



INNOVATIONS FOR LIVING®

## California Transparency in Supply Chains Act of 2010 -- Disclosure

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.

Owens Corning is dedicated to conducting business in a lawful and ethical manner; it is our expectation that our suppliers also conduct themselves in such a manner. Our 2010 Sustainability Report lists supply chain sustainability as one of our five 2020 goals:

*An active supply chain sustainability program will be in place with communication, audits and engagement with all top-tier suppliers. The process will include:*

- 1. Setting clear expectations for sustainability progress by our suppliers*
- 2. Utilizing leading-edge sourcing practices*
- 3. Measuring and disclosing supply chain performance*

• **Written Policies and Procedures:** Owens Corning is a signatory to the UN Global Compact and has issued expectations in line with that defined in our 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 when producing products, and comply with all applicable laws, rules and regulations in all locations where they conduct business. The Supplier Code of Conduct is part of our purchasing agreements or purchase order terms.

• **Supplier Certifications:** Owens Corning will be requiring all suppliers to certify their compliance with our Supplier Code of Conduct. A segmented group of suppliers, identified by criticality to the company and risk was surveyed in 2011.

• **Third-Party Audits:** 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 its suppliers to ensure compliance with these standards. Owens Corning does not employ independent third parties or conduct unannounced audits but will be looking at these options as our supply chain sustainability program evolves.

• **Accountability Standards:** Owens Corning policy permits a range of measures up to and including termination of a supplier for violation of the Supplier Code of Conduct. All of our employees are required to abide by our Code of Business Conduct to ensure that our business is conducted in a consistently legal and ethical manner.

• **Employee Training:** Owens Corning conducts training for employees whose job functions include procurement. This training emphasizes the importance of ensuring that suppliers abide by the Supplier Code of Conduct. Owens Corning will continue to update its policies and procedures to ensure that it has appropriate safeguards against any mistreatment of persons involved in our supply chain as a part of development of our supply chain sustainability program.