

This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals.



We welcome feedback on its contents.

# Introduction

Owens Corning is honored to be a member of the United Nations Global Compact since 2010. With its emphasis on sustainability and responsible business practices, the UN Global Compact is well-aligned with our company values. It also provides Owens Corning with a strong platform for embracing and enacting good corporate principles in the areas of human rights, labor, environment, and anticorruption.

The accompanying Communication on Progress document provides an overview of Owens Corning's recent activities in support of Global Compact objectives.

# Statement of Continued Support

As the attached report illustrates, Owens Corning is committed – in both belief and action – to the Ten Principles of the United Nations Global Compact. This commitment extends beyond making our products and operations more sustainable. It involves embracing the broader objectives of sustainability as we balance economic growth with social progress and environmental stewardship. In short, we believe that what is good for people and good for our planet is also good for Owens Corning.

Owens Corning continues to be recognized for its leadership in sustainability. In 2015 the company earned a place on the Dow Jones Sustainability World Index for the sixth year in a row, and for the third straight year was named Industry Leader for the DJSI World Building Products group. Owens Corning was also honored by being named to the Climate Disclosure Leadership Index (CDLI) by international environmental non-profit CDP.

Sustainability is also about responsible behavior and stewardship with regard to our employees and the communities in which they live and work. Owens Corning provides our people with clear guidance on how to conduct business ethically and comply with all laws through our Corporate Code of Business Conduct and Corporate Governance policies. These policies and standards of behavior reflect our values as a company and are incorporated into the way our employees work every day - with customers, colleagues, suppliers, and the broader public.

A key dimension of responsible behavior and stewardship relative to our employees is our continued quest for an injury-free workplace. In 2014 Owens Corning received the highest honor of the National Safety Council (NSC) – the Green Cross for Safety medal, NSC presents the award annually to an organization with outstanding safety performance and a commitment to improving the quality of life in the communities where its employees work and live. Reflecting our commitment to responsible business practices, over the past 12 years Owens Corning has eliminated nearly 95 percent of recordable injuries, as defined by the United States Occupational Safety & Health Administration.

Owens Corning strives for a workplace where all employees feel they can reach their true potential. In the 2016 results of the Human Rights Campaign Corporate Equality Index, Owens Corning earned a 100 percent score for the 12th year in a row. This means it is named a Best Place to Work for gay, lesbian, bisexual, and transgender equality.

Owens Corning made a strong commitment to our global communities by joining the United Nations Global Compact in 2010. Since then, we are proud of our continued progress in the sustainability arena and pleased to again renew our dedication to conducting business responsibly throughout the world.



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# **Our Progress**

Owens Corning is honored to be a member of the United Nations Global Compact since 2010. With its emphasis on sustainability and responsible business practices, the UN Global Compact is well-aligned with our company values. It also provides Owens Corning with a strong platform for embracing and enacting good corporate principles in the areas of human rights, labor, environment, and anticorruption.

Click on each link to the left to review Owens Corning's progress against each Principle.

Principles of the UN Global Compact	Global Reporting Initiative
<b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights.	<u>HR1, HR2, HR3, HR4, HR7, HR8,</u> and <u>HR9</u>
Principle 2: Businesses should ensure that they are not complicit in human rights abuses.	HR1, HR2, and HR8
<b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	LA4 and LA5
<b>Principle 4:</b> Businesses should support the elimination of all forms of forced and compulsory labour.	HR7
<b>Principle 5:</b> Businesses should support the effective abolition of child labour.	HR6
Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation.	HR4, LA2, LA13, and LA14
Principle 7: Businesses should support a precautionary approach to environmental challenges.	4.11
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	EN2, EN5, EN7, EN10, EN13, EN14, EN18, EN21, EN22, EN26, EN27, and EN30
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	EN2, EN5, EN10, EN18, EN26, and EN27
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	<u>SO2</u> , <u>SO3</u> , and <u>SO4</u>



# STANDARD DISCLOSURES Governance, Commitments, and Engagement Commitments to External Initiatives

**GRI 4.11 Precautionary Approach** 

Owens Corning has been a signatory to the United Nations Global Compact since 2010. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere. Principle 7 of the Global Compact states "Businesses should support a precautionary approach to environmental challenges."

With respect to the precautionary approach, Owens Corning ensures that our products and technology comply with or exceed all applicable laws, regulations and approval standards to protect the environment and human life and health. Our product stewardship programs are designed to ensure integrity of our products and the processes used to develop, produce and manage them. Owens Corning is confident that these efforts are consistent with and meet the expectation of the precautionary approach. Our product stewardship policy can be viewed on the Owens Corning Sustainability website.

GRI Reporting Level: Full

Management Approach and Performance Indicators

Environmental

**Environmental Performance Indicators** 

Aspect: Materials

GRI EN1 Materials Used GRI EN2 Use of Recycled Input

Following are the details of our recycled input materials:

- Total weight of materials used: 6,072,000 tons (includes among others burnt lime, dolomite, spodumene, clay and limestone)
- Total volume of recycled raw materials: 597,000 tons
- Percentage of used recycled input materials: 9.83%

Recycled content in building materials is seen as a valued attribute in green building guidelines and certifications. It can also serve as a mechanism to reduce waste and enhance resource utilization in our manufacturing operations.

Owens Corning is a leader in recycled content for fiberglass insulation, having a minimum 53% and going as high as 73% for Canadian-made products. Owens Corning also has a high certified post-consumer amount for our light density building insulation at a minimum 37% for North America. We also have 20% certified pre-consumer content in our extruded polystyrene (XPS) foam insulation in North America. We work with suppliers to develop sources for recycled material; an example is Ripple Glass in Kansas City where Owens Corning assisted in establishing a waste glass processing plant and takes 85% of the collected glass to be made into insulation in the community. Owens Corning's successful partnership with Ripple Glass passed a five year milestone in 2014. In addition, Owens Corning's recently acquired Thermafiber mineral wool business is certified by ICCES to at least 70% recycled content.

