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ABOUT THIS REPORT

This is Masonite International Corporation’s (Masonite®) first Corporate Responsibility Highlights report. All measures reported herein are as of the fiscal year ended December 30, 2018, unless otherwise indicated. Masonite believes that this report contains information that is accurate, timely and balanced.

Masonite welcomes your feedback. For additional information or to provide feedback, contact Joanne Freiberger, Vice President & Treasurer at jfreiberger@masonite.com.
I am proud to introduce Masonite’s first Corporate Responsibility Highlights Report. In the following pages, readers will find many examples of how we integrate environmental, social and good governance considerations into our business across our global footprint.

Masonite enjoys a long history of sustainability dating back to when the company was founded by William Mason in 1925. Mason’s vision was to turn vast amounts of waste wood into useful products. Through his discovery of applying heat, steam and pressure to wood fiber, his creation of hardboard made an indelible mark on the building products industry and remains a primary component of interior molded wood doors today. Mason’s discovery extracted value from waste and has prevented billions of pounds of wood from entering the waste stream over the past nine decades.

Today we have expanded our commitment to environmental responsibility by sourcing wood from sustainably-managed forests, using biomass energy at our facilities and producing doors that contribute to green building certification. Our Masonite Innovation Center (MIC) is the largest known private R&D center in the world focused on doors. MIC uses science and technology to create doors that meet energy efficiency standards, provide protection from severe weather and satisfy HVHZ (High Velocity Hurricane Zone) code requirements. Additionally, MIC uses water-based coatings to minimize product emissions.

At Masonite we have a very specific purpose: We Help People Walk Through Walls™. We do this both physically by producing great doors and metaphorically through our culture, engaging each other and providing our diverse teams with the tools, training, development and confidence to cross new thresholds both personally and professionally. Most importantly, our Target Zero safety program is dedicated to ensuring that our employees work in a safe environment and return home to their families each day without harm.

Our vision is to be the best provider of building products in the eyes of our customers, employees, shareholders, suppliers and communities. Our employees work diligently to uphold the highest ethical standards of business conduct, and we embrace the Masonite Vision and Values to build a culture and foundation of sound governance under which we operate.

As we look to the future, there is no question that sustainability leadership will continue to play a key role at Masonite. We are exploring ways to better aggregate and track facility-level data and we plan to work to better understand where investments in sustainability will create the most value. We look forward to continuing to engage our employees on sustainability issues—they have told us loud and clear that they value Masonite’s commitment to sustainability, and we won’t let them down.

We appreciate your interest in our sustainability reporting and the progress we are making. We are committed to continued improvement and look forward to keeping you updated as we proceed.

Howard Heckes
President and CEO
Masonite is a leading global designer, manufacturer and distributor of interior and exterior doors for residential new construction, repair, renovation and remodeling, and non-residential building construction. Since 1925, we have provided our customers with innovative products and superior service at compelling values.

Masonite has been committed to environmental protection since its founding in 1925. The invention of hardboard was a result of William H. Mason’s determination to find a use for the waste from lumber mills.

**MASONITE INTERNATIONAL CORPORATION AT A GLANCE**

**Countries with Manufacturing and Distribution Facilities**
Canada, Chile, Czech Republic, Ireland, Malaysia, Mexico, United Kingdom, United States

**Raw Materials**
Wood chips, wood cut stock components, fiberglass and various composites, steel, glass, coatings, petroleum-based products such as binders, resins and plastic injection frames

**Product Categories**
Interior and exterior doors and door systems for Residential and Architectural (commercial) applications and door components

**Key Customer Channels**
 Builders, retailers, remodeling contractors, homeowners, dealers, lumberyards, commercial and general contractors and architects

**Governance**
As an NYSE publicly-traded, British Columbia corporation, Masonite is governed by a skilled, diverse and experienced 10-member Board of Directors. The Board is nominated by Masonite’s Corporate Governance and Nominating Committee and elected by its shareholders. For more information about Masonite, the Board of Directors, our executive structure and investor information visit our website at [https://investor.masonite.com/Investors](https://investor.masonite.com/Investors).
Masonite’s portfolio of brands is among the most recognized in the door industry and is associated with innovation, quality and value.

2018 PORTFOLIO OF KEY BRANDS
OUR OPERATIONS
Masonite is a global company with operations in eight countries in North America, Europe, South America and Asia. Our operations are strategically located to serve our customers in 64 countries. We are one of the few vertically integrated door manufacturers in the world and one of only two vertically integrated manufacturers in the North American residential molded interior door industry. We are also the largest vertically integrated door manufacturer in the North American architectural interior wood door industry.

Combining our experience, reach and research, we are focused on producing the best quality doors in the world. The production of specific door product lines falls into one of our three primary reportable business segments:

- North American Residential
- Architectural
- Europe

Each business segment manufactures and produces products specifically for its unique market segment. On a consolidated basis, Masonite sold approximately 34 million doors in 2018. Laid end to end, these doors could almost circle the equator twice!

North American Residential is our largest reportable segment. As one of only two vertically integrated door manufacturers in the molded interior wood door industry in North America, the segment is focused on providing long-lasting interior doors from recycled wood fibers. North American Residential also manufactures energy-efficient, durable exterior doors.

Architectural is the largest vertically integrated door manufacturer of wood veneers and door cores in the North American architectural interior wood door industry. Architectural doors are typically highly-specified products designed for institutional and commercial buildings. Masonite Architectural can help projects achieve sustainability certifications, such as LEED (Leadership for Energy and Environmental Design), WELL Building and Living Building Challenge by providing products certified by SCS Indoor Advantage Gold, the GREENGUARD certification program and Forest Stewardship Council (FSC).

Europe, our third reportable segment, is the leading provider of interior and exterior doors to the UK market. While 90 percent of this segment is UK based, we also service Eastern Europe from our manufacturing facility in the Czech Republic and sell door facings into Western Europe from our Ireland facings plant.
Masonite Innovation Center Develops Purposeful, Sustainable Technology

The Masonite Innovation Center (MIC) in West Chicago, IL is the largest known private research and development center in the world focused on door technology. MIC is using innovative research to help Masonite gain an industry edge. MIC is home to a number of testing and research labs such as a force resistance testing lab, a fire testing facility, an acoustics lab, a coatings lab and environmental testing chambers.

Work at MIC contributes to Masonite’s environmental stewardship in multiple ways, ranging from developing new products using materials with lower environmental impact to ongoing R&D programs focused on finding new materials for manufacturing processes that reduce our environmental footprint.

Masonite uses many types of coatings across our various residential and architectural door product lines and we are committed to using coatings with the lowest possible volatile organic compounds to minimize environmental impact. MIC partners with Masonite’s coatings suppliers to develop high-performance coatings that incorporate sustainable design principles into paint formulation.
OUR WORKFORCE

With more than 10,000 employees around the world, Masonite’s goal is to provide competitive benefits and pay programs, safe workplaces and equal opportunities everywhere we operate.

