



## Investor CDP 2012 Information Request Masco Corporation

### Module: Introduction

#### Page: Introduction

#### 0.1 Introduction Please give a general description and introduction to your organization

Masco Corporation is one of the world's largest manufacturers of brand name products for the home improvement and new home construction segments. The Company is also a leading provider of a variety of installed products and services, including insulation, for homebuilders.

As of December 31, 2011, the Company had approximately 31,000 employees and approximately 80 manufacturing facilities.

#### 0.2 Reporting Year Please state the start and end date of the year for which you are reporting data. The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first. We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year. Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Sat 01 Jan 2011 - Sat 31 Dec 2011

#### 0.3 Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country
Canada
China
Germany
Denmark
Mexico
Spain
Turkey
Luxembourg
United Kingdom
United States of America
France
Netherlands

#### 0.4 Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

**0.5**  
Please select if you wish to complete a shorter information request

**0.6**  
**Modules**  
As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.  
If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be marked as default options to your information request. If you want to query your classification, please email [respond@cdproject.net](mailto:respond@cdproject.net). If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdproject.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

## Module: Management

### Page: 1. Governance

**1.1**  
Where is the highest level of direct responsibility for climate change within your company?

Senior Manager/Officer

**1.1a**  
Please identify the position of the individual or name of the committee with this responsibility

Corporate sustainability performance, including climate change, is overseen and led by the company's Vice President – Innovation and Sustainability , Gary Yezbick. Masco has a dedicated Environmental Affairs Department and experts with local operational responsibilities are employed in our operating companies.

The company's President and Chief Executive Officer, Timothy Wadhams, reviews the Company's progress and status regarding climate change in connection with his oversight of the preparation and publication of the Company's Corporate Sustainability Report.

**1.2**  
Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

**1.2a**  
Please complete the table

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator
Other: Masco's various Business Units	Monetary reward	Masco has invested millions of dollars since 2004 in the development and improvement of products that support/enhance sustainable practices, including climate change, through Masco Innovation Grants. Examples include Delta's conversion to PEX waterways instead of brass (less embodied energy), Watkin's recyclable polymeric substructure, and Behr's green chemistry initiative that resulted in low VOC paint.

**2.1****Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities**

Integrated into multi-disciplinary company wide risk management processes

**2.1a****Please provide further details (see guidance)**

Masco has a formal Enterprise Risk Management process that addresses various risks that may affect the Company, including general economic conditions impacting residential construction, our reliance on key customers, competition in our principal markets, cost and availability of raw materials, supply chain performance, international political, monetary, economic, and social developments, product liability, and environmental and health & safety concerns. The most relevant of these factors are more fully discussed in Item 1A of the 10-K contained in our 2011 Annual Report and attached below.

**2.2****Is climate change integrated into your business strategy?**

Yes

**2.2a****Please describe the process and outcomes (see guidance)**

Masco has an enterprise-wide global sustainability program that challenges all Masco business units to make sustainability part of their overall business strategy, and integrates a number of established Masco sustainability elements. Green Champions from business units, led by the Vice President of Innovation and Sustainability, serve as liaisons and advocates for sustainability-related activities and initiatives and form the Company's Green Champion Council, a forum for collaboration and best-practice sharing among Masco's businesses. This Council supports activities that help the Company meet its goals of new value creation, cost reduction, environmental footprint reduction and continuously improving Masco's position as an environmentally responsible corporation.

Through our Masco Business System (MBS) we have integrated leadership practices, processes, tools and capabilities that enable the effective and consistent execution of our strategies and operating plans. The MBS focuses on five core capabilities, including lean practices. We use Kaizen and Six Sigma® principles for problem solving and are driving lean thinking and practices throughout the entire enterprise. Efficiently using energy and water has been integrated into our Kaizen and Six Sigma® programs. Teams conduct Kaizens and projects focused on the elimination of wasted energy and water at Masco facilities through a formal Lean process we call EcoValuation .

The benefits of EcoValuation are being tracked through monitoring of our CO2 emissions intensity reduction goal (10% reduction in CO2 emission intensity by 2015, baseline 2007).

