

GRI Index

We used the Global Reporting Initiative G3 reporting guidelines to prepare this Sustainability Report. The GRI helps reporters select material content and key performance indicators. For more on GRI please see www.globalreporting.org.

KEY ● Fully reported ○ Not reported ◐ Partially reported

1. Strategy and Analysis and Profile

| Profile Disclosure | Description | Coverage | Location (this report and other sources) | Page |
|--------------------|---|----------|---|------------------------------|
| 1.1 | Statement from the most senior decision-maker of the organization | ● | Chief Executive's message, Business overview | 2.3 |
| 1.2 | Description of key impacts, risks, and opportunities | ● | Business overview, Transforming Buildings chapter | 5, 6 |
| 2.1-2.6 | Name, location of headquarters, ownership and legal form, structure, countries of operation, primary brands, products, and/or services. | ● | Business overview, Contacts, knaufinsulation.com/en | 4-5, inside back cover (IBC) |
| 2.7 | Markets served (including geographic breakdown, sectors served, and types of customers). | ● | Business overview, knaufinsulation.com/en | 4-5 |
| 2.8 | Scale of the reporting organization. | ● | Business overview, knaufinsulation.com/en/about_us | 4-5 |
| 2.9 | Significant changes during the reporting period regarding size, structure, or ownership. | ● | Business overview, People and Community | 4-5, 24 |
| 2.10 | Awards received in the reporting period. | ● | Business overview, Products chapter | 5, 20 |

3. Report Parameters

| Profile Disclosure | Description | Coverage | Location (this report and other sources) | Page No. |
|--------------------|--|----------|---|---------------------------------------|
| 3.1-3.5 | Reporting period for information provided, date of most recent report, reporting cycle, reporting contact point, content selection process | ● | About this report, Business overview, Contacts | Inside front cover (IFC) and IBC, 4-5 |
| 3.6-3.8 | Boundary of the report, any specific limitations to boundary, basis of reporting for comparability (eg joint ventures or outsourced facilities) | ● | Introduction, About this report | IFC, 4-5 |
| 3.9 | Data measurement techniques and the bases of calculations, assumptions and techniques underlying estimations. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols. | ○ | | |
| 3.12 | Table identifying the location of the Standard Disclosures in the report. | ● | GRI Index online | |
| 3.13 | Policy and current practice with regard to seeking external assurance for the report. | ● | Policy under development, no external assurance selected in 2009-10 | IFC |

4. Governance, Commitments, and Engagement

| Profile Disclosure | Description | Coverage | Location (this report and other sources) | Page No. |
|--------------------|---|----------|--|----------|
| 4.1 | Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight. | ● | Business overview | 4-5 |
| 4.2 | Indicate whether the Chair of the highest governance body is also an executive officer. | ● | The equivalent of such a Chair is an executive officer | |
| 4.4 | Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. | ○ | None available. Employee engagement programme further developed in 2010-11 | |
| 4.14 | List of stakeholder groups engaged by the organization. | ● | Business overview | 5 |
| 4.15 | Basis for identification and selection of stakeholders with whom to engage. | ● | Business overview | 5 |
| 4.16 | Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. | ◐ | Business overview, People and Community | 4-5, 24 |
| 4.17 | Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. | ● | People and Community | 25 |

4. Disclosures on Management Approach (DMAs)

Our disclosures on management approach are found in Our Company where our environmental and social performance management is described as part of the Knauf Insulation integrated management system (IMS).

| G3 DMA | Description | Coverage | Location (this report and other sources) | Page No. |
|--------|--------------------------------------|----------|--|-----------|
| DMA EC | Disclosure on Management Approach EC | ○ | | |
| DMA EN | Disclosure on Management Approach EN | ● | Our Company, Commitments | 22, 32 |
| DMA LA | Disclosure on Management Approach LA | ● | Our Company, Commitments | 24, 32 |
| DMA HR | Disclosure on Management Approach HR | ◐ | Partially reported | 22 |
| DMA SO | Disclosure on Management Approach SO | ◐ | Partially reported | 6, 22 |
| DMA PR | Disclosure on Management Approach PR | ● | Products, Buildings | 6, 14, 16 |

Performance indicators – Economic

| Performance Indicator | Description | Coverage | Location (this report and other sources) | Page No. |
|-----------------------|---|----------|--|-------------|
| EC1 | Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments. | ● | Our Company | 9 |
| EC2 | Financial implications and other risks and opportunities for the organization's activities due to climate change. | ● | Buildings, Our Products | 6-7, 16, 19 |
| EC3 | Coverage of the organization's defined benefit plan obligations. | ○ | | |
| EC4 | Significant financial assistance received from government. | ○ | | |
| EC5 | Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation. | ○ | | |
| EC6 | Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation. | ○ | | |
| EC7 | Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation. | ○ | | |
| EC8 | Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. | ○ | | |
| EC9 | Understanding and describing significant indirect economic impacts, including the extent of impacts. | ○ | | |

