

**PEOPLE
PASSION
PROTECTION
PERFORMANCE**

2014 JM Sustainability Report

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Cover Image: DaVita World Headquarters Building, Class A LEED Gold-Certified.

Location: Denver, Colorado, USA

The Davita World Headquarters Building contains JM pipe insulation and duct wrap on the HVAC and mechanical systems.

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JM’s Sustainability Report has been prepared according to Global Reporting Initiative (GRI) G3.1 Guidelines at a B Application Level. For more about this report, see page 38.

A Message from JM Leadership



Thank you for your interest in Johns Manville’s fourth annual sustainability report, which represents another step forward in the company’s sustainability journey. As a business, we believe doing the right thing for all of our stakeholders strengthens our organization and makes JM both an employer of choice and a supplier of choice.

Throughout 2014, Johns Manville focused on five priorities:

- Continuously improve health, safety and environmental performance;
- Meet or exceed our financial commitments;
- Drive operational excellence;
- Enhance our competitive position through sustainable innovation; and
- Deliver the *JM Experience* for our stakeholders.

We’ve made impressive steps to achieve these goals, but we know additional work lies ahead as we strive to continually improve. You can learn more about our progress in the pages of this report, but I’d like to start by addressing the *JM Experience* – the driving force behind our business approach.

Throughout our 157-year history as a global manufacturing company, JM has forged strong relationships with employees, customers, suppliers and communities by focusing relentlessly on core values of people, passion, performance and protection. These values are reflected in everything we do, and when we act on them we deliver powerful and positive *JM Experiences*. We define the *JM Experience* like this:

By living our values, we create an experience so powerful for our customers and employees that it drives lasting relationships, sustainable competitive advantage and profitable growth.

Cultivating a “*JM Experience* attitude” companywide requires acute awareness from every function within JM. This is one reason we’ve put programs in place to foster additional employee development. In 2014, JM employees completed nearly 100,000 hours of training in areas such as leadership, management, compliance, language, personal development and technology. This training is developing our managers and ensuring that JM’s processes, skills and practices are aligned with our business philosophy. Ultimately, it underscores our commitment to **people**, who are at the top of our four core values.

JM demonstrates its **passion** by striving to accelerate innovation in all areas of the business. Our customers are our partners and as such, it’s critical that we provide quality products to help them succeed. In 2014, we reinforced our commitment to the industries we serve with significant investments in our manufacturing facilities. We also introduced a number of new products in response to our customers’ needs.

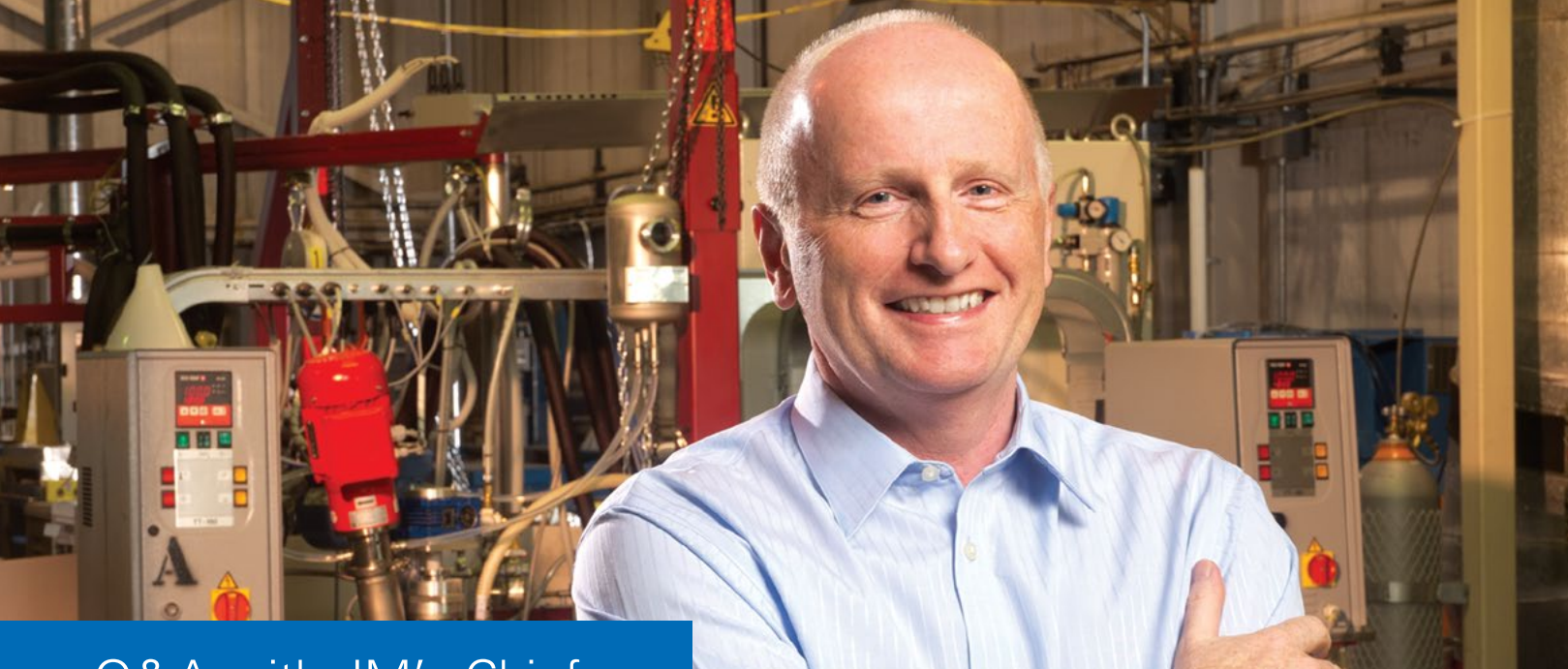
Performance is at the heart of our entire sustainability strategy. Each day we make decisions that set the course for JM to continue to thrive for the long-term. To be truly sustainable – to be a viable, profitable company now and in the future – we must produce and sell top-quality products in the most efficient ways possible, while also protecting natural resources and the environment. In 2014, we made great strides in these areas. Through the ingenuity of our technical, operating and inventory management teams, we successfully increased our production yields, reduced our scrap rates, and improved our performance in balancing production rates and inventory to market demand. As a result, we reduced our costs, improved our market position, met our 2014 financial commitments, and increased the economic value of JM.

And of course, there’s **protection**. We’ve worked hard to safeguard the environment with sustainability goals that address everything from energy efficiency to water usage. In this year’s report, I’m happy to announce that JM has reduced solid waste intensity by more than 10 percent over the previous five years. This was a challenging target that employees came together enthusiastically to meet.

Another aspect of protection is workplace safety. Protecting the health of our employees took center stage in 2014 with the implementation of a new program that utilizes proactive, behavioral-based action plans. This program involves every division and facility in the company. We also launched the **Safety: It’s Up to Me** campaign to refocus and revitalize our commitment to achieving zero injuries – the only acceptable number.

Staying ahead of the curve with our values-based strategy is an important component of our sustainability program. While we can’t predict everything that we might face, we can strive for the kind of excellence that will help us deliver strong performance well into the future. This commitment to excellence is exactly what I see in my colleagues every day. It makes me proud to be part of JM and the entire Berkshire Hathaway family.

Mary Rhinehart
 Chairman, President & Chief Executive Officer



Q&A with JM's Chief Sustainability Officer

Tim Swales
Vice President, R&D and Chief Sustainability Officer

1. With the publication of JM's fourth sustainability report, how would you characterize the role of sustainability within JM? How is it evolving?

It's been gratifying to see how sustainability has evolved and continues to grow at JM. Initially, JM housed the sustainability function within the Environmental Health and Safety (EHS) group with a focus on compliance. While still maintaining that commitment to compliance, JM adopted a proactive approach to reducing waste, achieving operational efficiencies and using sustainability as a lever for generating more value from our business processes.

Now sustainability is integrated at every level of our business operations and the corporate functions that support them. When positioned to build off one another, innovation, R&D, and sustainability can be utilized as a method of creating new, safe and beneficial ways to satisfy our customers. Staying true to our values and weaving sustainability into the core fabric of our business has allowed us to become more strategic in planning for the future. This includes considerations around how sustainability plays a role in the built environment and how, in an ever-changing landscape, JM can continue to meet the needs of customers and enrich the lives of our stakeholders.

2. What are the key sustainability highlights from 2014?

Every year, JM progresses toward achievement of various sustainability objectives. In 2014, we made progress in several areas, while falling short in others. We exceeded our established goal to reduce waste by 10 percent from the baseline year of 2010. On the energy side, we had good success achieving cumulative savings of over 5 percent,

or 790,000 gigajoules of energy over the past five years. Although we were unable to significantly reduce energy intensity given the production demands and product mix, our ability to better measure our energy use and intensity has been much improved over the lifespan of this goal.

We are also very pleased that so many employees volunteered their time and expertise to help their communities. In fact, JM more than doubled the number of volunteers over the past three years and we are optimistic that we can contribute even more in this area.

3. What big sustainability challenges remain for JM and where would you like to see significant improvements?

Although we saw close to a 50 percent reduction in our lost time rate compared with 2013, our biggest disappointment was the uptick in workplace safety incidents. Given this increase, JM was quick to act and the entire leadership team, including our CEO, played a crucial role in reinforcing the importance of workplace safety. We've always made safety a high priority – our incident rates are generally lower than the national average – but in 2014 we put additional focus on it.

4. What innovations are you seeing in the industry that will make building materials more sustainable?

We see continuous innovation in manufacturing processes to increase machine availability, yields and value in order to maintain competitiveness. But this also includes the development and application of new technologies that reduce the amount of energy required to produce and transport our products.

Within the transportation sector, the light-weighting trend requires constant innovation involving the use of alternative materials capable of replacing metals like steel and aluminum. Our engineers are challenged and encouraged to apply their best ideas in our technological centers by making better products while reducing the impact on natural systems.

5. From your position as both head of R&D and sustainability, what are the most pertinent risks facing the building materials and engineered products industries?

Manufacturing industries always strive for balance as they juggle financial, environmental and social priorities. As our industry continues to embed sustainability into core business strategies, we're transitioning the traditional business case discussion to a broader conversation involving environmental and social values. This discussion also moves beyond our own operations to include our supply chain. Sustainable businesses require commitment and performance across the entire value chain. There is always the risk of a weak link in that chain.

6. With respect to opportunities, what role will R&D (innovation) and sustainability play in meeting these industry challenges?

R&D has always been a strategic asset for JM and the industry. For us, it has played a key role in sustainability performance and has helped us achieve manufacturing efficiency and product differentiation.

Of course more work is needed. Lifecycle thinking helps, but the entire industry needs to make a greater investment in developing sustainable products. This will require the support of the market including building designers, owners and regulators. The good news is that a consensus is developing where we're all dedicated to delivering products and solutions that result in a better, more energy-efficient built environment.

7. How has JM's sustainability commitment affected its relationships with customers and suppliers?

Throughout our history, JM has strived to deliver a positive experience to customers. Although the world has changed dramatically over the past century, our commitment to our customers has not.

We see sustainability as a way to distinguish our company and products from the competition. Sustainability is part of the *JM Experience* and helps us to create lasting relationships with our customers, suppliers and employees. These positive and powerful relationships have always been at the heart of our business – all while continuing to operate in accordance with our beliefs.

8. What role (if any) do you see sustainability playing in the recruitment and retention of top performing employees?

People want to work for companies that make meaningful, positive contributions. We want our employees to be completely engaged in their work because fully engaged employees not only exceed performance expectations, they actively implement our sustainability initiatives. Plus, we know from our own recruiting efforts that sustainability is of great importance to new graduates and young professionals. I've seen from my own experience that our commitment to sustainability can serve as a powerful differentiator, especially when looking for top talent in a competitive job market.



Warren E. Buffett
Chairman of the Board
Berkshire Hathaway Inc.

Warren Buffett Message

For over a century and a half, Johns Manville has navigated a highly competitive, mature industry to create a valued place in the hearts and minds of customers. The company continues to find new and innovative ways to serve the marketplace while helping employees succeed, generating great results for Berkshire Hathaway and delivering meaningful impact for all stakeholders. This is what CEO Mary Rhinehart calls the *JM Experience*.

As a manufacturing company, JM converts raw materials into useful building and engineered products that benefit the lives of users worldwide. The company has built an enduring competitive advantage by delighting its customers with quality products and delivering responsible corporate citizenship. Since becoming a member of the Berkshire Hathaway family in 2001, JM has applied the wisdom gained from years of experience and continues to operate with the highest level of integrity.

