for today's modern consumer. The upside opportunity for our product categories is immense. As mentioned, our segment portfolio has high awareness with low penetration ranging from 1% to 6% in US household penetration against the 8% penetration benchmark for residential swimming pools.

This whitespace is our greatest asset. An increase of just one to two additional points of penetration translates to a substantial industry opportunity within our \$400 million to \$3 billion addressable sub segments.

Now I'll walk you through how Watkins will continue to win in a dynamic and fast growing Wellness space by building on a strong foundation of structural advantages. These include leveraging the strength of our industry leading brands across the portfolio, deploying expanded commercial capabilities that meet the consumer wherever they are in their buying journey with relevant and compelling information, making it as easy for them to research, purchase and ultimately use. And finally, by delivering on our commitment to be a world-class supplier through enhanced operational excellence.

Our brand portfolio was architected to capture consumers at every stage in their Wellness journey, from fitness to mindfulness to recovery. Anchored by Hot Spring Spas, the founding brand of Watkins and the world's number

one selling hot tub brand, we have strategically acquired complementary brands in the hot tub category and closely adjacent Wellness categories. This strategy enables Watkins to capture more share through geographic and channel expansion within the hot tub category and enables access to leading brands in our newer Wellness categories.

Our brand and channel strategy is intentionally designed to ensure we have a clear right to play and a clear right to win. We meet consumers exactly how they want to shop through a robust multichannel model. We are the established leader in the dealer channel, leveraging robust dealer management capabilities and trusted longstanding relationships. In our omni-channel segment, we are the online leader in hot tub sales driven by strong established partnerships with major retailers like Costco, The Home Depot and Wayfair.

In our emerging direct-to-consumer channel, we are unlocking new revenue streams in high growth Wellness segments that complement traditional retail channels through our Endless Pools and Lifesmart brands.

A little bit more about our dealer network. Watkins has built the industry's largest exclusive dealer network. In North America, we have more than 700 dealers representing more than 1,500 locations with a 70% exclusivity rate. This means that 70% of our dealers only carry our brands for these Wellness categories within their businesses. Internationally, we export to more than 70 countries with a 100% exclusivity rate. This approach provides a captive audience for our products and facilitates a seamless and consistent shopper journey from manufacturer to retailer.

Our highly trained network delivers exceptional expertise-driven customer experiences that strongly differentiate us in the marketplace, fostering deep, sustained customer loyalty. This capability of our dealer network is further bolstered by Watkins ability to drive brand and operational alignment across the network. Generate high-quality leads at scale that direct pre-qualified traffic to showrooms and to provide comprehensive retail training programs to our partners that improve their core retail excellence competencies.

Highlighted here are key competitors for Watkins across our four Wellness product categories. The market is highly fragmented and populated, primarily by privately held niche companies with limited scale. This lack of prevalent, consolidated public players presents a distinct opportunity for Watkins to leverage both our operational efficiencies and our marketing scale while also leveraging our broad global distribution network to capture incremental market share across these segments.

On the product front, our research and development efforts are intently focused on making our products as easy to own as they are to use, but more importantly, use frequently. Frequent use of our products is really what enables the health benefits derived from daily use to accrue. Therefore, our approach to product development and innovation isn't just about adding new features. It's strategically designed to enhance the ownership experience by directly eliminating the primary barriers to purchase, such as time and complexity of water management and daily operating costs, we unlock the daily Wellness routine for our consumers. We have an active pipeline of projects within our four innovation pillars of water management, energy efficiency, customer engagement, and health and Wellness.

From an investment perspective, this product leadership approach also makes a substantial and direct contribution to our financial performance. Today, this engine is driving a roughly 40% product vitality rate and a robust \$400 million product pipeline in development. A real world example of this R&D strategy coming to life and improving the ownership experience is the revolutionary Freshwater IQ remote water management system. This first of its kind technology automatically tests water chemistry and provides user recommendations directly through our connected spa app in which the chemicals can be remotely adjusted and dosed. Our simpler, cleaner,

fresher approach turns what was once a maintenance chore into a simple automated process. More importantly, for our business model, it creates a persistent digital link between the consumer and the brand.

The freshwater IQ system is also a powerful driver of recurring revenue and margin growth, both for Watkins and our dealer network. The comprehensive system which includes the salt water chlorine generation cartridge, proprietary water monitoring sensor, dosing engine and connected spa app is forecasted to deliver roughly \$30 million in revenue in 2026, targeting a 60% penetration across compatible units.

Watkins has a proven, highly successful track record of driving growth through acquisitions. In fact, every brand in our portfolio today outside of our flagship Hot Spring brand has been acquired. These strategic additions of leading brands have expanded our geographic reach, our channel access and our category presence, firmly establishing Watkins as the definitive player at scale across these markets.

Crucially, for our financial profile, approximately 50% of the Watkins top-line is now driven by these successful acquisitions of leading Wellness brands. Watkins is also defined by deep market leadership and trust. Hot Spring Spas has achieved the number one rated hot tub trade brand status over multiple years, a metric determined by a third-party survey of dealers across all hot tub manufacturers. Furthermore, our Hot Spring and Caldera brands maintain the industry's top two net reputation scores, which are metrics driven directly by consumer satisfaction. This exceptional trade and consumer brand equity builds a strong competitive advantage for our business. And it has fueled our position as the market share leader in the hot tub category for more than 25 consecutive years.

Looking forward, Watkins is deploying three strategic priorities to accelerate growth in our established hot tub and aquatic fitness categories, expand our sauna leadership position and optimize our manufacturing and distribution network. This cohesive strategy is designed to drive both top-line growth and margin expansion.

To accelerate growth in our established hot tub and aquatic fitness categories, Watkins is deploying advanced analytics to drive commercial excellence. We are leveraging large data sets to optimize our marketing spend, product mix and dealer retail footprint. Furthermore, we are empowering our dealer network with these data driven insights to unlock growth and expand margins at the local level.

On the product front, our long term roadmap is to defend our leading position in the hot tub category through refreshed, cutting edge products and enhancing the digital connectedness across our suite of products. But we're also focusing on adjacent product categories that are on trend with today's consumers, such as cold plunge vessels.

In parallel, we are executing a three pronged strategy to lead the sauna category and maximize our wallet share per household. The Sauna360 acquisition offers a prime category expansion opportunity, allowing us to take our highly successful hot tub playbook and apply it directly to the high growth sauna segment. By cross marketing our sauna brands alongside our hot tub brands, we can create an immediate multiplier effect for our existing dealer base and efficiently leverage our overall scale.

Additionally, we will utilize our strong [ph] mas.com (01:13:02) partnerships and direct-to-consumer capabilities to capture share in currently untapped channels. In combination, these initiatives will drive us toward our target of increasing our sauna category market share from 15% to 25% by 2030. While we aggressively are executing on our top-line growth initiatives, we are also equally focused on scalable margin expansion. Our strategic plan involves optimizing our supply chain by deploying a best country sourcing strategy. This optimization is designed to insulate the business from global supply chain volatility. Furthermore, we're streamlining our manufacturing and

distribution footprint to ensure that as we execute our growth levers, our profitability accelerates even faster through better leverage of fixed costs driving increased long term shareholder value.

