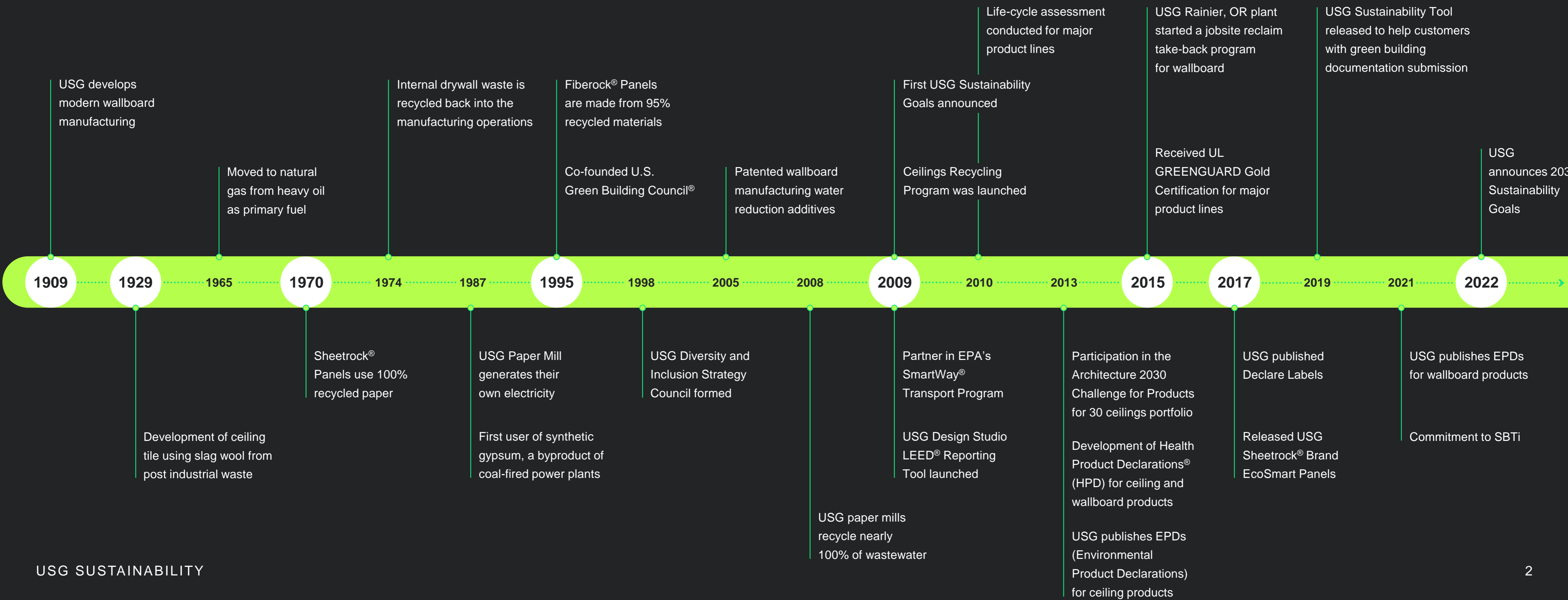


# What We Choose Today Builds Tomorrow



# Our Second Century In Sustainability



# Legacy

———— Honoring a 115-year heritage of responsibility and investing in tomorrow’s innovation, we’re working to combat climate change and conserve resources for future generations.

# Values

———— Since 1909, USG has placed emphasis on innovation with purpose, working to deliver more sustainable products and manufacturing – and it holds true today with our commitment to Science Based Target Initiatives (SBTi).

## 2030 Goals

ONE



**Transforming our Footprint:**

- Commitment to SBTi
- Reduce Scope 1 & 2 greenhouse gas emissions by 30%
- Reduce Scope 3 greenhouse gas emissions by 15%

TWO



**Enhance Customer Well-being**

- Eliminate all LBC v4.0 Red-List Chemicals
- Provide transparency for 100% of USG products
- Develop innovative products that enable healthy spaces

THREE



**Deliver a Circular Economy**

- Become the recognized leader in construction jobsite reclaim for gypsum panel and ceiling tile recycling
- Achieve zero manufacturing waste to landfill
- Reduce drinkable water intensity by 20%

FOUR



**Putting People First**

- Support a physically safe and well-being focused work environment
- Foster an engaged and diverse workforce
- Promote honest, ethical and responsible business practices

# Our Progress



## Lower Energy Intensity

Reduced energy usage (per unit of production) by 20% between 2005 and 2020.



