The California Transparency in Supply Chains Act of 2010 (SB 657) went into effect on January 1, 2012. This law requires manufacturers and retailers doing business in the State of California to disclose information regarding their efforts to eradicate slavery and human trafficking from their direct supply chains.

The U.K. Modern Slavery Act of 2015 went into effect on October 15, 2015. This law requires companies doing business in the U.K with a financial turnover of £36 million annually to disclose their business operations and supply chains are slavery-free via a “slavery and human trafficking statement.”

Our Human Rights Policy was published in late 2016 and aims to protect the rights of people where we operate and to ensure that they are treated with dignity and respect. It applies to Owens Corning, the entities that it owns, the entities in which it holds a majority interest (including joint ventures), facilities that it manages and franchises or branded operations, as well as all employees (full time, part time, agency or contractors). Our policy is guided by the Ten Principles of the United Nations Global Compact, the Universal Declaration of Human Rights, the UN Guiding Principles, and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work.

Owens Corning is a signatory to the UN Global Compact, and incorporated UN principles in the development of the Owens Corning Supplier Code of Conduct, which requires suppliers to follow socially responsible business practices to ensure that products are produced under lawful, humane and ethical conditions. Among other things, our Supplier Code of Conduct requires that Owens Corning suppliers not use child or forced labor, and comply with all applicable laws, rules and regulations in all locations where they conduct business. Owens Corning policy permits a range of measures up to and including termination of a supplier for violation of the Supplier Code of Conduct. This would include non-compliance with our company standards regarding slavery and trafficking. All of our employees are required to abide by our Company Code of Conduct to ensure that our business is always conducted in a legal and ethical manner.

Our 2030 goal for Human Rights directly relates to this topic. Our target is:

- 100% of our suppliers meet our Supplier Code of Conduct requirements, with special attention to human rights issues such as safety and forced labor.

  Our 2020 Sustainability Report details our full 2030 Sustainability Goals, including other goals which relate to the supply chain. In our 2030 goals we have targets to:

- Collaborate with suppliers to increase transparency around the raw materials we use in our products.
- Reduce the greenhouse gas emissions related to our purchased materials and services by collaborating with our suppliers to cut these emissions by 30%.
- Train and recertify annually 100% of our global sourcing team on sustainability.

As we look ahead to 2030, we will anticipate 100% compliance with our Supplier Code of Conduct among our suppliers, and we will continue to prioritize supply chain partners that share our commitments to sustainability in all its forms. This includes our goal of reducing Scope 3 greenhouse gas emissions by 30% from a 2018 base year. Our approach to maintaining effective and equitable supply chains includes:

1. Setting clear expectations for human rights and labor standards with our suppliers

   The Owens Corning Supplier Code of Conduct requires that Owens Corning suppliers not use child or forced labor and comply with all applicable laws, rules and regulations in all locations where they conduct business. A segmented group of suppliers, identified by risk and impact to the company, is surveyed annually. Adherence to this code of conduct is part of the assessment.
Our Supplier Code of Conduct prohibits suppliers to employ persons who were trafficked into employment on the Supplier’s premises or engage in human trafficking, as defined in Article 3 of the Protocol to Prevent, Suppress and Punish Trafficking in Persons Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime.

Owens Corning will not knowingly engage a Supplier that directly or indirectly through a third party employs child labor on the Supplier’s premises. We define “child labor” as work or service extracted from anyone under the age of sixteen (16), the minimum age for employment in that country, or the age for completing compulsory education in that country, whichever is higher. Owens Corning supports the participation in legitimate workplace apprenticeship programs, as long as they comply with all applicable laws and are consistent with Articles 6 and 7 of the ILO Minimum Age Convention No. 138 on vocational or technical education and light work. If children below the legal working age are found in the workplace, suppliers are expected to take measures to remove them from work and to help seek viable alternatives and access to adequate services and education for the children and their families.

For each of our suppliers, we strive to create an environment for understanding and complying with our Supplier Code of Conduct, and expect the supplier to comply with national and local legislation, the international norms explicitly referenced in the code, or Owens Corning’s specific standards - whichever standard sets the highest expectations.

2. Utilizing leading-edge sourcing practices

Supplier Audits and Evaluations

Under the company’s supply contracts, Owens Corning has the right to audit all suppliers for compliance with the Owens Corning Supplier Code of Conduct. Owens Corning employees periodically inspect the facilities of the company’s suppliers to ensure compliance with these standards. Facilities are generally selected for inspection where quality or other issues have been identified. Suppliers are expected to keep accurate records to prove compliance with the Supplier Code of Conduct. Owens Corning does not employ independent third parties or conduct unannounced audits but is evaluating these options as our supply chain sustainability program evolves. Throughout 2020, we continued our annual process of evaluating and assessing existing and new suppliers through on-site evaluations and self-assessments. In total, we conducted 33 on-site evaluations and self-assessments in 2020.

Owens Corning sourcing and supply chain professionals evaluate existing and potential suppliers using either on-site visits or supplier self-assessments. The on-site evaluations are specific to the kind of supplier – e.g., chemicals, minerals, cullet, packaging – and focus on the highest risks for each category. The self-assessment is an in-depth document asking about business practices, investments, quality management systems, and more. Both evaluations include questions about the Owens Corning Supplier Code of Conduct, which includes a range of social criteria, including discrimination, child labor, forced labor, human trafficking, the right to collective bargaining, and the right to freedom of association, as well as safety and environmental policies. This process also evaluates the suppliers’ treatment of contracted labor, women, and children.