Certification documents can be found at Owens Corning's Architectural & Engineering Information Center

We have a multi-pronged approach towards enhancing the recycled content:

- Seek to include or increase the content of recycled materials in our products and packaging either in initial design or continuous improvement.
- Validate recycled content through third party verification bodies -- Scientific Certification Systems
   -- and offer documentation for use in green building programs such as LEED.
- Promote the attribute of recycled content and educate customers and consumers on the value
  this brings to reducing landfill waste and saving resources and energy. We promote this through
  advertising, trade shows, external speaking engagements, product literature and training, and
  information on our website. Our specifications provided for architects and specifies also feature
  the element of recycled content examples in sites such as our Division 7 E-Book
- Owens Corning promotes green product / green operations in industry presentations, case studies and forums including the benefit of recycle content and reducing impact in the life cycle assessment of the product for all the industries we serve.



 Owens Corning is a member of organizations that promote recycled content in products including the USGBC and their LEED program and employs third party certifiers such as Scientific Certification Systems and UL Environment.

Owens Corning was the first roofing manufacturer to connect contractors with convenient recycling facilities through a national strategic alliance with Heritage Environmental. Owens Corning has rolled out the program nationally and has added recycling centers in 2013 and 2014, working with <a href="Earth911">Earth911</a> to promote the program and provide site information on where to recycle. As part of the program, contractors pledge to recycle their shingle tear-offs. In addition to keeping shingle waste out of landfills, contractors benefit by promoting sustainable business practices to homeowners. In 2014, we recycled an estimated 1.2 million tons of shingles though our recycling network—that is a 33% increase from 2013. Overall year over year, we saw an increase in 8 new markets, 12 new locations, and 55 additional contractors who pledged to recycle. Our population coverage remained at 65%, meaning over 65% of the population has access to shingle recycling in their market. This meets the FTC green guidelines of 60%. Through our network, we are positively influencing the life cycle of our shingles. Torn-off shingles taken to qualified shingle recyclers are diverted from landfills and recycled to be predominantly used in asphalt road pavement.

GRI Reporting Level: Full

References: Division 7 e-book

# STANDARD DISCLOSURES Management Approach and Performance Indicators Environmental Environmental Performance Indicators Aspect: Emissions, Effluents, and Waste

#### **GRI EN5 Greenhouse Gas Reductions**

As a glass manufacturing organization we are very energy intensive and understand the impact this has on the environment. To mitigate impact we are passionate towards implementing energy reduction programs globally in all of our businesses. Since 2006 Owens Corning has implemented over 900 projects across the globe which has reduced our MWH usage by close to 1,000,000 MWH. These projects include lighting retrofits, compressed air optimization, cooling tower upgrades, pump optimizations, solar hot water tanks, fuel switching, process optimizations, biomass conversions, etc. In 2014 we implemented over 90 programs which generated energy savings of more than almost 50,000 MWH. In turn these programs saved over 22,000 MT of greenhouse emissions. As part of our continuing drive Owens Corning will be assessing the availability of implementing these initiatives across the company.

GRI Reporting Level: Full

Management Approach and Performance Indicators Environmental Environmental Performance Indicators

Aspect: Energy

#### **GRI EN7 Reduce Indirect Energy**

Existing initiatives to reduce indirect energy use:

Owens Corning established a 2020 goal that 50% of North American transportation miles would be converted from diesel fuel to natural gas. In 2012, Owens Corning reported the first wave of fuel switching to natural gas from diesel fuel, and partners with Dillon Transport, Modern Transport and others on a fuel switch initiative of diesel to natural gas (NG) to deliver energy efficiency, greenhouse gas and other emission reductions. In 2014, Owens Corning carriers fueled by NG moved product 13 million miles, 30% more than the previous year. This represents 10% of our total road miles in 2014.

Of our total 142 million miles transported, 24 million miles were travelled using alternative means (NG, intermodal, rail) resulting in emissions avoidance of over 20,000 metric tons of CO2e versus over the road with standard diesel fuel.

Our goal had been to convert 50% of miles driven to NG, however with low fuel prices this is no longer a feasible option for our carriers. We will continue to request and support fuel switching while looking for alternative means for overall emissions reduction of our sourced transportation services.

Our revised goal will be to accomplish the same metric tons per mile intensity reductions planned from our work that started in 2012 by the continued conversion of diesel to NG powered equipment, as well as increasing utilization of bulk transport such as intermodal and rail (IML) and encouraging the use of lower emission equipment available to the marketplace and utilized by our carriers. As of 2014 IML comprised 7.5% of miles, while Natural Gas comprised 10% of miles.

Additionally we have implemented very robust video conferencing capabilities globally. This includes the standard video conference capability, MondoPad installations, as well as several Virtual Meeting rooms at global locations. In total Owens Corning has implemented close to 100 rooms globally with video services in over half of our locations. Additionally, we have almost 1000 employees globally with video capabilities installed on their work stations.

GRI Reporting Level: Full



Management Approach and Performance Indicators

Environmental

**Environmental Performance Indicators** 

Aspect: Water

#### **GRI EN10 Water Reused**

Owens Corning considers recirculated water to be water that is used in the production of prime product and is (a) used in a recirculating (closed-loop) system; and (b) exits the recirculating system when it evaporates or the recirculating system is flushed / cleaned.

Recycled water is defined by Owens Corning as water that is used in the production of prime product and is then (a) pulled out of a specific production process area, mechanically and/or chemically treated then returned to the same process; (b) pulled out of a specific production process area and used in a different area (either production-related or nonproduction-related).

Owens Corning's water withdrawal levels have not deviated much over the last five years. Since 2010, Owens Corning has considerably increased their water recirculated and recycled percentage. The production process at our Insulation facilities is suitable for water recirculation. In Composites facilities process water is recycled and used in the cooling towers and for landscaping purposes. In 2014, Owens Corning had a total water withdrawal of 9,937,255 cubic meters, of which 3%, or 343,785 cubic meters, was recycled. We re-circulated 360,103,719 cubic meters of water, which is 3624% of total water use.

GRI Reporting Level: Full

Management Approach and Performance Indicators

Environmental

**Environmental Performance Indicators** 

Aspect: Biodiversity

GRI EN13 Restored Habitats GRI EN14 Biodiversity Strategy

Owens Corning is not in businesses that remove minerals or other resources on or under the land. We focus on meeting regulatory requirements for all releases of air, water, waste, implementing footprint reductions beyond compliance and following our corporate environmental policies and guidelines, and conducting periodic assessments to assure proper operations. We engage stakeholders as necessary. Environmental considerations including natural resource protection and biodiversity are taken into account as part of capital project planning and internal approval.