In summary, Watkins is uniquely positioned to remain a strong growth engine within the Masco portfolio backed by a proven track record of delivering an 8% compound annual growth rate over the last decade. Moving forward, our strategy is laser focused on three high impact pillars. Number one, strengthening our definitive number one position in our established hot tub and aquatic fitness businesses by capitalizing on our industry leading brands. Number two, expanding our sauna leadership position in the fast growing category by deploying enhanced commercial capabilities. And number three, driving margin expansion through network optimization and operational excellence. By executing this plan against the backdrop of a booming Wellness megatrend, Watkins is perfectly positioned to drive substantial long term value creation for Masco and our investors in the years ahead. Thank you.

I'm now pleased to announce Lauren Weston to the stage. She is our Vice President, Enterprise Digital Acceleration.

Lauren Westin

Vice President, Digital & Analytics, Masco Corp.

Thank you, Steve, and good morning, everyone. Like he said, I'm Lauren Westin, Vice President of Enterprise Digital Acceleration. I'm going to take you through how we are building an enterprise digital capability designed to accelerate growth across each of Masco's business units. The opportunity in front of us is significant. Consumer behaviors are shifting rapidly and digital touchpoints are multiplying. Our role is to help Masco lead with clarity and speed so that our brands can deliver the experiences that customers expect.

Our Digital Center of Excellence exists to serve the business units, not to operate in a silo. Scale means that we build capabilities once, establish best practices and deploy them across brands. Talent means that we develop and share deep digital expertise across the organization so the right skills can be applied wherever there is business need. And speed means that we can press the time from idea to execution by reusing proven methods and delivering repeatable solutions.

Think of the COE as a force multiplier. Once a new capability proves value, we capture it, standardize it, and ensure the relevant brands benefit. The result is greater efficiency through scale and sustained impact as those wins compound across the portfolio of leading brands.

Here are the Centers of Excellence that have launched or are in development. I will now share more about the Digital Center of Excellence. The Digital COE unlocks value across brands through three distinct modes, innovation, we build new capabilities once and unlock them across the business. Acceleration, when a brand proves something works, we scale that proven playbook across the enterprise faster than any single BU could on its own. And enablement, we raise digital fluency across the organization so that every business unit can execute confidently in digital channels. This isn't about the COE doing everything centrally, it's about building the muscle inside of each business unit while removing the friction that slows them down. The end state is an enterprise where digital excellence is the norm, not the exception.

Our strategy is built on consumer behavior. First, digital is the front door. As Jill mentioned, a majority of shoppers now start their home improvement journey online and that trend is only growing. Across our categories, digital experiences are not necessarily as mature. This represents an opportunity to establish an early leadership position. Second, personalization is the expectation. Consumers want personalized digital experiences for their home projects, and that's not aspirational that is today. Third, visual and social creative content directly drives

spending. Homeowners report spending more on projects because of content they saw on social media. Pinterest, Reddit, TikTok, Instagram are shaping purchase behaviors in real time. And fourth, AI is emerging as a trusted decision-making tool already shaping considered purchases. Consumers are using AI to narrow their options once they have a short list. And research shows that they trust AI even more for practical purchases like home improvement than for other categories.

So, these four trends, digital-first discovery, personalization, creative influence and AI-assisted decisions are only accelerating. And these are the four trends that you will see shape every priority from here forth.

So this slide maps a high level home improvement journey. And this is really rooted in the distinct journeys that we see across our categories. I'll walk you through it because the complexity here is the point. What you see is only representative, not exhaustive. It starts with inspiration and trigger. Consumers see something on Pinterest, watch HDTV, visit a friend's newly remodeled home, or scroll past an influencer's posts. Then they move into research and idea gathering. YouTube how to videos, Reddit threads, retailer sites. Early store visits start to happen. This is where they're forming opinions and exploring options.

Evaluation and consideration is where it gets really interesting: reviews, augmented reality visualizers, comparison tools, AI chat Pro recommendations. Consumers are cross-referencing multiple sources before they commit; and the purchase phase spans online checkout, in-store transactions and combinations like buy online, pick up in store.

Lastly, post-purchase includes installation support, loyalty programs, customer service and community engagement on platforms like Reddit. The key takeaway here is that – the key takeaway here is that consumers are catching dozens of platforms throughout this journey and there is no single moment of truth anymore. There are many. That said, the stark reality is that the journey here is not linear. You can see it up here. Emphasizing the need for us to have a credible presence across each of these spaces. Consumers move fluidly between digital and physical experiences. Even what we think of as in-store decisions, such as picking a pink color are heavily influenced by research that happened online days or weeks earlier. The consumers often made up their mind before they walk in the door. That's why our digital strategy isn't a channel strategy, it is the strategy. We need to show up with consistent relevant messaging at each touchpoint. And our job is to orchestrate a cohesive experience across every one of these moments so that when a consumer is ready to act, a Masco brand is the obvious choice.

Now, let me show you where we're focusing the CEO's efforts. We've identified four focus areas aimed at improving efficiency and accelerating top-line growth. First is digital marketing and e-commerce, improving how our brands are discovered and how effectively we convert demand once we have it. Second, content for commerce, creating better content faster. Third, audience activation and journey orchestration, connecting the dots across touchpoints, leveraging first-party data so consumers get a seamless experience. And fourth, media effectiveness. Making our media spend work harder by applying it smarter. Underneath all four sits digital intelligence. This is the foundation that powers the scale and give capabilities through insights and training enablement. And importantly, anchoring these efforts, we have insights and analytics, tech and data and legal to provide governance and guardrails, enabling speed with appropriate discipline around privacy, compliance and responsible use, all in order to accelerate value creation. This framework will let us scale proven capabilities with both discipline and confidence.

Diving in, we see three major opportunities within our framework to further heal brand leadership position and this is what we have prioritized. AI optimization for both humans and agents. We're optimizing for human shoppers and AI-driven discovery tools, so our brands showed accurately and convincingly wherever decisions are made.

For people, our sites need to tell a compelling visual story that builds connections to our brands and products. For AI agents, those same sites must have readable, structured content so that models such as Claude, Perplexity and ChatGPT can accurately interpret our offerings and service us as an authoritative source in these categories.

Next, hyper-personalized creative at scale. This is about using technology and AI to increase relevance without increasing costs to be able to deliver the right message to the right person at the right time. And customer intelligence, we will enable a much deeper data-driven understanding of who our consumers are and what influences their decisions by unlocking and activating that first party data. We're also investing in marketing technology, rationalizing and connecting our technology stack and talent development to ensure that we are equally advancing skillsets as much as we advance our technology.

So let me bring each of these to life with real examples from our brands. Here is a concrete example from Hansgrohe in our Plumbing business. Today, getting product content to market globally requires a painstaking translation process. By the time it's done for one round of updates, the next round is already waiting. We are accelerating now with native language AI translation combined with SEO optimization and quality checks. This alone is dramatically reducing turnaround time and costs, and in the future state will have personalized copy and imagery generated at global scale tailored to local markets, so that we can show up authentically and with authority. We're not just translating faster, we're fundamentally changing the economics of global content and what we build here for Hansgrohe, we can deploy across every brand.