Number Of Employees By Region

WORKFORCE DEMOGRAPHICS

Masonite is committed to creating a diverse and inclusive workplace. In 2018, 24 percent of the global workforce was female, 36 percent of the US-based workforce were minorities, and 20 percent of the Board of Directors were women.
OUR WORKFORCE

EMPLOYEE ENGAGEMENT

We use a variety of methods to listen to our employees and capture their feedback. These methods include all-employee calls, surveys, focus groups, employee and manager forums, skip-level meetings and town hall meetings.

In 2017, we initiated an annual company-wide employee engagement survey. Through this, we capture key insights and share them with our employees, identify critical gaps and put action plans in place to close the gaps. In 2018, we evaluated progress on our action plans by performing a follow-up engagement survey. Using the survey results, we continually strive to strengthen our workplace culture and increase employees’ personal and professional development opportunities across our business.

Employee Engagement Survey Improvement from 2017 to 2018:

+0.27 Mean Score Improvement (on a five-point scale)

+11% Percent of ‘Engaged Employees’

LABOR/MANAGEMENT RELATIONS

In 2018, approximately 2,300 of our 10,000 employees were represented by collective bargaining agreements. These agreements are subject to periodic negotiation and renewal, including our agreements with employees and their respective work councils in the United States, Canada, Chile, Mexico and the United Kingdom.

In locations where our employees are not represented by unions, we acknowledge the right to collective bargaining where allowed by law. We have strong employee programs to support workers and their families, including competitive benefits, competitive compensation programs and internal career development opportunities.

BENEFITS

Masonite’s benefits philosophy is to offer a competitive benefits package that is tailored to the needs of employees in each region where we do business. We continue to evolve our total rewards package to support the health, wellness and financial security of our employees and their families throughout our global locations.
OUR WORKFORCE

Training & Development
Masonite’s employee development approach is to grow talent from within to create a sustainable workforce for the future. We offer various resources for training and professional development. Masonite also devotes resources to developing leaders from within using both internally developed and external leadership programs. Additionally, we offer tuition reimbursement to assist further development at a post-secondary institution.

Mpower is a Learning Management System that brings learning to life for our employees. The Mpower platform provides a consolidated home for training programs such as Code of Conduct, Mutual Respect, Antitrust, Cyber Security and Lean Operating System training. In 2018, 5,741 training modules were accessed by Masonite employees company-wide.

Mprove is a digital Performance Management System in which managerial, professional and administrative employees set annual goals and development plans. This opens the door to communication and feedback from their managers to drive successful results throughout the year. In 2018, 96 percent of our professional staff completed their goals and development plans.

HIGHER AMBITION LEADERSHIP INSTITUTE (HALI)
HALI is a year-long, multi-session program that provides an opportunity for teams of high-potential leaders from member companies to develop their capabilities as higher-ambition leaders and contribute to the advancement of their company’s mission and purpose. In 2018, eight Masonite employees participated in HALI.

CONANTLEADERSHIP BOOT CAMP
ConantLeadership Boot Camp is an intensive leadership training where small teams work together on advanced leadership and personal development exercises. Attendees are guided through a process of personal reflection and leave the program with their own personal, unique leadership models. In 2018, 10 Masonite employees participated in the program.

BUSINESS KNOWLEDGE LEARNING MAP TRAINING
In addition to these programs, Masonite trained 90 leaders from various geographies and functions on our internally developed Business Knowledge Learning Map, a tool to help managers fully understand Masonite’s purpose, business context and organizational structure.
OUR PURPOSE
At Masonite we have a very specific purpose: WE HELP PEOPLE WALK THROUGH WALLS™. Not just physical walls by providing a door, but also through walls and barriers that stand in the way of us being our best – both as a company and as individuals.

Our culture creates an environment where people are open, honest, work well together and are focused on doing the right thing for our customers, teammates, shareholders, suppliers and the communities in which we work. The decisions we make, the actions we take and the ideas we bring to life at Masonite are shaped and molded by these cultural pillars.
Masonite’s Cultural Pillars

Integrity Under Pressure
Put us under pressure, turn up the heat and our integrity stays intact. In fact, we get stronger. It’s more than the structural integrity of our product—integrity is the foundation of everything. It’s pride in each door we make. Pride in delivering on our commitments. Pride in being frank, honest and sincere in all we do.

People are Key
Like our composite materials, our company is a composite of people from many different backgrounds. The key is how we all come together. At our company, we go out of our way to support and respect one another—whether it’s working to keep each other safe, working well with others or working to improve the quality of life for our coworkers, our customers and our communities.

Hold the Door Open
At Masonite, we hold the door open for each other and for new ideas. As we’ve grown, we’ve opened up our company, putting out the welcome mat for customers, suppliers and businesses. We want everyone to freely contribute ideas and add value, so we’re always positive and encouraging. Listening to many different voices is what makes us a transparent, fair company—one that doesn’t hide behind closed doors.

Flexibility in Every Fiber
From molded door skins to fiberglass door systems, our products are versatile and resilient. So are our people. Our unique combination of durability and resourcefulness lets us exhibit both flexibility and urgency when responding to market conditions and perfecting processes. Our ability to weather any storm, to bend without breaking, is what allows us to hear the knock and open the door with confidence, no matter what’s on the other side.

On the Threshold of What’s Next
Ever since a lucky experiment created Masonite hardboard, we’ve been leading the industry with innovative design, services and products across the board. From increasing customer interactions to enhancing the beauty and functionality of our doors, we continuously strive to improve both our products and our customers’ experiences. It’s that drive that leads us to revolutionize the door industry, again and again.
Helping People Walk Through Walls™

Masonite is one of the founding companies of the Center for Higher Ambition Leadership (CHL), a community of like-minded organizations who believe that creating social and financial value goes hand-in-hand. Through our participation in CHL and the development of our purpose statement, we focused on two initiatives to help bring our purpose to life:

- Helping high school students walk through walls
- Helping documented immigrants walk through walls

Our Purpose: Activation Examples

- Masonite’s Yulee, FL facility participated in Manufacturing Day in October 2018. Students from three high schools visited the facility to learn more about manufacturing and manufacturing career opportunities.

- Masonite provided Blake High School Visual Art students in Tampa, FL an opportunity to decorate a series of doors that were put on display at the 2018 International Builders Show in Orlando, the biggest builders’ show in the world. The Blake High door exhibit became the talk of the event, simultaneously making the point that door décor can have a big impact in the home and giving local high school students an opportunity to display their artwork.

- Masonite partnered with Christo Rey, a private high school in Tampa, FL, offering economically disadvantaged students a corporate work-study program to gain real world work experience.

- The Masonite facility in Mesquite, TX collaborated with a local college to bring English classes on-site to our Spanish-speaking employees. In 2018, 13 employees from the facility completed all three levels of courses to earn their English as a Second Language (ESL) certification.

- Our Canadian facilities are providing local immigrant job opportunities. In 2018, Lac Megantic and Megantic veneer facilities hired 12 documented immigrants hailing from El Salvador, Angola, Chile, Guatemala, Colombia, Cuba, Morocco and Haiti.
OUR VISION & MISSION
To be the best provider of building products in the eyes of our customers, employees, shareholders, suppliers and communities.

