



Armstrong World Industries Canada Ltd. Modern Slavery Report 2023

1. Introduction

This Report is produced by Armstrong World Industries Canada Ltd. (“**Armstrong Canada**”, “**our**” or “**we**”) for the financial year ending December 31, 2023 (the “**Reporting Period**”) and sets out the steps taken by Armstrong Canada to prevent and reduce the risk that forced labour or child labour is used in our business and supply chains.

2. Steps to Prevent and Reduce the Risks of Forced Labour and Child Labour in 2023

We consider the respect of human rights to be a fundamental corporate responsibility and a value governing all our activities. We place the highest importance on respecting human rights while conducting our business activities everywhere we operate. We expect the same of our business partners.

In general terms, Armstrong Canada took the following steps during the Reporting Period to prevent and reduce the risk of forced labour or child labour in our business and supply chains:

- We published our Human Rights Policy
- We reviewed and updated our Supplier Code of Conduct.
- In compliance with our existing policies, we continued conducting due diligence of our potential suppliers before entering our contracts.
- We visited certain supplier locations, as described below in this report, to assess compliance with our practice and standards.
- We trained our employees on our Code of Business Conduct, and where appropriate, had sourcing and supply chain employees affirm their compliance to the same.
- Included in our contracts, supply agreements and purchase terms and conditions definitive language to our business partners establishing our expectation that they comply with the laws of their jurisdiction including expectations around forced labour or child labour.
- We engaged the services of external counsel to assess the legislative framework and advise Armstrong Canada related to the Act.

3. Structure, Activities and Supply Chains

Armstrong Canada is the wholly-owned Canadian affiliate of Armstrong World Industries, Inc. (“AWI”), a corporation listed on the New York Stock Exchange and headquartered in Lancaster, Pennsylvania. AWI is a leader in the design, innovation and manufacture of innovative ceiling and wall solutions in the Americas. For over 160 years, AWI has built its business on consistently high-quality products, innovation and superior customer service. Its 3,500 employees are committed to providing sustainable and innovative products that make a positive difference in the spaces where people live, work, learn, heal and play.

AWI has a focused strategy to drive profitable growth by strengthening our core mineral fiber segment and expanding our architectural specialties segment. In addition to broadening the product portfolio and capabilities through acquisitions and partnerships, AWI is investing in market-leading innovation, particularly around indoor environmental quality, and developing digitally enabled systems and tools to create efficiencies throughout our operations and for our customers, as well as to create new demand.

AWI’s manufacturing facilities are in North America as are the vast majority of the raw material suppliers and service providers. Specific to this Act, Armstrong Canada manufactures products in the greater Montreal area. AWI and Armstrong Canada sell and distribute goods both in Canada and other countries.

Armstrong Canada does business with a wide range of suppliers, sourcing materials and services. Our suppliers are engaged through our supply chain. We strive to build relationships with suppliers who align with our values as defined in our Supplier Code of Conduct and we have long-term relationships and contracts with most of our suppliers.

4. Policies

Our employees and suppliers play a critical role in ensuring that we conduct our business activities in an ethical, legal, and responsible manner. As part of our commitment to the policies and standards set by the AWI Board of Directors and senior leadership, Armstrong Canada seeks to employ individuals and work with suppliers who share this commitment. We have an expectation that they will uphold our corporate values and where applicable, familiarize themselves with our business conduct policies made available to suppliers contractually and on our external website, and to employees through training and on our internal website.

The following policies and standards guide our commitment to upholding our ethical responsibilities:

- a. *Human Rights Policy* – Our Human Rights Policy, which applies to all of AWI’s operations, including Armstrong Canada, is guided by both the United Nations Guiding Principles on Business and Human Rights and AWI’s Code of Business Conduct, and promotes Armstrong Canada’s commitment to respecting the

dignity and worth of all employees. The policy specifically prohibits forced, slave, convict, bonded or child labour. Furthermore the policy reinforces Armstrong Canada's commitment to providing training on slavery and human rights trafficking, protecting against child labour and conducting targeted assessments in the areas of the supply chain where risk of abuse is most likely to occur.