In our Paint business, we launched ChatHUE as VJ highlighted. An AI powered chat assistant for Behr. Today, it handles color questions, product recommendations and basic project guidance. We're accelerating now with agentic visualization where AI can help consumers see what a color looks like in their specific room. That is a game changer for reducing purchase anxiety, which is one of the biggest friction points in Paint. The future vision, though, is a true one stop service where ChatHUE can solve any question across the entire paint journey, from inspiration to color selection to application tips all the way to purchase. For shower doors in our Plumbing business, we're transforming how we create products imagery, it's simply not feasible to have traditional photography of shower doors in all types of bathrooms.

So we've been using CGI, which can be expensive, slow and rigid. So we are now running a hybrid approach that combines designer sketches with generative AI to produce photorealistic imagery at a fraction of the cost and time. And here's what matters, it's already working. We're seeing a lift in conversion rate and an add to cart on live product pages using these new images. Those are real, measurable results. And the future state is generative at scale where we can produce tailored visuals for each audience segment, retail and channel.

In Faucet's, we're applying the same personalization principle to our advertising. Today, many of our ads are one size fits all for audience, generic creative serve to broad audiences. We're moving to dynamic creative optimization where we assemble ad components in real time based audience generic creative serve to broad audiences. We're moving to dynamic creative optimization, where we assemble ad components in real-time based on who seeing the ad, different imagery, different messaging, different calls to action. The end state, though, is fully scaled hyper-personalized creative where every consumer sees the most relevant version of the message. A first time homeowner sees something very different from a professional contractor and both see something very different from a luxury remodeler. This is how we aim to compete, relevant at scale across channels.

And lastly, in our Wellness business with cold plunge, we're applying customer intelligence across the full marketing funnel. Today, we're optimizing content through rigorous AB testing, testing headlines, images and page layouts to find out what actually drives action. We're accelerating now by converting higher quality leads

through smarter audience targeting. We're moving beyond broad demographics to behavioral and intent based signals. Going forward, we will continue to build these deeper audience insights, understanding not just who our customers are, but what motivates them. And as Steve mentioned earlier, we will see the consumer as a whole person focused on health and Wellness, delivering across marketing messaging to a cold plunge customer to ideally convert them to a sauna owner as well. And what we learned here about data driven marketing, we will apply across the entire portfolio.

So I will bring it all together with three key takeaways. One, AI driven discovery is the new reality. Consumers are already using AI to research, compare and decide. We have built and will continue to expand capabilities to win in this space. Two, we're orchestrating a cohesive journey from discovery to purchase, continuously sharpened through data and insights. It's not about winning one touch point. It's about winning the entire journey whichever one the consumer takes. And three, the Digital COE will enable and accelerate these capabilities across all Masco businesses. Digital innovation is already happening at Masco. You saw real examples today from plumbing, paints and wellness. The Digital COE's role is not only to build new innovative capabilities which we will. It is also to take what's working and scale it enterprise wide faster. That is how we will turn digital from a series of individual wins into what will be a competitive advantage.

Thank you. I will now hand it over to Rick.

Richard Westenberg

Vice President, Chief Financial Officer & Treasurer, Masco Corp.

Great. Thanks, Lauren. And good morning, everybody. Thanks for joining us today. I'm Rick Westenberg, CFO and Treasurer of Masco. I've been with Masco for nearly three years now, I'm continually impressed by the strength of our brands, our portfolio and our operational execution, as well as the resilience of the financial performance of the company. This morning, I'm excited to share with you our long-term financial goals and how we plan to achieve them. Today I will focus on three areas.

First, I'll share our perspectives on the key fundamentals that drive our industry; Second, I'll reflect on Masco's demonstrated resilient performance through cycles as well as through recent market challenges; and finally, I'll discuss our long term financial outlook. The US repair and remodel market is a large and attractive industry, with total spend exceeding \$500 billion. Historically, the industry has grown about 1 to 2 basis points above GDP.

This slide highlights the long term strength of the US residential R&R market. Except for periods of disruption from COVID and, more recently, macroeconomic headwinds. Spending has continued an upward trajectory supported by solid underlying fundamentals. Over the past three years, the industry has been facing a decline. However, the rate of decline has moderated more recently. And industry experts project the market to return to growth in the medium term. The same dynamic exists in many of the global markets in which we participate in around the world. The historical growth profile and projected recovery reinforce our confidence that the repair and remodel industry remains a very attractive market with meaningful long term growth potential for Masco.

The fundamentals supporting the repair and remodel market remain very strong. One of the primary drivers is home equity. For many consumers, their home represents their largest asset. And rising home values increase both their willingness and confidence to invest in their homes. At the same time, the number of single family homes entering their prime remodelling years, generally 20 years to 39 years old, continues to grow, driven by previous construction cycles. Together, these factors create an attractive, long term demand backdrop for repair and remodel activity and support continued growth opportunities for Masco.

The industry, however, is currently facing some near-term headwinds. Consumer confidence, which is highly correlated with repair and remodel spending, remains below historical averages. We believe this has been a key factor driving homeowners to defer discretionary remodeling projects. While confidence levels have fluctuated over time, the recent environment of economic uncertainty has continued to weigh on consumer sentiment. As confidence begins to improve, we expect it to serve as an important catalyst for recovery in demand.

Another near term headwind facing our industry is existing home sales, which for our business are most correlated with DIY paint activity. Existing home sales remain at low levels impacted by higher mortgage rates. With 80% of homeowners with mortgage rates below 6%, housing mobility remains constrained. Limiting turnover in existing home market, while this dynamic is expected to continue in the near term, it also creates an opportunity for homeowners to invest in repairs and remodeling projects in their current homes.

Lastly, we believe recent underspending on remodeling also supports future growth potential. An estimated 3.6 million homeowners have deferred remodeling activity over the past two years alone. Primarily in small and mid-sized projects. At an average spend of \$6,200 per project, this represents roughly \$22 billion of deferred spend, creating meaningful pent up demand that is expected to further support R&R activity as macro conditions improve.

In summary, the underlying fundamentals of the repair and remodel industry remain strong. While the industry is facing some near-term headwinds. We believe that as the macro and geopolitical conditions begin to stabilize. The industry will return to growth supported by pent-up demand. And we are confident that Masco is well-positioned to capitalize on this recovery.

Now let's turn to our financial performance. Masco has delivered solid sales, adjusted operating profit and earnings per share growth during a challenging macroeconomic environment. From 2019 to 2025, Masco achieved approximately 2% compound annual growth in both revenues and adjusted operating profit while expanding margin and the operating space. Even more notable, we delivered a compound annual growth in earnings per share of approximately 10% reflecting Masco's disciplined execution, effective cost management and cost capital allocation strategy focused on driving shareholder value.