OUR VALUES
Masonite is committed to creating a culture defined by fairness, dignity, respect, teamwork, personal accountability and a passion for exceeding expectations. Masonite’s Blueprint enables every employee to come together around common values, goals and objectives.

OUR PURPOSE
WE HELP PEOPLE WALK THROUGH WALLS

OUR CULTURE
- Integrity Under Pressure
- People are Key
- Hold the Door Open
- Flexibility in Every Fiber
- On the Threshold of What’s Next

OUR VISION
To be the best provider of building products in the eyes of our customers, employees, shareholders, suppliers and communities.
HOW WE DO BUSINESS

CORPORATE RESPONSIBILITY APPROACH
At Masonite, we believe that individuals and companies have a duty to act in the best interests of the environment and society as a whole. We take that duty very seriously.

Our sustainability efforts are overseen by the Corporate Governance and Nominating Committee of our Board of Directors. The members of the Committee assist the Board in overseeing and monitoring our approach to matters related to environmental and social responsibility and other strategies to further the company’s corporate citizenship and sustainability.

Masonite has a corporate responsibility team that was created in 2018 to facilitate the publication of this report. The team is comprised of individuals across geographies and all major functional areas, as each area of our business is involved in multiple aspects of initiatives that impact our employees, customers, suppliers, communities and shareholders. Our employee environmental, health and safety team members work together with employees in a variety of functions, including product quality, sales, customer service, operations and marketing to implement sustainability initiatives.

CORPORATE GOVERNANCE
Our commitment to conducting our business operations with integrity and in an ethical manner is an integral component of the Masonite Values Guide. It is our goal—from every employee to our Board of Directors—to treat our customers and partners with respect and deal with them ethically and responsibly during every interaction. Through ongoing teamwork and open and forthright communications, we create a sustainable culture that every Masonite employee can be proud to share.

As an NYSE publicly-traded British Columbia corporation, Masonite is governed by a 10-member Board of Directors who provide governance and oversight to the company.
HOW WE DO BUSINESS

BOARD COMMITTEES
The standing committees of our Board are the Audit Committee, the Human Resources and Compensation Committee, and the Corporate Governance and Nominating Committee, with each committee functioning pursuant to a written charter adopted by our Board.

The membership of these three committees qualifies under the independence and experience requirements applicable to the company, including requirements of the New York Stock Exchange.

The written charter of the Corporate Governance and Nominating Committee provides that the Committee will assist the board in overseeing and monitoring the company’s approach to matters related to environmental and social responsibility and discuss these matters at committee meetings.

When considering a candidate for a director position, the Corporate Governance and Nominating Committee looks for demonstrated character and judgment; relevant business, functional and industry experience; and a high degree of expertise. The Board of Directors and the Corporate Governance and Nominating Committee believe it is important that the members of the Board of Directors represent diverse viewpoints. Accordingly, the Corporate Governance and Nominating Committee considers issues of diversity in identifying and evaluating director nominees, including differences in education, professional experience, viewpoints, technical skills, individual expertise, ethnicity and gender.

For additional details regarding Masonite’s governance structure, go to www.masonite.com.

Committed to Data Protection and Security
Masonite has long been committed to privacy and security, both for our own information and for the information we process for our customers. Our Chief Information Security Officer (CISO) provides strategy and leadership in this important area. The company is subject to applicable current international Data Protection requirements, including the new EU General Data Protection Regulations (GDPR). Masonite has conducted analyses of its data privacy processes and continuously monitors data protection compliance to ensure that our systems stay current with the latest data protection laws and regulations, including those in the United States that will require consumers to be able to delete personally identifiable information from our databases.
HOW WE DO BUSINESS

STAKEHOLDER ENGAGEMENT

Stakeholder engagement at Masonite is an ongoing and evolving dialogue. We are constantly reviewing and improving our business practices to adapt to our customers’ needs and meet or exceed best practices in our industry. The Masonite Blueprint incorporates this through our vision: To be the best provider of building products in the eyes of our customers, employees, shareholders, suppliers and communities. The Masonite Blueprint also incorporates a satisfaction circle, recognizing the interdependency of satisfied employees, satisfied customers and satisfied shareholders.

A key element of our success is how well we listen to what our stakeholders want and how well we communicate back to them.

- **Our employees receive annual performance feedback**, and in 2017 we initiated an annual formal employee engagement survey. We communicate to our employees on a regular basis through interactive quarterly all-employee update calls, town hall meetings, publication of the Masonite News newsletter and our Walk Through Walls magazine.

- **We communicate with customers on a regular basis** through direct conversations, surveys to solicit feedback on their satisfaction with Masonite, focus groups for new product development and the formation of key customer councils to share information and feedback.

- **We maintain regular interaction with investors** through meetings and calls, industry conferences, investor days, facility visits, periodic surveys and perception studies to elicit feedback on our performance and communications.

- **We partner with our suppliers** to source materials and services in a legal and ethical manner.

- **We interact with non-governmental organizations** (NGOs), such as trade and industry organizations, nonprofits, charities and community organizations.

- **We have ongoing contact with government agencies**, elected officials and their staff and trade associations on issues that affect our business.

Stakeholder Engagement Highlights:

- **Nearly 100,000 individual users** visited Masonite’s customer-facing web properties in 2018.

- **More than 221 meetings and conferences** were held with Masonite investors/potential investors in 2018, and an additional 165 teleconferences were hosted.

- **More than 51,000 individual users** visited Masonite’s investor relations website in 2018.
HOW WE DO BUSINESS

INVESTOR PERCEPTION SURVEY
In 2018 Masonite commissioned our first comprehensive Investor Perception Study which was completed by an independent third-party. The purpose of the study was to solicit direct feedback from the investment community to:

▶ Provide strategic guidance for Masonite’s investor communication
▶ Offer insight into how the company is currently perceived
▶ Identify the value drivers most important to investors
▶ Establish a benchmark measurement of investor perception based on peer comparison

The study included 52 confidential phone interviews with sell-side analysts, buy-side professionals (both owners and non-owners of Masonite shares), Masonite management and our Board of Directors.

The information from the study was compared with data sets from a Building Products peer group as well as companies in the S&P 500. This information and feedback was shared with the Management Leadership Team and Masonite’s board and was incorporated into the investor relations strategy and communications plan.
Masonite’s line of sustainable solid wood, composite wood and thermally insulated doors offer quality, security, value, energy efficiency and beauty to residential and architectural customers in 64 countries.

Developed primarily at the Masonite Innovation Center in West Chicago, IL, our product lines demonstrate the newest proven technologies and help ensure superior indoor air quality, energy efficiency and waste reduction. We strive to be the most comprehensive resource for environmentally-friendly door solutions and provide third-party certifications to validate environmental claims.