## Product Families Assessed

Conducted life cycle assessments on 100% of product portfolios.



## Less Landfill Waste

Reduced waste to landfill by 29% between 2010 and 2020.

# Delivering — A Circular Economy



Along with climate change, waste generation and drinking water shortages are some of the most challenging problems that humanity faces today and in the future. We will improve our recycling practices and evaluate drinkable water usage in the communities where we operate. We'll continue to invest in partnerships with companies that will help us reach our targets.

- Become the recognized leader in construction job site reclaim for gypsum board and ceiling tile recycling
- Achieve zero manufacturing waste to landfill
- Reduce drinkable water intensity by 20%

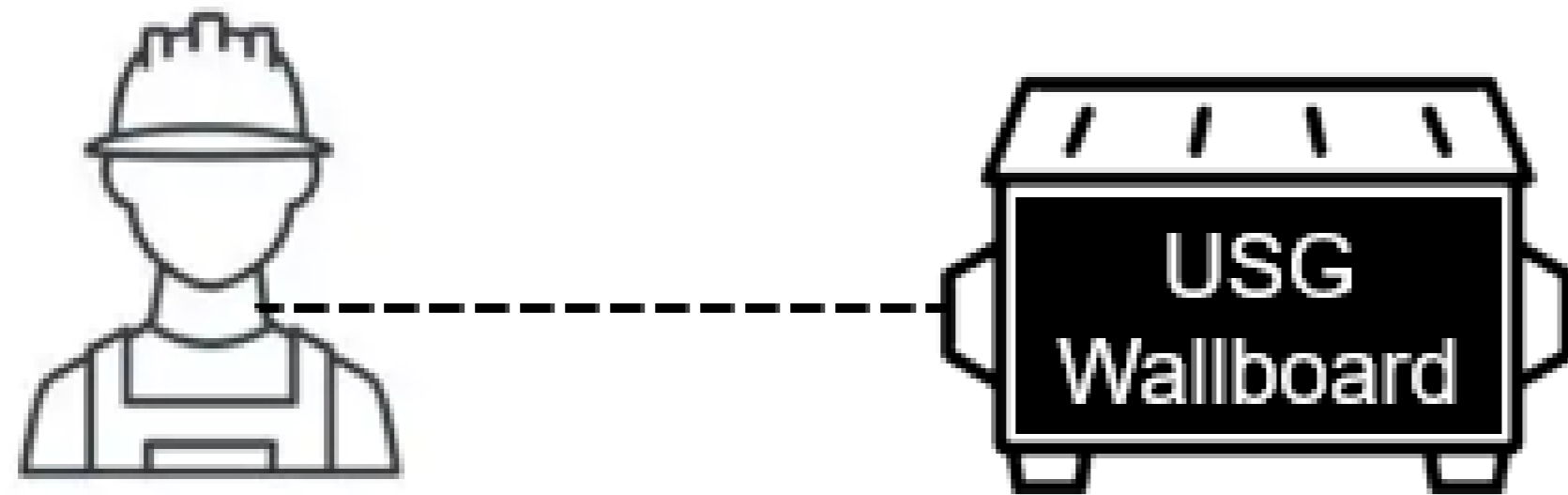
# Recycling Jobsite Waste

- USG has been recycling product manufacturing waste for over 50 years
- USG launched the first customer driven take back program for wallboard in January 2023
- Have the equipment to take-back “white board” wallboard at manufacturing plants across NA
- Recaptures “waste” as a resource to manufacture new materials and products
- Approximately 64% of wallboard waste is from new construction