Most Masco companies that have Environmental Management Systems (EMSs) certified to the ISO 14001 standard have annual objectives and targets dealing with energy (and associated emissions) reductions. The benefits of these objectives and targets are tracked through monitoring of our CO2 emissions intensity reduction goal (10% reduction in CO2 emission intensity by 2015, baseline 2007). CO2 emissions reductions goals are included in the Long-Range Planning (LRP) process.

**2.3****Do you engage with policy makers to encourage further action on mitigation and/or adaptation?****Attachments**

[https://www.cdproject.net/Sites/2012/11/11411/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/2.Strategy/MAS2011\\_AR - Item 1A.pdf](https://www.cdproject.net/Sites/2012/11/11411/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/2.Strategy/MAS2011_AR-Item%201A.pdf)

**Page: 3. Targets and Initiatives****3.1**

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Intensity target

**3.1b**

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
MAS01	Scope 1+2	100%	10%	metric tonnes CO2e per unit revenue	2007		2015	

**3.1c**

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comments
MAS01	Decrease	30			

**3.1d**

Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
MAS01	50	70	

**3.2**

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

**3.2a**

Please provide details (see guidance)

Milgard Windows & Doors offers an extensive range of ENERGY STAR® compliant windows and in 2010 more than 60 percent of its window sales met the program's standards.

The Duragreen™ system, available on select windows manufactured by Masco's U.K. Window Group, can reduce home energy costs by 20 percent.

Masco's Environments For Living® program assists builders in constructing homes that are more energy efficient, more comfortable and more durable than conventional code-built homes. Software simulations developed by a respected third party indicate that a program-built home can produce CO2 savings in the range of 2.7 to 9.0 metric tonnes per year. There are over 150,000 homes built under the Environments For Living program in the United States today.

The Company's goal is to reduce, by 2015, four million metric tonnes of CO2 emissions during the use phase from new homes built to Environments for Living standards.

**3.3**

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or

## implementation phases)

Yes

## 3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*		
Not to be implemented		

## 3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Other	In 2008, Masco started the EcoValuation <sup>SM</sup> program, an initiative that looks at our facilities' operational energy, water consumption and waste generation. The approach applies tools that are based on lean concepts and targets wasted resources, unnecessary consumption and poor waste management. Masco companies continued using the EcoValuation process in 2011. While we do not track the cost those companies are incurring or the monetary savings the companies have achieved, the benefits are being tracked through monitoring of our CO2 emissions intensity reduction goal (10% reduction in CO2 emission intensity by 2015, baseline 2007). Most Masco companies that have Environmental Management Systems (EMSs) certified to the ISO 14001 standard have annual objectives and targets dealing with energy (and associated emissions) reductions.				

## 3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Masco has invested millions of dollars in new product development, creating innovative offerings that customers want and that also meet our sustainability goals. Among Masco's products and services that reduce energy use are energy-efficient Milgard® windows and patio doors, low-flow faucets and showerheads that reduce the energy needed to heat hot water, and residential insulation and weatherization solutions in the new construction and retrofit industries.
Employee engagement	Masco companies that have Environmental Management Systems (EMSs) certified to the ISO 14001 standard have annual objectives and targets dealing with energy (and associated emissions) reductions. Employees at these companies are engaged to assist with achievement of energy objectives and targets. Masco also communicates sustainability information through our internal MNet website (see attachment) and discusses sustainability on the Masco Corporation Facebook page. By 2015, our goal is to engage our employees in educational programs and other corporate communications about living and working in a more sustainable manner.