Where possible, our doors have multiple sustainability aspects, including:
- Recycled Content
- Regionally Sourced Materials
- Rapidly Renewable Materials
- Certified Wood
- Environmental Product Declarations
- Low-Emitting Materials

PRODUCT RESPONSIBILITY
Masonite is committed to making a positive difference in the world and in people’s lives by providing products and technologies that are used in a wide variety of applications. Every year we make significant investments in developing or strategically acquiring new technologies and products, enabling Masonite’s customers and partners to improve the safety, comfort and sustainability of their homes and buildings. Our range of products offer solutions that help reduce energy consumption by providing insulating properties, ensure the safety and security of buildings through fire and storms, and contribute to our clients’ third-party sustainable building certifications.
OUR PRODUCTS

Product Spotlights

- Many of Masonite’s interior door cores are manufactured using Agrifiber, a low-density fiberboard made from wheat straw. Wheat straw, a byproduct of wheat production, is a rapidly renewable material. Additionally, the use of wheat straw eliminates the need for wheat farmers to field burn after harvesting, reducing air emissions. Masonite removes approximately 36,000 tons of wheat straw from the waste stream in the production of Agrifiber each year. Door cores made with Agrifiber are ideal for environmentally conscious homeowners and architectural designers looking for products that add points to a building’s third-party sustainability certification.

- Masonite products are designed to withstand the elements. We offer a portfolio of products that meet Florida state building codes, some of the strictest building codes in the United States. Our newly designed Hurricane-Lite™ frame satisfies High Velocity Hurricane Zone (HVHZ) code requirements, offering quality and safety to homeowners.

- Formaldehyde is used as an ingredient in some of the materials Masonite uses to produce doors. Because of the risks associated with formaldehyde, Masonite has been working to reduce and/or eliminate the use of these materials. All Masonite products have met the federal formaldehyde emissions levels (which were formally introduced in September of 2018) every year since 2008.

- Masonite’s Solidor range of doors is manufactured using a solid timber core obtained from certified responsible forestry practices. These composite doors are arguably the most secure doors on the market in the United Kingdom, featuring insurance- and police-approved locking systems that deliver security, safety and cost savings to property owners.

- Door-Stop International was one of the first United Kingdom manufacturers to achieve an ‘A’ energy performance rating for their product for complying with regulatory frameworks supporting the conservation of fuel and power put into place in 2010.
OUR PRODUCTS

CERTIFICATIONS & RATINGS
At Masonite, we recognize that third-party certifications attesting to a door’s environmental and safety attributes contributes to the sustainability of many architectural projects. Below, we’ve listed a few of the many certifications, qualifications, ratings and attributes held by our products.

- **Low-Emissions Certifications** - SCS Global Services’ SCS Indoor Advantage Gold or GREENGUARD certification. These are programs designed to certify products for low exposure to volatile organic compounds (VOCs) in order to meet the stringent indoor air quality standards in many green building programs including LEED, WELL Building and Living Building Challenge. Masonite products with low VOC certification include various Aspiro™, Cendura™ and Graham™ & Maiman™ Series wood doors.

- **Energy-Efficient Ratings** - Many Masonite doors meet the ENERGY STAR partner requirements by region.

- **Forest Stewardship Council (FSC) Chain of Custody Certified** products assure our customers that the wood in our products are responsibly and ethically sourced. Our FSC-certified products qualify for LEED and other green building program credits.

- **Masonite Architectural** published an Environmental Product Declaration (EPD) for its wood door products in 2016, bringing greater environmental transparency to the wood door production process. This was one of the first EPDs ever produced for architectural wood doors.

- **Recycled Content** - In order to demonstrate our commitment to conserving natural resources, Masonite products may offer recycled content certification through an independent third-party company (SCS Global Services). Masonite products with recycled content include various Aspiro, Cendura and Graham & Maiman Series wood doors.

- **Declare labels** demonstrate product transparency by informing our customers of where our product comes from, what our product is made of, and lists options for the product’s end of life. Declare labels are referenced in green building programs such as LEED and Living Building Challenge. Masonite products with Declare labels include Graham & Maiman Series Serenity Wood Doors™ and Thermal Fused doors.

- **Health Product Declarations (HPDs)** are another form of product transparency that meets the requirements of green building programs such as LEED, WELL and Living Building Challenge. Masonite products with HPDs include Graham & Maiman Series Serenity Wood Doors and Thermal Fused Doors.
Certification Highlights:

- Masonite Aspiro Select Wood Veneer doors were selected by project architects for use in the headquarters building for the largest craft e-commerce company in the world. Completed in 2016, the building achieved a Living Building Challenge Certification, the highest level of sustainability certification, from the International Living Future Institute (ILFI). ILFI is an international sustainable building certification program that promotes advanced measurement of sustainability in the built environment. Masonite’s products used in this project are certified by SCS Indoor Advantage Gold and by the GREENGUARD certification program for meeting stringent indoor air quality standards, adding valuable points toward the building’s overall certification.

- Masonite Aspiro Select Wood Veneer doors were selected by project architects for use in the Student Pavilion at Arizona State University in Tempe, a LEED Platinum certified building. LEED, or Leadership in Energy and Environmental Design, is a green building rating system offered through the United States Green Building Council (USGBC). It provides independent verification of a building or neighborhood’s green features, allowing for the design, construction, operations and maintenance of resource-efficient, high-performing, healthy, cost effective buildings. Masonite doors, available as FSC certified and certified by SCS Indoor Advantage Gold, helped contribute to the overall points required to achieve the most stringent certification level within the LEED rating system.

In addition to this accomplishment, the pavilion is the campus’ first ever Net Zero building and the largest Net Zero building in Arizona. Net Zero buildings are designed to produce as much electricity as they consume on an annual basis. Architects and designers accomplished this through a combined effort of a well-insulated building, natural daylight, high efficiency equipment and solar panels.
In our facilities and across our operations, Masonite is committed to being environmentally and socially responsible. This is accomplished through seeking out ways to improve energy efficiency in our buildings, reducing waste from our manufacturing processes and implementing safety programs that keep our workforce healthy and protected.

From reusing and reducing shrink wrap, wood pallets and other packaging to investing more than $400,000 in lighting retrofits, being responsible isn’t just the right thing to do, it also makes good business sense.

2018 Environmental Excellence Award Recipients

The Masonite Environmental Excellence Awards program has been in place since 2005 and each year recognizes projects and programs implemented throughout the company that exemplify environmental excellence. In 2018, Masonite had a record-setting 28 projects nominated by 25 Masonite facilities representing five different countries. The total aggregate annual savings identified from the 2018 projects nominated was $990,000, with the Award Winners listed below reflecting approximately $260,000 of the total.

2018 RECIPIENTS

Aldergrove, British Columbia — Two nominations were combined into a single award for the Aldergove facility. The plant implemented multiple projects to collect, sort and re-use packing materials, including foam corners, screw packets, boxes and pallets. In addition to reducing waste, the facility will realize annual savings by reusing these materials.

Cabrero, Chile — The facility eliminated the use of an additive in the manufacturing process, resulting in reduced chemical use, elimination of odor and elimination of container waste.

Chillan, Chile – Working with the paint supplier and the paint line team, the facility eliminated paint waste water entirely, diverting 24,000 liters of water per year from the waste stream and saving the annual disposal cost.

