



Owens Corning Case Study

UL helps Owens Corning assess the social, environmental, and health & safety practices of its suppliers.

The Challenge

As a leading global producer of building materials and glass-fiber reinforcements for composite systems, Owens Corning views supply chain transparency and risk management as an important issue. Though the company already had a strong commitment to global sustainability and had been recognized on the Dow Jones Sustainability World Index, Owens Corning wanted to take its responsible sourcing efforts to the next level.

The company sought to strengthen its sustainability program and better understand the social, environmental, and health and safety practices of its suppliers. Owens Corning's efforts to address new legislation pertaining to human trafficking and conflict minerals, as well as its vision to become industry leaders in responsible sourcing, prompted the company to search for a proactive and pragmatic approach to manage these issues in their supply chain. Owens Corning wished to collect information on key sustainability indicators from its supplier and conduct a risk analysis based on responses to efficiently allocate resources for onsite supplier assessments.

UL's Work

In 2012, UL's Responsible Sourcing group began working with Owens Corning to help develop the necessary tools to strengthen and enhance the company's supply chain sustainability program. With UL's extensive experience on supply chain management programs, our team of human rights and risk identification managers provided the following advisory services:

- Revised the company's Supplier Code of Conduct to incorporate industry best practices and current regulations. UL consultants restructured the code to incorporate the UN Global Compact's Ten Guiding Principles, ensure the applicability of the code by clearly defining suppliers and referencing national laws and international standards, and expand existing code standards.
- UL worked with Owens Corning to develop sustainability risk indicators around the different areas of the Code of Conduct. A supplier self-assessment questionnaire was developed to collect information from the company's supply chain.
- Based on suppliers' responses, UL assessed relative supplier risk to help Owens Corning prioritize supply chain monitoring and supplier engagement resources.





UL's Responsible Sourcing team helps Owens Corning streamline the management of social and environmental risk in their supply chain.

In 2013, UL's Responsible Sourcing group and Owens Corning have come together again to deploy the second round of supplier questionnaires, implement the supplier risk segmentation, and continue to categorize social, environmental, and health and safety risks within the company's supply chain.

Expected Impacts

Through the implementation of a more comprehensive Supplier Code of Conduct, a supplier self-assessment questionnaire, and a risk segmentation process, UL is assisting Owens Corning to streamline the management of social and environmental risk in their supply chain and create a more robust monitoring program. By increasing supply chain transparency, Owens Corning will be able to better engage with suppliers and adapt their quality management systems and strategy to assure continuous improvement. Also, by gathering yearly data, Owens Corning will be able to measure progress across time and across suppliers to foresee risk as its supplier base changes and identify opportunities for partnerships to improve social, environmental and economic results.

Owens Corning (NYSE: OC) is a leading global producer of residential and commercial building materials, glass-fiber reinforcements and engineered materials for composite systems. A Fortune® 500 Company for 58 consecutive years, Owens Corning is committed to driving sustainability by delivering solutions, transforming markets and enhancing lives. Celebrating its 75th anniversary in 2013, Owens Corning is a market-leading innovator of glass-fiber technology with sales of \$5.2 billion in 2012 and about 15,000 employees in 27 countries. Additional information is available at www.owenscorning.com.

UL is a leading global provider of responsible sourcing auditing and advisory services, which include supply chain monitoring, research and program development, and training. UL's Responsible Sourcing team has the global footprint to provide services in over 140 countries.

For more information, email RSinfo@ul.com or visit ul.com

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