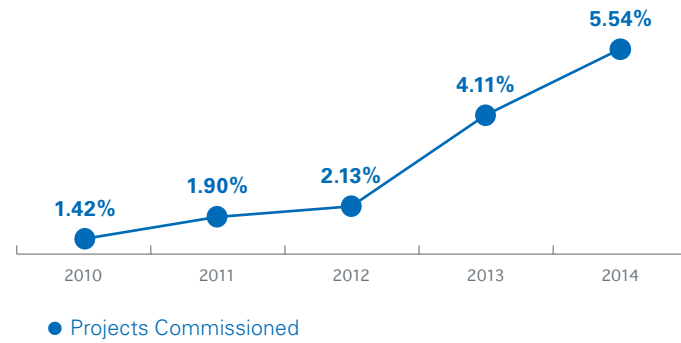
JM is differentiating itself through the passionate employees who work under Mary's leadership. By conducting business based on a set of clearly-defined values, they strive to be the supplier of choice and the employer of choice. This behavior, combined with a dedication to innovation and operational excellence, is resulting in strong performance and even stronger relationships. It's a proven strategy that continues to win.

2014: Performance Summary

Energy and Carbon

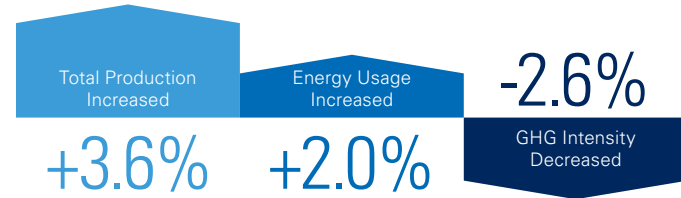
Goal: Improve energy efficiency by 5 percent between 2010 and the end of 2014.

Percent Cumulative Energy Savings for Projects Commissioned

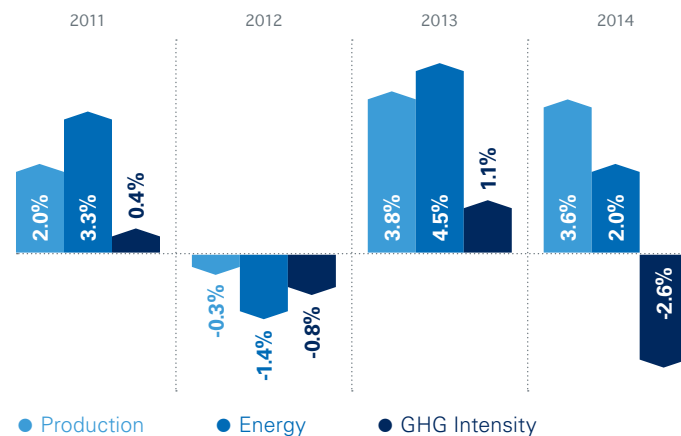


THE CUMULATIVE ENERGY SAVINGS FROM ENERGY EFFICIENCY PROJECTS **EXCEEDED 5%**.

Performance: Percentage Change from 2013 to 2014



Performance: Percentage Change from 2011 to 2014



-1.9% GHG INTENSITY CHANGE 2010-2014

Life Cycle Assessment (LCA)

Goal: Use LCA as a business value lever to enable the success of JM's business units; continue participation in industry LCA activities.

- JM continued to participate in life cycle assessments (LCA), product category rules (PCR), and environmental product declarations (EPD), working with a number of trade associations on the development of these documents. Collectively, these studies evaluate the environmental impacts at an industry level of products that JM produces.

Recycled Materials

Goal: Develop long-term recycled materials targets and implement within each business unit to increase percentage of recycled inputs used in JM products.

300 million pounds of recycled glass purchased annually for insulation products.

25 million pounds of newsprint purchased annually for roofing products.

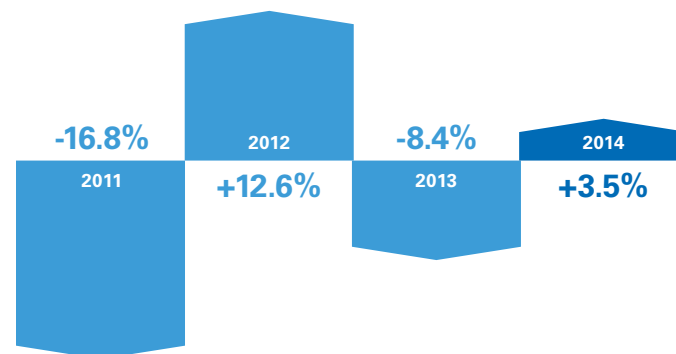
24 million pounds of PET from recycling streams purchased annually for engineered products.

Solid Waste Intensity

Goal: Reduce solid waste intensity by 10 percent over a five-year period ending in 2014.

- Waste intensity increased by 3.5% in 2014. Overall, waste intensity has **DECREASED BY 11.5%** since 2010, achieving our goal of reducing solid waste intensity by 10% between 2010-2014.

Solid Waste Intensity Trend (Yr. Over Yr.):



Water

Goal: By 2014, baseline water usage and discharge companywide where economically and technically feasible.

- 2014 baseline water usage totaled 1 billion gallons.

Toxins

Goal: Continue to identify the presence of CMRs (carcinogens, mutagens and reproductive toxins) and create prioritized strategies to reduce or eliminate CMRs in JM finished products.

- Removal of antimony from facings on HVAC insulation products continues to be implemented and an area of focus.
- ENRGY 3.E® halogen-free polyiso roof insulation: JM is the first polyiso producer to offer non-halogenated flame retardants in products.

Social Aspects

Goal: Achieve the five-year targets for employee volunteerism, performance management, safety, training and wellness.

Target: Double employee volunteerism by 2016.

Volunteering and Contribution Trends:

	2011:	2012:	2013:	2014:
Projects	98	98	165	171
Volunteer Hours	5,929	9,005	7,247	8,612
Volunteers	1,534	1,450	2,134	3,283
Scholarships	\$20,000	\$23,125	\$21,000	\$18,000
Financial Contributions	\$320,000	\$320,000	\$450,000	\$455,000

Performance Management Target: 100 percent of salaried employees will receive performance reviews and have development plans in place by 2016.

2013: 98 percent of all salaried JM employees received performance reviews and agreed to written and approved goals.

2014: Global JM performance management program implemented.

2015: First full performance management and goal setting process using the new program will be completed.

Safety Target: 10 percent year-over-year reduction in safety incident rates.

Safety Incident Rate Percent Change (Yr. Over Yr.)



¹ Incident rate is the number of injuries and illnesses X 200,000 per employee hours worked. Includes for the first time a recently acquired subsidiary with higher rates than JM's historical rates.

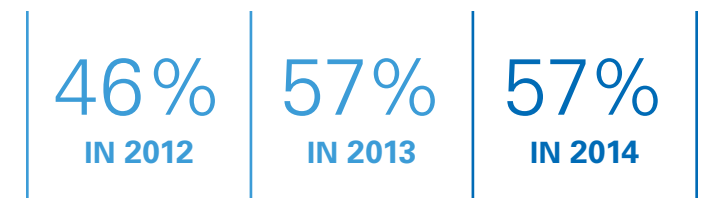
² Lost Time Rate: Rate of incidents involving workdays beyond the day of injury or onset of illness that the employee was away from work because of an occupational injury or illness, per 200,000 work hours.

Training Target: Ensure all employees participate in training other than compliance, at a minimum every three years.

- Employees completed more than 72,000 hours in safety and environmental training and an additional 99,000 hours of training in areas that include leadership, management, compliance, language, personal development, technical skills and job-specific training.

Wellness Target: Increase participation in wellness plans to 65 percent in the U.S. by 2016.

Health & Wellness Program Participation:



10,000

SUPPLIERS

12,000

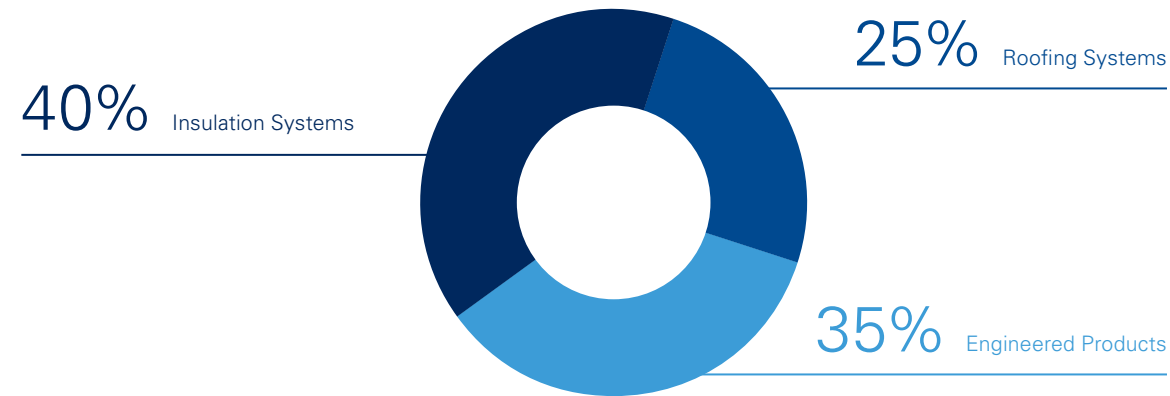
PRODUCTS TRANSPORTED

4,200

CUSTOMERS

Revenues by Business

2014



Organizational Profile

Johns Manville (JM), a Berkshire Hathaway (NYSE: BRK.A; BRK.B) company, is a leading manufacturer and marketer of premium-quality products for building insulation, mechanical insulation, commercial roofing and roof insulation, as well as fibers and nonwovens for commercial, industrial and residential applications.

Our company serves markets that include aerospace, automotive and transportation, appliance, commercial and residential construction, HVAC, pipe and equipment, filtration, waterproofing, building, flooring, interiors and wind energy. JM has three strategic business units: Engineered Products, Insulation Systems and Roofing Systems. In 2014, JM merged its American, European and Asian activities for Engineered Products into one global business unit and sold its Glass Textiles business in Sweden. We transport nearly 12,000 products to approximately 4,200 customers in 6,400 locations worldwide.

In business since 1858, JM holds leadership positions in many of the key markets we serve. Operating 44 manufacturing facilities located in the United States, Canada, Germany, Slovakia and China, the company achieved sales of approximately \$2.6 billion in 2014.¹ As a United States-based company, our world headquarters are located in Denver, CO. Aggregate employee wages worldwide totaled nearly \$442 million in 2014 and the cost of employee benefits totaled just over \$158 million.²

GLOBAL WORKFORCE		
7,000 Employees		71% Hourly
		29% Salaried
72% North America	26% Europe	2% Asia
82% Male Total	18% Female Total	
68% Male Salaried	32% Female Salaried	
88% Male Hourly	12% Female Hourly	

¹ As a wholly-owned subsidiary of Berkshire Hathaway, JM does not publicly disclose detailed financial information.

² Benefits include health and other insurance, pension, 401(k) and other miscellaneous benefits.

JM Operations

Insulation Systems

- Phenix City, AL
- Tucson, AZ
- Willows, CA
- Innisfail, AB Canada
- Fruita, CO
- Brunswick, GA
- Winder, GA
- Richmond, IN
- McPherson, KS
- Ruston, LA
- Belgrade, MT
- Edison, NJ
- Penbryn, NJ
- Defiance, OH
- Cleburne, TX
- Houston, TX
- Richmond, VA

Engineered Products

- Tucson, AZ
- Richland, MS
- Defiance, OH
- Waterville, OH
- Spartanburg, SC
- Etowah, TN
- Cleburne, TX
- Luoyang, Henan, China
- Qingpu, Shanghai, China
- Berlin, Germany
- Bobingen, Germany
- Karlstein, Germany
- Steinach, Germany
- Wertheim, Germany
- Trnava, Slovakia

Roofing Systems

- Scottsboro, AL
- South Gate, CA
- Tracy, CA
- Cornwall, ON Canada
- Jacksonville, FL
- Macon, GA
- Rockdale, IL
- Bremen, IN
- Lewiston, ME
- Fernley, NV
- Plattsburgh, NY
- Milan, OH
- Oklahoma City, OK
- Hazle Township, PA

Technical Centers

- Littleton, CO
- Waterville, OH
- Bobingen, Germany
- Wertheim, Germany
- Trnava, Slovakia

World Headquarters

- Denver, CO

Plant Anniversaries in 2014:

- Trnava, Slovakia: 50 years
- Qingpu and Luoyang, China: 20 years
- Cleburne, TX: 50 years
- McPherson, KS: 40 years



Listening to Our Stakeholders

In order to enhance our understanding of economic, environmental and social impacts, JM regularly engages both internal and external stakeholders who are instrumental in providing useful insights. By working with stakeholders, JM is better equipped to develop new and innovative ways of delivering value, and more prepared to completely and transparently report sustainability impacts within the context of this report.