In November 2011, biodiversity was recognized and added to our due diligence process for acquisitions and mergers. These evaluations are coordinated through the company Regulatory Law Department and Business Development Department using outside consultants. Business units would have to address any deficiencies identified on a new property whenever added or acquired. In 2014, we evaluated our 2 planned acquisitions/new builds (a new composite plant in Gastonia, North Carolina, U.S., and Transaco located in Chile) for their biodiversity impacts, as a part of the due diligence process.

Our facilities are well covered by the protections of the applicable regulatory permit processes where we operate, including our control processes, technology and standard facility inspections (as conducted by government). We also subject our facilities to internal assessments for special bio diverse sites, including table top biodiversity surveys for sensitive sites and species.

We are in the process of developing a company-wide biodiversity policy and goals. The intent of this policy is to acknowledge the importance of biodiversity to our facilities and to guide our future actions around biodiversity. We expect this policy to be finalized by the end of 2015.

An annual biodiversity assessment is completed by each plant. Based on this initial survey data, as collected from it's over 100 plants, Owens Corning conducts a biodiversity impact evaluation report at the corporate level. To complete this evaluation we use various databases regarding location of sensitive sites and species that must be protected. In 2014, as we reevaluated our biodiversity program, we made the decision to increase the boundary size assessed in our evaluation to 5 miles (26,400 feet) from the property boundary. We are developing a localized biodiversity assessment that will be implemented in 2015.

Owens Corning conducts a detailed evaluation of all its facilities against the following five important platforms:

- United Nations World Heritage Sites
- United Nations Biosphere Sites
- RAMSAR Wetlands sites

- Alliance for Zero Extinction sites (IUCN Red Species)
- Natura 2000 Sites (as applicable specifically to Europe)

Based on our detailed assessment, we have a good understanding of our risk profile in the biodiversity aspect. We have determined that we have no risk or opportunities related to biodiversity for all of our manufacturing locations and have no sensitive or protected sites within 5 miles of any of our facilities.

Owens Corning is not restoring any lands as a part of raw materials extraction or any other land disturbing business. Owens Corning has 3 small closed landfills and a dismantled plant in the Pinelands of New Jersey, a listed biosphere site. The landfills, which comprise a total of 164 acres, are properly capped, vegetated, routinely inspected and they attract wildlife. The former manufacturing property is undergoing groundwater remediation, but no effects on biodiversity have been identified.

A number of our sites have the required elements for a complete habitat on site for supporting local wildlife. We encourage all or our facilities to always respect and protect nature. A toolkit has been developed to help facilities choose projects for enhancing wildlife on site using native vegetation and/or doing other biodiversity related projects either leading or participating with their communities. Past activities have included tree plantings, stream trash removal, and land litter cleanup and other related activities to improve the environment.

In 2014 we began an employee education and outreach program centered on biodiversity, with the goal of increasing awareness of what biodiversity is, why it is important to us as individuals and a company, and what we can do to preserve and enhance it. As part of the program we formed a dedicated biodiversity team with global membership, are working to implement a formal biodiversity policy, and held a biodiversity photography contest for Earth Day. Every portion of the contest (announcements, submission, voting) incorporated facts about biodiversity and its importance. The photography contest received close to 550 submissions of photos taken by Owens Corning employees that demonstrated some aspect of biodiversity from employees all over the world. Over 1,800 votes were cast by employees to choose their favorite photos, which will be published within our sustainability website and sustainability report.

GRI Reporting Level: Full

Management Approach and Performance Indicators

Environmental

**Environmental Performance Indicators** 

Aspect: Emissions, Effluents, and Waste

GRI EN5 Energy Saved
GRI EN18 Greenhouse Gas Reductions

As a glass manufacturing organization we are very energy intensive and understand the impact this has on the environment. To mitigate this impact we are passionate towards implementing energy reduction programs globally in all of our businesses. Since 2006 Owens Corning has implemented over 900 projects across the globe which has reduced our MWH usage by close to 1,000,000 MWH. These projects include lighting retrofits, compressed air optimization, cooling tower upgrades, pump optimizations, solar hot water tanks, fuel switching, process optimizations, biomass conversions, etc. In 2014 we implemented over 90 programs which generated energy savings of more than almost 50,000 MWH. In turn these programs saved over 22,000 MT of greenhouse emissions. As part of our continuing drive Owens Corning will be assessing the availability of implementing these initiatives across the company.

GRI Reporting Level: Full

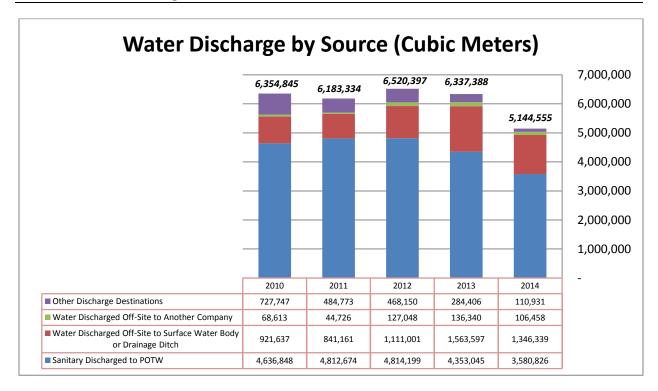
Management Approach and Performance Indicators

Environmental

**Environmental Performance Indicators** 

Aspect: Emissions, Effluents, and Waste

#### **GRI EN21 Water Discharge**



Water discharge intensity can be seen in the table below. In 2014 Owens Corning lowered its discharge intensity by 17% compared to prior year.

Wastewater Intensity Change from Base Year 2010							
2010	2011	011 2012 2013 2014					
100	78	62	85	69			

Owens Corning measures its water discharge based on meter readings. Where meter readings are unavailable, the calculation is done based on estimates of water withdrawn and consumption in process. Compared to 2013, Owens Corning has reduced its overall water discharge by more than 1 million cubic meters. Actual water discharge volumes for the two years are 6,337,388 m3 and 5,144,555 m3 in 2013 and 2014 respectively. The reduction achieved is based on reductions across all water discharges at Owens Corning. The majority of water discharged at Owens Corning is done via POTWs, which has seen a reduction of close to 800,000 cubic meters. Several facilities have achieved zero discharge other than water used in irrigation.