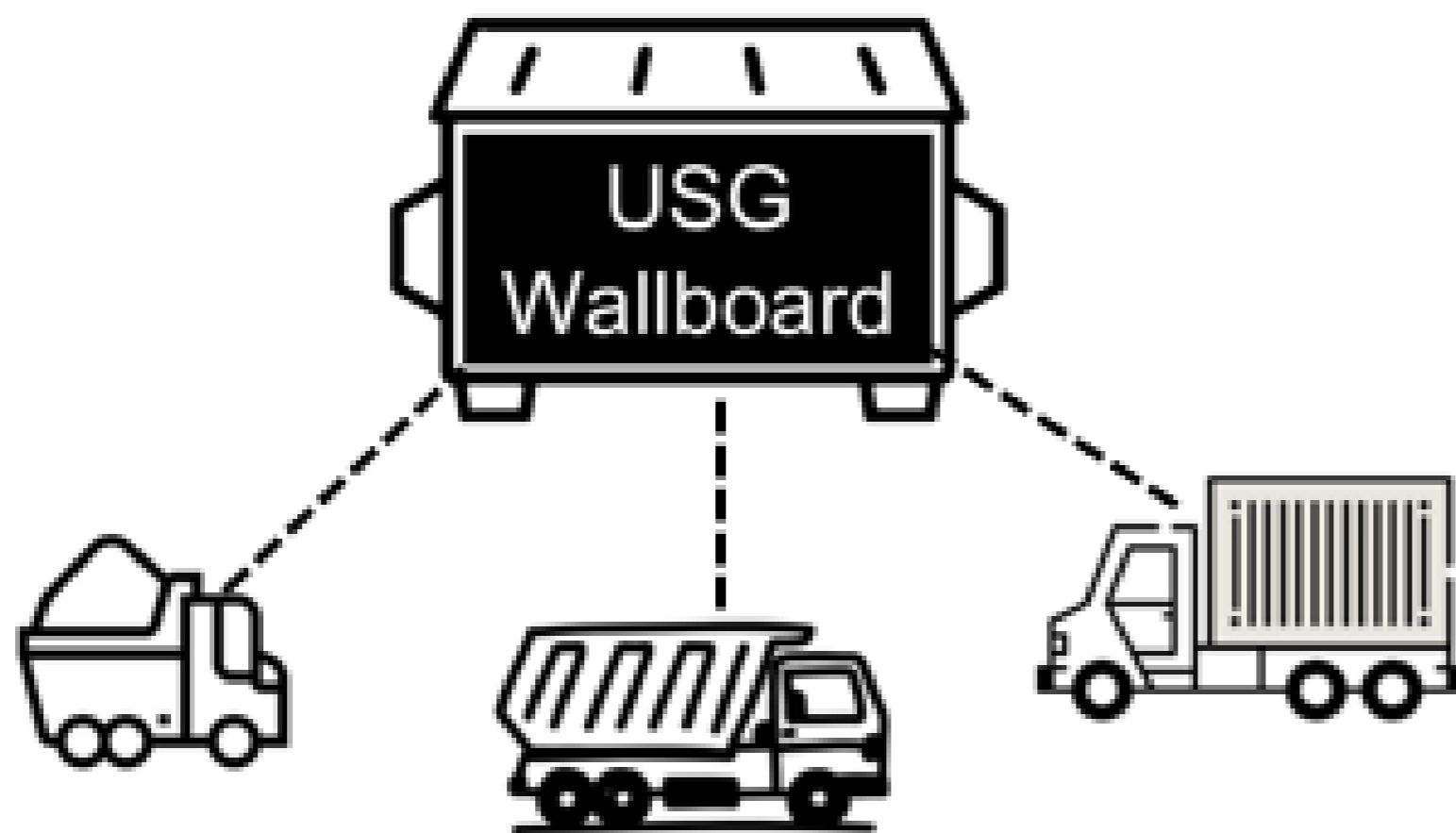




# Take-Back Best Practices



An employee looks over the wallboard scrap



An offsite hub that is filled with scrap from multiple jobs until full

- Take back materials must be sorted
  - Only USG branded wallboard
  - Clean jobsite scrap
- Participant must deliver the wallboard to the closest USG plant
- USG will provide documentation that you participated in the USG Wallboard Reclaim Program so that you can receive contribution towards LEED or other green-building rating programs.