Stakeholder insights also help JM to understand trends arising in the marketplace and position JM to address challenges and risks that may arise in the future. Furthermore, stakeholder engagement fosters the creation of meaningful relationships that directly correlate to delivering a positive experience for a diverse array of constituencies.

In 2014, JM was active in facilitating and participating in activities to enrich relationships with stakeholders across all three of our business units. For example, the Roofing Systems business held an “Open Roof” at the South Gate, CA plant, a three-day event that hosted 78 contractors who toured the facility and learned how to use various JM products. JM Insulation Systems, along with the Chamber of Commerce, hosted an Industry Day at the Cleburne, TX plant, and also hosted the 13th Annual America's Best Insulation Installer competition in Denver, CO. Additionally, JM's Engineered Products business welcomed more than 90 participants from 17 countries to participate in the sixth annual JM Academy Forum, Engineered Products' premier meeting for corporate leaders, senior managers, purchasing managers, R&D managers and experts from a variety of relevant industries.

JM endeavors to consider input from all stakeholder groups to efficiently and effectively manage overall business impact and embarks on a comprehensive process to identify stakeholders that may **significantly** influence and be affected by company activities. These groups are engaged in a multitude of ways throughout the year. The information and key focus areas identified through the engagement process contribute to the creation of our sustainable business strategy and serve as a basis for the information provided in the JM Sustainability Report. Stakeholders identified by JM include the following groups:

<p>Customers (business-to-business and business-to-consumer): Specifiers, contractors, distributors, architects, mechanical engineers, manufacturers, roofing consultants and building occupants. Engaged on a daily basis via conferences, trade associations, events, emails and newsletters, face-to-face meetings, surveys, marketing materials, lifecycle assessments and the JM Sustainability Report.</p>	<p>Government and Regulators: Legislators, municipal, state and federal government agencies, public authorities, and certifying and code bodies that are non-governmental organizations or private companies. Engaged on a weekly basis via conferences and industry events, industry trade associations, face-to-face meetings and reports.</p>
<p>Earth and the Environment: The planet Earth, its inhabitants, natural resources and ecosystems. Engaged on a continual basis via the actions of employees and activities of JM. Also stewarded via manufacturing process improvements, volunteer projects, JM Green Teams, regulatory inspections and compliance activities, sustainability reporting, innovative and sustainable technologies and processes, efficient use of resources, and activities to minimize and manage releases to the environment.</p>	
<p>Potential Employees: Skilled students and professionals who may seek employment at JM. Engaged on a daily basis via job fairs, face-to-face interaction, recruiting activities, the JM.com website, marketing materials, intern and apprentice programs, and the JM Sustainability Report.</p>	<p>Berkshire Hathaway: Ranked No. 3 in Fortune magazine's list of most admired companies. Engaged on a monthly basis via face-to-face meetings, audits, conferences, collaborative meetings and the Berkshire Hathaway annual shareholder meeting.</p>
<p>JM Employees: People employed across the globe in all functions of the business. Engaged on a daily basis via many different types of communication including face-to-face meetings, employee training programs, mailings and newsletters.</p>	<p>Communities: Employee family members and neighbors residing in the areas where we live and work. Engaged on a daily basis via JM volunteer programs, the JM Sustainability Report, corporate sponsorships, open house events, JM Green Teams, phone calls and community update meetings.</p>

Material Topics

In building strong relationships with stakeholders, we gain an understanding of the topics that may directly or indirectly impact JM's ability to generate value economically, environmentally and socially. We also learn about the impacts of JM's business on the lives of stakeholders, their communities and society in general.

In addition to identifying key stakeholder groups, JM gains significant insight from evaluating material concerns and how they influence the decisions of stakeholders and impact the operational decisions of JM. These material concerns are then prioritized, better equipping JM to address topics of interest that are important to stakeholders within the context of this report. This allows us to meaningfully convey our approach and action toward becoming a more sustainable company.

After a significant materiality assessment in 2014, JM determined that the following topics were the most important to JM and its stakeholders as of the publication of this report. These may change year after year as JM assesses materiality on a continual basis.

These topics help to inform and define the content presented in the 2014 JM Sustainability Report. Certain material topics correspond to specific GRI performance indicators, while others are addressed independent of any GRI-related requirements. In order to continue to deliver powerful experiences while developing innovative products that add value to the lives of our stakeholders, JM will strive to continually improve its methodology for identifying material topics.

PRODUCT VALUE AND QUALITY	PRODUCT SAFETY
ETHICS AND VALUES	ANTI-CORRUPTION
JM BRAND	REGULATORY COMPLIANCE
INNOVATION	NON-DISCRIMINATION
ENERGY EFFICIENCY	HUMAN RIGHTS
CUSTOMER SERVICE	ECONOMIC PERFORMANCE
OCCUPATIONAL SAFETY	EMPLOYEE TRAINING AND EDUCATION

Governance

As an operating business of Berkshire Hathaway, JM is managed on a decentralized basis with minimal day-to-day involvement by its parent company. Berkshire Hathaway's corporate management participates in decisions related to significant capital allocation, investment activities, and the selection of JM's Chairman, President & Chief Executive Officer. JM management also regularly attends the Berkshire Hathaway annual shareholder meeting in official capacities.

JM is led by Chairman, President & Chief Executive Officer Mary Rhinehart, who reports directly to Warren Buffett. The heads of JM's businesses and functional areas, including our Chief Sustainability Officer, report directly to Ms. Rhinehart. JM's CEO is responsible for evaluating the performance of her direct reports with respect to meeting economic, social and environmental policies.

A board of directors consisting of our Chairman, President & CEO, CFO and General Counsel governs JM. Of the governing board, two-thirds are women and none are associated with other minority groups. Of the governing board, two are women (one 30-50 years of age, one over age 50); and one is a man (over age 50).

Economic, social and environmental policies are set at the corporate level with associated priorities established annually. JM's board of directors and sustainability council, consisting of the senior leadership team, other key managers, and employees from other areas of the business, identify opportunities, assess risks, and develop mechanisms for measuring progress toward goals as part of the strategic planning process. JM's management has an open door practice where employees are encouraged to provide feedback and bring their best ideas to work.

Overall performance is measured in terms of the corporation as a whole, with sustainability considered a component of performance. Compensation is tied to overall performance; however, decisions may also be impacted by global economic conditions and meeting or exceeding individuals' annual performance priorities. The company regularly reviews the compensation structure of the organization to ensure that its overall elements are competitive and equitable.



Priority: Deliver the *JM Experience* for our employees by continuing to strengthen our culture and implementing actions that ensure JM is the employer of choice.

JM strives to empower employees with the responsibility for decision making and encourages employees to bring forward ideas that will help drive continuous improvement. JM management continues to demonstrate to employees that they are highly valued by recognizing, rewarding and celebrating our successes.

JM provides a dynamic workplace where employees can grow personally and professionally, and contribute to the company's performance. Our workplace thrives when people are authentic, behave with the highest level of ethics and integrity, and are excited to be part of a winning team. Diversity and inclusiveness are important ingredients of our workplace because the varied backgrounds, opinions, and orientations of our people create better ideas and successful outcomes for our customers.

An unyielding focus on integrity lies at the center of our culture and helps us build and cultivate trust with all of our stakeholders. Trust helps JM achieve commercial success while respecting the environment and the communities in which we operate.

Development, Training and Education

Employee commitment is one of JM's key business pillars and a foundation for ensuring that JM is the employer of choice in each community where we operate. JM offers a wide range of development, training and educational opportunities in areas including leadership, management, compliance, language, and technology. In 2014, training in these areas increased from approximately 70,000 hours to 99,000 hours.

In Germany, 36 apprentices participated in the Duales Ausbildungssystem – or dual education system – that combines corporate apprenticeships and vocational education in Europe. The apprentices represent the disciplines of industrial management, mechanics and electronics, as well as warehousing, chemical laboratory, international business and computer science.

A similar program exists at the Winder, GA facility with the Lanier Technical College's Manufacturing Innovation Center. Students attend class 16 hours per month for a year and apply their learned skills to jobs in the plant every day. The apprentice then rotates through various jobs in the plant. Similar to their European counterparts, the students often spend more than three years in the program.

By 2013, 98 percent of all salaried JM employees received performance reviews in addition to written and approved goals. To augment this, in 2014 JM put in place a more robust performance management program utilizing a dedicated, industry-leading software platform. The software is designed to drive the performance management and goal setting process, and ultimately create alignment, foster professional development and ensure consistency. The first full performance management and goal setting process under the new program will be completed in 2015, and the company looks forward to positive outcomes.

Health and Wellness

We believe healthy employees deliver superior operational performance and customer experiences. As such, JM encourages employee participation in a variety of health and wellness programs throughout the enterprise. In 2014, 57 percent of eligible U.S. employees participated in a company-sponsored wellness program. Out of 4,300 eligible employees, 2,500 participated in one or more of the following: health screenings, myJMWellness.com, fitness reimbursements or other local wellness programs.

To promote health and wellness, employees at the Spartanburg, SC facility now have an in-house workout room. The plant funded the fitness center and outfitted the space with free weights, treadmills and a television. It's become convenient for employees to workout during lunch or on a break and also saves time spent traveling to and from a gym. Other plants encourage employee wellness by adding incentives to participate in health programs, like offering raffle tickets for the number of steps recorded on pedometers. For example, employees at the Innisfail, AB Canada, plant challenged each other to participate in a 20-station obstacle course to support the work of the Alberta Cancer Foundation.



Diversity and Inclusion

As JM continues to build the organization of the future, we cast a wide net to enhance our recruitment of minorities. Our efforts have resulted in the advancement of women to the top of the organization. Today, 75 percent of JM's top senior management team in the "C" suite is comprised of women. A case in point is our Chairman, President & CEO, who started her career at JM right out of college over 30 years ago. Two thirds of JM's board of directors are women, including its chairman.

JM has maintained a practice of hiring locally when possible. One hundred percent of JM's senior management, defined as the CEO's top 10 direct reports, were hired locally.¹

¹ Local refers to individuals either born in or who have the legal right to reside indefinitely in the same country in which JM conducts operations.

Community Investment

JM's employees contribute unique skills and resources to create sustainable impacts in the communities where they live and work. We approach community investment both through financial support of local charities and through the positive impacts our people create.

Our volunteer programs enable our people to support the causes and initiatives of their choice. In 2014, almost 3,300 JM volunteers offered their hearts, minds and expertise to create meaningful impact in their communities. Our volunteers have answered the call by more than doubling their ranks since 2011.

Companywide, JM donated approximately \$455,000 in 2014. This includes \$117,000 in matching funds on Denver-based employee contributions of \$234,000 to Mile High United Way agencies.

Examples of non-monetary contributions include:

Spartanburg, SC employees donated food to Total Ministries, a local food bank; supported Eden Farms, a home to Happy Hooves Therapeutic Equestrian Center; volunteered for the local chapter of the Alzheimer's Association; and helped fix up a home for young adults transitioning out of foster care.

Waterville, OH employees donated pet toys and blankets, cat food and litter, in addition to dog food and beds to a pet service within the Mobile Meals program, and additional food for the Seagate Food Bank of northwest Ohio; and took part in the 18th Annual Clean Your Streams Day. Overall, 1,100 volunteers removed nearly 17,000 pounds of trash from more than 27 miles of shoreline in northwest Ohio.

Defiance, OH employees collected hundreds of used prescription eyeglasses and cases for the Lions Club's Recycle for Sight Program; supported a food drive for the local St. Mary's Food Bank; and made Valentine's Day cards to bring joy to folks living in nearby nursing homes.

Milan, OH employees supported the Bowl for Kids' Sake fundraiser to support Big Brothers and Big Sisters.

Luoyang, China employees supported students and parents during a two-day entrance examination for teens.

Denver, CO employees prepared lunch on-site for 27 residents at the local Ronald McDonald House.

Hazle Township, PA employees and families supported local food banks and the Hazelton Animal Shelter.

Macon, GA employees participated in the completion of a Habitat for Humanity home.

There are many other examples that involve volunteerism with monetary contributions:

Denver, CO employees raised \$80,000 for Multiple Sclerosis research; and \$3,500 for the Movember Foundation, an international organization that supports health agencies focused on prostate cancer, testicular cancer and mental health issues.

Waterville, OH employees raised \$500 to further support the Keeping Kids Kozy campaign.