Water Emissions Data	2014
T.S.S.	1,356
B.O.D.	312
C.O.D.	2,016

Both B.O.D. and C.O.D. emissions were lower in 2014 compared to 2013, while T.S.S. emissions increased.

GRI Reporting Level: Full

Management Approach and Performance Indicators

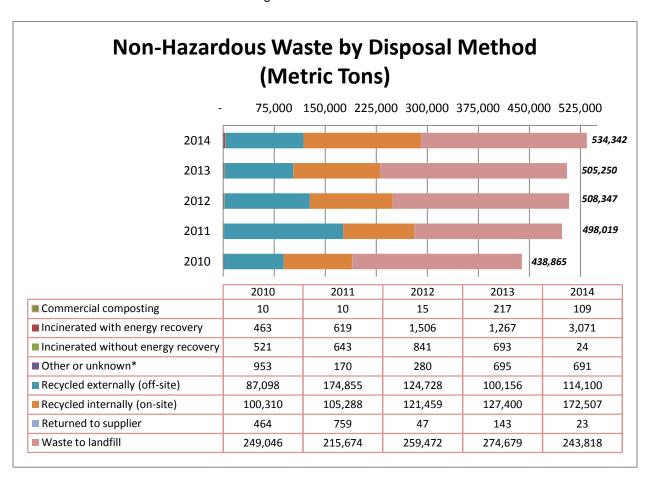
Environmental

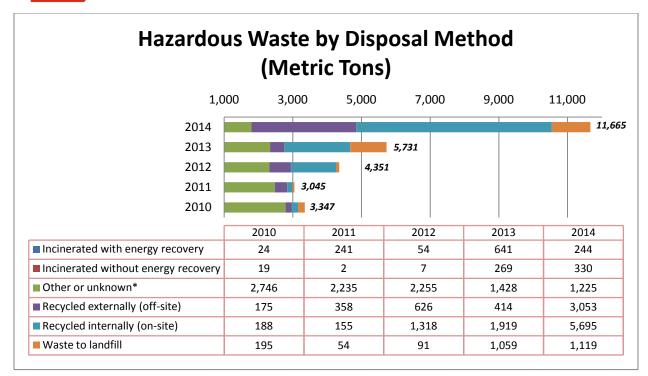
**Environmental Performance Indicators** 

Aspect: Emissions, Effluents, and Waste

#### **GRI EN22 Total Waste**

In 2014, total waste generated at Owens Corning was 544,946 MT. This includes both hazardous as well as non-hazardous waste and all disposal methods. The majority of Owens Corning's waste is either landfilled, or recycled. We also dispose of waste via Commercial composting, Incineration with and without energy recovery, and by returning it to the supplier. However all of these waste disposal streams accounts for less than 1% of overall waste generated.





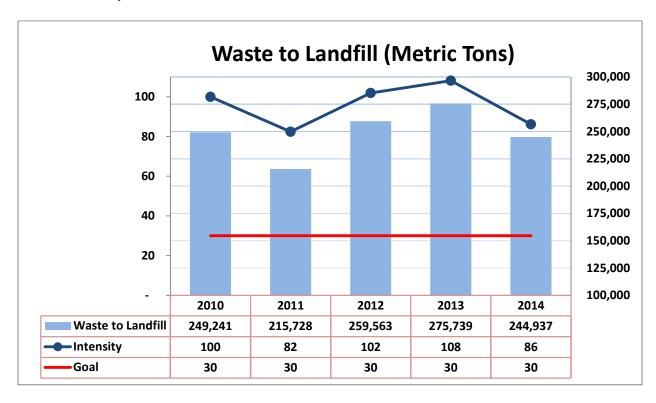
Reported Hazardous waste generated has increased substantially over the past five years at Owens Corning. Compared to the 3,347 MT of hazardous waste generated in 2010, the amount generated in 2014 has increased by 249% to 11,665 MT. However, part of this increase is due to improved waste classification since 2010. In the baseline year, 82% of the waste dispositions were unknown, where now we are at only 10%. Additionally, 75% of this waste is recycled either internally or externally. Only 10% of hazardous waste was landfilled in 2014.

A breakdown of our hazardous waste generated and hazardous waste intensity by business unit:

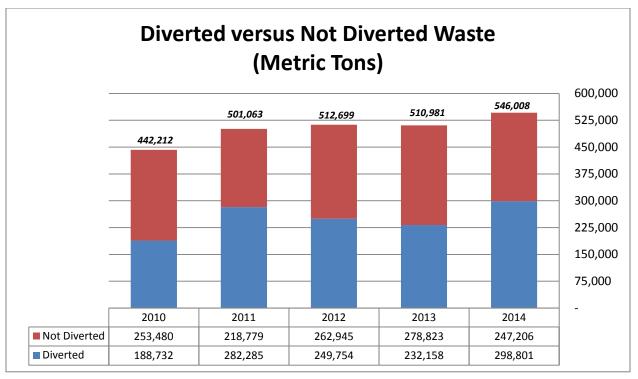
Hazardous Waste (MT)							
2010 2011 2012 2013 2014							
Corporate	5	13	24	20	14		
Composite	2,170	2,424	2,134	3,524	5,306		
Insulation	1,165	595	1,902	2,170	6,340		
Roofing and Asphalt	7	13	291	16	5		
Total	3,347	3,045	4,351	5,731	11,665		

Hazardous Waste Intensity Change from Base Year	2010	2014
Composite	100	131
Insulation, Roofing and Asphalt	100	678

Owens Corning has an ultimate goal of zero waste-to-landfill. In the interim, we have a goal to reduce waste-to-landfill (WTL) intensity (WTL disposed per unit of product) by 70% by 2020. We are currently at a 14% reduction in landfilled intensity compared to 2010. Due to ongoing efforts, our overall diverted tons have increased by 37% since 2010.







Owens Corning has established a practice of rating its facilities based on waste management initiatives and progress made. Plants diverting 100% of waste are rated platinum. A 98% and above diversion rate is gold and plants with 80% to 98% diversion rates are silver. We currently have 8 plants with a gold recognition level and 22 with a silver recognition level.

