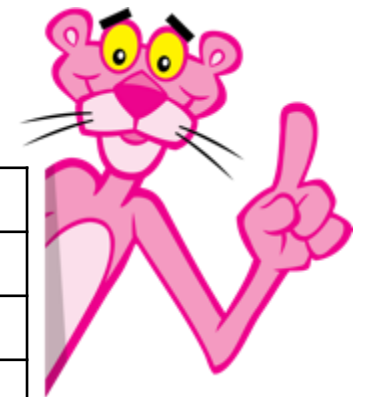




Q3 2021

This presentation shared at the following events:

# FOCUSED ON SHAREHOLDER VALUE



09/10/21	OC (Virtual) Roadshow Hosted by Wolfe Research	Ken Parks, Chief Financial Officer
09/08/21	OC (Virtual) Roadshow Hosted by Barclays	Marcio Sandri, President, Composites
08/09/21	OC (Virtual) Roadshow Hosted by Thompson Research Group	Ken Parks, Chief Financial Officer
08/03/21	OC (Virtual) Roadshow Hosted by RBC	Brian Chambers, Chair & Chief Executive Officer

# FORWARD-LOOKING STATEMENTS AND NON-GAAP MEASURES

This presentation and the associated remarks contain forward-looking statements. We caution you against relying on these statements as they involve risks and uncertainties that are difficult to predict and the Company's actual results may differ materially from those projected. Such risks and uncertainties include, without limitation: the severity and duration of the current COVID-19 pandemic on our operations, customers and suppliers, as well as related governmental actions; levels of residential, commercial and industrial construction activity; global industrial production; competitive and pricing factors; demand for our products and relationships with key customers; raw material and other input availability, issues related to acquisitions, divestitures, joint ventures or expansions; industry, economic and political conditions, including new legislation, policies or other governmental actions in the U.S. or elsewhere; climate change, weather and storm activity; changes to tariff, trade or investment policies or law; uninsured losses, including those from natural disasters, pandemics, catastrophe, theft or sabotage; energy, transportation, price volatility and cost issues; legal and regulatory, including environmental, disputes or proceedings; ability to protect our intellectual property and information technology systems; achievement of expected synergies or productivity improvements; the level of fixed costs required to run our business; currency, commodity and interest rate fluctuations; our level of indebtedness, liquidity, and the availability and cost of credit; levels of goodwill or other indefinite-lived intangible assets; price volatility in U.S. wind energy markets; labor disputes or shortages, or loss of key employees; pension obligations; and factors detailed from time to time in the Company's SEC filings.

The terms "year to date" or last twelve months ("LTM") refer to the period ended on the last calendar day of the quarter preceding the date of the investor event referenced on the first page above. Otherwise the information in this presentation speaks as of the date of the investor event, and is subject to change. The Company assumes no obligation to update or revise forward-looking statements except as required by law. Any distribution of this presentation after the investor event is not intended and should not be construed as updating or confirming such information.

This presentation contains references to certain "non-GAAP financial measures" as defined by the SEC, which may be referenced in the Appendix or in the tables of our earnings press release. Adjusted EBIT, adjusted EBITDA, adjusted earnings, adjusted EPS and return on capital exclude certain items that management does not allocate to its segment results because it believes they are not representative of the Company's ongoing operations. When the company provides forward-looking expectations for non-GAAP measures, the most comparable GAAP measures and reconciliations to those GAAP measures are generally not available without unreasonable effort due to the variability, complexity and limited visibility of the adjusting items that would be excluded from the non-GAAP measures in future periods. The variability in timing and amount of adjusting items could have significant and unpredictable effects on future GAAP results.



# AGENDA

1 Investment highlights

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2 ESG at Owens Corning

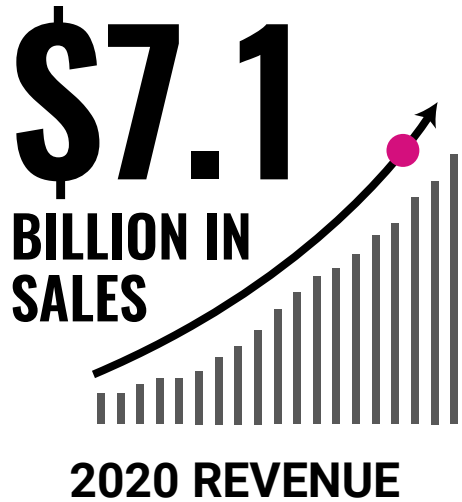
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3 Three strong businesses