## Attachments

[https://www.cdproject.net/Sites/2012/11/11411/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/3.TargetsandInitiatives/Masco Employee Engagement CDP10.pdf](https://www.cdproject.net/Sites/2012/11/11411/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/3.TargetsandInitiatives/Masco%20Employee%20Engagement%20CDP10.pdf)

## Page: 4. Communication

### 4.1

Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in other places than in your CDP response? If so, please attach the publication(s)

Publication	Page/Section Reference	Identify the attachment
In annual reports (complete)	Page 6	Masco 2011 Annual Report
In voluntary communications (complete)	Various	Masco 2009-2010 Corporate Sustainability Report

### Attachments

[https://www.cdproject.net/Sites/2012/11/11411/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/4.Communication/MAS2011\\_AR-Page 6.pdf](https://www.cdproject.net/Sites/2012/11/11411/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/4.Communication/MAS2011_AR-Page%206.pdf)

[https://www.cdproject.net/Sites/2012/11/11411/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/4.Communication/2009-2010-coporate-sustainability-report.pdf](https://www.cdproject.net/Sites/2012/11/11411/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/4.Communication/2009-2010-coporate-sustainability-report.pdf)

## Module: Risks and Opportunities

### Page: 2012-Investor-Risks&Opps-ClimateChangeRisks

### 5.1

Have you identified any climate change risks (current or future) that have potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation

Risks driven by changes in other climate-related developments

### 5.1a

Please describe your risks driven by changes in regulation

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Uncertainty surrounding new regulation	We are subject to U.S. and foreign government regulations pertaining to health and safety (including protection of employees and consumers), climate disruption and environmental issues. In addition to complying with current requirements and requirements that will become effective at a future date, even more stringent requirements could be imposed on our industries in the future. Additionally, some of our products must be certified by industry organizations. Compliance with these regulations and industry standards may require us to alter our manufacturing and installation processes and our sourcing, which could adversely impact our competitive position. Further, if we do not effectively and timely comply with such regulations and industry standards, our operating results could be negatively affected.	Increased operational cost	1-5 years	Direct	About as likely as not	Unknown

### 5.1b

**Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions**

Compliance with changes in regulations and industry standards may require us to alter our manufacturing and installation processes and our sourcing, which could adversely impact our competitive position. Further, if we do not effectively and timely comply with such regulations and industry standards, our operating results could be negatively affected.

In 2008, Masco started the EcoValuationSM program, an initiative that looks at our facilities' operational energy, water consumption and waste generation. The approach applies tools that are based on lean concepts and targets wasted resources, unnecessary consumption and poor waste management.

Masco companies have continued using the EcoValuation process in 2011. While we do not track the cost those companies are incurring, the benefits are being tracked through monitoring of our CO2 emissions intensity reduction goal (10% reduction in CO2 emission intensity by 2015, baseline 2007).

Most Masco companies that have Environmental Management Systems (EMSs) certified to the ISO 14001 standard have annual objectives and targets dealing with energy (and associated emissions) reductions.

**5.1e**

**Please describe your risks that are driven by changes in other climate-related developments**

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Other drivers	<p>We may be subject to risks posed by climate change in our businesses worldwide (U.S., Canada, Mexico, Denmark, Germany, Spain, Turkey, United Kingdom, and China) throughout 2012-2013. Many of our raw materials are obtained from renewable resources (Cabinets - wood) or recycled materials (Plumbing – brass; Windows - vinyl, glass; Insulation - paper). Our U.S. cabinet companies are subject to requirements (e.g. California Air Resources Board (CARB) requirements) relating to the emission of volatile organic compounds (VOCs) which impact our sourcing of particleboard and require that we install special equipment in manufacturing facilities. The financial implications include increased raw material cost and increased capital expenditures.</p> <p>Legislation enacted in California, Vermont, and Maryland mandates new standards for acceptable lead content in plumbing products sold in those states. Federal legislation mandating a national standard for lead content in plumbing products will become effective in January 2014. Faucet and water supply valve manufacturers, including our plumbing product companies, will be required to obtain adequate supplies of lead-free brass or suitable alternative materials for continued production of faucets and certain of our plumbing products. Titanium dioxide is a major ingredient in the manufacture of paint. Resource scarcity (lead free brass, titanium dioxide, etc.), resulting from climate change and corresponding price increases could adversely affect our plumbing products and decorative architectural products segments production</p>	Increased operational cost	1-5 years	Direct	About as likely as not	Unknown

costs.