Willows, CA employees made donations to seven local volunteer fire departments.

Scottsboro, AL employees raised more than \$5,000 to help support the local Relay for Life event.

Macon, GA employees raised more than \$400 for the local Ronald McDonald House.

The Innisfail, AB plant donated \$10,000 to the Innisfail and District Christmas Bureau and \$2,000 to the local food bank (along with a truckload of food). An additional \$1,000 was provided to Loaves and Fishes, a local food bank. Funds were donated by employees and matched by plant management, along with monies raised through an employee-run scrap metal recycling program.

Spartanburg, SC employees and family members participated in the Alzheimer's Association Walk, and the plant was a contributing sponsor. The team was the top fundraiser, raising more than \$3,700 for the cause.

McPherson, KS employees continued their support of the McPherson County Food Bank, with donations of food and a cash contribution of \$2,200.



Ethics

Integrity is a key pillar of our business. In the Berkshire Hathaway family, every employee has a non-negotiable expectation to behave with the highest degree of integrity. Annually, all salaried employees must be recertified on JM's Code of Conduct. In addition, in 2014 approximately 90 percent of management and 90 percent of non-management salaried employees received training focused specifically on corruption, conflicts of interest, anti-bribery, ethics and general compliance.

JM's Internal Audit Group conducts an annual risk assessment that analyzes significant business areas within the company. The assessment includes interviews with senior management and covers internal controls and business risks. It also includes targeted questions to identify any potential fraud and corruption. The results of the assessment are shared with senior management as well as the management of Berkshire Hathaway. The assessment covers 100 percent of JM's three business units to determine the areas where the company will plan audits within the year.

JM recognizes the 10 principles of the United Nations Global Compact by supporting and respecting the protection of internationally proclaimed human rights, denouncing human rights abuses, eliminating discrimination in employment and occupation, and working against corruption in all forms. Our policy, which is noted in our disclosure under the California Transparency in Supply Chains Act of 2010, states that JM will not knowingly engage a supplier that directly or indirectly through a third party employs illegal, forced or compulsory labor. As part of this policy, key members of JM's Global Supply Chain team have gone through training on how to spot potential use of slave and child labor by suppliers.

In 2014, JM's Supply Chain team conducted a full analysis of operations to look for any use of conflict minerals. The analysis revealed that one accessory product contains tin (identified as a conflict mineral in SEC rules) solder, but the tin is not sourced from a designated conflict area.

JM has implemented positive management practices and has a goal to provide a workplace where employees feel they can work with leaders to find mutual solutions. This is the case regardless of whether they are represented by a third party. Where employees have chosen or are required by law to be represented by a third party, JM recognizes the third party's right to represent employees, and we strive to deal with elected representatives in a respectful and business-like manner. Fifty-three percent of our global workforce is represented under a collective bargaining agreement.



Priorities: 1) Deliver the *JM Experience* for our customers through great quality, outstanding service and a passion to be the preferred partner in every market we serve; **2)** Enhance our competitive position through sustainable innovation by reinvigorating new product and business development and continuing to develop breakthrough technologies across JM.

Our passion is evident in our interactions with customers. Finding new and innovative ways to better service customers takes our best effort. Helping employees succeed generates great results. Passion gives JM employees the energy to overcome obstacles. It helps us to find new ways to create extraordinary experiences with customers and drive each other's mutual success. We are driven to build strong, long-term relationships and know that every interaction with customers is an opportunity to further these partnerships.

Product Quality, Breadth and Value

In 2014, JM manufactured approximately 12,000 products for the built environment. We serve multiple and diverse markets with our three business units: Engineered Products, Insulation Systems and Roofing Systems. Each business offers a full line of products and comprehensive solutions and is considered a leader in many of the key markets it serves.

Engineered Products

JM's Engineered Products division is a global supplier of glass fiber, micro glass fiber, and synthetic and glass nonwovens for reinforcements used in a variety of markets. This business is a globally-recognized technology and quality leader in specialty and roofing glass mat.

The upswing in demand for thermoplastic composites, particularly for automotive applications, is shaping JM's global footprint as a supplier of a variety of glass fiber products used to reinforce plastic parts. JM's product developments have successfully added high-temperature, performance and hydrolysis resistance to under-the-hood automotive components.

Since 2006, JM has sharpened its focus on the glass fiber market and our share has increased significantly in both Europe and North America. The global composites market has averaged an annual growth rate of 6 percent since 2010, and the booming trend is expected to continue with further emphasis on vehicle weight reduction due to emissions and fuel efficiency legislation.

In Europe, JM invested \$35 million in a state-of-the-art polyester spunbond production line at our Berlin, Germany facility. The new production line will assume operations in mid-2015, increasing the spunbond lightweight capacity at this location by more than 40 percent.

The new line uses JM's advanced Bi-Component (BiCo) spinning technology, enabling improvements in product properties and cost performance. This investment will result in a new generation of polyester spunbond filter media for cabin air, pollution control and liquid filtration applications and will expand the Evalith® product range.

To service the increasing needs of the composites industry, in 2014 JM rebuilt and upgraded Europe's largest E-glass furnace. This furnace, located at our Trnava, Slovakia site, supports the production of the next generation of products for glass-reinforced structural thermoplastic composites. The furnace has provided production flexibility for JM's new reactive sizing technology, which enables up to 20 percent more strength performance when compared with standard long-fiber thermoplastics. This sizing chemistry opens further opportunities to expand the use of thermoplastics and replace metal in automotive applications.

JM's commitment to innovation in short- and long-glass fibers for engineered thermoplastics further supports our customers who are seeking solutions through lighter-weight composite materials. Reduced weight and long heat exposure performance are important drivers for automotive engineers designing cost-effective and increasingly demanding automotive components.

Insulation Systems

JM has the widest breadth of branded products offered by any insulation company in the market, manufacturing products for residential, commercial, industrial and OEM applications. Customers include insulation contractors, specialty distributors, big box retailers, fabricators and manufacturers.

In 2014, Insulation Systems launched InsulThin™ HT, a new product for insulating pipe and equipment in tightly-confined spaces. InsulThin HT is high-temperature insulation targeted to the petroleum refining, petrochemical, and power industries. It has an extremely low k-value – the ability to conduct heat – which, along with its low thermal conductivity, provides increased insulating properties and thus requires less material to properly insulate. InsulThin HT can easily wrap both large and small diameter piping without sacrificing insulating properties or corrosion performance.

Insulation Systems also added CI Max® insulation to its complete line of building insulation products. CI Max is a high-efficiency polyiso foam sheathing designed specifically for exposed interior applications. CI Max is approved for use without a thermal barrier and provides an attractive and durable interior finish. It is suitable for wall or ceiling applications in commercial, residential, agricultural and industrial buildings.

Our Insulation Systems division was also named a Partner of Choice in 2014 by David Weekley Homes, the nation's third largest privately held home builder. The prestigious award recognizes the homebuilder's strongest-performing suppliers as part of its rigorous supplier evaluation platform. This year, JM earned an AA award for excellence in product quality and service, and was the only insulation manufacturer recognized for its product quality.

Roofing Systems

JM's Roofing Systems division manufactures roofing membranes, cover boards, rigid insulation and accessories for commercial buildings. As a total systems supplier, this business has the most comprehensive array of products, technical specialists and top construction professionals in the industry. Partners include roofing contractors and manufacturers, building owners, specifiers and distributors.

In 2014, Roofing Systems introduced ENRGY 3.E, the next generation of polyisocyanurate (polyiso) foam roof insulation. The new ENRGY 3.E product features the current polyiso performance attributes that customers have grown to depend on from the existing ENRGY 3, with one key difference: ENRGY 3.E carries the same fire ratings as ENRGY 3, without the use of halogenated flame retardants.

Roofing Systems continues to advance products that use materials more efficiently and effectively and are supplied to customers with long-term economic and environmental benefits. For over 25 years, JM has applied its expertise in polyisocyanurate manufacturing to develop revolutionary products to enhance the long-term performance of single ply, cold-applied and self-adhering bituminous roof systems. Invinsa® Roof Boards are one-third the weight of gypsum cover board materials, translating directly into energy saved in shipping, craning, staging and application. Plus, with an R-value of 1.2, Invinsa contributes to energy conservation for the building owner.



The JM Difference

Johns Manville is more than a name – it's a promise to deliver extraordinary products and services to our customers. JM's relationships with customers are cultivated on trust, a commitment to quality and service, and creating innovative solutions to meet their business needs. Our products are tried and tested (even warrantied), and our people are reliable. JM's 157-year heritage is built on the core promise that always includes doing the right thing for our customers and society.

At JM's Waterville, OH plant, a mat machine restart was required to meet a critical customer need. The plant's engineering, maintenance and human resource teams' focus immediately shifted to ensuring a safe and speedy startup. Putting a unique solution in place to cut the startup time in half, the machine began a five-day operating schedule, and the operations crews responded to an immediate customer need after startup by volunteering to work the weekend. Many worked several days without a day off to get the job done. That's the JM difference at work.

A production line in Bobingen, Germany had been seasonally idled with no immediate plans for restart. An exceptionally mild winter in central Europe accelerated outdoor construction activities in Western and Eastern Europe, the Middle East, and Northern Africa. This drove increasing customer demand for the Evalith® PET spunbond carriers for bituminous membranes normally produced on this line. Unfortunately, the plant's industrial park no longer contained an appropriate boiler to power this line. JM met demand by altering our processes without jeopardizing product quality and by setting a record for startup time compared to previous, less-challenging situations.

Agru America is one of the world's leading manufacturers of environmental membranes for the landfill market. New government regulations on landfill design are generating opportunities in the production of specialized landfill geocomposite liners. Agru selected JM to supply them with DuraSpun®, an effective, economical and long-lasting solution to meet or exceed the regulatory requirements and provide superior transmissivity. The geotextiles are used to line landfills that retain waste while releasing decomposition gases. JM earned this business and began shipping product to Agru within two weeks.



VISIONARY PRODUCTS THAT ELEVATE THE HUMAN EXPERIENCE.

JM products are all around us – enhancing the buildings we inhabit, the cars we drive, and the energy sources that enable society to thrive. JM products are more than innovative features and sustainable attributes, they are a conduit for designing a better world that benefits us today and tomorrow.



1 | Home Insulation

With a North American average recycled content of 30 percent, fiber glass batts and rolls create quiet, comfortable and energy-efficient homes.



2 | HVAC Insulation

Linacoustic® RC duct liner insulation provides building occupants benefits including less unwanted noise and more consistent temperatures for improved comfort.



3 | Spray Foam Insulation

Corbond® III SPF is one of the most advanced insulation solutions for climate isolation between indoor and outdoor environments.



4 | Air Filtration

Filtration media and media carriers support increasing requirements for improved indoor air quality in buildings and transportation vehicles.



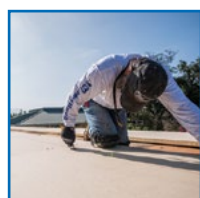
5 | Waterproof Tile Backing

GoBoard™ is an ultra-durable, waterproof tile backer board engineered to be dependable and much lighter weight than cement and other heavy boards.



6 | Commercial Roofing TPO Membrane

TPO's formulation helps commercial roofs resist extreme weather conditions, including ultraviolet radiation and high surface temperatures.



7 | Commercial Roofing Foam Insulation

ENRGY 3.E® is JM's next generation of polyisocyanurate (polyiso) roofing board insulation that meets all current fire tests and codes without added halogenated flame retardants.



8 | Commercial Solar Roofing System

ENRGY™ Curb is a proprietary lightweight structural support technology designed to accommodate rigid crystalline silicon solar photovoltaic modules.



9 | Energy Storage

Nonwoven mat media for lead acid battery technologies, such as automotive start-stop batteries, help power the energy storage market.



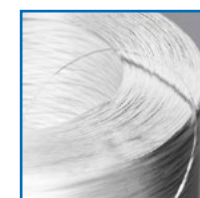
10 | Aircraft Insulation

Lightweight, flexible blankets provide thermal and acoustical performance for a variety of aerospace applications where space and weight are key considerations.



11 | Automobile Components

Glass fiber chopped strands and rovings reinforce plastics that support lighter weight automotive components for improved fuel economy.



12 | Materials Supporting Alternative Energy

Fiber glass reinforcements support alternative, clean energy production in windmills and solar panels.