In addition to growth Masco has demonstrated consistency in performance over time. As illustrated by our strong and resilient operating performance and margins, Masco has delivered robust results through economic cycles and in the face of significant challenges such as COVID, supply chain constraints, a dynamic tariff environment and inflationary pressures just to name a few. This performance underscores the strength of Masco's brands and portfolio and the team's ability to execute effectively in challenging environments. Masco has demonstrated a strong commitment to shareholder returns with more than \$9 billion return returned to shareholders between 2015 and 2025 through a combination of share repurchases and dividends. Share repurchases have been a key component, driving roughly a 40% reduction in our share count over this period. Dividends have increased steadily over the last 13 years, reflecting confidence in our earnings and cash flow performance. This sustained level of shareholder return underscores Masco's financial strength, disciplined capital allocation and long-term focus on shareholder value creation.

As you heard today, a key pillar of our forward-looking strategy is accelerating top-line growth. Our pathway to growth lies in three key areas. First, we will leverage our industry leading brands that drive consumer loyalty, pricing power and share gains across our markets. Second, we're expanding commercial capabilities. Invest in how we go-to-market, leveraging consumer driven data and insights. Third, we are enhancing operational excellence with a continued focus on productivity, cost discipline and supply chain optimization.

Together, these priorities will help drive sustained revenue growth. As we accelerate our top-line growth, we also remain focused on further expanding our profitability. We have already begun taking steps to optimize the organization by simplifying our structure and aligning resources to our strategic priorities. We will continue to leverage our Masco operating system to successfully drive operational efficiencies and cost savings. And we will work to leverage Masco's scale and further drive cost savings, mitigating risk and volatility through areas such as global procurement.

As we look at Masco's long-term algorithm, our targets are as follows. Average annual organic growth sales growth of 3% to 4%, an operating profit margin expansion through volume leverage and ongoing cost productivity. Combined with our disciplined capital deployment, these drivers support average annual EPS growth of approximately 10% over the long term. As we look more specifically over the next three years, we expect net sales growth to be more modest in 2026 due to the overall industry to accelerate in 2027 and 2028 to approximately 3% to 4% per year as repair and remodel market returns to low single digit growth. By 2028 this translates into net sales for Masco of over \$8 billion.

Turning to operating profit, we expect meaningful growth over the next three years, driven by volume, favorable cost savings initiatives, including from the restructuring actions announced earlier this year and a positive price cost benefit. As a result, we expect operating profit margins of at least 18%, representing a meaningful expansion from 16.8% in 2025.

Turning to our capital allocation strategy. First and foremost, our disciplined capital allocation strategy has not changed. We remain committed to a consistent, balanced capital allocation designed to drive long-term shareholder value. Our priorities start with reinvesting in the business. Masco is a low capital intensive business with capital expenditures typically running about 2% to 2.5% of sales where roughly \$75 million relates to maintenance capital. The majority of our capital spending is focused on value creating initiatives, including new product development, innovation and automation.

Our second priority is to maintain an investment grade profile. For us, that means maintaining gross debt to EBITDA below 2.5 times. We are currently comfortably below that threshold and feel confident in our ability to remain within this target. The third priority is a relevant and growing dividend. We intend to continue targeting a dividend payout ratio of approximately 30% with annual dividend increases driven by our strong and growing profitability.

Finally, we plan to deploy excess free cash flow toward share repurchases and selective acquisitions. With respect to acquisitions, our strategy remains focused on bolt on opportunities that complement and strengthen our existing portfolio. In terms of share repurchases, we expect to be active in the market while remaining opportunistic. Looking more closely at our cash flow expectations, it is important to highlight the strong cash flow generation has long been a hallmark of Masco, with free cash flow conversion of over 90%. Over the past three years alone, we have generated strong cash flows deploying \$3 billion through reinvesting in the business and returning cash to shareholders. As we look over the next three years, we anticipate surpassing that level, deploying an estimated \$3.3 billion to invest in the business and to distribute to shareholders.

As you heard throughout today, accelerating growth is a key component of our strategy, and we plan to deliver growth in our cash flows as well and to use this increase in cash in turn to invest in further growth. Our speakers today have highlighted a number of exciting growth opportunities and we are committed to investing in the people and the capabilities to execute on these initiatives. Equally important is our steadfast commitment to delivering shareholder returns. We remain focused on continuing to create shareholder value through disciplined capital allocation, including robust dividends and share repurchases.

In summary, Masco has a proven track record of delivering strong financial performance with consistent above market revenue and profit growth. Our goal is to continue to deliver above market performance by capitalizing on the strength of our brands and portfolio while investing in the key drivers of future growth. Our disciplined cost management and ability to further leverage scale supports our ongoing margin performance. And a strong cash flow generation enables both reinvestment in the business and meaningful returns of capital to our shareholders.

Looking ahead, we are confident in our strategy and our ability to continue creating long term value through disciplined execution, targeted investments and balanced capital allocation.

With that, I'd like to invite Jon back on the stage to close out the session before we move to Q&A. Thank you.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

All right. Thank you, Rick. I want to wrap up by summarizing our key messages for today. So you heard the leaders of our four largest business units detail their plans and key initiatives to drive growth above market over the next three years. You also heard about our Centers of Excellence, which will accelerate decision making, enhance the customer experience and drive high quality execution. And finally, you heard about the leadership structure, which has been optimized to drive agility and results across our organization.

Our commitment to these initiatives sets us up to achieve our 2028 goals, which include sales growth averaging approximately 3% to 4% annually, adjusted operating profit margin of at least 18% by 2028, and an adjusted EPS compound annual growth rate of approximately 10%. Now, as you heard today, we have consistently delivered on our financial commitments and we believe we have the right strategy to deliver the long-term return and value for our shareholders. And the strategy that we walked you through today is clear, Masco will deliver above market top-line and bottom-line growth through a consumer-driven strategy leveraging our industry-leading brands, expanded commercial capabilities and enhanced operational excellence.

With that, we'd now like to turn to the Q&A portion of the day. We'll take a couple of minutes to flip the set and we'll welcome Rick, Jill, Hans-Juergen, VJ, Steve and Lauren back to the stage. So, hang with us for a couple of minutes and we'll get it into Q&A. Thank you.

[Break] (01:45:51 – 01:47:10)

Hands up already and [ph] Rob and Rene (01:47:12) will bring you a microphone. If you can please introduce yourself and your firm and limit yourself to one question. And with that, we will get started.

QUESTION AND ANSWER SECTION

John Lovallo

Analyst, UBS Securities LLC

Q

Thanks, guys, for doing this. It's John Lovallo from UBS. Rick, maybe just to start off, you provided the 3% to 4% organic growth target and the 18% margins. I was just hoping you can give a little bit more color by segment in terms of the top-line growth cadence and some of the drivers of the margins and the ultimate margin targets by segment.

Richard Westenberg

Vice President, Chief Financial Officer & Treasurer, Masco Corp.