The following section provides a quick snapshot of our success stories on waste as captured across various facilities:

- At a Midwestern insulation plant: We expanded recycling relationship with a local company when OEM plants temporarily lost their recycling outlets for scrap fiberglass.
- At an East Coast facility: We began working with local organizations to identify third party baler to expand some of our recycling relationships.
- In Texas: The plant initiated discussions with a company with the potential to recycle process
  waste from plant. Due to a change in ownership at the prospective end-user, the project was
  delayed to allow for re-negotiation of agreements between recycler/processor and end-user.
  However, project is back on track in 2015 and materials are being tested.
- Also in Texas: We executed an agreement with an external company in December 2014. They
  will be building a recycling facility that will take all of Amarillo's process waste within 15 months.
  They are currently working to obtain outside funding, working on design/scoping equipment
  requirements, permitting and evaluating land options.
- At a Canadian facility: We initiated discussions with an external ceramics company; conducted
  plant visits and provided samples of drain glass. We are currently waiting for production time to
  process the scrap and provide samples to some of their customers.
- In a southern plant: We realized a full year of recycling/reuse with a new recycling vendor. The
  plant identified customers in China to take scrap mat rolls for use as under pavement in road



construction. The Plant also re-kindled a contact with a past recycler. These projects are currently awaiting a Product Stewardship Review.

Roofing/Asphalt plant in Asia Pacific identified two separate recyclers, one to recycle fiberglass
mat, the other to recycle sand, granules and mixed filler, which has ultimately led the plant to
become zero waste to landfill.

Additionally, we have implemented the following initiatives on waste across our enterprise, which have been instrumental for us to pursue our goals on improving our percent waste diversion and reducing waste to landfill:

- Pursued expansion of relationship with a new recycler, shipments of scrap rolls and/or samples
  were also sent from several facilities 2014. Currently awaiting final execution of recycling
  agreement.
- Initiated contact with an online waste marketplace, executed NDA in December. Currently
  working with waste consultant to identify outlets/solutions for various waste streams from a
  Midwestern plant.
- At two European plants: Began sending scrap trim waste for use in low spec solutions (plastic wood for container flooring, low-end auto parts and roof sealing)
- In Canada: The plant has two projects focused on internal waste reduction/recycling of process waste that could be replicated across several Owens Corning plants.

GRI Reporting Level: Full

Management Approach and Performance Indicators

Environmental

**Environmental Performance Indicators** 

Aspect: Products and Services

#### **GRI EN26 Mitigate Product Impact**

All new and significantly modified existing products sold by Owens Corning undergo a comprehensive Product Stewardship Review to ensure that they perform as claimed and are both safe and environmentally sound to make, use and dispose. We have conducted more than 1,070 reviews since 1997 and more than 770 since 2006 when the Product Stewardship program was made a mandatory element of our Business Code of Conduct Policy. Product reviews address all elements of Owens Corning's Environmental, Health, Safety and Product Stewardship Policy, and are carried out by highly qualified Product Stewardship Review Board members. Reviews are conducted at various stages, including the design, development, and test market, manufacture and distribution phases.

As part of the product stewardship process, developers are asked to complete a questionnaire that generates a sustainability map of the product throughout its life cycle. This Sustainability Mapping Tool is used to evaluate how the new product or process will impact the company's sustainability goals and to drive decisions in the design phase that will achieve a portfolio of more sustainable products. Summary reports from these assessments identifying trends and opportunities are published on a quarterly basis. In 2014, 74% of new products and 55% of new applications for our products have shown net sustainability gains. These gains were most frequently caused by product developments that improved our manufacturing footprint (lower plant air emissions, lower material consumption, lower energy usage and higher process efficiencies). Another frequent cause of gains in 2014 was moving to new product designs that use less material.

The product stewardship process is also utilized to evaluate and approve opportunities for recycling of materials, which includes products manufactured and/or sold by Owens Corning and the waste materials generated from the manufacturing of Owens Corning Products that are re-used (recycled) for other than their intended use. Although a significant number of both internal and external recycling/re-purposing opportunities were at various stages in the pipeline last year, seven met the criteria for product stewardship review in 2014 and 37 have been evaluated since 2006.

The most significant impacts of waste reductions and recycling/repurposing initiatives included internal process improvements, external repurposing opportunities for composite, fiberglass and roofing material byproducts and off-spec materials, as well as the expansion of current recycling/repurposing outlets. Globally, 47 plants/locations reported year-over-year improvements in waste intensity (as measured by total waste-to-landfill per unit of production) and 27 reported improvements in their waste-to-landfill diversion rates (as measured by waste diverted from landfill divided by total waste generated). As a company, Owens Corning improved its year-over-year waste-to-landfill diversion rate by just over 9%. Water reduction initiatives resulted in a 29% intensity reduction versus 2010 levels. Our energy initiatives have resulted in a metered energy intensity reduction of 12% and a primary power intensity reduction of



10% from our 2010 baseline. Greenhouse gas emission intensity has been reduced by 34% from 2010 and toxic air emissions by 65%.

GRI Reporting Level: Full

Management Approach and Performance Indicators

Environmental

**Environmental Performance Indicators** 

Aspect: Products and Services

#### **GRI EN27 Solid Products Packaging Reclaimed**

Owens Corning Roofing and Asphalt, LLC, is the first roofing manufacturer to establish a program for recycling shingles. We connect contractors with convenient recycling facilities through a national strategic alliance with Earth911.com and Heritage Environmental Services.

Shingle Recycling: As part of this groundbreaking program, contractors take the Preferred Contractor Shingle Recycling Pledge, committing to recycle their shingle tear-offs. Currently there are over 100 major cities with recycling locations. Sixty five percent of the United States population is covered by these locations allowing us to add the label "Shingles are Recyclable."

Homeowners can also commit to recycling by taking their version of the Shingle Recycling Pledge and selecting a contractor who recycles shingles from Owens Corning's contractor locator page.

Since the program began in 2009, we've recycled over 2.9 million tons of shingles, the equivalent of approximately 938,000 roofs. Every recycled roof is comparable to recycling more than 100% of a year's worth of household waste. The recycled shingles provide oil in the form of asphalt for beneficial reuse, typically in paving. Owens Corning reached an estimated 1.2 million tons recycled in 2014, a 33% increase from 2013.

Reported from Owens Corning network of third party shingle recycling sites:

Category of product sold	% reclaimed products and the packaging materials in				
	2014	2013	2012		
Roofing Shingles	38 35 23				

Owens Corning and Boulevard Brewery in Kansas City, Missouri, U.S., created what some call America's first self-contained metropolitan recycling system. The brewery was looking for ways to recycle its glass bottles, and the nearby Owens Corning plant in Kansas City, Kansas, U.S., was seeking ways to increase its use of recycled glass. Meanwhile there was no glass recycling program for local residents.

