

2023 Forced Labour Report

This report (“**Report**”) is made in compliance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “**Act**”) by Johns Manville (“**JM**”), a Delaware limited liability company.

This joint Report has been prepared for the calendar year ended December 31, 2023 by JM on behalf of itself and its subsidiary, Johns Manville Canada Inc. It sets out the steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the manufacturing process for goods imported into Canada.

The Report will be published annually to track JM’s progress in our ongoing efforts to protect human rights and reduce the risk that forced labour or child labour is being used in JM’s operations and supply chains.

Who We Are

Over the course of more than 160 years, JM has built a tradition of financial, environmental, and community stewardship. This tradition, together with growing internal and external expectations regarding corporate responsibility, is why we are committed to respecting human rights and protecting the environment in our own business operations and throughout our supply chain.

1. Structure

JM is a Berkshire Hathaway company based in Denver, Colorado, USA, with approximately 8,000 employees and 44 facilities across North America and Europe.

2. Activities

JM is a manufacturer and marketer of premium-quality insulation and commercial roofing, glass fibers, and nonwovens for commercial, industrial, and residential applications. Our products are used in a wide variety of industries including building products, aerospace, automotive and transportation, filtration, commercial interiors, waterproofing, and wind energy. We serve customers in more than 80 countries.

3. Supply Chain

JM purchases over 39,000 materials and technical products from nearly 9,000 suppliers worldwide. Each year, JM invests over \$3 billion purchasing materials, goods, and services on three continents. These goods include chemicals, naturally sourced minerals, and recycled glass cullet used to manufacture premium-quality building materials and specialty products.

We aim to ensure that our operations and supply chain activities not only support economic growth but also respect the environment and contribute positively to societal well-being. For example, to help reduce our carbon footprint, we competitively bid local suppliers near our manufacturing plants, and in 2023 over 90% of JM’s global spend was sourced in-country.

Our Policies

JM is committed to maintaining a workforce and a supply chain free from slave, forced or child labour, or labour that has resulted from human trafficking. We reinforce this commitment through a number of policies and internal procedures.

1. Johns Manville Code of Conduct

The Johns Manville Code of Conduct serves as our ethical foundation and provides guidance to JM employees on handling legal and ethical issues that arise in the course of our work for JM. The Code also demonstrates to our stakeholders what we believe in and how we will conduct ourselves. Our Code affirms JM's commitment to respecting the dignity of all individuals and ensuring our workforce and supply chain are free from coerced labor of any kind, including unlawful child labor and labor resulting from human trafficking. We regularly communicate to employees through guidance and training the need to promptly identify, and to the greatest extent possible, eliminate or avoid social and environmental violations. Supplemental training and procedures are provided to employees with relevant responsibilities, such as those in Procurement and Logistics.

2. Supplier Code of Conduct

JM's Supplier Code of Conduct details our requirement that JM suppliers operate in full compliance with laws and adhere to ethical standards. The Supplier Code also conveys our expectation that JM suppliers support, embrace, and enact internationally recognized environmental, social, and corporate governance standards, based on the United Nations Global Compact initiative, the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization's Declaration on the Fundamental Principles and Rights at Work. JM also encourages our suppliers to relay our expectations and promote legal, ethical, and responsible practices throughout the entire supply chain.

3. Global Procure-to-Pay Policy and Procedures

JM's Global Procure-to-Pay Policy and Procedures define the key principles, roles and responsibilities that apply to JM's purchasing activities. We aim to conduct procurement activities in a manner that meets operational needs while maximizing opportunities to reduce environmental impact, enhance safety, drive positive social change, promote transparency, and otherwise engage suppliers on our sustainability journey.

4. Reporting and Non-Retaliation

JM strives for an open environment where employees feel comfortable speaking up if either an issue or a concern arises. Our Code, Supplier Code, and Declaration of Principles all set forth avenues for doing so, including a confidential 24/7 helpline system. JM's employees are required to report any actual or suspected violation of the law or JM policies, including those in the context of forced labour and child labour, and all health, safety and environment related hazards, potential hazards or incidents, of which they become aware. JM prohibits retaliation against any employee for reporting a possible violation in good faith. Any such allegations of retaliation will be taken seriously, investigated, and if substantiated, disciplined accordingly.

Risks of Forced Labour or Child Labour in Our Supply Chain

Due to the nature of our operations and the source of the products and services we procure, JM considers the risk of forced or child labour in our supply chain to be low.

Over the course of 2023, JM conducted internal and external assessments of modern slavery risks in our supply chain with a focus on our European operations. JM did not identify any evidence of modern slavery in our supply chain in 2023 and, accordingly, we did not implement any remediation measures.

JM is assembling a Third-Party Risk Management working group comprised of representatives from all relevant functions, including Legal, Procurement, Operations, and Human Resources. This group is conducting a gap analysis of our existing policies, procedures, and tools with the aim of enhancing the quality and efficiency of supplier due diligence at onboarding and ongoing monitoring.

Due Diligence Process and Risk Mitigation

JM employs a risk-based approach to manage the risk of forced or child labour in our supply chain. We use a variety of processes and tools to evaluate and monitor suppliers for human rights risks.

JM screens all prospective suppliers against the various denied parties lists, including the CBP Forced Labor List (Section 307 of the Tariff Act of 1930) and the UFLPA Entity List (Uyghur Forced Labor Prevention Act). Additionally, our standard supplier terms and conditions require compliance with applicable laws, including prohibitions against any form of modern slavery. Finally, all suppliers must agree to comply with JM's Supplier Code of Conduct or attest that they maintain and comply with their own comprehensive Code in order to do business with us. We reserve and exercise the right to verify compliance with the Supplier Code, including through site visits and inspections. Failure to comply with the Supplier Code standards or applicable law may result in termination of the business relationship.

Depending on the supplier's location and the nature of the goods or services provided, JM may require further diligence such as compiling due diligence reports, conducting interviews, and/or collecting information from business partners.

Identified risks are prioritized based on the impact, severity, and likelihood of occurrence, and JM will take measures to minimize such risks. JM may, for example, require enhanced contractual terms, supplier certifications, on-site audits, or termination of the relationship, as appropriate.

Training

JM requires all employees to complete an online Code of Conduct training within 30 days of hire and annually thereafter. In past years, while this course did not directly address modern slavery, it always reinforced our commitment to acting with integrity, adhering to the highest ethical standards, and respecting the dignity of others. Our 2024 Code of Conduct course will include a module on working with third parties, including information on forced and child labour.

In addition, we provide targeted training to employees who are responsible for supplier engagement.

Attestation

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 for the entities listed above. 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 the reporting year listed above.

As duly elected and acting President and Chief Executive Officer of Johns Manville, I have the authority to bind Johns Manville.



Bob Wamboldt
President & CEO