- b. *Code of Business Conduct* – Our Code of Business Conduct applies to all employees, executives, officers and directors, as well as to parties with which we have a contractual relationship. The Code of Business Conduct, among other things, requires all who are bound by it to respect the dignity and inherent rights of the individual in all dealings with people. It mandates that all employees and suppliers comply with all laws and regulations and requires that any suspected non-compliance be reported immediately.
- c. *Supplier Code of Conduct* – Our Supplier Code of Conduct reflects our commitment to conducting business in an ethical and responsible manner. We expect our suppliers to share this commitment and, accordingly, have established this Code to set expectations and encourage our valued business partners to meet high standards of business ethics. The Supplier Code of Conduct stipulates, among other things, that all suppliers are expected to demonstrate respect and dignity and must support and respect the protection of internationally proclaimed human rights and must ensure no complicity in human rights abuses. It also prohibits the use by our suppliers of forced, bonded, indentured, slave or child labour.
- d. *Reporting Concerns or Compliance Issues Policy* – Our Reporting Concerns or Compliance Issues Policy, which applies to all employees, is designed to establish consistent standards and procedures for the reporting of complaints, concerns, questions or information related to legal compliance, ethical issues or misconduct. It mandates that all employees behave legally and in accordance with the Code of Business Conduct and thus requires the immediate reporting of any concerns of non-compliance without fear of retaliation.
- e. *Global Procurement Policy* – Our Global Procurement Policy is designed to establish consistent standards and procedures for the purchase of all goods and services by AWI and its subsidiaries (including Armstrong Canada) and applies to every purchase of every kind. It requires that all employees engage the procurement and supply chain team early in the process. The policy also requires all suppliers to comply with our Supplier Code of Conduct.

5. Due Diligence Processes

The following is a summary of the due diligence processes undertaken by Armstrong Canada related to assessing risks in its supply chain:

Armstrong Canada, with the help and support of AWI, uses a risk-based approach to assess and manage the risk that forced labour and child labour exist anywhere in its business or supply chain. This approach helps us prioritize our efforts and adjust our actions. Our methodology to identify risks in our supply chain combines country risk indicators, supplier's category and type of products/services offered by the supplier. The resulting risk profile determines the level of additional due diligence to be performed, including with respect to forced and child labour. If needed, a site visit would be performed by a qualified Armstrong Canada or AWI professional or third-party consultant for suppliers with high-risk profiles.

Armstrong Canada evaluates:

- a) whether the supplier is headquartered, or its manufacturing sites are located in, countries that have a low score on the corruption perception index and/or that are at risk according to the global slavery index based on the products they supply to Armstrong Canada;
- b) whether the products/services come from or are delivered to one of the countries mentioned above;
- c) whether Armstrong Canada is supplied with certain indirect goods and services; and
- d) if the products offered by the supplier to Armstrong Canada include raw materials.

AWI is currently investigating a comprehensive monitoring solution that detects global events that could potentially have an impact on its supply chain. This real-time solution would help Armstrong Canada to increase the visibility of its supply chain partners, to monitor activity around the world that may disrupt or affect operations, and to be more proactive when identifying and dealing with risks.

Additionally:

- the prequalification process collects information and assesses risk about international suppliers' human rights practices.
- standard forms of supply chain contracts used for the procurement of goods and services include requirements for supplier compliance with applicable laws and AWI policies (including the Supplier Code of Conduct, which prohibits the use of child labour, forced labour, human trafficking or slavery), and various remedies for breaches; and
- the AWI Compliance Committee has a mandate to review, and where appropriate investigate, allegations of breaches of AWI policies that are reported to the Compliance Committee.