With the help of Owens Corning, Boulevard Brewery opened Ripple Glass, a state-of-the-art processing facility for glass recycling and reclamation. Residents are now able to drop off their jars and bottles at 60 locations around the city. Ripple collects, sorts and crushes the glass, and then ships it to Owens Corning to be melted and spun into fiberglass insulation.

Our Toronto plant has developed a program with their biggest customer to collect and recycle all Owens Corning packaging. The customer collects Owens Corning packaging from all their sites and returns it to



the Toronto plant when they return to pick up another load of insulation. In 2014 over 63,000 lbs of packaging was recycled using this program.

GRI Reporting Level: Full

References:

Shingle Recycling Scorecard



Management Approach and Performance Indicators Environmental

**Environmental Performance Indicators** 

Aspect: Overall

#### **GRI EN30 Environmental Protection Expenditures**

Owens Corning is committed to complying with all environmental laws and regulations that are applicable to our operations. We are dedicated to continuous improvement in our environmental, health and safety performance. We have not experienced a material adverse effect upon our capital expenditures or competitive position as a result of environmental control legislation and regulations. Operating costs associated with environmental compliance were approximately \$34 million in 2014. The company continues to invest in equipment and process modifications to remain in compliance with applicable environmental laws and regulations worldwide. Our manufacturing facilities are subject to numerous national, state and local environmental protection laws and regulations. Regulatory activities of particular importance to our operations include those addressing air pollution, water pollution, waste disposal and chemical control. The most significant current regulatory activity is the United States Environmental Protection Agency's ongoing evaluation of the past air emission and air permitting activities of the glass industry, including fiberglass insulation. We expect passage and implementation of new laws and regulations specifically addressing climate change, toxic air emissions, and ozone forming emissions and fine particulate matter during the next two to five years. However, based on information known currently, including the nature of our manufacturing operations and associated air emissions, at this time we do not expect any of these new laws, regulations or activities to have a material adverse effect on our results of operations, financial condition or long-term liquidity.

Owens Corning has been deemed by the United States Environmental Protection Agency to be a Potentially Responsible Party ("PRP") with respect to certain sites under the Comprehensive Environmental Response Compensation and Liability Act. Owens Corning has also been deemed a PRP under similar state or local laws and in other instances other PRPs have brought suits against it as a PRP for contribution under such federal, state, or local laws. As of December 31, 2014, we had environmental remediation liabilities as a PRP at 21 sites where it has a continuing legal obligation to either complete remedial actions or contribute to the completion of remedial actions as part of a group of PRPs. Environmental liability estimates may be affected by changing determinations of what constitutes an environmental exposure or an acceptable level of cleanup. To the extent that the required remediation procedures or timing of those procedures change, additional contamination is identified, or the financial condition of other PRPs is adversely affected, the estimate of our environmental liabilities may change. For these sites Owens Corning estimates a reserve to reflect environmental liabilities that have been asserted or are probable of assertion, in which liabilities are probable and reasonably estimable. As of December 31, 2014, our reserve for such liabilities was \$3 million. Changes in required remediation procedures or timing of those procedures at existing legacy sites, or discovery of contamination at additional sites, could result in increases to our environmental obligations.

GRI Reporting Level: Full

Management Approach and Performance Indicators
Labor Practices and Decent Work

Labor Practices and Decent Work Performance Indicators

Aspect: Employment

# **GRI LA2 Employee Turnover**

	By Age Group	2014	2013
	< 30 years	16	63
	30 to 50 years	0	5
	> 50 years	90	189
	By Gender	2014	2013
Number of employees joining the organization (for the first time) during the year	Female	364	390
	Male	1,265	1,767
	By Region	2014	2013
	Americas	127	386
	European Union	6	29
	Asia Pacific	632	1322
	Total Employees	2014	2013
	Total Employees	1,629	2,157

	By Age Group	2014	2013
	< 30 years	536	507
	30 to 50 years	737	776
	> 50 years	412	427
	By Gender	2014	2013
Number of employees	Female	349	304
leaving employment	Male	1,336	1,406
during the year	By Region	2014	2013
	Americas	1,286	1,191
	European Union	98	240
	Asia Pacific	301	279
	Total Employees	2014	2013
	Total Employees	1,685	1,710

GRI Reporting Level: Full

Management Approach and Performance Indicators

Labor Practices and Decent Work

Labor Practices and Decent Work Performance Indicators

Aspect: Labor/Management Relations

# **GRI LA4 Collective Bargaining Coverage**

Percentage of employees covered by collective bargaining agreements	2014	2013	2012	2011
Worldwide	63	65	68	50

For 2014, we had 10 consultations/negotiations with trade unions over organizational changes (e.g., restructuring, outsourcing).

Approximately 63% of our 15,000 employees are covered by collective bargaining agreements. This includes relationships with unions and work councils around the world.

GRI Reporting Level: Full

Management Approach and Performance Indicators
Labor Practices and Decent Work
Labor Practices and Decent Work Performance Indicators

Aspect: Labor/Management Relations

#### **GRI LA5 Notice Operational Changes**

Owens Corning prides itself on being a good corporate citizen and respects the rights of its employees, including the rights to exercise freedom of association and collective bargaining. We partner with suppliers to maintain the same philosophy.

The company has a variety of methods that it uses to ensure that workers are kept informed of operations changes, including the myOC global intranet site, email communications, and leadership meetings with team members to communicate news.

Owens Corning provides at least the minimum notice required, which varies by local legislation and collective bargaining agreements in the regions where we operate.

In many jurisdictions our union and self-represented employees enjoy similar notice periods by virtue of strong employee relations and labor practices, and well as applicable regulations.