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4 Additional financial information

# OWENS CORNING AT A GLANCE



Serving residential, commercial, and industrial markets

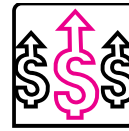
INSULATION | ROOFING | COMPOSITES

# COMPELLING INVESTMENT THESIS

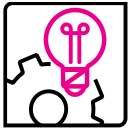
We are a global building and industrial materials leader that capitalizes on market-leading positions and innovative technologies to deliver substantial free cash flow and sustainable shareholder value



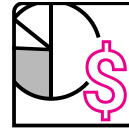
**MARKET-LEADING POSITIONS**



**STRONG CASH FLOW GENERATION**



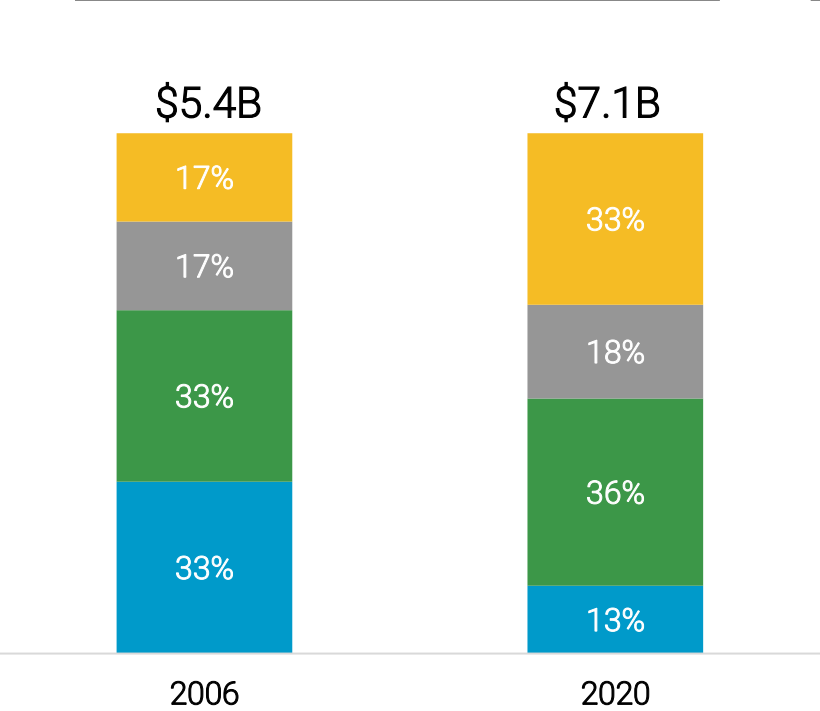
**INNOVATIVE PRODUCT &  
PROCESS TECHNOLOGIES**



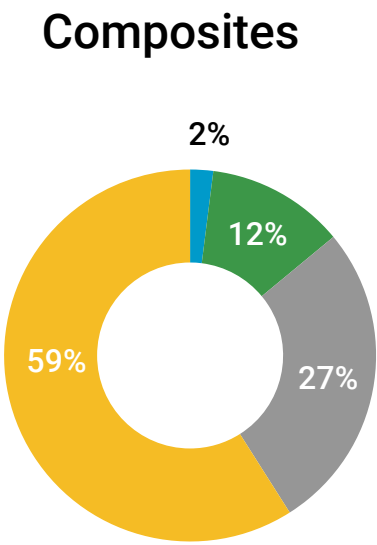
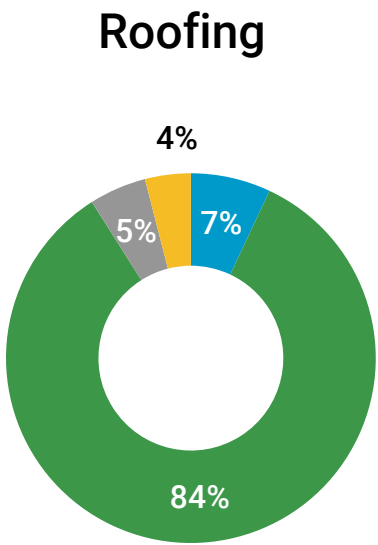
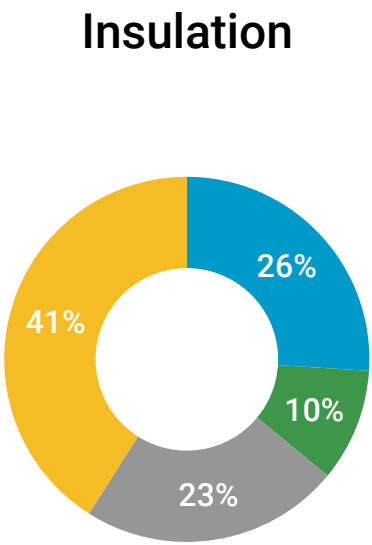
**DISCIPLINED CAPITAL ALLOCATION**