# Take-back Program

## Common Challenges

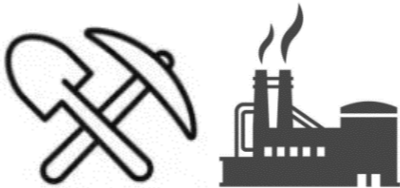


- Takes time and planning
- Communication between the designer/owner and GC
- Could increase carbon emissions depending on distance
- Freight could be costly
- Nearest manufacturing plant is in a different region (state or district)
- Cheaper to landfill



# Raw Material Use

## Embodied Carbon in Wallboard



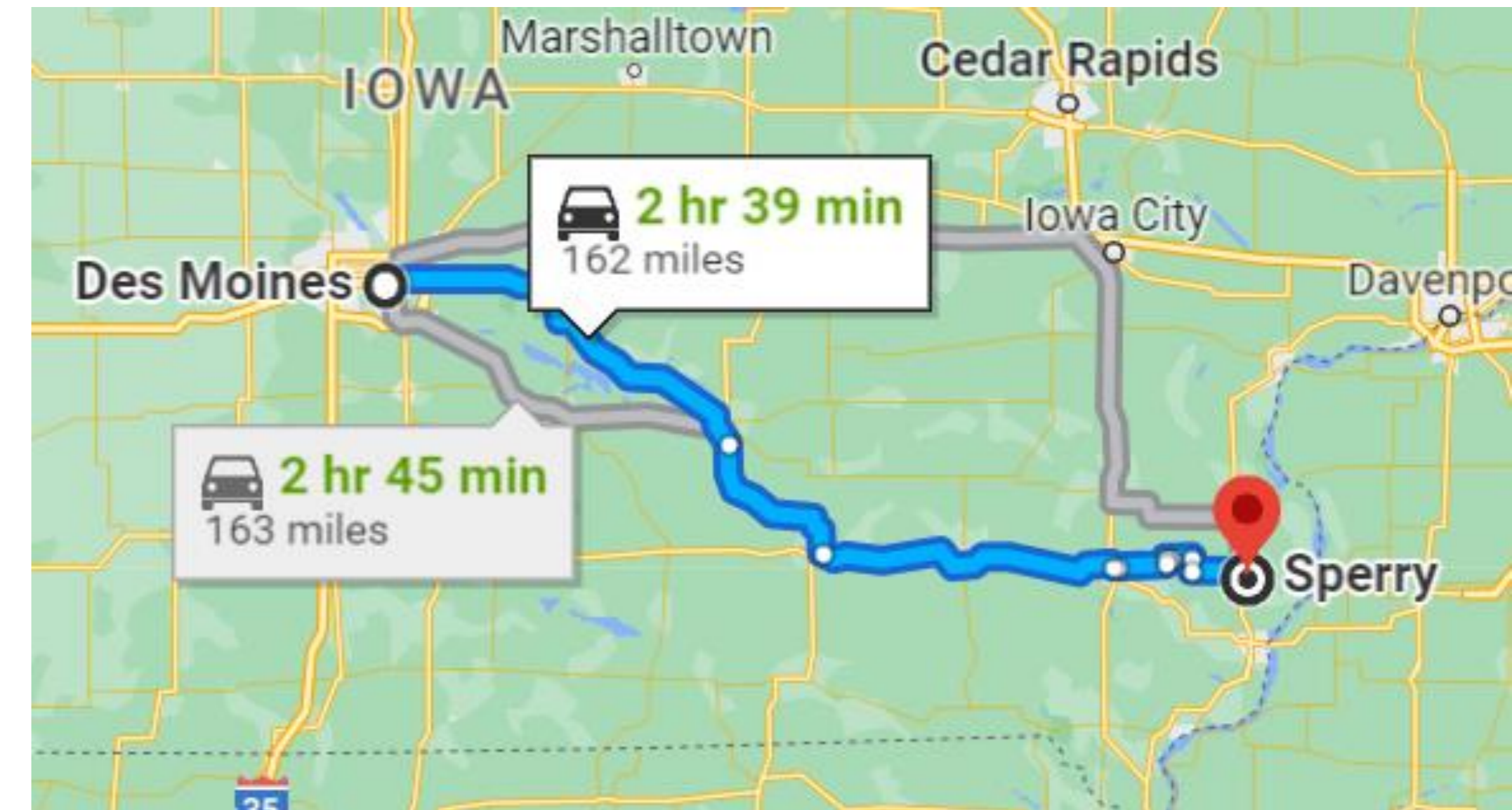
Sheetrock® Brand Firecode® X Panels Averages used	 Embodied carbon of Wallboard <i>Standard Process</i>	 Embodied carbon of Wallboard <i>10% Reclaim</i>	 Embodied carbon of Wallboard <i>100% Reclaim</i>
Cradle to Gate (A1-A3) kg CO2e/MSF	245.7	244.7	234.6
Cradle to Grave (A1-C4) kg CO2e/MSF	359.3	358.0	326.6