GRI Reporting Level: Full



Management Approach and Performance Indicators

Labor Practices and Decent Work

Labor Practices and Decent Work Performance Indicators

Aspect: Diversity and Equal Opportunity

#### **GRI LA13 Diversity Indicators**

	<b>Employee Category</b>	Female	Male
Number of employees in	Managers	16	63
the <b>minority group</b> by	Officers	0	5
gender within employee	All other staff	90	189
categories	Primary	247	1,463
	<b>Employee Category</b>	Female	Male
Number of employees in	Managers	1	4
the age group < 30 years	Officers	0	0
by gender within employee	All other staff	166	263
categories	Primary	168	1,552
	<b>Employee Category</b>	Female	Male
Number of employees in	Managers	127	386
the age group 30 to 50	Officers	6	29
years by gender within	All other staff	632	1,322
employee categories	Primary	716	4,565
	<b>Employee Category</b>	Female	Male
Number of employees in	Managers	39	277
the age group > 50 years	Officers	1	20
by gender within employee	All other staff	320	629
categories	Primary	283	2,454

At Owens Corning, we understand that the ability to access great talent, having outstanding role models, and being comfortable with who we are is an important part of making diversity meaningful in our workplace. Our success is driven by our ability to attract and retain the most talented and high-performing employees available globally. To achieve that objective, Owens Corning is committed to being a company where opportunity for professional growth and success is determined by each employee's performance, regardless of personal attributes or other individual differences. For that to be a reality, each employee must be free to bring their complete self to work knowing that they will have an equal opportunity to reach their full potential with our company. Quite simply, we provide an environment where the most outstanding talent in the world feels welcomed, respected and valued for their contributions. Such an environment will facilitate otherwise unattainable business results and competitive advantage by leveraging the power of diverse experiences and perspectives.

We have five affinity groups that support the efforts of Building Tomorrow's Leaders Today through activities that drive employee engagement, deliver business impact and foster internal and external community connections. These groups, and their purpose, include:

#### African American Resource Group - AARG

Advance excellence through attracting, acclimating, retaining, and accelerating career growth, thus enhancing Owens Corning's business performance while leveraging the strength of a diverse workforce.

#### Gay, Lesbian, Bisexual, Transgender & Advocates - GLBTA

Our vision is to achieve a work environment that is inclusive and safe, where people feel they can be fully engaged to create and problem-solve to their maximum potential and to be confident in a work environment where they will be fairly evaluated.

#### Owens Corning Multi-Cultural Network - OCMN

OCMN's purpose is to fundamentally enhance the ability of the people within Owens Corning to understand, embrace, and leverage the multicultural differences that exist across our global organization.

#### Women's Information Network - WIN

WIN is a group of highly engaged, dedicated and compassionate professional women who are committed to attracting, retaining and developing outstanding women.

#### Connections

Connections enriches the lives of our employees by partnering with those in career transition, while fostering personal and professional growth and promoting community involvement in order to attract and retain top talent.

Today, Owens Corning is a diverse community of dedicated and highly talented professionals. We draw upon the unique backgrounds and experiences of our employees to fulfill our company purpose

**GRI Reporting Level:** Full

References:

Owens Corning Diversity

Management Approach and Performance Indicators Labor Practices and Decent Work Labor Practices and Decent Work Performance Indicators Aspect: Diversity and Equal Opportunity

# **GRI LA14 Male to Female Salary Ratio**

At Owens Corning, our compensation philosophy is to effectively use all elements of compensation to align employees with the goals and objectives of the company and its businesses to meet and exceed desired performance objectives by reinforcing behaviors necessary to achieve success. Our talent management strategy, employee development processes and programs are aligned with the company's objectives and business strategy. In order to ensure we bring in the correct talent to our team, we look at the business needs first and then select individuals whose skills, knowledge and experience will best help us meet our business objectives.

Employee compensation is performance driven, market competitive and fair. We reward both individual and collective contributions to our business's success through base and variable pay. Base salaries are determined by job responsibility level, benchmarking data on market competitiveness, individual competencies and performance. A consistent philosophy in the design, application, and administration of total compensation programs globally ensures equitable treatment for all employees independent of gender, age or ethnicity. Employees receive compensation from the company that is proportionate to the impact of role and contribution the individual makes to the company ensuring fairness in our programs.

Most employees are eligible to receive additional cash incentives via the corporate incentive plan (CIP) based on the year-end company results and their individual performance. EBIT targets by business and a consolidated corporate target compile the corporate component, while the individual component is based on each employee's annual performance.

**GRI Reporting Level: Partial** 

Management Approach and Performance Indicators

**Human Rights** 

**Human Rights Performance Indicators** 

Aspect: Investment and Procurement Practices

#### **GRI HR1 Agreements with Human Rights Clauses**

In 2014, we acquired a small distribution center in Chile. In addition we have been building a plant in Gastonia, North Carolina, U.S., that will be completed in 2015. Employees from both plants are required to be certified on our Business Code of Conduct, which includes human rights requirements.

Owens Corning has been a signatory to the <u>United Nations Global Compact</u> since 2010. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

In addition, Owens Corning publically states our support for the UN Universal Declaration of Human Rights. The creation of the 30 articles in 1948 which make up the Universal Declaration was a watershed moment in the history of international human rights. As one of the primary driving forces behind the UN Global Compact, the Universal Declaration of Human Rights is as relevant and impactful as ever.

Owens Corning is committed – in both belief and action – to the 10 principles of the Global Compact and the 30 articles of the Universal Declaration of Human Rights. This commitment extends beyond making our products and operations more sustainable. It involves embracing the broader objectives of sustainability as we balance economic growth with social progress and environmental stewardship. In short, we believe that what is good for people and good for our planet is also good for Owens Corning. Principle 1 (businesses should support and respect the protection of internationally proclaimed human rights) and Principle 2 (businesses should ensure that they are not complicit in human rights abuses) are both concerned with human rights.

GRI Reporting Level: Full

References:

Owens Corning Business Code of Conduct

Management Approach and Performance Indicators

**Human Rights** 

**Human Rights Performance Indicators** 

Aspect: Investment and Procurement Practices

# **GRI HR2 Supplier Screening Tips**

Owens Corning has been a signatory to the <u>United Nations Global Compact</u> since 2010. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

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Please provide values for the following data sets Uni		Reporting	Previous Years		
Please provide values for the following data sets	Unit	Year 2014	2013	2012	2011
Percentage of contracts with significant suppliers, contractors and other business partners that included criteria or screening on human rights.	Percent	50	47	70	25
Percentage of contracts with significant suppliers, contractors and other business partners that were either declined or imposed performance conditions, or were subject to other actions as a result of human rights screening.	Percent	0	0	0	0

GRI Reporting Level: Full

References:

Owens Corning Supplier Code of Conduct

Management Approach and Performance Indicators

**Human Rights** 

**Human Rights Performance Indicators** 

Aspect: Investment and Procurement Practices

#### **GRI HR3 Human Rights Training**

Please provide values for the following data sets	2014	2013	2012	2011
Total number of hours devoted to training on policies				
and procedures concerning aspects of human rights that	4,412	4,500	6,000	7,476
are relevant to operations (hours)				
Percentage of employees trained in policies and				
procedures concerning aspects of human rights that are	30%	30%	31%	54%
relevant to operations (percent)				

All salaried employees are trained on human rights guidelines through our annual online Business Code of Conduct training and certification.