# GLOBAL BUSINESSES IN ATTRACTIVE END MARKETS

Owens Corning  
revenue by end market



2020 revenue by end market



■ U.S. residential new construction

■ U.S. residential repair and remodeling

■ U.S. commercial and industrial

■ International



Consolidated figures eliminate intercompany net sales between reportable segments. Source: Owens Corning management estimates; estimated error margin +/- 5%. In the residential markets, certain products are used interchangeably in both new construction and repair and remodeling, and our customers typically sell into both markets. Due to these limitations, we have used management estimates and other assumptions to allocate residential market net sales

# IMPROVED AND SUSTAINABLE MARGIN PERFORMANCE

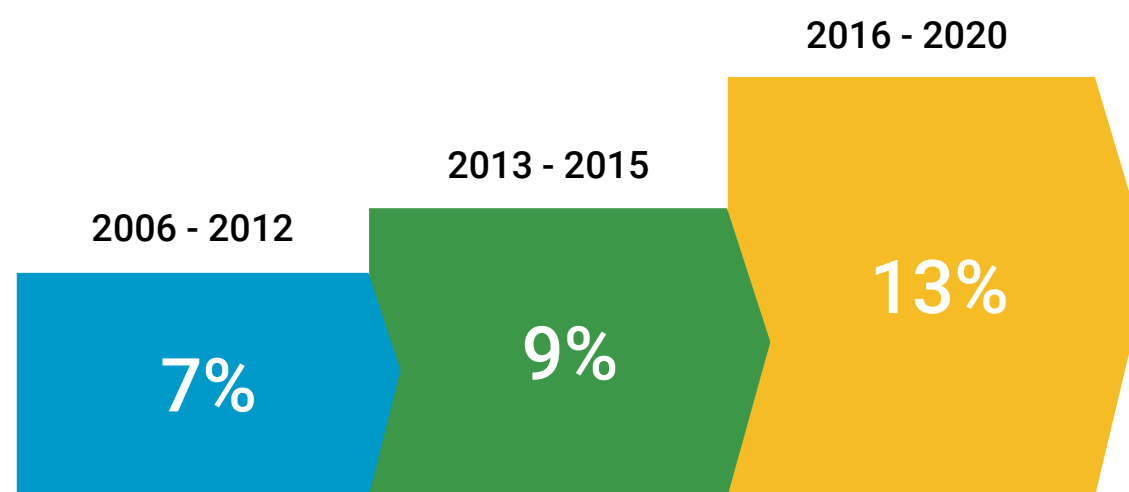
## Management actions

Implemented sustainable cost reductions across businesses

Invested in process and product technologies to fuel organic growth

Completed acquisitions delivering profitable growth and more stable earnings

## Enterprise improvement



Adjusted EBIT margin

## Operating priorities

Accelerate organic growth

Drive improved operating efficiencies

Generate strong free cash flow

# **INVESTMENT HIGHLIGHTS**



# THREE MARKET-LEADING BUSINESSES

OWENS CORNING		\$7,055	\$878	12%
		2020 NET SALES	2020 ADJ EBIT / EBIT	2020 ADJ EBIT / EBIT AS % OF NET SALES
Insulation	#1 in North American residential fiberglass A leader in technical insulation growth markets	\$2,607	\$250	10%
Roofing	#2 in attractive industry generating strong operating margins High margin Components business provides growth upside	\$2,695	\$591	22%
Composites	#1 in glass non-wovens #2 in global glass fiber market	\$1,960	\$165	8%



Sources: North American Insulation Manufacturers Association (NAIMA), Asphalt Roofing Manufacturers Association (ARMA), Fiber Economics Bureau, GlassFibreEurope (APFE), Global Trade Information Services, Inc. and Owens Corning management estimates. Owens Corning SEC filings. The Owens Corning row reflects total company Adjusted EBIT, which is reconciled to Owens Corning SEC filings in the Appendix.