- With 10% reclaim 0.4% reduction in GWP
- With 100% reclaim 9.1% reduction in GWP



# Carbon Emissions Reduction

- A jobsite in Des Moines, IA recycled 20 tons of USG wallboard jobsite waste back to Sperry, IA resulted in a decrease of A1-C4 carbon emissions by 17%
- 162 miles away still showed a decrease in CO2 emissions
- Evaluation is derived from LCA software and considers the elimination of raw material gypsum transport and landfill carbon emissions due to jobsite waste and adds in CO2 emissions for transport to the plant



# Circular Economy

## What is the Future for Manufacturers?

- Close the gaps
  - Development easy to use waste recycling programs
- Develop lightweight products using recycled raw materials
- Use packaging that is recycled and is easy to recycle
- Development of products that are easy to reuse
- Use of renewable energy



# Circular Economy

## What is the Future for Buildings?

### Changing a mindset...

- Understanding circularity and adopting circular design
- Awareness and understanding
- Collaboration
  - Take advantage of take-back programs
- Use of technology in planning
  - Use of whole building LCA



## Gypsum Panels

——— USG is proud to enable customers with clean construction recycling on all standard USG Sheetrock® Brand gypsum panel products. “Clean construction” scrap is defined as new, non-decorated drywall waste discarded on the jobsite.

——— At this time, ONLY USG branded gypsum panels are accepted. Other manufacturers clean scrap cannot be accepted.



# Step One: Determine if Your Materials Qualify for Recycling

## ✓ ACCEPTED USG SHEETROCK® BRAND PRODUCTS

- + SHEETROCK® BRAND ECOSMART PANELS FIRECODE 30®
- + SHEETROCK® BRAND ECOSMART PANELS FIRECODE® X
- + SHEETROCK® BRAND FIRECODE® C PANELS
- + SHEETROCK® BRAND FIRECODE® X PANELS
- + SHEETROCK® BRAND FLEXIBLE GYPSUM PANELS
- + SHEETROCK® BRAND GYPSUM PANELS
- + SHEETROCK® BRAND GYPSUM BASE IMPERIAL®
- + SHEETROCK® BRAND GYPSUM BASE IMPERIAL® FIRECODE® X
- + SHEETROCK® BRAND ULTRALIGHT GYPSUM BASE IMPERIAL®
- + SHEETROCK® BRAND ULTRALIGHT PANELS

## ⊘ MATERIALS NOT ACCEPTED

- + USG SHEETROCK® BRAND GLASS-MAT PANELS MOLD TOUGH® (ALL TYPES)
- + USG SHEETROCK® BRAND MOLD TOUGH® PANELS (ALL TYPES)
- + USG SECUROCK® BRAND ROOF BOARDS (ALL TYPES)
- + USG SECUROCK® BRAND ULTRALIGHT GLASS-MAT SHEATHING (ALL TYPES)
- + USG FIBEROCK® AND DUROCK® BRAND BACKERBOARDS & UNDERLAYMENTS
- + WALLBOARD WASTE FROM DEMOLITION CONSTRUCTION
- + WALLBOARD WASTE THAT CONTAINS PAINT OR OTHER COATINGS
- + NON-USG MANUFACTURED WALLBOARD
- + ANY OTHER WASTE

## Step Two: Contact USG

— If your gypsum panels are eligible for USG's Take-Back Recycle Program, contact us at [reclaim@usg.com](mailto:reclaim@usg.com). A designated USG representative will follow-up to verify viability, coordinate and execute a recycling agreement for your sorted, clean construction wallboard scrap to be delivered to the local USG wallboard manufacturing plant.



## Step Three: Documentation & Contribution Credit

— Upon completion and delivery of the clean construction wallboard scrap, you will receive documentation that you participated in USG's Take-Back Recycle Program. Your participation can contribute towards LEED or other green-building rating programs.

# Thank You, Questions?

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