6. Determining the Risk of Forced Labour or Child Labour

a. Among our personnel

We believe that the risk of forced labour or child labour among our own operations is negligible. AWI's Board of Directors and the Board's Management Development and Compensation Committee oversee the application of our human resource policies. Our recruiting processes ensure compliance with the standards currently in force in Canada. Additionally, we recognize our personnel's right to freedom of association. Four of our North American facilities are covered by a collective bargaining agreement that ensures compliance with the working conditions negotiated by union groups, thus minimizing the risk of forced labour or child labour.

b. Within our supply chains

Based on the processes noted in the Due Diligence section above, we believe the risk of forced labour or child labour in our supply chain is very low. Additionally, our documented Policies and contractual expectations of each supplier is that they ensure the same level of care in their own supply chains.

7. Remediation Measures

In 2023, Armstrong Canada did not identify any instances of forced labour or child labour in its operations or supply chain. As a result, it has not had to take any measures to remediate any forced labour or child labour.

However, we remain committed to providing access to effective reporting mechanisms for any concerns arising from compliance with our policies. Our Ethics Helpline is an anonymous way for any stakeholders to share their concerns about how we conduct our operations, including concerns that our employees and suppliers are not complying with applicable policies. This helpline is operated by an independent third-party to assure proper functioning without any improper influence.

8. Training

When onboarding new employees, we provide mandatory training regarding the Code of Business Conduct, and for Supply Chain employees, the Procurement Policy and Supplier Code of Conduct. Armstrong Canada is also committed to providing our employees with the skills to understand, identify and manage the risks of forced labour in our operations and across our supply chains.

On a regular basis, we require mandatory policy, ethics and compliance training for all employees. The cadence allows Armstrong Canada to continuously review and adjust its training topics to address those activities with higher risk. We provide additional targeted training, as required, to enhance understanding of specific functional and risk areas. Each new employee is trained with regard to risk-based Armstrong policy requirements,

including the Armstrong Code of Conduct and regularly scheduled refresher training is conducted.

9. Assessing Our Effectiveness

Based on our review of our existing policies and practices which address forced labour risks, Armstrong Canada believes that our operational forced labour or child labour risk is low. We apply appropriate due diligence processes to our suppliers that provide goods and services, who are also required to comply with domestic and international laws.

We are satisfied that, because of recruitment, remuneration and compliance measures throughout our operations, there is low risk that any of our employees are at risk of forced labour.

We continue to be guided by our policies and principles in our relationships with all of our partners, including working with reputable companies, who are required to comply with domestic and international laws.

Armstrong Canada understands that it has a responsibility to assess and report on the risk of forced labour in its operations and supply chain over the long term. Thus, we established an internal working group, composed of management representatives from AWI's Supply Chain Management, Sustainability, Human Resources, Compliance, and Legal departments to continue to review the impact of the Act on Armstrong Canada and assess the effectiveness of the actions taken to address the risks of forced labour.

Furthermore, we engaged the services of external counsel to assess the legislative framework and to counsel Armstrong Canada. Armstrong Canada continues to assess opportunities to enhance its current framework to manage modern forced labour and childhood labour risks.

10. Looking Forward

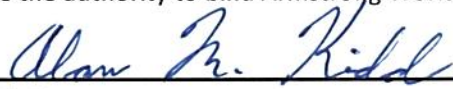
Preventing and addressing modern forced labour risks in our operations and supply chains is an ongoing process that requires continued monitoring and evaluation. Armstrong Canada is committed to conducting its business in a manner that prohibits modern forced labour, human trafficking and child labour. We expect all AWI Board members, employees and suppliers working on our behalf to adhere to these principles. Armstrong Canada will continue to respect human rights and act with integrity in our operations and business dealings.

Approval and Attestation

This Report has been approved, pursuant to subparagraph 11(4)(b)(ii) of the Act, by the board of directors of Armstrong Canada.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for 2023.

I have the authority to bind Armstrong World Industries Canada Ltd.



Signature

Alan M. Kidd

Name

Director

Title

May 30, 2024

Date