**5.1f**

**Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions**

Our U.S. cabinet companies are subject to requirements (e.g. California Air Resources Board (CARB) requirements) relating to the emission of volatile organic compounds (VOCs) which impact our sourcing of particleboard and require that we install special equipment in manufacturing facilities. The financial implications include increased raw material cost and increased capital expenditures. Legislation enacted in California, Vermont, and Maryland mandates new standards for acceptable lead content in plumbing products sold in those states. Federal legislation mandating a national standard for lead content in plumbing products will become effective in January 2014. Faucet and water supply valve manufacturers, including our plumbing product companies, will be required to obtain adequate supplies of lead-free brass or suitable alternative materials for continued production of faucets and certain of our plumbing products. Titanium dioxide is a major ingredient in the manufacture of paint. Resource scarcity (lead free brass, titanium dioxide, etc.), resulting from climate change and corresponding price increases could adversely affect our plumbing products and decorative architectural products segments production costs.

Delta Faucet introduced a new water delivery system in 2008 known as DIAMOND™ Seal Technology to satisfy the legislation enacted in California, Vermont, and Maryland regulating the acceptable lead-content in plumbing products. The costs of implementing a hedging strategy and introduction of the DIAMOND™ Seal Technology are confidential. However, Masco has invested substantially in environmentally responsible technology development and other internal green growth investments.

**5.1h**

**Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure**

Masco does not expect physical risks from climate change (droughts, floods, storms and hurricanes, rising sea levels) to unduly impact our operations in the future. We are conscious of the need to monitor these risks; for example, we have a practice of not locating new facilities within floodplains susceptible to 100 year or more frequent flooding. We rely heavily or exclusively on outside suppliers for certain of our products or key components. If there were an interruption in these sources of supply, we might experience difficulty or delay in substituting alternatives and our businesses might be disrupted.

**Page: 2012-Investor-Risks&Opps-ClimateChangeOpp**

**6.1**

**Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

**6.1a**

**Please describe your opportunities that are driven by changes in regulation**

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
		We believe regulatory requirements and changing consumer preferences present opportunities for Masco worldwide (U.S., Canada, Mexico, Denmark, Germany, Spain, Turkey, United Kingdom, and China) during 2012-2013. Masco expects GHG emissions to become increasingly regulated. We believe builders and					



	Other regulatory drivers	consumers will continue to demand more environmentally friendly products and services. As a leading provider of environmentally friendly products (such as paints, windows, faucets) and services (such as Environments for Living, insulation), Masco anticipates that these opportunities could increase demand for our products. However, these opportunities may be offset by potential costs (taxes, capital expenditures) we may incur to comply with climate change regulatory requirements.	Increased demand for existing products/services		About as likely as not	Unknown
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**6.1b**

**Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions**

As a leading provider of environmentally friendly products (such as paints, windows, faucets) and services (such as Environments For Living program®, insulation), Masco anticipates that these opportunities could increase demand for our products. However, these opportunities may be offset by potential costs (taxes, capital expenditures) we may incur to comply with climate change regulatory requirements.

Consumers and builders are becoming increasingly environmentally conscious and we believe demand is growing for the environmentally friendly products and services we offer. Masco has responded with a variety of environmentally friendly products and services. These include, among others, the Environments For Living® program, WellHome services, Behr's Premium Plus Ultra interior paint, Delta Faucet Company's Touch2O® technology and DIAMOND™ Seal Technology, Milgard Windows & Doors' Essence Series™ and 3D® and 3D MAX® energy efficiency package options, and Masco's UK Window Group's Duragreen system. In 2009, Masco became a SmartWaySM Shipper partner in the U.S. EPA certified SmartWay Transport Partnership. Masco has invested substantially in environmentally responsible technology development and other internal green growth investments.