Supplier Risk Mitigation and Contingency Planning

Our new, detailed risk mitigation tool is required for all Collaborative and Critical suppliers, along with all single and sole source suppliers. The tool consists of the following sections:

- Risk identification.
- Risk assessment.
- Maturity assessment.
- Risk scorecarding and segmentation.
- Prioritization.
- Documented contingency planning, where required.
Areas of risk assessed for suppliers include human risk, complex risk, information and legal risk, quality risk, reputational risk, and operational risk.

When supplier risk is identified, a contingency plan may be created to assist in mitigating identified risks. We utilize an industry-standard process for corrective actions with our suppliers. This includes a short-term action and containment plan, root cause analysis, identification and verification of long-term corrective actions, implementation of long-term corrective action, and final verification and sign-off by stakeholders.

**New Supplier Screenings**

In line with the Supplier Code of Conduct, in 2020, 100% of new suppliers were evaluated for business practices, facilities safety and sustainability practices, and risk mitigation processes, as well as environmental and social criteria (e.g., human rights and labor practices). As part of our new supplier screenings, we screen for any global or governmental sanctions using the Refinitiv World-Check system.

**Human Rights Screenings**

We also identified country locations where risk of forced or compulsory labor is prevalent according to U.S. State Department and EIRIS data. Leveraging our supplier segmentation tool, we mapped both our top segmented suppliers and our own locations to identify the number of locations in higher-risk countries. This information provides a basis for continued monitoring for compliance both in evaluating supplier risk and within our own operations.

Additionally, our human rights policy has become an additional standard within our mergers and acquisitions due diligence process, which activities are a key element of our growth strategy. This due diligence process involves reviewing labor and human rights policies and practices and assessing risks, including evaluating any potential impacts on vulnerable populations such as tribal lands and indigenous people.

**Responsible Minerals and Sand Mining**

In 2020, our silica sand consumption was approximately 703,500 metric tons, with nearly 64% coming from North America. Glass production requires a high grade of silica, which generally comes from mines and quarries rather than riverbeds or shorelines. Our global commodity leaders regularly reach out to suppliers in Asia, India, North America, Latin America, and Europe, and they have confirmed that our silica is sourced from legal mines and quarries, without human rights violations. We are confident in the integrity and continuity of our silica supply base. In addition, our commitment to glass recycling can help reduce our reliance on sand in the production of fiberglass insulation.

Due to the nature of the mineral mining industry, we have canvassed our suppliers in that industry to inquire about forced labor issues. No risk issues have come to light. This remains a question on annual surveys.

3. **Measuring and disclosing supply chain performance**

Disclosure of supply chain information is reported in Owens Corning’s 2019 Sustainability Report. Some key performance metrics for 2020, in addition to the above, were:

- We conduct annual human rights assessments via a survey for our key suppliers, which comprise 73% of our 2020 spending. In 2020, 302 suppliers were assessed for impacts on society and labor practices. None of these suppliers were found to have potential of actual significant negative impacts on society, human rights, labor practices, or the environment. Selected observations from the survey-based assessment are:
  - More than 96% of Owens Corning suppliers are able and willing to comply with all aspects of our supplier code of conduct.
  - We also found that 91% of suppliers have organizational goals and policies for safety.
  - Additionally, 80% of those surveyed have goals for sustainability. Many of the companies report on their goals and policies internally and externally, and some publish their data at least annually.
- 82% of suppliers surveyed have policies in place regarding labor practices and human rights.
- 61% of suppliers surveyed in 2020 have policies explicitly prohibiting forced or child labor, up from 52% in 2019.

Among our supply chain, no cases of forced, compulsory, or child labor were identified or reported in 2020, nor were human rights risks discovered that required remediation.

4. Employee training and supply chain engagement

Owens Corning conducts training on human trafficking for employees whose job functions include procurement. This training emphasizes the company requirement that suppliers comply with the Supplier Code of Conduct. Our 2030 Goal is for 100% of our sourcing team to be trained and recertified annually on Sustainability, a percentage we maintained in 2020.

This year, our 5,565 staff employees, which make up about 29% of our employees worldwide, collectively received 3,150 hours of human rights training.

In 2019 we began exploring ways in which Owens Corning can do more to engage with our employees and our supply chain around Human Trafficking, as we feel that our carriers are in a unique position to play a part. This issue is especially meaningful to us as our headquarters, a science and technology center, and three of our plants are in the state of Ohio, which is fifth in the U.S. in cases of human trafficking, according to the National Human Trafficking Hotline, and it is believed such is due to the high volume of interstate traffic.

To help address this human rights risk, Owens Corning recently offered financial support to Truckers Against Trafficking and is promoting its efforts with suppliers. Truckers Against Trafficking engages the U.S. trucking industry to help rescue victims. It does so through training and information materials for people throughout the transportation industry. The organization also places posters at highway rest areas and other spots, and it provides truckers with information cards so they can report suspected trafficking.

In addition to our financial support, we are also sending email notices to our carriers, offering ways they can help. Through these efforts, we are helping to call attention to the problem of human trafficking — and protecting young people across the country.

The 2020 Sustainability Report is found at https://www.owenscorning.com/corporate/sustainability.