A

Yeah, John, appreciate it. So today our focus is really on the Masco performance on a consolidated basis to lay the strategic vision, the strategy, the growth initiatives, et cetera in terms of how we're going to achieve the 3% to 4% growth, which really is a significant improvement to where we've been over the last number of years, as well as to achieve 18 plus percent margins. And so we're very convicted around those objectives and those goals. In terms of by segment, I understand the interest. But at this point, we're not getting into segment details, will provide that as we continue to roll forward. So for example, in 2026, we provided our margin expectations for the segment. We will do that as we go into 2027 and beyond. But really, we're focused on a consolidated basis in terms of the cohesive team delivering on those Masco level objectives and financial goals.

Keith Hughes

Analyst, Truist Securities, Inc.

Q

Thank you. Keith Hughes from Truist. My question is on the Paint segment. You've talked a lot about Pro. It's been a great [ph] winner year-over-years (01:48:49), to get to the 3% to 4%, can your Pro initiatives, are they enough to get to that number or do we need some kind of rate change in the DIY paint, which has been down for years.

Keith Hughes

Analyst, Truist Securities, Inc.

A

Maybe I'll kick that off and Vijay can fill in the gaps. I mean, certainly DIY has been challenged as of late, really driven by existing home sales which are highly correlated with DIY paint. So we do expect that to get back to more moderate levels of flat overall type of performance. Pro really is where the growth has come from, again as VJ mentioned, there's a secular trend that's happening. It's been happening over 20 years where do it for me is growing very quickly and we have a very small share in the scheme of things in that space. So, again, really proud of the partnership with The Home Depot and everything that we've been able to do together and there's a lot more to get. So maybe VJ, I know you hit on some of the key initiatives, but what gives you confidence we can grow the way we need to from a pro paint standpoint?

Vijaikrishna Teenarsipur

President -Behr Paint Company, Masco Corp.

A

Yeah, absolutely. Thanks, Keith. I'll start with DIY. So the trend from DIY to DIFM certainly that's there, right. But the DIY market is anchored in the repair and maintenance cycles and that's really tied to the aging housing stock and as existing home sales stabilize, et cetera we do expect DIY to stabilize in the short-term to mid-term.

However, even beyond that, with all of the initiatives we have going on, which is digitization using of AI and that consumer journey connecting the digital to in-store experience, having great quality paint and driving that message to consumers, et cetera we do look forward to strengthening our DIY position even further. That's on that side.

On the pro side, yeah, as Jon said, absolutely the largest and most impactful growth opportunity for us. And we think by putting that playbook together and going after some of the most largest but also the most attractive segments, that's a good formula to win. And we are very aligned with The Home Depot on that in terms of expanding rep coverage, having that in-store pro specialists, having the right fulfilment model, having the right financing options, having the right relationships, that's how we are going to approach the pro. And it is an attractive market for us for sure.

Anthony James Pettinari

Analyst, Citigroup Global Markets, Inc.

Q

Good morning. Anthony Pettinari from Citi. Just following up on John's question on the financial targets. I think previously you targeted 3% to 5% organic sales growth and 1% to 3% from acquisitions. And I don't remember exactly what the slides said, but I think the acquisition said something like continue to pursue bolt-ons. And I'm just wondering if you could provide any kind of context around that. Do you still think you could do 1% to 3% or maybe you're at the low end? Or is the Wellness platform kind of built out to the extent that bolt-ons are just any kind of context there?

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Yes, it's a great question. And I've been on board for almost a year now, I've gotten a lot of questions about how we break out our top-line guidance or M&A included or not. I think, what we're saying is, M&A is episodic, so we're going to give you organic targets that you can expect from us year in, year out. Look, we remain active in looking at M&A opportunities. I will say, though, as I detailed earlier, we really like the categories that we play in and go to products, we think that are amongst the most attractive categories.

And the focus of what we're looking at is really bolt-on acquisitions. So, again, I wouldn't expect to see another leg to the stool in the short term for sure. And we think, based on what you heard from our teams today, that we've got a great brand line-up today, but at the same time, we think there's opportunities within our existing categories as well to continue to add bolt-on. So moving forward, if we do an acquisition, obviously that would be on top of what we do organically, but we're going to be focused on the organic number moving forward.

Timothy Wojs

Analyst, Robert W. Baird & Co., Inc.

Q

Hey, Tim Wojs from Baird. Thanks for all the details. I guess in both segments, I mean adjacencies have always been an opportunity to kind of expand your brands into other areas of the project. With your customers and some of your home center partners and builders and things getting a lot bigger, has there been any change internally in terms of trying to make those adjacencies more – trying to accelerate the adjacency to include things like white goods or sanitaryware in bathrooms or some of the products that VJ was talking about?

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

I wonder if Han-Juergen might take that one. I think in Europe we're seeing a lot more of a trend along those lines. And Hansgrohe is addressing that.

Hans-Juergen Kalmbach

Chief Executive Officer -Hansgrohe SE, Masco Corp.

A

Yeah, appreciate the question, Tim. We have been – just to give you some historical development. We have been investing into drainage solutions for the shower because we have a very strong shower position that was a bolt-on, medium-sized business which helped us really to fully own the shower. And that has been going through retail business as well as project business because we specify then the entire shower. And in addition to the showering solution, as we see a lot of trends from a consumer that they want to have a product or bathroom completely equipped with products that fit perfectly together, a faucet and a basin, also toilets as well as accessories because we see this color match issue in a lot of ways in projects [ph] because restaurants is not looking like a restaurant (01:54:17) from other competitors. So, therefore, we see a big trend in adjacencies around your core [ph] sauna (01:54:25). So, that's why five years ago we started in [ph] Asia (01:54:29), we have also basins, some furniture and some shower toilets which is a very attractive category. So they're like electronic shower toilet. And we have been doing good development on these categories, that I think multiple – multimillions added in Europe as well as in Asia in particular with our project specification.

Matthew Bouley

Analyst, Barclays Capital, Inc.

Q

Hi. I'm Matt Bouley, Barclays. Thanks, everyone, for all the detail today. So questions on pricing for both Jon and Rick. So, Jon, when you joined, you spoke a lot about maybe tweaking the pricing algorithm of the company and trying to understand better where you could push price in perhaps more inelastic categories. Question is, how has your understanding of pricing changed as you've now gotten more into the weeds with the company? And for Rick, how is price contemplated within that guide kind of annualized price over cost? I'm curious if there is an assumption of price over cost on an annual basis? Thank you.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Yeah, great question. Thank you. Starting with price? What I would say is hopefully you took away that we have business leaders that really understand their businesses and their industries. And I think it starts there, right. Because we have unique dynamics across channels and across categories. And we've been really proud of what we've been able to do from a pricing standpoint over the last few years which has been very, very dynamic. As I've come in, one of the things I observed at the time was an opportunity to continue to build out our strategic revenue management capabilities, so using digital tools to really analyze where we are from a pricing standpoint versus our own products and also versus competitors. And to make sure that we're optimizing that and that's something we continue to look at. The other thing that's, frankly, different than the world that I came from is the channel dynamics are very acute here. So really being thoughtful about planning out a pricing strategy not only for one year but three or four years out and having product assortments that match channels. And again, these aren't new. These are things that Jill and team have been doing for many years. We're just trying to make sure that we have the best tools and capabilities is what we've been focused on. Again, feel really good about what we've been able to do and how we've been able to execute in a really challenging environment.