**6.1c**

**Please describe the opportunities that are driven by changes in physical climate parameters**

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		We believe physical changes present opportunities for Masco worldwide (U.S., Canada, Mexico, Denmark, Germany, Spain, Turkey, United Kingdom, and China) during 2012-2013. As a building products and services supplier with leading brands in numerous construction sectors, our products may be chosen by consumers and builders to repair or rebuild property impacted by the physical impact of climate change (floods, storms and hurricanes, etc.). Our products and services	Increased demand for existing products/services	1-5 years	Direct	About as likely as not	Unknown

	may also be chosen by builders and consumers to build new energy efficient homes and/or retrofit existing homes with energy efficient products. These opportunities could affect our businesses through increased product demand and sales.					
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**6.1d**

**Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions**

As a building products and services supplier with leading brands in numerous construction sectors, our products may be chosen by consumers and builders to repair or rebuild property impacted by the physical impact of climate change (floods, storms and hurricanes, etc.). Our products and services may also be chosen by builders and consumers to build new energy efficient homes and/or retrofit existing homes with energy efficient products. These opportunities could affect our businesses through increased product demand and sales.

Masco has developed a variety of environmentally friendly products and services. These include, among others, Masco's Environments For Living® program, Masco's WellHome services, Behr's Premium Plus Ultra interior paint, Delta Faucet Company's Touch2O® technology and DIAMOND™ Seal Technology, Milgard Windows & Doors' Essence Series™ and 3D® and 3D MAX® energy efficiency package options, and Masco's UK Window Group's Duragreen system.

**6.1e**

**Please describe the opportunities that are driven by changes in other climate-related developments**

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Changing consumer behaviour	We believe climate change presents other opportunities for Masco worldwide (U.S., Canada, Mexico, Denmark, Germany, Spain, Turkey, United Kingdom, and China) during 2012-2013. Masco is one of the world's largest manufacturers of brand-name home building products and is a leading provider of installation services for the home improvement and new home construction markets. We distribute products through multiple channels, including directly to homebuilders and wholesale and retail channels. As consumer demand for energy efficient products (e.g. plumbing, paints, windows, doors, and insulation) increases, we anticipate that we will continue to respond with environmentally friendly products and services. Therefore, we continue to see climate change bringing commercial opportunities. These opportunities could affect our businesses through increased product demand and sales.					

**6.1f**

**Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions**

Masco is one of the world's largest manufacturers of brand-name home building products and is a leading provider of installation services for the home improvement and new home construction markets. We distribute products through multiple channels, including directly to homebuilders, wholesale and retail channels. As consumers become more educated in the area of

environmental stewardship, and as the awareness for energy efficient products (e.g. plumbing, paints, windows, doors, and insulation) and energy efficient manufacturing facilities increases, we anticipate that we will continue to respond with environmentally friendly products and services, and changes changes in our manufacturing footprint to capture efficiency.

We believe demographics support strong and sustainable long-term demand for home ownership. Over percent of the single-family homes in the U.S. are more than 25 years old. We believe kitchens will continue to be remodeled, rooms painted and baths updated. We believe consumers will increasingly demand more energy-efficient products and that our current strategic focus on new initiatives and innovation should position us to increase our sales and improve customer satisfaction.

Masco has developed a variety of environmentally friendly products and services. The U.S. Environmental Protection Agency (EPA) named our Environments For Living® program as a 2010 ENERGY STAR® for Homes Partner of the Year. Prior to this award, the program received Outstanding Achievement Awards from the EPA in 2003, 2004 and 2005. The Environments For Living program provides builders with a complete solution for high-performance building, including plan review, field-testing, training, certification, and powerful marketing tools. And because the program is performance and not product-based, any product, system or strategy – not just those from Masco – may be used as long as it meets Environments For Living® program requirements, allowing builders maximum flexibility. More than 150,000 homes have already been built under the Environments For Living® program.

Behr's Premium Plus Ultra interior paint product provides an extra-durable finish that resists moisture, stains, scuffs, and dirt. In addition to providing the consumer with a high quality, low VOC product, this paint and primer in one eliminates the need to prime, covers in fewer coats and saves time.