Performance indicators – Environmental

| Performance Indicator | Description | Coverage | Location (this report and other sources) | Page No. |
|-----------------------|---|----------|--|----------|
| EN1 | Materials used by weight or volume. | ○ | | |
| EN2 | Percentage of materials used that are recycled input materials. | ● | Our Company | 18, 29 |
| EN3 | Direct energy consumption by primary energy source. | ● | Our Company | 28 |
| EN4 | Indirect energy consumption by primary source. | ○ | | |
| EN5 | Energy saved due to conservation and efficiency improvements. | ● | Transforming Buildings, Products chapter | 6-10, 17 |
| EN6 | Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. | ● | Transforming Buildings | 14-20 |
| EN7 | Initiatives to reduce indirect energy consumption and reductions achieved. | ○ | | |
| EN8 | Total water withdrawal by source. | ◐ | Our Company | 30 |
| EN9 | Water sources significantly affected by withdrawal of water. | ◐ | Our Company | 30 |
| EN10 | Percentage and total volume of water recycled and reused. | ○ | | |
| EN11 | Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. | ◐ | Our Company | 30 |
| EN12 | Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas. | ○ | | |
| EN13 | Habitats protected or restored. | ◐ | Our Company | 30 |
| EN14 | Strategies, current actions, and future plans for managing impacts on biodiversity. | ○ | | |
| EN15 | Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk. | ○ | | |
| EN16 | Total direct and indirect greenhouse gas emissions by weight. | ◐ | Our Company | 28 |
| EN17 | Other relevant indirect greenhouse gas emissions by weight. | ○ | | |
| EN18 | Initiatives to reduce greenhouse gas emissions and reductions achieved. | ◐ | Our Company | 28-29 |
| EN19 | Emissions of ozone-depleting substances by weight. | ○ | | |
| EN20 | NO _x , SO _x , and other significant air emissions by type and weight. | ○ | | |

Performance indicators – Environmental continued

| Performance Indicator | Description | Coverage | Location (this report and other sources) | Page No. |
|-----------------------|---|----------|--|----------------------|
| EN21 | Total water discharge by quality and destination. | ● | Our Company | 30 |
| EN22 | Total weight of waste by type and disposal method. | ● | Our Company | 29 |
| EN23 | Total number and volume of significant spills. | ○ | | |
| EN24 | Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally. | ○ | | |
| EN25 | Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff. | ○ | | |
| EN26 | Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. | ● | Buildings, Products, Our Company | 10-13, 14-21, 29, 31 |
| EN27 | Percentage of products sold and their packaging materials that are reclaimed by category. | ● | Our Company | 31 |
| EN28 | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations. | ○ | Our Company | |
| EN29 | Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce. | ○ | | |
| EN30 | Total environmental protection expenditures and investments by type. | ○ | | |

Social: Labor Practices and Decent Work

| Performance Indicator | Description | Coverage | Location (this report and other sources) | Page No. |
|-----------------------|---|----------|--|----------|
| LA1 | Total workforce by employment type, employment contract, and region. | ● | Our Company | 24 |
| LA2 | Total number and rate of employee turnover by age group, gender, and region. | ● | Our Company | 26 |
| LA3 | Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations. | ● | Our Company | 26-27 |
| LA4 | Percentage of employees covered by collective bargaining agreements. | ○ | | |
| LA5 | Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements. | ● | Our Company | 26 |
| LA6 | Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs. | ○ | | |
| LA7 | Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region. | ● | Our Company | 26 |
| LA8 | Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases. | ○ | | |
| LA9 | Health and safety topics covered in formal agreements with trade unions. | ○ | | |
| LA10 | Average hours of training per year per employee by employee category. | ● | Our Company | 3, 26 |
| LA11 | Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. | ● | Our Company | 25 |
| LA12 | Percentage of employees receiving regular performance and career development reviews. | ○ | | |
| LA13 | Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity. | ○ | | |
| LA14 | Ratio of basic salary of men to women by employee category. | ○ | | |

Social: Human Rights

| Performance Indicator | Description | Coverage | Location (this report and other sources) | Page No. |
|-----------------------|--|----------|--|----------|
| HR1 | Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. | ○ | | |
| HR2 | Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. | ○ | | |
| HR3 | Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. | ○ | | |
| HR4 | Total number of incidents of discrimination and actions taken. | ○ | | |
| HR5 | Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights. | ● | Our Company | 26 |
| HR6 | Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor. | ○ | | |
| HR7 | Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor. | ○ | | |
| HR8 | Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations. | n/a | | |
| HR9 | Total number of incidents of violations involving rights of indigenous people and actions taken. | n/a | | |

Social: Society

| Performance Indicator | Description | Coverage | Location (this report and other sources) | Page No. |
|-----------------------|---|----------|--|----------|
| SO1 | Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting. | ○ | | |
| SO2 | Percentage and total number of business units analyzed for risks related to corruption. | ○ | | |
| SO3 | Percentage of employees trained in organization's anti-corruption policies and procedures. | ○ | | |
| SO4 | Actions taken in response to incidents of corruption. | ○ | | |
| SO5 | Public policy positions and participation in public policy development and lobbying. | ● | Buildings | 1, 6-11 |
| SO6 | Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country. | ○ | | |
| SO7 | Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes. | ○ | | |
| SO8 | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations. | ● | | 26 |

Social: Product Responsibility

| Performance Indicator | Description | Coverage | Location (this report and other sources) | Page No. |
|-----------------------|--|----------|---|--------------|
| PR1 | Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures. | ● | Buildings, Products | 12-13, 18-21 |
| PR2 | Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes. | ● | None in 2009 | 21 |
| PR3 | Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements. | ○ | | |
| PR4 | Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes. | ● | None in 2009 | 26 |
| PR5 | Practices related to customer satisfaction, including results of surveys measuring customer satisfaction. | ○ | | |
| PR6 | Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship. | ○ | | |
| PR7 | Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes. | ○ | | |
| PR8 | Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data. | ○ | | |
| PR9 | Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. | ● | No fines or non-monetary sanctions resulting from a breach of laws or regulations governing product responsibility. | |