



## CA Transparency in Supply Chains Act Disclosure

### Statement Under the California Transparency in Supply Chains Act of 2010 (SB 657)

As part of the Knauf Group, Knauf Insulation represents one of the most respected and progressive names in insulation worldwide. With manufacturing operations in Europe, Russia, UK in addition to the USA, annual sales revenue is in excess of \$1.5 billion.

Knauf Insulation is committed to ethical and socially responsible business practices, both within the Knauf Group family of companies and in its relationships with its suppliers, vendors, and customers, as well as to sustainable development and conservation of the environment manufacturing its products from recycled materials.

Effective January 1, 2012, the California Transparency in Supply Chains Act of 2010 requires Knauf Insulation to make the following disclosure as to our efforts to eradicate slavery and human trafficking from our direct supply chain:

- **Verification of Supply Chain**. Knauf Insulation does not currently have procedures in place to verify product supply chains to evaluate and address risk of human trafficking and slavery. Knauf is in the process of evaluating its procedures in this area and will update this disclosure once a procedure has been implemented.
- **Audit**. Knauf Insulation does not currently conduct audits of suppliers to evaluate supplier compliance with company standards against trafficking and slavery in supply chains.
- **Supplier Certification**. Knauf Insulation does not currently have procedures in place to require our suppliers to certify that their materials comply specifically with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.
- **Accountability**. Knauf Insulation is committed to ethical and socially responsible conduct in the workplace. Knauf Insulation is in the process of implementing a Code of Conduct which requires all employees to read and understand our Code of Conduct. New employees will be required to certify acknowledgement. Our Code of Conduct includes, among other things, the requirement that the employees will observe and respect all applicable laws and regulations. Human trafficking and slavery is a violation of such laws, and would constitute a violation of our Code of Conduct. Our Code of Conduct also requires that the employees act ethically and fairly in their work environment and with customers, suppliers, and public authorities. Violations of the Code of Conduct could result in disciplinary action against the employee, including termination.
- **Training**. As noted above, Knauf Insulation is in the process of implementing our Code of Conduct, which includes training of all employees on the Code of Conduct. All new employees will be required to certify that they understand and will adhere to our Code of Conduct.