With that, I'll let you finish the rest of the question, Rick.

Richard Westenberg

Vice President, Chief Financial Officer & Treasurer, Masco Corp.

A

Yeah, sure Matt. Yeah. And just to emphasize Jon's point, very pleased with the pricing execution that the team has delivered. But to get to your question with regards to margins and how does price cost factor in. You may recall in my materials, we've got basically three drivers of margin expansion. One is volume, volume growth. And

that's really driven based off of the initiatives in our top-line acceleration that we talked about today. Our second is cost savings initiatives, and hopefully you appreciate the success the team has had leveraging the Masco operating system and driving productivity. And on top of that, the additional restructuring actions that we announced earlier this year is also a big contributor. And then the price cost dynamic, we do expect that to be continue to be positive for us.

Now by segment a little bit different dynamics. So Plumbing, we expect price cost positivity like we've delivered in the past. Now there may still be some ebbs and flows in that because commodity costs is volatile. But over the long period of time, we would expect that to be a positive contributor to our profitability and to our margins. And then on the decorative architectural, obviously with the arrangement with our retail partner is more of a price cost neutral dynamic. But in aggregate, it's a contributor. But I would say it's a combination of volume, cost savings and positive price that are going to fuel our margin expansion going forward.

Stephen Kim

Analyst, Evercore ISI

Q

Thanks very much. Steve Kim from Evercore. I wanted to follow-up on the M&A commentary. I guess you addressed a little bit, I guess, on Plumbing. I was curious if you could extend that to Paint, Wellness. Where do you see the opportunities, particularly from an M&A pipeline perspective? And digital acceleration was something that was discussed at length that could also potentially be an area where there might be some opportunities through M&A. I was wondering if you could comment on that? Thanks.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Yeah. So maybe I'll kick off and then we can go to the business leaders for some color. Obviously, we won't talk about specific targets. Just know that we continue to look across our categories. I think Steve laid out our Watkins Wellness business which is really built off of acquisitions. And Steve, I don't know if you want to comment again about the strategy and over time what that's done for us. But I think it's a great example of broad acquisitions and building out a category.

Steve Stigers

President - Watkins Wellness, Masco Corp.

A

Yeah. So from a Watkins perspective, we do have a strong track record of successful acquisitions. Typically when we look at acquisitions, we're looking at targets that would improve our channel access, broaden geographic reach, or give us access to new channels. All of our prior acquisitions have checked those boxes. As the Wellness space continues to grow, we'll certainly be looking across all four of our product categories hot tubs, saunas, aquatic fitness and cold plunge to see if there are opportunities out there that would accelerate our growth in those three areas.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

In terms of other, other areas, again, digital, I think it's a great point. Clearly, the digital world is advancing very, very quickly. And we're working to build capabilities internally. We're partnering with folks that have already developed these capabilities in terms of partnerships. And then certainly in the AI world, there's a lot of startups and smaller companies that perhaps can be an opportunity. So, yeah, we have a lens. Zack Gordon is in the back of the room. He leads our corporate development group. He's a part of our executive committee moving forward, and he and his team do a really nice job scanning the horizon for all of the things that could be possible. And we

look at many, many things, as you can probably imagine, but we are going to be very disciplined when we do a deal. It's going to have to really align with our strategy and align with our core strengths as a company.

Michael Rehaut

Analyst, JPMorgan Securities LLC

Q

Yeah. Thanks, It's Mike Rehaut, JPMorgan, thanks for all the comments. I wanted to ask about, broadly speaking, the accelerated growth, top-line growth strategy. And Jon, when we sat down, I think, it was maybe 18 months ago as a top of mind focus of yours. And I think today we've seen a lot of good examples articulating that strategy, the opportunities, be it Wellness or pro paint or luxury Plumbing. When I come back to the growth algorithm of 3% to 4% top-line long-term, it does look though similar to perhaps prior slides where we've seen like a 3% to 5% top-line. So I'm just kind of curious what's changed between then and now? And certainly, there's some, as I said, really articulated big opportunities out there. What could be the areas of upside and what could make that 3% to 4% look conservative in hindsight?

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

That's a great question. And I – although it feels like 18 months some days, it's only been 10 months since we first met that I've been here in the role. But clearly, I mean, growth is a focus. And at the end of the day, we aspire to grow faster than market. And over the last few years, it's obviously been challenging. We talked about that in detail that Masco has not grown the top-line since 2022. So for us, we laid out kind of goals by 2028 to get back to 3% or 4%. That's a pretty good inflection there. What I would tell you is if we get back to historic growth rates for the category, again, our goal would be grow 1 point or 2 point faster than that. So as we go along, I think that would be the thing to keep us honest in terms of what are you seeing in the categories we want to be growing faster. We feel like we've got the ideas, we've got the brands, we've got the talent, and it's obviously been a very dynamic environment. So as we get back to a bit more stability, we're building the capabilities now and putting initiatives in place that we believe will allow us to grow even more quickly as we get some of those market tailwinds which, again, I've only been in this industry 10 months. Everyone tells me [ph] the newcomer (02:02:50) but whether it's next year or the year after, I think we're going to be well set up.

And look, we had a good Q1 with some good growth that we haven't had in a long time. We're going to continue even in this challenging environment, to keep pushing ourselves and pushing our teams to grow faster than the market. And that's really our goal.

Sam Reid

Analyst, Wells Fargo Securities LLC

Q

Thanks so much, Sam Reid from Wells Fargo. I wanted to ask another question about the algo but just the thought process behind going with a narrower range, the 3% to 4%. It is a fairly tight range. So just curious kind of the thought process behind that. And then also, it's exciting to see you move in deeper into some of these luxury, more high end categories. But there's also an element of cyclical with those. So just perhaps talk through how you manage that cyclical in the context of that algo. Thanks.

Richard Westenberg

Vice President, Chief Financial Officer & Treasurer, Masco Corp.

A

Do you want to take that [indiscernible] (02:18:48)

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Yeah, 3% or 4%, again, the point is we want to grow ahead of market, right. And as we put that algo out there, it's really through 2028. We'll continue to look at that and if we get back to more normal market conditions, we'll likely revise that up over time. But as we look at where John Burns and all the industry folks are, they're kind of [ph] 2.2% (02:19:16) as what they're looking for the next couple of years. And we're saying we want to beat that. So we're going out there and saying we're going to do better than market. And that's really the key takeaway as opposed to whether it's three or four or whatever the case may be. I don't know if you've got anything there.

Richard Westenberg

Vice President, Chief Financial Officer & Treasurer, Masco Corp.

A

No, I think that's right. So I think it's just a more of a sharpening of the pencil, so to speak. I don't know. In terms of luxury, we're very bullish about the luxury space. I don't know, Jill.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Yeah, I think maybe Jill...

[indiscernible] (02:19:41)

Jill Ehnes

President - Delta Faucet Company, Masco Corp.