Calgary, Alberta – By partnering with one of their largest customers, the Calgary team developed a system to sort, save, return and reuse pallets and packaging supplies, creating annual savings on pallet costs and also resulting in less waste going to landfills.

Carrick-on-Shannon, Ireland – The team upgraded its wood chip dewatering process, resulting in reductions in dryer load, steam consumption, and resin use, as well as improved machine life. The upgrade created savings through reduced energy consumption and lowered emissions from the site.

Sacre-Coeur, Quebec – The team installed automatic control drives and meters to replace the manual boiler controls. The improved efficiency resulted in lower air emissions and created annual savings with less fuel being burned and less boiler ash for disposal.
LEAN APPROACH WITH MVANTAGE

At Masonite, we have incorporated a lean operating system we call Mvantage. With dedicated resources to continuously pursue operational excellence, Mvantage helps us focus on the elimination of waste and non-value-add activities within the organization.

In 2018, we drove operational improvement to a new level using our three-pronged Mvantage strategy:

- **Model Plant Transformation Process** aims to allow the seamless flow of material through our facilities.

- **Process Improvement Teams (PIT)** diagnose operational inefficiencies and apply corrective actions to stabilize and standardize our day-to-day operations. The PIT crews work closely with manufacturing sites and utilize our Mvantage lean toolbox.

- **Training and Implementation of Global Standards** allow us to drive continuous improvement via Kaizen events, led by our Kaizen-trained facilitators.

Through this structured approach, we realized improvements in certain key performance indicators in 2018. Some specific examples include:

- **Forklift Use Reduction:** Through our focus to improve material flow and develop standardized material handling routes, we are reducing the number of forklifts. The reduction of forklifts results in improved employee safety, decreased risk of forklift-related physical asset damage, a decrease in our carbon footprint and lower costs. In Dickson, TN, through process-mapping efforts, the local team initially eliminated 12 percent of their fleet and have identified another 30 percent potential targeted eliminations. These efforts are also leading to change at our Lawrenceville, GA; Haleyville, AL and Birchwood, WI facilities. In instances where forklifts cannot be eliminated, our operations teams are looking for safer and more efficient alternatives.

- **Digital Factory Initiatives:** We introduced digital tools to capture real-time data to help us solve problems as they happen, reducing unplanned downtime and identifying opportunities to improve quality and efficiency. We also use these tools to communicate during various processes, as scoreboards for our operators and built-in reporting for our managers.

- **Wooden Pallet Repurposing:** Another impactful process mapping results has been the implementation of multiple ways to repurpose and reuse pallets, including using pallets to store materials and as visual signals. Repurposing pallets decreases waste hauling costs and reduces landfill waste.

- **Opportunities for Giving Back:** A Kaizen event in Yulee, FL focused on improving first-time yield of our doors, resulting in significant improvements and an opportunity to donate doors with minor flaws that could not be sold at retail, resulting in reduced hauling costs and landfill waste.
ENERGY
Masonite’s manufacturing and distribution centers require machinery, lighting and building maintenance on a near continual basis. This means we need to be strategic when selecting equipment, fixtures and fittings that maximize efficiency while providing flexibility to upgrade as technology evolves.

To date, each Masonite facility has worked to manage its energy use independently. As we look to the future, we see an opportunity to aggregate and track energy use across our organization to better understand energy use patterns and efficiency options.

Masonite Invests in LED Lighting at Facilities Around the Globe
In 2018, Masonite identified five sites on two continents to focus our investment of replacing inefficient lighting fixtures with LED lamps. With a total investment of more than $400,000, Masonite expects to see the project pay for itself in energy savings in approximately two years. The LED lamps are estimated to save more than 1.8 million kWh per year in electricity, translating to a reduction in CO₂ emissions by over 1,300 tons.

<table>
<thead>
<tr>
<th>Site</th>
<th>Project cost</th>
<th>USD annual savings</th>
<th>Annual Kw/h savings</th>
<th>Annual Tons CO₂ reduction</th>
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<td>North America</td>
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<td>$55,126</td>
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<tr>
<td>Total</td>
<td>$430,325</td>
<td>$183,108</td>
<td>1,865,475</td>
<td>1,348.4</td>
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</tbody>
</table>

Cabrero Chile -
External Solar Lighting
Between 2015 and 2018, Masonite’s Cabrero, Chile Door Skin Manufacturing facility, replaced 35 percent of the incandescent electric external driveway lighting fixtures with solar-powered LED fixtures. We estimate a 26,000 kWh per year energy savings, with plans to replace the remaining incandescent light fittings over time.

Upgraded Emissions System,
Heat Exchanger Help Reduce Energy Use in Quebec
In St. Ephrem, QC Masonite identified the need for a Certificate of Authorization from the Quebec Ministry of the Environment to operate a newly acquired facility. We invested in a new emissions configuration and recuperative heat system, combining multiple air exhaust stacks into one large stack, adding a heat exchanger to capture heat before it leaves the building and installing additional measures such as air curtains and an air compressor heat recovery system to minimize heat loss. The resulting upgrades have reduced natural gas use at the St. Ephrem facility by 35 percent, and we successfully met the requirements for the air quality Certificate of Authorization.

Solar Panels Provide Energy to Door Manufacturing Facility
Our USA Wood Door manufacturing facility in Thorofare, NJ uses rooftop solar panels to meet 40 percent of the facility’s total electricity needs.
OPERATIONS

WASTE & RECYCLING

Our business was founded under the premise of taking wood out of the waste stream. The raw material for our composite wood door skins and our wood door cores includes recycled wood from other wood product operations, like lumber mills.

In 2018 in North America alone, we took more than 161,000 tons of wood and 36,000 tons of wheat straw out of the waste stream for use as raw materials in our products. By manufacturing doors using recycled wood and agricultural fibers rather than virgin materials, we are making a significant environmental impact.

At Masonite, we are continuously working to identify opportunities to close the loop on all types of waste — solid waste, wastewater, and air emissions — by minimizing waste generated by our processes, using cleaner raw materials, reusing materials within the process and minimizing and reusing packaging materials.
Waste Reduction Highlights:

- In 2018, 23 of our U.S. locations worked with a third-party waste management consultant on various projects to help minimize waste, increase recycling, manage waste load efficiencies and reduce cost.

- Masonite’s Corporate Byproduct Management Policy directs the reuse of our manufacturing byproducts such as sawdust, boiler ash, door cutouts and other materials and is applicable to all global facilities.

- Managers at all facilities are required to certify compliance with all regulatory requirements, including those for waste, wastewater and air emissions, on an ongoing basis.

Zero Landfill Goal Reached at Two UK Facilities
In 2018, Masonite’s two National Hickman manufacturing facilities in the UK partnered with the company’s waste management provider to achieve its zero-landfill waste goal in 2018. By completing a detailed waste audit on existing processes, the team identified individual waste categories and drove more efficient recycling and re-use practices. Once the waste stream categorization process was complete, the team initiated an employee training program to ensure program success. One of the key findings was that shipping pallets were being treated as a general waste product, so the sites implemented a pallet reuse program, eliminating significant amounts of waste from landfill. Due to these changes and the ongoing efforts, Masonite was shortlisted for the 2018 Waste Reduction Award — Commercial Sector as part of the UK’s National Recycling Awards program.