Sustainability and Innovation

JM's history and experience has built a foundation of expertise that drives our sustainability and innovation endeavors. For example, an international team from Engineered Products and the Johns Manville Technical Center (JMTC) is collaborating on solutions to benefit global manufacturers of automotive batteries known as absorbent glass mat (AGM) and enhanced flooded battery (EFB). AGM and EFB lead-acid batteries – commonly known as sealed or maintenance-free batteries – are designed for vehicles that use start-stop systems. These systems save fuel and cut emissions by shutting down a car's internal combustion engine at stops and restarting to drive. Batteries to power these systems often use fiber glass nonwovens to improve performance. This collaboration allows JM to approach battery suppliers with integrated, global solutions that include production of glass fiber nonwovens on both sides of the Atlantic, testing resources at a European institute, and the ability to leverage JMTC's technology assets to bring new innovations to the global battery market.

JM is applying technological innovations to create new business opportunities and increase our overall competitiveness. GoBoard™, our new tile backer board, is another example of how JM is driving innovative product development. Produced at JM's roofing plant in Cornwall, Ontario, Canada, GoBoard is up to 80 percent lighter than cement boards and is easier to handle, cut and install. And, unlike cement backer boards, GoBoard is inherently waterproof. JM is currently selling the product through home centers, gypsum supply dealers and tile distributors.

JM is also a research partner working with Berkshire Hathaway sister company Clayton Homes, the nation's largest home builder, on a 15-month energy performance study of manufactured homes. Testing is being performed in conjunction with the U.S. Department of Energy (DOE) to identify ways in which consumers can make their homes more energy efficient. This is another project where JM is applying a forward-looking vision for how manufacturers and builders can work together to create smart, energy-efficient technologies.

At the JEC Americas show, the 2014 Innovation Award in the Construction category was awarded to JM and Austrian companies Kompetenzzentrum Holz and FunderMax for the joint development of a unique, non-combustible, decorative composite board for building facade panels. The JEC Group is the world's largest organization exclusively dedicated to the composites industry, highlighting the most pivotal advances in composites design, manufacturing and application. The multidisciplinary team included experts in material science, laminate production and surface technology. The panels use JM's glass fiber nonwovens produced in Wertheim, Germany.

The recent growth in liquefied natural gas infrastructure, driven by global energy demand and increased availability of natural gas, has created a growing need for superior insulating products. JM partnered with Lydall Performance Materials to develop an innovative cryogenic insulation product that incorporates a unique biosoluble microfibril, exclusively manufactured by JM, to address the health and safety concerns of cryogenic vessel and piping manufacturers without sacrificing performance. JM's patented, biosoluble microfibril allows Lydall to differentiate its cryogenic insulation product while also enhancing the health and safety of the vessel and piping manufacturers who handle it.



Life Cycle Analysis

JM continues to participate in a number of product category rules (PCR), life cycle assessments (LCA) and environmental product declarations (EPD) funded by trade associations in which JM is a member. For example, JM worked with ASTM International and the Asphalt Roofing Manufacturers Association (ARMA) on the development of a PCR for built-up asphalt membrane roofing and modified bituminous membrane roofing. The PCR, published in July 2014, provides consistent methodologies for asphalt roofing manufacturers to measure and report the environmental impact of their products.

JM also helped the Polyisocyanurate Insulation Manufacturers Association (PIMA) with two third-party-verified ISO-compliant EPDs for polyiso roof and wall insulations. Polyiso is a rigid foam insulation used in over 70 percent of commercial roof construction, commercial sidewall construction and residential construction across North America.

These EPDs document that the energy savings potential of polyiso roof and wall insulation over a typical 60-year building life span is up to 47 times the initial energy required to produce, transport, install, maintain and eventually remove and dispose of the insulation. Polyiso roof insulation and wall sheathing offer high R-value per inch, zero ozone depletion potential, recycled content, and opportunity for reuse.

Public Policy

JM relies largely on trade associations to stay current on public policy issues surrounding energy efficiency and the environment, including national and local building codes (see Alliances and Partnerships, page 34). Our company does not have political action committees or conduct its own lobbying activities. JM representatives strive to meet the requirements of social, health, safety and environmental regulations to ensure compliance while contributing proactively to the formation of proposed building codes and standards.

JM also participates with various energy and environmental groups on sustainability initiatives. For example, JM is participating in the Southwest Energy Efficiency Project (SWEET) to support the advancement of energy efficiency in the Southwest and increase utility investments in programs that save households and businesses money while improving the environment. In addition, JM's Corporate Environmental Air Quality Manager is the chair of the Rocky Mountain States Section (RMSS) of the Air & Waste Management Association (AWMA). A key goal of AWMA-RMSS is to stimulate and enhance environmental quality and ethical leadership among members in a nonpartisan forum. In 2014, more than 180 government, industry and environmental professionals, along with state air quality directors from Colorado, Wyoming, Utah, New Mexico and North Dakota, met at a technical conference presented by RMSS.



Priorities: 1) Meet or exceed our financial commitments while outperforming our competition as measured by market share performance, revenue growth and relative profitability improvement. **2)** Drive operational excellence and continuous improvement for cost and market competitiveness through productivity, yield/uptime, planning and asset care.

With an emphasis on sustainable performance, JM makes decisions and investments with a focus on opportunities that will contribute to the lasting strength of the business. In today's rapidly changing global business environment, profitable growth requires being adaptive and open to change, and taking informed risk when it will position us for long-term success and growth. Our employees are empowered to make informed decisions so they can be made quickly at the most appropriate level, and by doing so accept ownership and accountability for achieving outstanding results. We actively learn from our mistakes so we can make JM better. We recognize, reward and celebrate success.

Economic Performance

JM is in business to serve the increasing needs of customers who build homes, buildings, transportation vehicles and other products that provide for our quality of life. While serving customers, JM creates well-being for its employees, supply chain partners and society at large. As such, JM is a positive value-creator, with a focus on being internationally competitive, profitable, and socially and ecologically responsible.

JM reports its financial results to our owner Berkshire Hathaway. In 2014, we met our financial goals and commitments on profitability and growth while effectively maintaining the reputation of JM.

Business Continuity

Preserving our business functions is critical to maintaining JM's reputation and long-term sustainability. In 2014, JM implemented a new business continuity program to identify and address potential business risks, including unexpected natural disasters, system failures and other disruptions to our operations. The purpose of the program is to develop plans and strategies to avoid or minimize property loss, strengthen response and recovery efforts, protect critical assets and operations, and effectively manage incidents.

In 2014, business impact analyses and incident management plans were developed for five manufacturing facilities, including recovery strategies and time frames for meeting customer requirements. On-site property loss control coordinators manage business continuity activities with assistance from a vertically integrated supply chain management team and employees from all of our corporate functions. Activities are underway for developing plans for another five facilities in 2015.

Supply Chain Management

JM depends on approximately 10,000 suppliers to provide materials to our plants and transport finished products to customers. These suppliers are critical to enhancing JM's competitiveness and corporate sustainability. We require our suppliers to adhere to the highest ethical standards in the business, including complying with all applicable environmental, health, safety and human rights standards.

JM does not currently have a formal policy to give preference to local suppliers. However, whenever possible, JM will competitively bid local suppliers within a manufacturing plant's geographic area. Using the definition of "in country" as based on the "order-from address for the supplier" as local, JM sourced 90 percent of its global 2014 spend locally.

The geographic location of a supplier is taken into consideration in terms of logistics from a cost and time-to-deliver perspective. For example, JM sources local transportation carriers where possible as they are safer and more environmentally and socially responsible.



Transportation

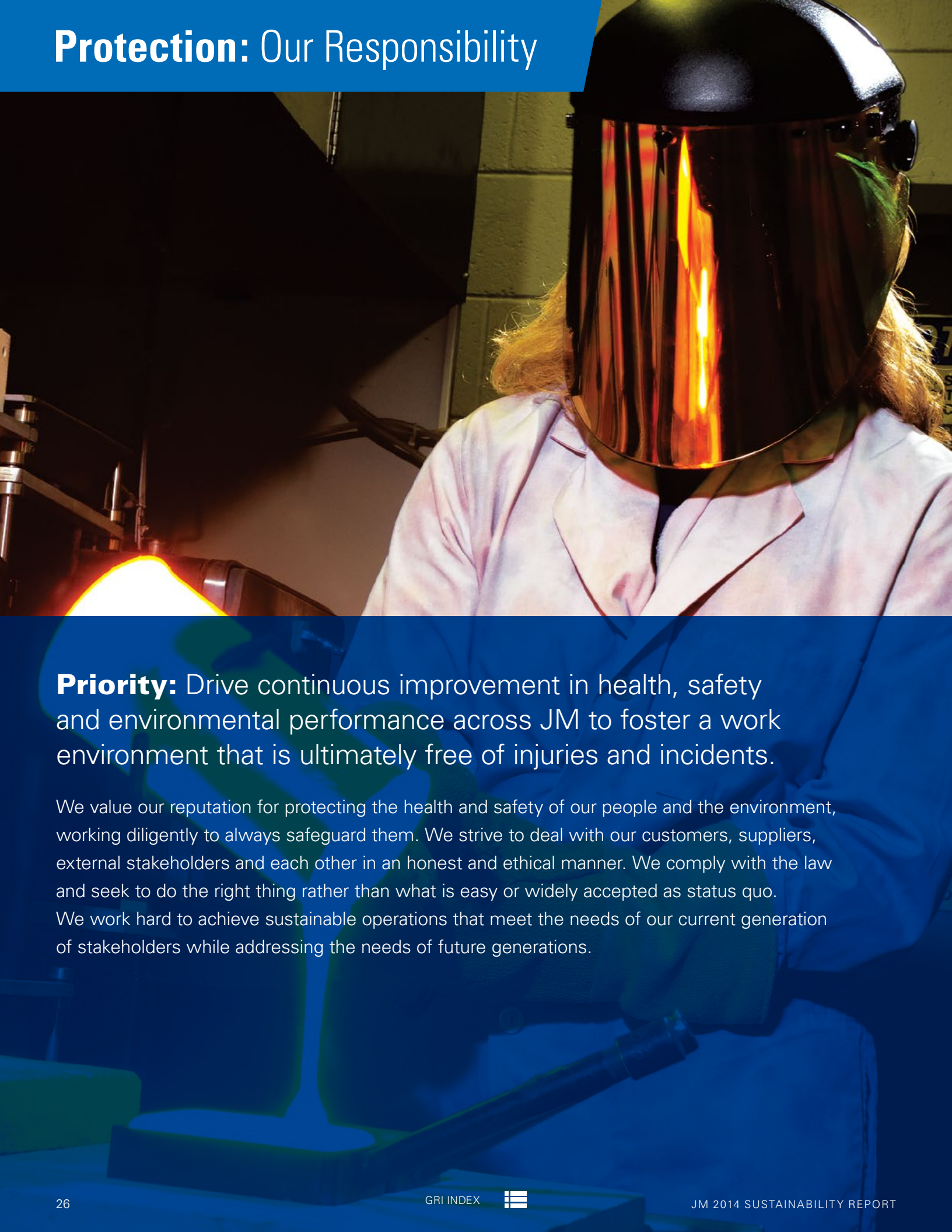
Transportation is a critical component of JM's supply chain from the perspectives of customers, business continuity and sustainability. Reliable, safe and efficient transportation is central to JM's performance and growth.

In 2014, JM was honored with a SmartWay® Excellence Award from the U.S. Environmental Protection Agency for leadership in supply chain environmental performance and energy efficiency. The company was recognized as the top performer in the "medium-size shipper" category.

JM enrolled in the SmartWay program in early 2008 as part of the company's comprehensive plan to reduce the environmental impacts of its global supply chain and logistics operations. As a certified SmartWay carrier and shipper, JM proactively promotes SmartWay to all its partners, industry peers, suppliers and other organizations involved with our business. To date, JM has helped or encouraged more than 150 carriers to register in the SmartWay program.

Being a SmartWay-certified shipper has allowed JM to improve the efficiency of our operations and deepen our commitment to sustainable transportation. While SmartWay requires shippers to use certified carriers for 50 percent of their shipping, JM annually ships over 80 percent of our freight through participating carriers. Using SmartWay's formulas for fuel, JM and our partners annually save an estimated 1 million gallons of fuel and 9,000 tons of CO₂.

JM manages the entire supply chain with a focus on safety, efficiency, integrity and compliance. In addition to the company's work with carriers, JM maintains a SmartWay-certified truck fleet at our manufacturing plant in Hazle Township, PA. JM's fleet is proven to be more fuel efficient than comparable commercial carriers.



Priority: Drive continuous improvement in health, safety and environmental performance across JM to foster a work environment that is ultimately free of injuries and incidents.