A

Yeah. Happy to address that. I think what we've seen in the luxury market is, it's actually been the most resilient segment of the market even over a period of time. But I think what positions us uniquely is we have a broad portfolio of brands to compete in the market from mass to premium to luxury. And so, we really feel good about the scale that provides and the resiliency that provides overall over a period of time.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Jill, maybe just another second on just the market itself in luxury. It's very fragmented. So there's not...

Jill Ehnes

President - Delta Faucet Company, Masco Corp.

A

Yeah. It is extremely fragmented. There are multitude of players. And so again, I think that's an advantage that we have is we have the scale and we have multiple brands and we have the ability to grow at scale which most competitors do not.

Philip Ng

Analyst, Jefferies LLC

Q

Hi, guys. I'm Phil Ng from Jefferies. Global projects was an area you guys talked about. I've always felt like that's an area where you're under-penetrated. You've always had really strong brands. So, how are you tackling that perhaps differently? Is it going to market with bringing all these brands together, actually expanding your capabilities from an M&A standpoint by selling a broader offering? Just kind of help us think through perhaps how you're approaching it differently and how does that segment perform through a cycle? Is it [indiscernible] (02:20:59) to resi, is it more bigger macro trends? Thank you.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Thanks, Phil. I think Hans-Juergen maybe tackle that one. One of the things that was a good learning for me is just the length of time it takes to really go from a lead to actually selling something, but maybe talk about the process and what we're doing differently as we move forward as well.

Hans-Juergen Kalmbach

Chief Executive Officer - Hansgrohe SE, Masco Corp.

A

So when we think about the global project business, we have about \$400 million through the hansgrohe organization. And so this global project business specification business, it usually takes 15 to 24 months until the project goes from specification to executed. We feel really strong about that because we have a big pipeline to beat this \$400 million in the next couple of years. Like Jill mentioned, we see very strong stability in the premium and luxury area of the global project business because these segments are rather growing faster. We see hospitality brands that are further expanding across the globe, a lot in Asia, a lot in the Middle East, also in Europe and the US. But these brands are further growing. We see good demand in high-end residential and as I mentioned, you see a big trend in branded residences like Louis Vuitton, Aston Martin and many more. So that's the growing trend.

So there is very stability and stable growth, but we do not only have luxury portfolio with hansgrohe and for the Delta organization, we also have with their brands a broad portfolio for the US market and our portfolio for the international markets. We have good growth opportunity, as you mentioned when we look at the luxury and high-end, we have a high share, when we look into the volume business because we also see residential developments, multifamily homes that are growing. So there we have a lot of opportunity to even grow beyond where we are today.

But we focus predominantly on premium and luxury because this is where we create strong margins also for the future. How we are approaching this? As I mentioned, we are trying to be very early in the specification process, close with the architects and designers. We manage the Global Projects business in verticals. So we have a vertical team for hospitality, for residential, for shipyards and yachts, cruise ships, also one for prefabricated bathroom manufacturers because they all play together in this network of managing Global Projects. And in addition to that, we try to be very close to our partners in the countries. Now as we play with our overall business network and subsidiaries in more than 50 countries, we're very close to the different stakeholders that manage the different projects. So therefore, we feel good that with our network, the portfolio and I mentioned agencies that's very big in projects because we can specify not only the faucet and the shower but also the adjacent complementary products. So we can increase the ticket items for the projects there.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

That's great. Thank you, Hans-Juergen. The only thing I would add is just the simplification of our business, I think, will help us in this space as well. So Jill mentioned Newport Brass up until recently was its own business unit. That really didn't tap into the resources of Delta and Brizo, and what she has going on. So as we continue to simplify the business and really put our brands with the scale and capabilities that we have in our big business units, we think that will allow us to show up in market different. And then we need to be where the desires are. I mean, there's several cities around the world that the vast majority of these specs are written, and we've got initiatives in place to build out our presence in those markets and become a bigger player in the space. And again, I mean, I think the historically the BU independents work for us or at one point Masco owns something like 60 different businesses, today we're much more consolidated, right. So we want to make sure we leverage our scale and I think the scale will help us build out capabilities and win in spaces like projects, luxury projects as well.

Susan Maklari

Analyst, Goldman Sachs & Co. LLC

Q

Sue Maklari, Goldman Sachs. Thanks for all the information today. When you think about some of those underlying consumer trends that you talked about in Wellness, do you see those developing more globally? And is that an opportunity to perhaps take your global competitive position within Plumbing and kind of leverage it across more of the business?

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Yeah. Steve, do you want to take that?

Steve Stigers

President -Watkins Wellness, Masco Corp.

A

Yeah. So I think that from a macro perspective, the same Wellness trends that we're seeing here in the United States are taking place worldwide. The numbers I threw out today that annual global Wellness spend is \$1.5 trillion, about \$500 billion of that is here in the United States. Sauna360 acquisition was a prime example for us to be able to acquire very well-established brands, particularly in the European marketplace, and then be able to drive those brands through our established distribution network, not only in Europe, but globally. So that is part of our strategic synergy case for that brand. And we'll certainly also look to leverage our other Wellness categories in an emerging global marketplace for Wellness products.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Steve, I mean, so household penetration for sauna is 1% in the US. What's it in the Nordic countries?

Steve Stigers

President -Watkins Wellness, Masco Corp.

A

Yeah. So in the Nordic countries, household penetration is upwards of 75% or higher. It's also very high in DACH countries. So these are very established categories. If we can get anywhere near that level of penetration here in the United States, obviously that would be a significant upside.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Susan, to further build on your question, I mean, if you think about, again, as we simplify and we work a bit more across, if you think about channels in Jill's world, they are selling hot tubs and sauna today, so again, we do think there's an opportunity over time for us to better leverage some of our Wellness brands and Wellness products into some of the Plumbing channels around the US and certainly around the world as well.

Michael Dahl

Analyst, RBC Capital Markets LLC

Q

Thanks. Mike Dahl, RBC. Question is on digital and e-comm. It's admirable the growth and share gain that you've been able to demonstrate and articulate pretty thoroughly your strategy here. If we look across building products and consumer products, everyone is kind of doing more to focus on that. So the question is really, how do you compare and contrast versus what you see your peers doing and ensure that you can kind of maintain and press your advantage and share gain there? Thanks.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Jill, you were heavily involved with starting the initiative at Delta, you want to talk a little bit about where you see us today and maybe a little bit where the industry is as well?

Jill Ehnes

President - Delta Faucet Company, Masco Corp.

A

Yeah, I mean, that relative share position that I talked about has been pretty sustained over a period of time. So I think, you're absolutely right that this is a space that a lot of people are investing in. But we feel really good about the capabilities that we've built already in the kind of the advanced state that we're at. We have a really deep bench of talent. And as both Lauren and I mentioned, we're now making step change investments in new capabilities. AI being one example of that where we really feel like we can accelerate our growth at a much faster pace than the competitive set.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

What's exciting about, I think our space and our industry is just the consumer engagement levels are so high, when someone decides to do a remodel, they really put the time in. And again, as Lauren demonstrated, they look at a lot of different resources, most of them online. So I do believe that we have an opportunity to really up our game. I'm not sure we're seeing anyone that is well ahead today. We think this could be a competitive advantage for us if we do it right. And certainly, that's what we aim to do. And we look at AI, to, and it changes almost on a weekly basis, but it's becoming a really powerful tool, particularly as consumers search and learn about products and it's just going to become table stakes. And again, we think we've got a lot of work to do. We've got the right initiatives in place. I think over time, again, this can be something that could be a competitive advantage for us there.