Wastewater Diverted from Waste Stream, Made into New Paint
At the Chillan, Chile door manufacturing facility, 460 liters of water per week was used to wash paint residue from the filtration system and painting equipment. In 2018, Masonite repurposed the wastewater and paint solids by storing it in empty containers on site and using it as an ingredient in making new paint. By reusing the water, we are diverting 24,000 liters of water per year from the waste stream, recycling it into new paint and saving in disposal fees.

Bioscrubber Uses Natural Bacteria to Eliminate Air Pollutants
Due to changes in federal requirements for air quality and emissions, Masonite needed to install air pollution control measures at its Laurel, MS door skin manufacturing facility. We had the option of conventional emissions-reduction technology, using natural gas to incinerate the pollutants at very high temperatures. Instead, Masonite worked with a third-party company to design and install a bioscrubber system that collects the exhaust air, forces it through a closed-water “wash” that strips any pollutants, and then uses bacteria in a large treatment tank to digest the pollutants.
At Masonite, the health, safety and well-being of all employees, agency workers, visitors and contractors are of paramount importance. This is reflected in our goal of Target Zero – no injuries or incidents – and our continued effort to create a zero-harm workplace.

We believe that incidents can be prevented through proper risk management, employee involvement, standardized operations and equipment, and attention to detail. Safety programs and training are provided throughout the company to ensure employees and managers have effective tools to help identify and address both unsafe conditions and at-risk behaviors.

Through a sustained commitment to improve our safety performance, we have been successful in reducing the number of injuries sustained by our employees over the long term. While our overall results are still far better than manufacturing averages, we are seeking improvement. The Fresh Start Safety Program, implemented midway through 2018, has yielded positive results.

Our safety program is overseen by our Executive Management Team with support from a dedicated Environment, Health and Safety (EHS) Department. Employee-led health and safety teams help identify, analyze and communicate issue mitigation at each facility.

All staff engage in our safety program through monthly meetings, internal reporting, an open-door management policy and encouraging the reporting of at-risk conditions. We send incident reports and newsletter updates to all sites to ensure our people understand the trends, resolutions and lessons learned. The company also supports specific advanced training for first responders at all facilities.

As a result of this inclusive approach, all of our employees are engaged with safety.

### Tool Box Talks

At each of Masonite’s manufacturing facilities, employees meet with their site leaders to discuss safety topics on a regular basis. The Masonite Tool Box Talks occur at least twice each month on mandatory and specialized safety training topics. Tool Box Talks include all of Masonite’s operations employees and selected office personnel, based on the relevance of the topic.

### Electronic Data Management

Masonite has implemented an Electronic Material and Safety Data Sheet System to track the use of chemicals in each area of our manufacturing process.
SAFETY & HEALTH

Target Zero
CREATING AN INJURY-FREE WORKPLACE

Masonite’s focus on safety pays off, with outstanding results across the following facilities:

- Years Worked without a Recordable Injury > 6 Years
  - Calgary, AB
- Years Worked without a Recordable Injury > 3 Years
  - Stockton, CA
  - Westminster, CO
  - Cabrero, Chile
- Years Worked without a Recordable Injury > 2 Years
  - Vandalia, OH
  - Chillan, Chile
- Years Worked without a Recordable Injury > 1 Year
  - Charlotte, NC
  - Kirkwood, NY
  - Pittsburg, KS

Fresh Start Safety Program
The Masonite leadership team initiated the Fresh Start Safety Program in the second half of 2018 to create a positive change in safety at Masonite locations. The Fresh Start program is a company-wide effort to improve our focus on our safety culture, improve our ability to recognize and eliminate risks and to reduce injuries. The approach involves a standardized risk-assessment process of identifying areas within the facility where injuries and safety concerns are occurring. Each area is evaluated and corrective actions established to eliminate the risk. Included in this program is a process to recognize our successes and to encourage all employees to participate in the program and build ownership of safety at all levels across Masonite.

Industrial Hygiene
Masonite’s facilities continue to hold themselves to the industry’s most rigid employee exposure standards and ensure conformance through regular assessments and testing of workplace health hazards. Employee participation in these efforts has included the identification and communication of risks, participation in EHS audits and inspections, as well as actively wearing sampling equipment when conducting exposure testing in their workplaces. All these efforts play an important role, not only in the protection of employees and their co-workers today, but also helping Masonite shape EHS and production decisions in the future.
At Masonite, living our culture means more than just obeying laws and regulations. It means applying the highest standard of ethics to every interaction between all employees, customers, suppliers, regulators or other stakeholders. Our Masonite Values Guide strives to create an environment considerate of the human rights of union and non-union employees, as well as the human rights of our suppliers, vendors, partners and communities. Our Supplier Code of Conduct seeks a commitment from our suppliers that no abusive, exploitative or illegal conditions exist at their workplaces or at those with whom they do business.

**Ethics Training and Hotline**
The Masonite Blueprint and Values Guide are supported by annual ethics training courses for all Masonite employees. The courses train Masonite employees on anti-harassment and prevention of bullying, nondiscrimination, anti-bribery, conflicts of interest and other ethical guidance regarding such things as fair treatment of suppliers, vendors, partners and competitors.

We encourage open communication about ethical concerns and offer a third-party-managed ethics reporting system to ensure issues can be flagged quickly and anonymously. The third-party ethics portal site offers a 24-hour ethics helpline and an ethics electronic submission form that allows employees to make a report.

**Employee Assistance Program**
Masonite’s Human Resources Department also provides employee support through our Employee Assistance Program (EAP), providing aid to those employees in need of special assistance. Currently available for North American employees, the EAP provides confidential clinical psychology support; assistance with finding child and elder care, hiring movers, and planning major life events; legal guidance with regard to family law, wills, trusts, and other pressing legal issues; financial guidance; and online resources with information and trainings on the topics listed above.

EAP materials are posted in English, Spanish and French in employee offices and break rooms, distributed through periodic mailings and provided at the time of hiring. In 2018, nearly 600 employees contacted the EAP hotline.
“Leading With Purpose”
A Leadership Foundation Course

At Masonite, We Help People Walk Through Walls™. The best way to do this is to enable employees to develop their skills, talents and capabilities. Every day, managers across the organization remove barriers to help their teams achieve their goals. These leaders must also be able to attract, develop, retain and engage exceptional talent.

In 2018, Masonite developed a training and development program called “Leading with Purpose” to build a broader range of leadership skills for supervisors and managers globally.

“Leading with Purpose” introduces six leadership competencies that are linked to each one of Masonite’s Cultural Pillars.