We value our reputation for protecting the health and safety of our people and the environment, working diligently to always safeguard them. We strive to deal with our customers, suppliers, external stakeholders and each other in an honest and ethical manner. We comply with the law and seek to do the right thing rather than what is easy or widely accepted as status quo. We work hard to achieve sustainable operations that meet the needs of our current generation of stakeholders while addressing the needs of future generations.

Product Stewardship and Safety

Throughout their lifecycle, JM products improve the way we live and work, enhancing the built environment that surrounds us. Offering a host of useful benefits such as acoustical quality, strength, and comfort, JM products are created to meet the expectations of our customers in a variety of conditions and climates. Part of delivering on these expectations is in manufacturing products that minimize any potential health and environmental impacts.

JM will never knowingly make or sell any product that cannot be manufactured or used safely when appropriate work and installation practices are followed. Fiber glass and mineral wool, key to JM's business, are supported by scientific research indicating that they do not pose a cancer hazard.¹ With regard to all input materials, controls have been enacted requiring a review of both new raw materials and new suppliers of existing raw materials.

JM works diligently to provide specifiers, customers, and installers with guidance on how to use and dispose of JM products in a safe manner. Currently, the JM Product Stewardship team is undertaking a significant program focused on implementing new hazard communication rules for JM safety data sheets and packaging. Sixty countries have adopted these measures in various formats. This endeavor began in 2014 and is scheduled for completion in 2015.

JM is equally dedicated to advertising and marketing the features of our products in a truthful and transparent manner. JM adheres to Federal Trade Commission (FTC) policies and guidelines, adjusting our own communication practices as necessary to achieve full compliance. JM has also been proactive in challenging competitors who may promote false or misleading claims within the industry with respect to green or environmental product attributes.

¹ National Toxicology Program, 2011; International Agency for Research on Cancer, 2002; National Academy of Sciences, 2000

Product Impact Information

Content That Might Produce Environmental Impacts	✓
Safe Use of Products	✓
Disposal of Products	✓

JM provides accessible and thorough information on the environmental impacts of 100 percent of our products.



Occupational Safety

There is no greater priority at JM than to ensure the safety of our people. JM employees comprise the engine that drives our business domestically and across the globe.

It has long been said at JM that the only acceptable number of workplace injuries is zero. In striving to achieve this objective, JM employees must demonstrate a satisfactory level of operational excellence and understanding of the job before being permitted to perform the job. Employees go through extensive training in a multitude of areas in order to maintain JM's high standard of safety. In total, JM employees underwent approximately 72,000 hours of environmental, health and safety (EHS) training in 2014. As a company, in 2014 JM experienced zero on-the-job fatalities, and the JM total OSHA incident rate measured below the national incident rate. Health and safety topics are included in the formal agreements at the nine U.S. plants where trade unions exist. In the European Union, health and safety participation and provisions of personal protective equipment (PPE) are mandated by law rather than by union agreements.

JM increased its commitment to employee safety and utilized challenges encountered throughout the year to refine how safety is implemented in all areas of the business. JM constantly strives for continuous improvement in safety. JM Chairman, President & CEO Mary Rhinehart launched a companywide theme: **JM Safety: It's Up to Me**, with a mandate to reject complacency and take up the responsibility to work both individually and as a team to make JM facilities safer. Plants all over the world have embraced **JM Safety: It's Up to Me** and renewed their commitments to work safely.

In 2014, JM piloted training presentations for front-line supervisors and plant employees on hazard recognition and control strategies; conducted critical reviews of ergonomics to better understand how employees interact with their surroundings, machinery and tools; launched behavior-based safety programs to encourage and reward positive safety interactions; held quarterly meetings with local industry safety teams to share best practices; encouraged employees to post photos of friends and family to help inspire a safe-working mindset to ensure that all employees return safely home every day; sponsored World Series of Safety competitions during the summer months to improve health and safety in the plants; and held contests to challenge and reward employees to find new ways to make safety personal. In addition, the 2014 JM Annual Safety Award was presented to the Cleburne, TX plant for its Safety Management Program. This award acknowledges a substantial turnaround in the plant's safety culture and performance, most notably a 73 percent reduction in total case incidence rate (TCIR) and a 47 percent reduction in process fires.

For the second year in a row, yet another JM plant was awarded the OSHA Voluntary Protection Program (VPP) status. During 2014, the Richmond, VA plant was named

VPP STAR – the highest level of achievement within the VPP program that acknowledges participants demonstrating effective safety and health management. Ten JM plants have now been honored with this distinction.

JM's Hearing Conservation Program (HCP) remains a point of emphasis, and we have implemented additional measures to protect hearing by controlling workplace noise. Overall, 38 HCP projects were completed in 2014. Following in-depth noise source inventories and project priority ratings, engineering controls are being implemented to reduce noise at the source – such as machinery sites, power tools and pressurized air nozzles. For example, at JM's Tucson, AZ plant, new grinders possessing noise reduction properties were installed in Computer Numerical Control (CNC) areas. At the Trnava, Slovakia plant, new compressed air nozzles were purchased to replace existing nozzles while decreasing noise by 2-5 decibels using A-weighted sound levels (dBA)¹. And at the Defiance, OH facility, noise barriers were designed and installed to create a sound enclosure around a vacuum pump at the plant.

JM launched the latest version of the Incident Management module in SAP to optimize the reporting and communication of information on incidents and regulatory inspections. Additionally, an Environmental Compliance (EC) tool was piloted at several JM plants to provide real time environmental data for emissions and compliance tasks. The pilot was proven successful and will now be launched at JM's operating plants. When fully utilized, the system will help plants, divisions and JM overall in tracking incidents and analyzing data to look for trends. In 2014, we had seven safety citations, though one was later withdrawn.

¹ A 3 dB reduction results in 50 percent less noise.

JM U.S. Plants Awarded OSHA VPP Status

(As of year-end 2014)

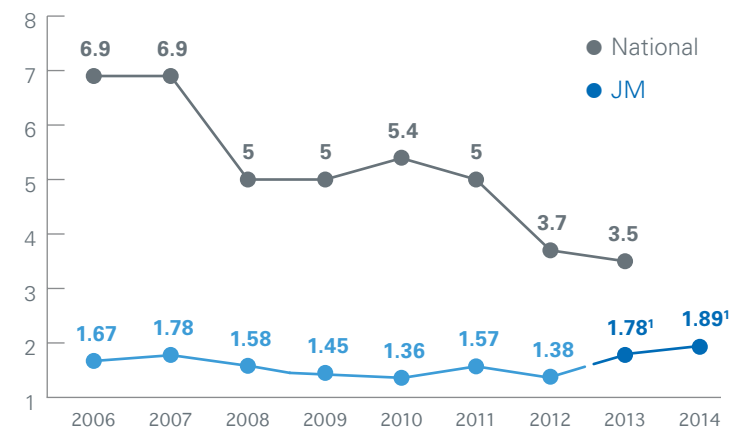
Plant Name	Year First Awarded
Tucson, AZ	2007
Macon, GA	2007
Willows, CA	2008
Jacksonville, FL	2008
Lewiston, ME	2010
Richland, MS	2010
Fernley, NV	2010
McPherson, KS	2012
Scottsboro, AL	2013
Richmond, VA	2014

JM Safety Metrics - 2014¹

JM EE = JM Employee TP = Temporary Employee

	Total OSHA Recordable Rate	OSHA Recordable Injuries Rates				OSHA Occupational Illness Case Rates				OSHA Lost Day Injuries Case Rates ²				Fatality Case Rates			
		Male		Female		Male		Female		Male		Female		Male		Female	
		JM EE	TP	JM EE	TP	JM EE	TP	JM EE	TP	JM EE	TP	JM EE	TP	JM EE	TP	JM EE	TP
Canada	0.88	0.52	0.00	0.00	543.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
China	1.86	2.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Germany	2.46	1.82	18.32	1.96	49.46	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Slovakia	0.58	0.55	2.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sweden	2.57	2.33	0.00	2.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
USA	2.01	1.54	6.87	2.12	5.29	0.27	0.86	0.00	0.00	0.15	0.86	0.34	0.00	0.00	0.00	0.00	0.00
Total JM	1.89	1.46	7.19	1.85	14.22	0.20	0.55	0.00	0.00	0.16	0.55	0.25	4.74	0.00	0.00	0.00	0.00

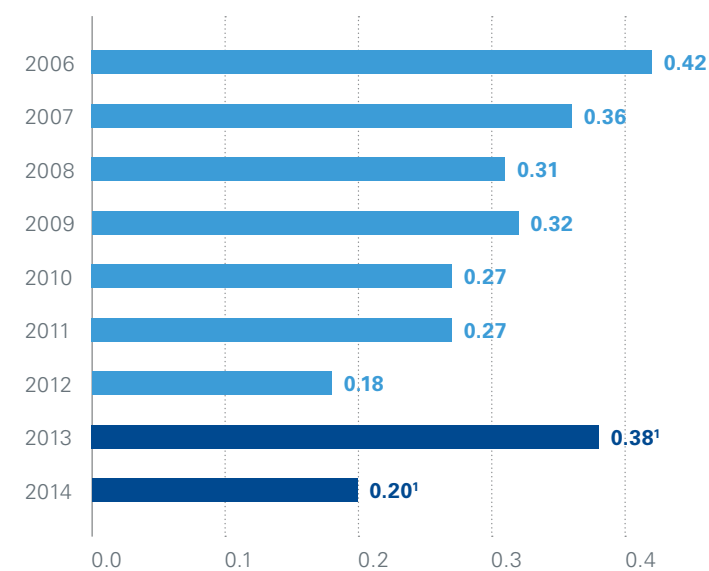
JM Total OSHA⁴ Incident Rates versus National Rates⁵



Employee Assistance Programs

	Workers	Workers' Families
Education/Training	✓	✗
Counseling	✓	✓
Prevention/Risk Control	✓	✗
Treatment	✓	✓

Lost Time Rate⁶



¹ Includes for the first time a recently-acquired subsidiary with higher rates than JM's historical rates.
² Number of injuries X 200,000/hours worked.
³ Incident rate reflects the effect of one temporary employee who experienced an injury.
⁴ Occupational Safety and Health Administration, a U.S. agency charged with the enforcement of safety and health legislation. Incident rate is the number of injuries and illnesses X 200,000 / Employee hours worked.
⁵ Bureau of Labor Statistics (BLS) Rate using NAICS Code 32799. 2014 data not available.
⁶ Lost Time Rate: Rate of incidents involving workdays beyond the day of injury or onset of illness that the employee was away from work because of an occupational injury or illness, per 200,000 work hours.

Respecting the Environment

JM is committed to conducting business in a way that demonstrates respect and consideration for the environment. The well-being of our planet, its inhabitants and the natural systems that comprise the global ecosystem play critical roles in allowing JM to continually thrive today and into the future. JM recognizes that the raw materials and process inputs needed to manufacture products are derived from the planet, and that elements including weather, climate change and geo-political issues resulting from ecological challenges may influence the company's ability to conduct business. In addition to wisely using the resources of the planet, it is our duty to protect it if we desire to successfully conduct business for the next 157 years and beyond. JM maintains a corporate dedication to comply with all environmental regulations, while implementing business practices that protect natural resources and systems that serve as components to the production and delivery of high-quality products. Corporate goals and environmentally responsible projects that steward the environment are evaluated on a regular basis to measure progress and identify additional opportunities for innovation and further sustainability.

We manage our environmental impacts by:

- Developing and using innovative technology and processes to prevent adverse impacts from company operations on public and employee health or the environment;
- Conducting both internal and independent assessments of compliance, continuously tracking the health, safety and environmental performance of each operating facility while complying with all applicable laws and regulations in each location in which the company operates;
- Providing leadership within our business segments to establish effective environmental, safety and occupational health standards and procedures;
- Periodically reviewing our environmental policy in light of current and planned activities;
- Holding every employee responsible for implementing our safety practices and corporate health, safety and environmental policy; and,
- Manufacturing and selling products that can be used safely when appropriate work practices are followed.

JM reported nine environmental notices of violation (NOVs) in 2014. Five of these notices were for noncompliance with hazardous waste regulations, one was for water compliance and three were for air quality compliance. None of the notices resulted in significant penalties of monetary value.⁷ Globally, only one significant spill occurred – at JM's Waterville, OH plant – totaling two gallons of diesel fuel. The spill was remediated and cleaned with contractor assistance.

As an organization, JM moved forward with the implementation of the ISO 14001 program. In 2014, six additional plants implemented JM's ISO 14001 environmental management system (EMS), bringing the total number of plants that conform to the ISO 14001 standards to 16. The six new plants underwent formal certification in February and March 2015. Plants that implement JM's EMS conform to the following practices in order to improve overall environmental performance:

- Identify areas of environmental risk;
- Establish engineering and procedural controls;
- Communicate and train appropriate personnel on controls;
- Establish improvement goals;
- Assess legal compliance; and
- Establish methods for plant's environmental improvement.