Delta Faucet Company's Touch2O® technology allows the user to start or stop the flow of water with a simple touch anywhere on the faucet. In 2010, Delta introduced the next generation in responsive hands-free functionality - its Proximity™ Sensing Technology. Delta has continued to incorporate DIAMOND™ Seal Technology, which keeps water in the faucet from coming into contact with potential metal contaminants, into most of its faucets. Faucets with DIAMOND™ Seal Technology last up to 10 times longer than the industry standard. Delta Faucet was also named a 2011 WaterSense® Manufacturer Partner of the Year by the U.S. Environmental Protection Agency.

Milgard Windows & Doors offers an extensive range of ENERGY STAR® compliant windows. In 2010, more than 60 percent of its window sales met the program's standards. In 2010, Milgard launched its Essence Series™ windows, an energy-efficient window that combines wood interiors with the strength and durability of a fiberglass exterior.

Masco's UK Window Group has introduced the Duragreen™ system. Duragreen windows can reduce home energy spend by 20 percent and condensation by 80 percent. The Duragreen system also can save up to 750 kg of CO2 per dwelling, per year. The Duragreen system is rated "A" by the British Fenestration Rating Council (BFRC).

All Tvilum-Scanbirk furniture carries Denmark's Climate Label and all of its products are made from wood from Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC) certified sustainable forests.

Masco continued as a SmartWaySM Shipper partner in the U.S. EPA certified SmartWay Transport Partnership in 2011. Masco has committed to ship at least 50 percent of its goods using SmartWay Transport Carriers.

Newsweek ranked Masco at 237 in its 2011 green rankings of the S&P 500®, recognizing continued reductions in our environmental footprint.

## Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

### Page: 7. Emissions Methodology

#### 7.1 Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Mon 01 Jan 2007 - Mon 31 Dec 2007	315722	487009

#### 7.2 Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope

**2 emissions****Please select the published methodologies that you use**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

**7.2a**

If you have selected "Other", please provide details below

**7.3**

Please give the source for the global warming potentials you have used

Gas	Reference
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**7.4**

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

Fuel/Material/Energy	Emission Factor	Unit	Reference
Natural gas	53.06	Other: kg CO2 per MMBTU fuel	The Climate Registry
Motor gasoline	19.56	lb CO2 per gallon	GHG Protocol
Diesel/Gas oil	22.38	lb CO2 per gallon	GHG Protocol
Propane	12.67	lb CO2 per gallon	GHG Protocol
Jet kerosene	21.10	lb CO2 per gallon	GHG Protocol
Distillate fuel oil No 2	22.38	lb CO2 per gallon	GHG Protocol
Wood or wood waste	1747.20	Other: kg CO2 per metric tonne fuel	GHG Protocol

**Page: 8. Emissions Data - (1 Jan 2011 - 31 Dec 2011)****8.1**

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Financial control

**8.2a**

Please provide your gross global Scope 1 emissions figure in metric tonnes CO2e

200608

**8.3a**

Please provide your gross global Scope 2 emissions figure in metric tonnes CO2e

287015

**8.4**

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

No

**8.5**

Please estimate the level of uncertainty of the total gross global Scope 1 and Scope 2 figures that you have supplied and specify the sources of uncertainty in your data gathering, handling, and calculations

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
More than 2%			More than 2%		

but less than or equal to 5%	Data Gaps Assumptions	but less than or equal to 5%	Data Gaps Assumptions
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**8.6**

**Please indicate the verification/assurance status that applies to your Scope 1 emissions**

Verification or assurance complete

**8.6a**

**Please indicate the proportion of your Scope 1 emissions that are verified/assured**

More than 90% but less than or equal to 100%

**8.6b**

**Please provide further details of the verification/assurance undertaken, and attach the relevant statements**

Level of verification or assurance	Relevant verification standard	Relevant statement attached
Moderate assurance	AA1000 Assurance Standard	See attached file

**8.7**

**Please indicate the verification/assurance status that applies to your Scope 2 emissions**

Verification or assurance complete

**8.7a**

**Please indicate the proportion of your Scope 2 emissions that are verified/assured**

More than 90% but less than or equal to 100%

**8.7b**

**Please provide further details of the verification/assurance undertaken, and attach the relevant statements**

Level of verification or assurance	Relevant verification standard	Relevant statement attached
Moderate assurance	AA1000 Assurance Standard	See attached file