Owens Corning has been a signatory to the <u>United Nations Global Compact</u> since 2010. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

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GRI Reporting Level: Full

References:

Owens Corning Business Code of Conduct

Management Approach and Performance Indicators

**Human Rights** 

**Human Rights Performance Indicators** 

Aspect: Non-discrimination

#### **GRI HR4 Discrimination Incidents**

In 2014, an anonymous report was submitted to the company alleging an employee had posted discriminatory remarks on a social media site. The allegation was investigated and substantiated, and the employee was terminated. This is the only incident during 2014 that was reported.

GRI Reporting Level: Full

#### References:

Owens Corning Business Code of Conduct
Owens Corning Equal Opportunity Policy
Owens Corning Non-harassment Policy

Management Approach and Performance Indicators

**Human Rights** 

**Human Rights Performance Indicators** 

Aspect: Child Labor

#### **GRI HR6 Child Labor Risk**

Owens Corning does not have any operations that are identified as a significant risk for child labor practices. No cases of child labor were reported in 2014.

Owens Corning's Equal Opportunity policy states: Owens Corning does not and will not employ child labor or forced labor. In addition, Owens Corning will not knowingly engage a supplier or distributor, or enter into a joint venture with an organization, that employs or subcontracts child labor or forced labor. Owens Corning defines "child labor" as work or service extracted from anyone under the age of sixteen, and defines "forced labor" as any work or service not voluntarily performed and extracted from an individual under threat of force.

Owens Corning has been a signatory to the <u>United Nations Global Compact</u> since 2010. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere. Principle 5 of the Global Compact is concerned with the effective abolition of child labor.

GRI Reporting Level: Full

References:

Owens Corning Equal Opportunity Policy

Management Approach and Performance Indicators

**Human Rights** 

Human Rights Performance Indicators Aspect: Forced and Compulsory Labor

#### **GRI HR7 Forced Labor Risk**

Owens Corning does not have any operations at risk regarding forced or compulsory labor practices. No cases of forced or compulsory labor were reported in 2014. Owens Corning's equal opportunity policy states: Owens Corning does not and will not employ child labor or forced labor. In addition, Owens Corning will not knowingly engage a supplier or distributor, or enter into a joint venture with an organization, that employs or subcontracts child labor or forced labor. Owens Corning defines "child labor" as work or service extracted from anyone under the age of sixteen, and defines "forced labor" as any work or service not voluntarily performed and extracted from an individual under threat of force.

Owens Corning has been a signatory to the <u>United Nations Global Compact</u> since 2010. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere. Principle 4 of the global compact is concerned with the elimination of all forms of forced and compulsory labor.

GRI Reporting Level: Full

References:

Owens Corning Equal Opportunity Policy

Management Approach and Performance Indicators

**Human Rights** 

**Human Rights Performance Indicators** 

**Aspect: Security Practices** 

# **GRI HR8 Security Training**

Owens Corning has corporate security personnel and additional third party security personnel in place at several of our facilities. We have 100% training compliance with all security personnel regarding Owens Corning's policies related to the security and safety of our operations and our employees, contractors, and guests.

GRI Reporting Level: Full

Management Approach and Performance Indicators

**Human Rights** 

**Human Rights Performance Indicators** 

Aspect: Indigenous Rights

#### **GRI HR9 Indigenous People Violations**

Owens Corning has had no reported incidents related to violations involving rights of indigenous people for the period covered in this report. Owens Corning's Equal Opportunity policy states: It is the policy of Owens Corning to provide employment opportunities without regard to race, color, religion, national origin, age, disability, veteran or military status, pregnancy status, gender, gender identity, sexual orientation, or genetic information. In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Owens Corning will be based on merit, qualifications, and abilities. Owens Corning does not discriminate in employment opportunities or practices on the basis of race, color, religion, gender, gender identity, sexual orientation, national origin, age, veteran or military status, pregnancy status, disability, genetic information, or any other characteristic protected by applicable law. Owens Corning will not tolerate acts of discrimination (which includes harassment).

While no cases were reported, employees who engage in harassment of others are disciplined up to and including termination.

GRI Reporting Level: Full

References:

Owens Corning Equal Opportunity Policy

Management Approach and Performance Indicators

Society

**Society Performance Indicators** 

**Aspect: Corruption** 

# **GRI SO2 Corruption Risk**

All of Owens Corning's business units have been analyzed for risks related to corruption (100%).

GRI Reporting Level: Full

#### References:

Owens Corning Business Code of Conduct

Management Approach and Performance Indicators

Society

Society Performance Indicators

**Aspect: Corruption** 

# **GRI SO3 Anti-corruption Training**

In 2014, 100% of Owens Corning's employees are trained in the organization's anti-corruption policies and procedures.

It is Owens Corning's policy to follow the letter and spirit of all Anti-Corruption laws. Owens Corning makes it a priority to ensure all staff (management and non-management) employees are trained each year. The training includes an understanding of how to comply with all Anti-Corruption laws, which include:

- The United States Foreign Corrupt Practices Act of 1977 ("FCPA"),
- The UK Bribery Act 2010 ("Bribery Act"),
- The OECD Convention on Combating Bribery of Foreign officials in International Business Transactions ("OECD Convention"), and
- Other such comparable laws in each country in which the Company does business

GRI Reporting Level: Full

#### References:

Owens Corning Business Code of Conduct

Management Approach and Performance Indicators

Society

Society Performance Indicators

**Aspect: Corruption** 

# **GRI SO4 Corruption Response**

There have been zero incidents where employees were dismissed or disciplined for corruption. Additionally, no incident occurred where contracts with business partners were revoked or not renewed due to violations related to corruption.

GRI Reporting Level: Full

#### References:

Owens Corning Business Code of Conduct
Owens Corning Supplier Code of Conduct