Energy Efficiency

JM strives to embed energy efficient improvements and practices into all areas of the business to optimize the resources required to manufacture products. Energy efficiency is monitored and reported on a monthly basis via JM's Total Utility Management System (TUMS) in order to better understand energy consumption and identify where efficiency measures may be most impactful. Ongoing investments in research and development, manufacturing machinery, operational processes and employee behavior continue to be key drivers toward conducting more energy-efficient operations.

Energy efficiency practices continue to be implemented to great effect at all JM manufacturing plants. For example, the Richmond, IN plant has received the Jim & Helen Cope Environmental Leadership Award for commitment to energy efficiency and responsible environmental management practices.

Total Direct and Indirect Energy Consumption⁶

In Gigajoules¹

Direct	2012 ²	2013 ²	2014 ³
LPG ⁵	1,240	859	668
Natural Gas	9,072,684	9,384,070	9,638,896
Total Direct:	9,073,924	9,384,929	9,639,564
Indirect	2012 ²	2013 ²	2014 ³
Electricity	5,132,743	5,459,062	5,500,361
Total:	14,206,668⁴	14,843,991	15,139,925

Corresponding footnotes located on page 31.

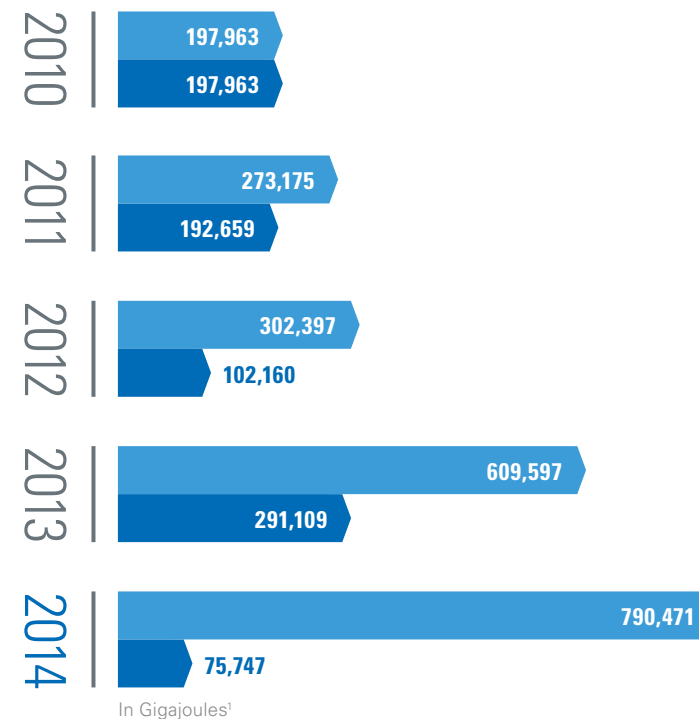
Direct versus Indirect Energy

Consumption by Primary Energy Source



Energy Saved Due to Conservation and Efficiency Improvements

	Energy Savings for Projects Commissioned	Cumulative Energy Savings for All Projects
	Percent Savings	Percent Savings
2010	1.42%	1.42%
2011	1.34%	1.90%
2012	0.72%	2.13%
2013	1.96%	4.11%
2014	0.50%	5.54%



- Cumulative Energy Savings for All Projects
- Energy Savings for Projects Commissioned

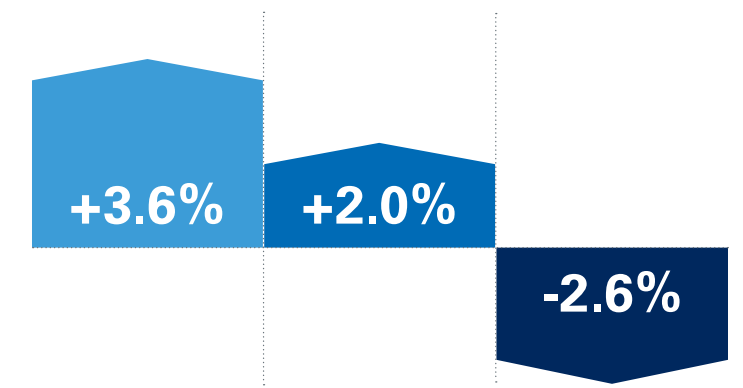
1 One gigajoule is equal to approximately 278 kilowatt hours of electricity or 26 cubic meters of natural gas.
 2 Data provided in earlier reports may differ from 2014 report due to the implementation of more accurate measurement methodology.
 3 Numbers are qualified as JM's best estimate based on available information at time of publication.
 4 LPG usage rates have been restated for 2012.
 5 LPG stands for liquefied petroleum gas.

Climate Change and Emissions

Climate change is a complex topic and is subject to ongoing debate. The weight of scientific evidence, however, indicates that greenhouse gas (GHG) emissions from human activity are causing the earth to warm, with all the climate disruption that warming entails. Despite any lingering doubt around climate change and its causes, there still exists a strong rationale for cost-effective action that offers important benefits to business and society, even if climate change predictions go unrealized. In order to better equip our business to overcome any challenges that may arise from climate change and GHG emission regulations, JM has taken a precautionary approach by working toward higher levels of energy efficiency and lower levels of greenhouse gas intensity to manufacture our products. JM can play a significant role in reducing GHG emissions (especially in the utility sector) and provide, in effect, a less costly form of energy through the installation of our insulation products.

As the United States moves to finalize its proposed Clean Power Plan and as states formulate their GHG emissions reduction proposals, JM will remain actively engaged with its trade associations and non-governmental organization (NGO) allies to ensure that end-use energy efficiency is promoted as the preferred low-cost solution to achieve GHG emission reductions for the utility sector.

2014 Efficiency Performance



- Manufacturing Rate Change
- Energy Usage Change
- GHG Intensity Change

6 GHG, direct and indirect energy (electric) calculations based on EPA's Emissions & Generation Resource Integrated Database (eGRID) default emission factors. eGRID uses primary fuel mixtures by region. Emission calculations also based on The Climate Registry's 2013 Default Emission Factors, Table 14.2 and the U.S. Department of Energy Information Administration Form EIA-1605 (2007) Foreign Electricity Emission Factors, 1999-2002.

7 JM defines significant monetary penalties at \$75,000, which is equal to twice the daily maximum penalty under many environmental programs in the US.

Non-GHG Regulated Air Emissions by Pollutant Category¹⁻³

Air Emissions in Kg

Air Emissions	2011	2012	2013
Carbon Monoxide	3,540,281	3,004,974	3,384,676
Particulate Matter	1,569,216	1,316,457	1,445,177
Volatile Organic Compounds	983,733	827,049	650,494
Nitrogen Oxides	851,175	802,794	835,786
Sulfur Dioxide	220,689	212,566	250,737
Total Criteria Pollutant Emissions:	7,165,093	6,163,840	6,566,870
Hazardous Air Pollutants (HAP)	2011	2012	2013 ⁵
Formaldehyde	62,781	63,911	35,531
Phenol	22,748	22,921	17,115
Methanol	12,976	17,857	4,470
Acetaldehyde	3,683	3,311	2,513
Hexane	1,335	1,941	996
Toluene	726	374	327
Hydrogen Fluoride	11,974	12,048	16,066
Xylenes	69	205	215
Benzene	4	3	2
Lead Compounds ⁴	24	30	21
Chromium Compounds	137	116	31
Cobalt Compounds	25	15	20
Naphthalene	2	2	2
Total HAP Emissions:	116,484	122,734	77,308
Total Air Emissions:	7,281,577	6,286,574	6,644,177

¹ 2013 Air Emissions and HAP data is the latest available. 2014 data will be reported in the 2015 JM Sustainability Report. Other environmental data reflects the past year (2014).

² Data provided in earlier reports may differ from 2014 report due to the implementation of more accurate measurement methodology.

³ Air emissions include emissions reported to regulatory agencies and monitored as required by permit.

⁴ Includes elemental lead.

⁵ HAP reductions attributed to new stack test data on pollutants.

⁶ Numbers are qualified as JM's best estimate based on available information at time of publication.

⁷ GHG, direct and indirect energy (electric) calculations based on EPA's Emissions & Generation Resource Integrated Database (eGRID) default emission factors. eGRID uses primary fuel mixtures by region. Emission calculations also based on The Climate Registry's 2013 Default Emission Factors, Table 14.2 and the U.S. Department of Energy Information Administration Form EIA-1605 (2007) Foreign Electricity Emission Factors, 1999-2002.

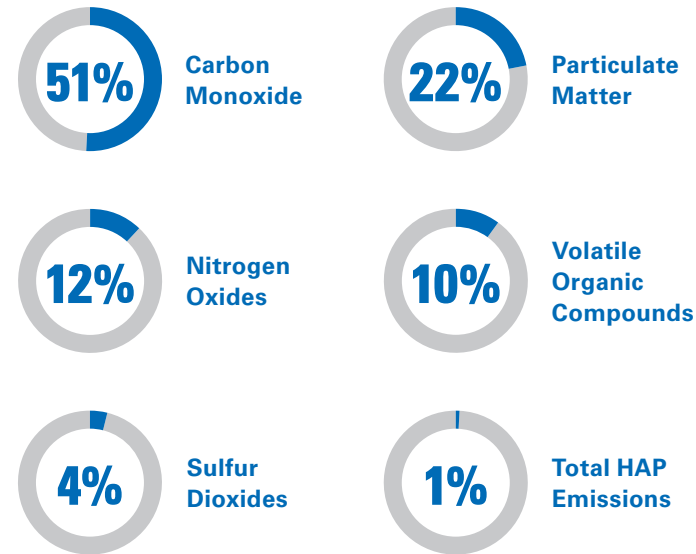
Total Direct and Indirect Greenhouse Gas Emissions⁷

Tonnes (metric) CO₂e

Source:	2012 ²	2013 ²	2014 ⁶
Direct:	507,481	535,997	545,617
Indirect:	985,115	1,030,395	1,035,035
Total:	1,492,596	1,566,392	1,580,652

Percentage of Total Non-GHG Regulated Air Emissions

2013¹ JM Air Emissions by Pollutant Category



CMR Reduction

According to USGBC LEED, up to 90 percent of our time is spent indoors. Thus, JM works to continually improve the safety of the built environment through innovative and forward-looking methods of removing volatile organic compounds (VOCs) and carcinogens, mutagens and reproductive toxins (CMRs) from our products. JM was the first to develop formaldehyde-free fiber glass building insulation and continues a tradition of protecting building inhabitants from unnecessary chemical inputs today. In 2014, JM introduced ENRGY 3.E, a next generation roofing board insulation with fire resistance engineered into the polymer backbone, negating the need for added halogenated flame retardants. ENRGY 3.E was recognized by BuildingGreen, Inc. as a top-10 winner for being an innovative solution to a legacy environmental issue.

At the plant level, removal of CMRs can play a significant role in promoting employee safety as well as end-user product safety. The Willows, CA facility was disposing of 230,000 pounds of hazardous waste each year from insulation production. Partnering with the Richmond, VA plant, the two facilities worked to devise a way to remove antimony from all glue and facing on the insulation products manufactured

at the Willows plant. As a result, the plant is now able to dispose of the material as solid waste rather than hazardous waste. The waste reduction will save JM approximately \$40,000 per year in disposal costs. In addition, it will reduce the employee time required to bail, wrap and ship hazardous materials, and eliminate the need for inspections.

Waste Management

As an organization, operational excellence is a fundamental priority for conducting business. Waste translates simply to unrealized value – whether financial value to JM or usable value to customers. This realization is reason enough to prevent as much waste as possible from going unused and into a landfill. Further, in protecting our environment to ensure that the resources of today are available for future generations, we must as a company leverage these resources and maximize their contribution to JM.

Although waste intensity increased by 3.5 percent in 2014 due to yearly fluctuations, JM has decreased waste intensity overall by 11.5 percent since 2010, achieving the goal of reducing solid waste intensity by 10 percent between 2010 and 2014. JM plants have led the effort in managing waste:

- In 2014, the Spartanburg, SC plant reduced the amount of unsellable product sent to the landfill by almost 80 percent.
- JM's Scottsboro, AL roofing facility reduced its waste by 85 percent between 2011 and 2013. In 2014, waste disposal at this plant was nearly half of what it was in 2013.
- At the Tucson, AZ plant, employees were presented with the 2014 JM Environmental Excellence Award. This award recognized their accomplishment in achieving zero waste to the landfill.