**8.8**

**Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?**

Yes

**8.8a**

**Please provide the emissions in metric tonnes CO<sub>2</sub>e**

47907

**Attachments**

[https://www.cdproject.net/Sites/2012/11/11411/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/8.EmissionsData\(1Jan2011-31Dec2011\)/MASCO Corporation Assurance Statement AA1000-4.pdf](https://www.cdproject.net/Sites/2012/11/11411/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/8.EmissionsData(1Jan2011-31Dec2011)/MASCO%20Corporation%20Assurance%20Statement%20AA1000-4.pdf)

**Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2011 - 31 Dec 2011)**

**9.1**

**Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?**

Yes

**9.1a**

Please complete the table below

Country	Scope 1 metric tonnes CO2e
Canada	4355
China	25
Germany	5571
Denmark	853
Mexico	230
Spain	78
Turkey	527
Luxembourg	0
United Kingdom	9117
United States of America	179548
Other: Netherlands	103
Other: France	201

**9.2**

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

**Page: 10. Scope 2 Emissions Breakdown - (1 Jan 2011 - 31 Dec 2011)**

**10.1**

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

**10.1a**

Please complete the table below

Country	Scope 2 metric tonnes CO2e
Canada	2397
China	8561
Germany	12379
Denmark	8465
Mexico	1477
Spain	113
Turkey	199
Luxembourg	40
United Kingdom	19659
United States of America	233527
Other: France	68
Other: Netherlands	130

**10.2**

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

**Page: 11. Emissions Scope 2 Contractual**

**11.1**

Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?

Yes

## 11.2

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

No

## Page: 12. Energy

## 12.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

## 12.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year

Energy type	MWh
Fuel	934563
Electricity	519795
Heat	
Steam	
Cooling	

## 12.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	529003
Motor gasoline	118088
Diesel/Gas oil	247354
Propane	22489
Distillate fuel oil No 2	3145
Jet kerosene	14483

## Page: 13. Emissions Performance

## 13.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

## 13.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	8.33	Decrease	

## 13.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
	metric				Increased efficiencies due to various emission

65.30	tonnes CO2e	unit total revenue	6.79	Decrease	reduction activities and consolidation of operations.
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**13.3**

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
	metric tonnes CO2e	FTE Employee			

**13.4**

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
	metric tonnes CO2e				

### Page: 14. Emissions Trading

**14.1**

Do you participate in any emission trading schemes?

No, and we do not currently anticipate doing so in the next two years

**14.2**

Has your company originated any project-based carbon credits or purchased any within the reporting period?

No

### Page: 2012-Investor-Scope 3 Emissions

**15.1**

Please provide data on sources of Scope 3 emissions that are relevant to your organization

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
Business travel	7276	Estimated from the the approximate number of airline miles travelled by Masco employees in the 4th quarter multiplied by an emission factor and extrapolated through 2011 (this represents approximately 70% of Masco's total airline travel).	

**15.2**

Please indicate the verification/assurance status that applies to your Scope 3 emissions

Verification or assurance complete

**15.2a**

Please indicate the proportion of your Scope 3 emissions that are verified/assured

More than 90% but less than or equal to 100%



**15.2b**

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Level of verification or assurance	Relevant verification standard	Relevant statement attached
Moderate assurance	AA1000 Assurance Standard	See attached file

**15.3**

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

**15.3a**

Please complete the table

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Business travel	Other: Change in travel agency and increased business travel.	29.7	Increase	

**Attachments**

[https://www.cdproject.net/Sites/2012/11/11411/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/15.Scope3Emissions/MASCO Corporation Assurance Statement AA1000-4.pdf](https://www.cdproject.net/Sites/2012/11/11411/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/15.Scope3Emissions/MASCO%20Corporation%20Assurance%20Statement%20AA1000-4.pdf)

**Module: Sign Off****Page: Sign Off**

Please enter the name of the individual that has signed off (approved) the response and their job title

Gary L. Yezbick - Vice President, Innovation and Sustainability

CDP