Jill Ehnes

President - Delta Faucet Company, Masco Corp.

A

There are two things I might add to that. One is really that's unique to us, is our understanding of the consumer in the pro and their journey. So really understanding what those touch points look like. The other one is across Masco, we have a ton of first party data that we can now bring to life and get deeper insights to be able to build out. So I would say that's something that's very unique to Masco across our categories that we have.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

A great point.

Rafe Jadrosich

Analyst, BofA Securities, Inc.

Q

Rafe Jadrosich at Bank of America. Thanks for taking my questions. Jon, you've reorganized the management structure, and I believe some of the segments are reporting directly to you now. Can you just talk about the changes you've made, why you made them, and how it better positions the company for growth going forward?

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Yes. So, look, I mean, there's so much to like in Masco and we've got, again, great brands, we've got really talented teams. We've got terrific leaders across Masco. And as I looked at the organization, I think one of the things we're trying to do is just move with pace and with agility. Obviously, the world around us is moving more quickly than ever before. So really the goal is just to flatten the organization to make sure that, again, we are making decisions at speed. And you heard today from the four leaders that now report directly to me. They lead the vast majority of all of our business in Masco. And combined between the four of them, they have over 80 years of experience.

So again, I don't lose sleep over our leaders that we have running our businesses and the teams that we have. So, that was one of the goals. The other goal was to really beef up our capabilities in technical areas. So at the end of the day, you heard a little bit about data and analytics from Lauren. We need to keep beefing up our expertise there. And that probably means going to the outside to get some resources where necessary. We hired Steve Nikolopoulos, who's here today who has a 30-year career in procurement, a deep technical expert in that space. And I think he's going to bring some really unique ideas as well as processes and some tech as well that will help us as we move forward.

So we have, again, a really deep bench. I couldn't be more pleased with the leaders that we have on the team. The goal was really just to flatten the organization, move with pace. And we're operating a bit differently as well. So again, we were very, very decentralized in the past. We were not centralizing. I want to be clear about that. We will again build some Centers of Excellence where we can get scale across and move more quickly. But we want to make sure that our businesses run their businesses. And we want to communicate a bit more than maybe we have in the past in terms of and real time.

So we as an executive committee have a meeting every Monday morning where we talk about what happened the past week, what are trends in the market, what's working, what's not? And again, that probably wouldn't be on that cadence in the past. So the way that we operate, the way we interact, we can share across much more quickly, I think will help us as we move forward.

Eric Bosshard

Analyst, Cleveland Research Co. LLC

Q

Hi. Eric Bosshard, Cleveland Research. Jon, you highlighted the narrowing of the portfolio through the years. I'm curious as you think about Wellness, obviously, you talked about a \$1.5 trillion market, maybe the biggest market you all participate in. But how you think about that business expanding, investing to grow in that market or how it fits in the portfolio? Just would like to understand that a little bit.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Yeah. It's a great question and one that we frankly anticipated just because we haven't really put the spotlight on Wellness in the past. But as we look at our businesses, we like the category, we like the trends. And reality is it still ties very much to Masco in terms of water and our expertise in that area and manufacturing. So we like Wellness, we continue to invest where it makes sense. Again, if you look at our more recent acquisitions they have been in the space, Sauna360 was just a few years ago and that deal was really penciled out better than we could have expected.

So we will continue to invest where needed. We think there's a lot of organic opportunity for us. Based on the experience that Steve and his team have on hot tubs, we really know how to manufacture these types of products. We have a global network of manufactured facilities. We've got a strong operations team. And as Steve mentioned, there's not a lot of at scale players in this space. So we think that we can take our expertise, our

capabilities and really grow organically as we move forward. I don't know Steve, if you want to add anything to that.

Steve Stigers

President -Watkins Wellness, Masco Corp.

A

Yeah. So I would say as our portfolio stands today, we think there's a lot of runway within each of our four verticals just due to the overall kind of immaturity of all of those product categories. So as consumers, particularly within our core demographic, continue to place more emphasis on health and wellbeing solutions and there's a lot of upward runaway from a penetration perspective, we feel like we're going to be able to make good gains and capitalize on the Wellness trend.

Robin L. Zondervan

Vice President, Chief Accounting Officer and Investor Relations/FP&A, Masco Corp.

A

This will be our last question of the day.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

All right.

Michael Rehaut

Analyst, JPMorgan Securities LLC

Q

Mike Rehaut, JPMorgan. Thanks for taking my follow up. I wanted to ask a question about the Plumbing segment, in particular, the \$1.5 billion growth pipeline that you highlighted. Just to get a little more color, how that breaks down, what that's comprised of in terms of, I don't know if you look at it by product category in terms of faucets or even Wellness? And also how to think about that \$1.5 billion, is it kind of incremental revenue? Is it kind of replacement of new products that are kind of freshening up? Any more color around that?

Jill Ehnes

President - Delta Faucet Company, Masco Corp.

A

Yeah, I'm happy to take that.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

A

Go ahead.

Jill Ehnes

President - Delta Faucet Company, Masco Corp.

A

Yeah. Thank you for the question. It's really the pipeline. So I want to be clear, it's focused on Plumbing. So it does not take Wellness into consideration and it's really – it spans across all of our product categories with the majority of the focus being in faucets and showering because that is our core. But we're really excited about the pipeline. It is a mix of products that were obsoleting from the assortment of bringing out new collections. But in addition to that really our focus is bringing meaningful solutions to our consumers. And the pipeline includes things like new digitally enabled solutions.

Hans-Juergen spoke about our reverse osmosis system. That's an example, as well as just functional innovations. We just launched a new showering technology called PivotPro. I think that's a good example. It's getting

placement in all retail stores. It's the number one selling showerhead on Homedepot.com. So these are solutions that are truly incremental and the pipeline is really a combination of both.

Jonathon J. Nudi

President, Chief Executive Officer & Director, Masco Corp.

All right. So in closing, I thank you for being here, whether online or in person. Hopefully, you walk away with a better understanding of our strategy moving forward. We feel really, really good about the leadership that we have in place. We feel great about our teams out in the field. We have great brands and we are building the capabilities that will allow us to differentiate as we move forward.

So I want to take a second and just thank everyone that helped put this together and thank you for being here and your continued interest in Masco. Again, we're motivated about what's ahead and we'll continue to communicate, obviously, as we do on a quarterly basis and certainly filling in as well. So with that, I want to thank again everyone that helped put this event together. So our events team, our IR team and it was a great effort. So thank you for that. For those of you here in person, we do have lunch. We'd love for you to join us. We'll be sticking around so we can answer any questions you might have. And for those of you joining online, thank you for your interest in Masco and thank you for being here today. So with that, we'll wrap up and we'll go from there. Thank you.

Disclaimer

The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC. FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet CallStreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2026 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.