Recycled Materials

Although primary raw materials used by JM, such as silica, are plentiful, end-products like glass can be recycled in order to divert landfill waste and, in some cases, reduce the energy needed during manufacturing. Sourcing and integration of recycled materials will continue to provide opportunities for JM, and the company actively supports programs such as curbside recycling.

Each year, JM uses approximately 150,000 tons of recycled glass to make our insulation. JM continuously investigates new suppliers and new methods that can aid in integrating recycled materials into our products. Recycled glass used in the production of fiber glass batt and roll building insulation averages 30 percent across all our North American plants, but varies according to material availability and permit conditions. Even products such as closed-cell polyurethane spray foam insulation (Corbond III™ and Corbond MCST™), manufactured at the Belgrade, MT plant for 33 years, contribute to JM's

recycling progress. The Belgrade plant is driven to be a “zero waste” manufacturer of Corbond, a product containing 8 percent renewable content, and a business that has grown nearly 30 percent per year since 2008.

Within a global organization like JM, recycling can gain momentum using a grassroots approach. JM's Defiance, OH Plant 8 recycled more than 165,000 pounds of cardboard, newspapers, plastics and wood – all thanks to the efforts of one employee who is passionate about preserving our environment and providing the *JM Experience* on the job. This type of success story exemplifies “acting like an owner” and taking on a leadership role both at JM and within the community.

Water Stewardship

Water stewardship is consistent with our core value of protecting employees, customers and the environment, and is a significant topic of concern in several areas of the world where JM conducts business. Across the product portfolio, JM's manufacturing operations do not require heavy water consumption, but the company relies on water in order to manufacture our products effectively. Typically non-potable water is utilized during the manufacturing processes which involve high temperatures. As a result, a significant quantity of the water JM uses is lost to evaporation, which in many cases is unavoidable. Understanding this fact, the majority of the company's manufacturing plants deploy closed-loop systems that optimize water recovery. Process water is also recycled when possible and reused within the plant so there is minimal discharge into community wastewater treatment systems.

In 2014, JM worked to baseline its water use across the enterprise, fulfilling a corporate goal developed in 2012. The results of this process showed that total water consumption equaled 1 billion gallons. Since 2013, JM has continued to implement monitoring and measurement systems to better understand water consumption and more accurately identify opportunities to reduce water usage.

A Courtyard of Collaboration at JMTC

The newly remodeled courtyard at the Johns Manville Technical Center was reimagined to provide a collaborative gathering space for small groups desiring to take advantage of Colorado's many sunny days. Native xeriscape plantings and a new drip irrigation system that uses EPA Watersense-certified smart controller products to provide high-efficiency distribution were installed. The members of the volunteer JMTC Green Team were instrumental in selecting the landscaping design firm and making suggestions for environmental and sustainable improvements in the space.

2014 Awards

- Business of the Month, by the Barrow County Chamber of Commerce awarded to JM's Winder, GA plant
- Chinese Waterproofing Association Best Value Chain Supplier for outstanding contribution to bitumen membrane development in China
- Colorado Environmental Leadership Program, Gold Leader
- ENRGY 3.E®: Top-10 Green Building Product by BuildingGreen
- Innovation Award in Construction, JEC Americas
- Insulate America, Inc. Supplier of the Year
- Jim & Helen Cope Environmental Leadership Award to Richmond, IN plant
- JM Annual Safety Award to Cleburne, TX plant for its Safety Management Program
- JM Environmental Excellence Award to the Tucson, AZ plant for achieving zero waste to landfill
- National Safety Council (NSC) Occupational Excellence Achievement Award – awarded to 28 JM facilities

- Occupational Safety & Health Administration (OSHA) and the Arizona Division of Occupational Safety & Health recertified Tucson as a STAR-level plant and granted a five-year exemption

- Occupational Safety & Health Administration (OSHA) Voluntary Protection Program (VPP) STAR status – 10 JM U.S. manufacturing facilities

- Partner of Choice by David Weekley Homes

- PEAQ Award for Sales: Insulation Systems' Performance Materials

- Recognized as one of 50 Colorado firms on a greener path, ColoradoBiz Magazine's inaugural Green Colorado Awards

- Recognized by National Safety Council (NSC) as Industry Leader

- EPA SmartWay® Excellence Award

Certifications

- Customs-Trade Partnership Against Terrorism (C-TPAT)

- ECOLOGO Certification

- EPA Energy Star Partner

- EPA Certification for JM's AP™ Foil-Faced Sheathing

- EPA SmartWay® Certification for JM's carrier fleet in Hazle Township, PA
- GREENGUARD Certifications for numerous fiber glass insulation products

- GREENGUARD Gold Certification for JM's entire line of Formaldehyde-free™ fiber glass building insulation

- ISO 14001 Environmental Management System – six facilities certified in 2014.

- ISO 50001 Energy Management System at five manufacturing facilities across Germany

- Oeko-Tex Standard 100

- SCS Certified Indoor Air Quality – Indoor Advantage Gold + Formaldehyde-Free

- SCS Certified – Recycled content for fiber glass insulation products

- SCS Certified – U.S. Environmental Protection Agency Region 9 and Alameda County, State of California Specifications for Environmentally Preferable Insulation

Approvals

- Dade County, FL Product Approvals

- Florida Building Code

- FM Global

- International Code Council Evaluation Service (ICC-ES) approval for JM's entire line of foam sheathings products

- UL (Underwriters Laboratories)

Alliances and Partnerships

- The Alliance to Save Energy

- American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE)

- Asphalt Roofing Manufacturers Association (ARMA)

- Association of the Nonwovens Fabrics Industry (INOA)

- ASTM International

- Best Practices Research Alliance's Energy Efficiency Lab Home by IBACOS

- California Energy Efficiency Industry Council

- California Manufacturers and Technology Association

- Center for Environmental Innovation in Roofing (CEIR)

- Center for the Polyurethanes Industry, American Chemistry Council (CPI)

- Conservation Colorado

- Cool Roof Rating Council (CRRC)

- Construction Specifications Institute (CSI)

- European Alliance for Thermoplastic Composites (EATC)

- Electricity Consumers Resource Council (ELCON)

- EPDM Roofing Association (ERA)

- European Pultrusion Association (EPTA)

- European Disposables and Nonwovens Association (EDANA)

- Federation of Reinforced Plastics (AVK) in Germany

- Foam Sheathing Coalition

- Glass Alliance Europe, the European Alliance of Glass Industries

- Glass Manufacturers Industry Council (GMIC)

- GlassFibreEurope, the European Glass Fiber Producers Association

- Heating, Air-conditioning & Refrigeration Distributors International

- Industrial Energy Consumers of America (IECA)

- National Insulation Association

- North American Insulation Manufacturers Association (NAIMA)

- Polyisocyanurate Insulation Manufacturers Association (PIMA)

- SMC/BMC Alliance in Europe

- Single Ply Roofing Industry (SPRI)

- Sheet Metal and Air Conditioning Contractors' National Association

- U.S. Environmental Protection Agency (EPA) Energy Star Partner

- U.S. Environmental Protection Agency (EPA) SmartWay Transport Partner

- U.S. Green Building Council (USGBC) Gold Member

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About This Report

2014 marks the fourth year that JM has published a sustainability report detailing our enterprise-wide sustainability initiatives including economic, environmental and social impacts. At JM, we believe in the value of publishing our sustainability report as a progress marker communicating our sustainability developments, and also as an informational resource that provides a lens into our fundamental priorities and corporate culture.

JM publishes a sustainability report on an annual basis, and pursues opportunities for better communication of sustainability efforts in a transparent and meaningful way. JM has identified high-priority internal and external stakeholders utilizing a variety of mechanisms, gleaning insight into key topics that influence their assessments, decisions and livelihoods. Detailed information on JM's approach to stakeholder engagement and materiality from ongoing stakeholder dialogue is available on pages 10 and 11 of this report. JM's sustainability reports are available on our website at www.jm.com/en/sustainability/. JM's previous sustainability report was published in May 2014.

In order to ensure that insights from all areas of the business are represented in the report, JM has assembled a cross-functional team. This team is focused on determining and prioritizing stakeholders; understanding material content for inclusion in the report; and providing economic, environmental and social data aligning to Global Reporting Initiative (GRI) guidelines and performance indicators.

The content of this publication reflects information and metrics gathered during the reporting period of Jan. 1 through Dec. 31, 2014. Where possible, we have included additional company and product information in order to provide a deeper context regarding our business approach and long-standing sustainability efforts. Where JM oversees wholly-owned operations and joint ventures, data from these organizations are included in this report.

In order to ensure comprehensive report content as well as a high level of transparency for our stakeholders, JM has created this report in adherence to the GRI sustainability reporting guidelines. GRI is a widely recognized and applied reporting standard for companies such as JM that are focused on measuring and managing the economic, environmental, social and governance implications of their business. JM does not currently seek external assurance services for the report, nor is there a formalized policy in place requiring such action to take place prior to publication. External assurance options are evaluated and considered on a yearly basis and may be an option in the future. JM's 2014 Sustainability Report fully complies with the GRI G3.1 B Application Level and has undergone review by GRI's Application Level Service to confirm the thoroughness of the report's content index. For a full list of the GRI standard disclosures and performance indicators reported in 2014, please refer to the GRI Index found on pages 35-37. To learn more about the GRI, visit www.globalreporting.org.

Looking Ahead

The 2014 JM Sustainability Report communicates a corporate commitment to sustainability and conducting business in a responsible and ethical way that respects the planet, our stakeholders and the economic contributions of our business. JM is guided by four core values that shape the way we do business today and into the future. These core values comprise the foundation for creating the *JM Experience* as well as the primary structure of the 2014 JM Sustainability Report. The fabric of JM's culture is woven from these four values, and it is no coincidence that the vast majority of material content presented in this report aligns with each of these respective values. JM's four core values are:

People - Our Differentiator

JM engages employees, customers and stakeholders across the globe with mutual trust, integrity, respect and a personal interest in building the future together.

Passion - Our Motivation

The company is committed to providing employees and customers with high-quality experiences and innovative solutions.

Performance - Our Engine

JM accepts ownership and accountability for achieving outstanding results by doing things the right way.

Protection - Our Responsibility

The company cares about the health and safety of employees, customers and the communities it serves and limits its impact on the environment at all times.

Johns Manville has been in business for more than a century and a half, thanks to our focus on innovation and resistance to complacency – we're proud of the fact that we constantly challenge ourselves. Looking ahead at the next 150 years, one thing is certain – the future will continue to present both challenges and opportunities for which JM must be prepared. Strengthened by our core values and fundamental priorities, our desire is to provide the *JM Experience* in everything we do – including sustainability. With this commitment to sustainability, our company is well-positioned to continue innovating, adapting and profiting from the ever-changing landscape, but always empowered by an orientation toward satisfying the customer. Nearly all of our products – insulation, roofing and engineered products – contribute to creating environments that are energy efficient, comfortable, safe and environmentally responsible. We will continue to add new offerings that optimize our portfolio of products, strengthen our building science leadership position, and improve our ability to integrate energy efficiency in the world around us. Our dedication to providing a safe and rewarding workplace for our employees and to making a positive difference in the communities in which we live and work is stronger than ever, and will continue to serve as the cornerstone of our success.

Developing the Next Generation of Goals

As mentioned in JM's Performance Summary on page 6 of this report, many of JM's corporate sustainability goals came to fruition in 2014. JM aspired to achieve these objectives, baselined on 2010 data, and worked diligently to do so over the five-year lifespan of each goal. Although every sustainability goal set forth was not fully achieved, JM has worked to continually refine measurement methodologies and gain insight into the areas of performance that are truly meaningful to the company and stakeholders.

Leveraging this experience and with a focus on strengthening relationships and driving value creation, JM is developing a next generation of sustainability goals intended to further evolve our environmental and social performance. The new sustainability goals will be featured in the 2015 iteration of the report. Over the lifespan of the goals, JM intends to report performance toward achieving each goal on an annual basis.

Our Fundamental Priorities

Six fundamental priorities define how we do business at JM. An unwavering commitment to the fundamental priorities strengthens the foundation built by our core values, and therefore allows us to deliver the *JM Experience* effectively to all stakeholders. Sustainability endeavors and performance metrics described within the context of this report are propelled by the *JM Experience* and company values, and correlate to an unwavering focus on the following priorities:

CUSTOMER SATISFACTION

EMPLOYEE COMMITMENT

ENVIRONMENTAL RESPECT

FINANCIAL STRENGTH

INTEGRITY

OPERATIONAL EXCELLENCE

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