Leading with Purpose Modules
- Business Knowledge
- Drive Change
- Build Talent
- Communicate Effectively
- Manage Conflict
- Lead in a Lean Environment

The highly interactive training was designed to teach key leadership concepts and then provide an opportunity for participants to practice new behaviors on the job. All six modules can be taught in a one-day workshop or delivered as separate, individual classes over time. 31 Masonite employees are certified Leading with Purpose facilitators, with representatives from Canada, Chile, Czech Republic, Ireland, Mexico, UK and the US participating. In 2018, 90 leaders were trained in the first module, “Business Knowledge,” and more than 500 leaders are set to complete the course in 2019.
SUPPLY CHAIN

APPROACH
Masonite supports regulatory and industry-driven efforts to ensure our global staff and suppliers are treated ethically, our raw materials are sourced responsibly, our products are of the highest quality, our packaging is minimized and our distribution channels are efficient and safe.

At the end of 2018, approximately 85 percent of our total direct material spend was managed by our global sourcing team, with the remaining 15 percent of direct material procurement managed at the local level.

RAW MATERIAL SUPPLIERS
Masonite is proud of its tradition of conducting business with suppliers in accordance with ethical standards and in accordance with the laws of countries in which we produce, buy and sell our products. We are committed to legal compliance and ethical business practices, and all operations strive to only conduct business with suppliers who share that commitment.

In 2018 the Global Sourcing and Supplier Quality groups launched our Global Supplier Policy and Supplier Code of Conduct. While every supplier is expected to abide by these expectations, we are also now requiring suppliers managed centrally by our Global Sourcing team to sign and return their acknowledgment of these policies.

In the near future, we plan to further improve compliance by translating the documents into additional local languages. Read the full Masonite Supplier Policy.

Global Supplier Policy
The Global Supplier Policy outlines processes used to ensure that our supply base is continually improving to prevent quality and delivery disruptions, provide the best cost and offer top-level service. We believe that the implementation of the processes outlined in this policy will not only reduce risk of supply chain disruptions but will also help us and our suppliers increase our competitive industry position and ensure our continued success.

The Global Supplier Policy is broken into two sections, the Sourcing Guidelines and Quality Guidelines. Sourcing Guidelines cover requirements including request for quotes, business surveys, purchase order terms and conditions, pay terms, conflict mineral reporting and customs compliance paperwork. Quality Guidelines cover requirements including audits, non-conforming material reports, deviation requests and code of conduct.

Supplier Code of Conduct
The Masonite Supplier Code of Conduct defines the expectations we have of our suppliers. We expect our suppliers to act reasonably in all respects and to ensure that no abusive, exploitative or illegal conditions exist at their workplaces. We expect our suppliers to extend principles of fair and honest dealing to all others with whom they do business, including employees, subcontractors and suppliers.

<table>
<thead>
<tr>
<th>Masonite Facility Location</th>
<th>Supplier Policy Returned percent</th>
<th>Code of Conduct Returned percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>64%</td>
<td>78%</td>
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<tr>
<td>North America</td>
<td>62%</td>
<td>62%</td>
</tr>
<tr>
<td>South America</td>
<td>10%</td>
<td>10%</td>
</tr>
</tbody>
</table>
SUPPLY CHAIN

Within our supply chain, we do not knowingly do business with suppliers whose business practices do not respect our standards. Further, suppliers are subject to audit by us to ensure their ongoing compliance with the Masonite Supplier Policy. We may terminate our business relationship with any supplier who violates this Code of Conduct. For more information, read the Masonite Supplier Code of Conduct.

Masonite’s Supplier Code of Conduct At-A-Glance

The Masonite Supplier Code of Conduct defines our expectations. We expect our suppliers to extend principles of fair and honest dealing to all others with whom they do business, including employees, subcontractors and suppliers in the following areas:

- Compliance with laws
- No forced labor, child labor, human trafficking or slavery in any forms
- Requirement of healthy and safe working conditions
- Reasonable work hours and days off
- Fair wages and benefits
- Non-discrimination policies
- Freedom of association allowed
- No harassment or abuse
- Anti-bribery
- Environment and sustainability legal compliance
- Conflict minerals policy

Additionally, Masonite has sourcing and quality teams positioned around the globe. These teams manage the supplier relationships and perform audits and reviews periodically with the suppliers. Audits and reviews are designed to ensure component quality is to the required level and guidelines put out by Masonite Global Sourcing are being followed.
CONFLICT MINERALS POLICY
In accordance with the SEC’s Conflict Minerals Rule, we have implemented processes to identify whether tin, tantalum, tungsten and gold (“Conflict Minerals”) are contained in our products and, if so, whether the Conflict Minerals may originate from sources that directly or indirectly finance or benefit armed groups operating in the Democratic Republic of the Congo and surrounding countries.

We will not knowingly work with suppliers that do not respect these standards and those of our customers. We periodically assess our supplier’s compliance with these standards. Any reported noncompliance is investigated and appropriate action is taken.

Wood Products
Based on a Masonite Technical Assessment supported by surveys received from 25 wood suppliers in 2016, no conflict minerals are required for the production of wood products supplied to Masonite. We determined that the wood category required no further evaluation for conflict minerals.

Chemicals, Glass and Metal Products
In 2018, 42 surveys were sent to our chemicals, glass and metal suppliers. This group of suppliers represents 42 percent of our total non-wood purchases. Since the program inception in 2016, no suppliers have been identified as being at risk for conflict minerals use. For more information, read the full Conflict Minerals Policy.

MASONITE ENSURES LEGAL AND SUSTAINABLE HARVESTING OF WOOD PRODUCTS
The Lacey Act is a United States law enforcing the conservation and protection of agricultural and natural resources against the illegal trade of wildlife, including plants. The Lacey Act promotes and facilitates the safe and sustainable harvesting and global trade of agricultural products.

Masonite has developed robust internal controls designed to ensure wood products, components and finished goods provided by our suppliers have been sourced in a legal and sustainable manner. Through its annual Lacey Act Certificate of Harvest program, Masonite supports compliance with the Lacey Act and foreign legislation.

PACKAGING
Masonite’s door products are generally packaged using stretch film, cardboard, slip sheets and wood stringers, and then loaded onto wood pallets for transport.

In the North American market, packaging of our products is primarily structured around maximizing shipping efficiencies and ensuring quality deliveries. By switching from standard sized pallets to custom, correct-size pallets in 2013, we have been able to utilize a higher percentage of available truck space and reduce the amount of packaging material. For internal transfers of components between facilities, we focus on reducing the amount of waste that is created by the packaging. While stretch film is typically a one-time use material, we have focused on reducing the amount of stretch film used. In 2017, we introduced a stretch film utilization program to train employees on best practices. This resulted in a reduction of stretch film use of nearly 50 percent at some facilities. Site managers monitor the packaging material data on a daily basis through a digital packaging analytics program.
SUPPLY CHAIN

In addition to stretch film reduction, we reuse our wood packaging materials as much as possible. Wood stringers used to support door skins during shipment, wood pallets, slip sheets, cardboard corners, and protective boards are re-used at many Masonite locations.

Packaging highlights:

- In 2019, our Kirkwood, NY facility contracted with a pallet supplier that uses 100 percent recycled lumber. The site uses 60,000 pallets per year and was previously using 100 percent new lumber pallets.

TRANSPORTATION & LOGISTICS

Transporting products from manufacturing facilities and distribution centers to customers around the globe requires a significant investment in transportation and logistics.

We have a dedicated logistics team and use a variety of qualified third-party transit providers. We work to optimize our vehicle fleet and shipping routes, which reduces fuel consumption and related emissions. Providing driver training helps us improve efficiency and keeps our drivers safe on the road.

Masonite’s Transportation Team is a SmartWay Participant in U.S.

Masonite is actively working toward building a more cost-effective and environmentally efficient transportation network. For example, in the United States, the Environmental Protection Agency runs a program called SmartWay, which helps companies advance supply-chain sustainability by measuring, benchmarking and improving freight transportation efficiency. Masonite participates in SmartWay, collecting and submitting annual shipping data to the program to help optimize transport across North America.
Transportation Highlights:

Drop and Hook Requirements Reduce Idle Time – 55 percent of Masonite’s North American facilities require carriers to drop and hook, a process whereby the driver drops the trailer and picks up a full trailer, rather than having the truck, trailer and driver idle and waiting during the load process. This reduces idle time with drivers, trucks and trailers, reduces carbon footprint and is a lower cost approach.

Barnsley Mileage Reduction Project - In October 2018 Masonite’s Barnsley, England, site began shipping products direct from the manufacturing facility to customers, eliminating intercompany product transfers within the U.K. Direct-to-customer shipping eliminated 615 truck moves and 173,805 miles, saving approximately 20,000 gallons of fuel over a 12-month period.

Door Fabrication Consolidation Project - Our Door Fabrication facilities worked with carrier providers to make better use of trailer space on every load. In 2018, optimization eliminated 10 trucks and reduced annual total facility mileage by 12 percent from 8,550,000 to 7,550,000 miles.
COMMUNITY INVOLVEMENT

Masonite is an active participant in the communities in which we operate. Our employee teams engage in a broad range of community initiatives in support of a variety of causes, including youth development, health research, financial literacy organizations and many others. Additionally, employees spend thousands of hours volunteering at a variety of community service events ranging from building homes with Habitat for Humanity® and online tutoring students in under-resourced schools to packing Thanksgiving meals for low-income families and gathering and donating school supplies for children in need.

Giving Highlights

- Every school year, Masonite in Marshfield, WI participates in a program sponsored by the United Way® called NOW – Nutrition On Weekends. NOW is a collaborative, community effort to target childhood hunger. The program provides healthy, ready-to-eat nutritional foods for children over the weekend. Non-perishable items are donated by employees and purchased by Masonite for the program. Additionally, once a month, salaried and union Masonite employees come together and pack lunches for NOW.

- Employees at our Tampa, FL facility partnered with Feeding Tampa Bay™ to help provide free breakfast during the summer for children in the area. Employees collected 54 lbs. of cereal for a total of 648 meals.

- In 2018, Masonite’s Global Supply Chain team worked with Habitat for Humanity, the Humane Society of Charlotte®, and Second Harvest Food Bank during their annual summit in Charlotte, NC, dedicating a full day to volunteering with these three organizations.

- At the Monterrey, Mexico, Door Manufacturing Plant, the team collects bottle caps from water bottles and soda containers to donate to Lianza Anticancer, an organization that helps families pay for childhood cancer treatment. For every 3,000 caps collected, Lianza Anticancer can provide chemotherapy treatment for one child. In 2018, Masonite employees funded treatment for three children.
COMMUNITY INVOLVEMENT

- In partnership with the Chilean Chamber of Construction in Chile, Masonite offered handicraft courses at our Chilean door manufacturing facility. The “Basic Furniture” construction course taught operators how to use tools and materials to create handmade furniture items.

- In 2018, Masonite offered college tuition assistance to 12 employees and 59 children of employees at our Chilean facilities.

- Employees at the Masonite Innovation Center in West Chicago, IL held an employee rummage sale, raising $1,040 in 2018 for the Midwest Shelter for Homeless Veterans.

- Through its participation in the BWF-Certifire scheme, our Premdor facility participated in the initiation of Fire Door Safety Week in 2012. Now in its seventh year, the Fire Door Safety Week works with the national ‘Fire Kills’ campaign, reaching more than 36.5 million people with important information about improving fire door safety and awareness. Premdor supports the annual campaign financially through membership in BWF-Certifire and through awareness activities and outreach.
FORWARD-LOOKING STATEMENTS

This report may contain forward-looking information and other forward-looking statements within the meaning of applicable Canadian and/or U.S. securities laws, including our discussion of our strategic initiatives.

When used in this report, such forward-looking statements may be identified by the use of such words as “may,” “might,” “could,” “will,” “would,” “should,” “expect,” “believes,” “outlook,” “predict,” “forecast,” “objective,” “remain,” “anticipate,” “estimate,” “potential,” “continue,” “plan,” “project,” “targeting,” or the negative of these terms or other similar terminology. Forward-looking statements involve significant known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Masonite, or industry results, to be materially different from any future plans, goals, targets, objectives, results, performance or achievements expressed or implied by such forward-looking statements. As a result, such forward-looking statements should not be read as guarantees of future performance or results, should not be unduly relied upon, and will not necessarily be accurate indications of whether or not such results will be achieved. Factors that could cause actual results to differ materially from the results discussed in the forward-looking statements include, but are not limited to, downward trends in our end markets and in economic conditions; reduced levels of residential new construction; residential repair, renovation and remodeling; and non-residential building construction activity due to increases in mortgage rates, changes in mortgage interest deductions and related tax changes and reduced availability of financing; competition; the continued success of, and our ability to maintain relationships with certain key customers in light of customer concentration and consolidation; new tariffs and evolving trade policy between the United States and other countries, including China; increases in prices of raw materials and fuel; increases in labor costs, the availability of labor, or labor relations (i.e., disruptions, strikes or work stoppages); our ability to manage our operations including anticipating demand for our products, managing disruptions in our operations, managing manufacturing realignments (including related restructuring charges), managing customer credit risk and successful integration of acquisitions; the continuous operation of our information technology and enterprise resource planning systems and management of potential cyber security threats and attacks; our ability to generate sufficient cash flows to fund our capital expenditure requirements, to meet our pension obligations, and to meet our debt service obligations, including our obligations under our senior notes and our ABL Facility; political, economic and other risks that arise from operating a multinational business; uncertainty relating to the United Kingdom’s anticipated exit from the European Union; fluctuating exchange and interest rates; our ability to innovate and keep pace with technological developments; product liability claims and product recalls; retention of key management personnel; environmental and other government regulations, including the FCPA, and any changes in such regulations; and limitations on operating our business as a result of covenant restrictions under our existing and future indebtedness, including our senior notes and our ABL Facility, and other risks that we may disclose in our filings with the Securities and Exchange Commission from time to time. Masonite does not assume any obligation to revise or update these forward-looking statements after the date of this document.