# WELL-POSITIONED TO CAPTURE GROWTH FROM KEY SECULAR TRENDS



**U.S. Residential Renovation & New Construction**



**Energy Efficiency**



**Renewable Energy**



**Product Sustainability & Circular Economy**



**Investment in Infrastructure**



**Rising Labor Costs & Worker Shortage**

# INNOVATIVE PRODUCT & PROCESS TECHNOLOGIES DELIVERING REVENUE GROWTH, IMPROVED MARGINS, AND CAPITAL EFFICIENCY



## **DURATION® SHINGLES**

Unique SureNail®  
technology



Sustainable high  
margins



## **SPECIALTY GLASS NON-WOVENS**

Industry-leading  
product designs



Highly-specified  
applications



## **RESIDENTIAL FIBERGLASS INSULATION**

Glass material  
science



Advantaged cost  
position

# LEVERAGING ENTERPRISE CAPABILITIES

Commercial strength

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Material science innovation

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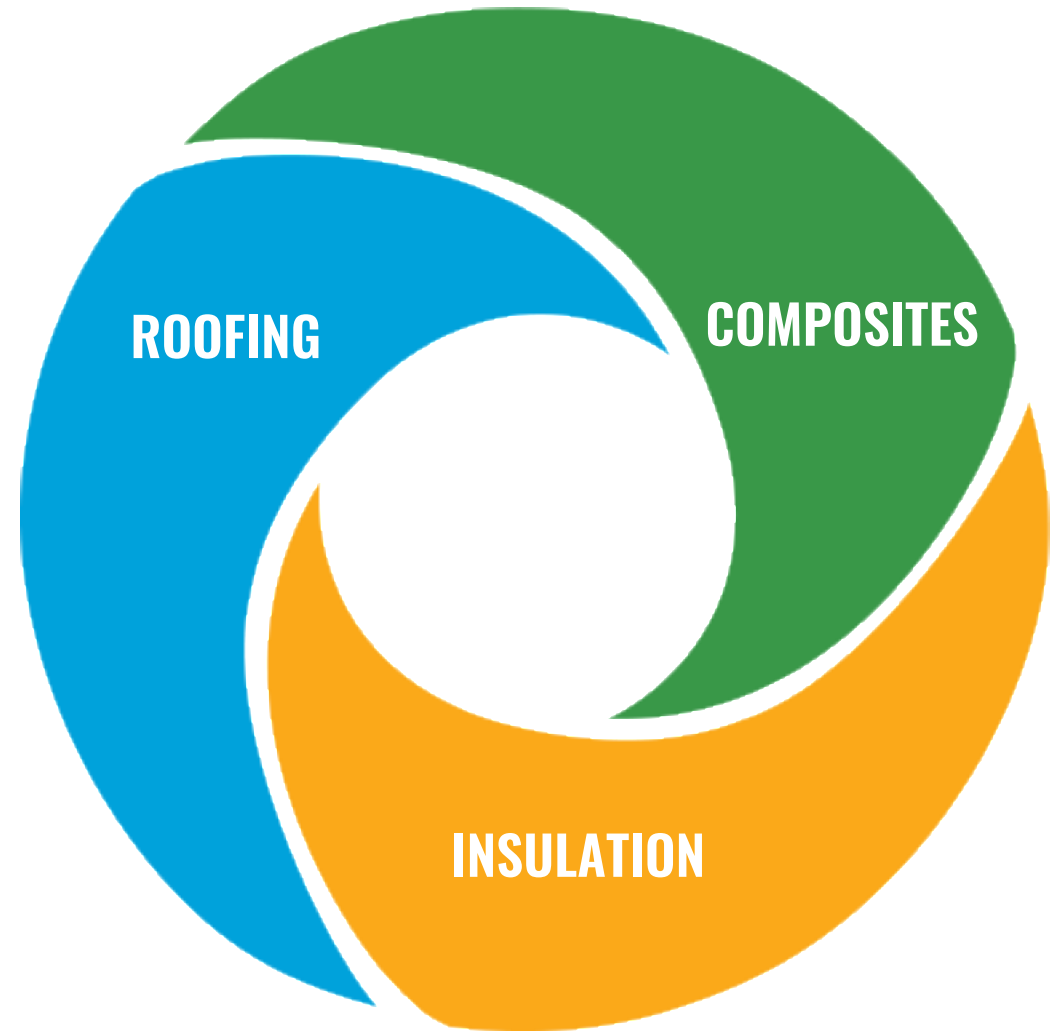
Manufacturing technologies

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Global footprint and scale

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Safety and sustainability



# FREE CASH FLOW CONVERSION OUTPERFORMS PEER GROUP

Average 2016-2020 free cash flow conversion

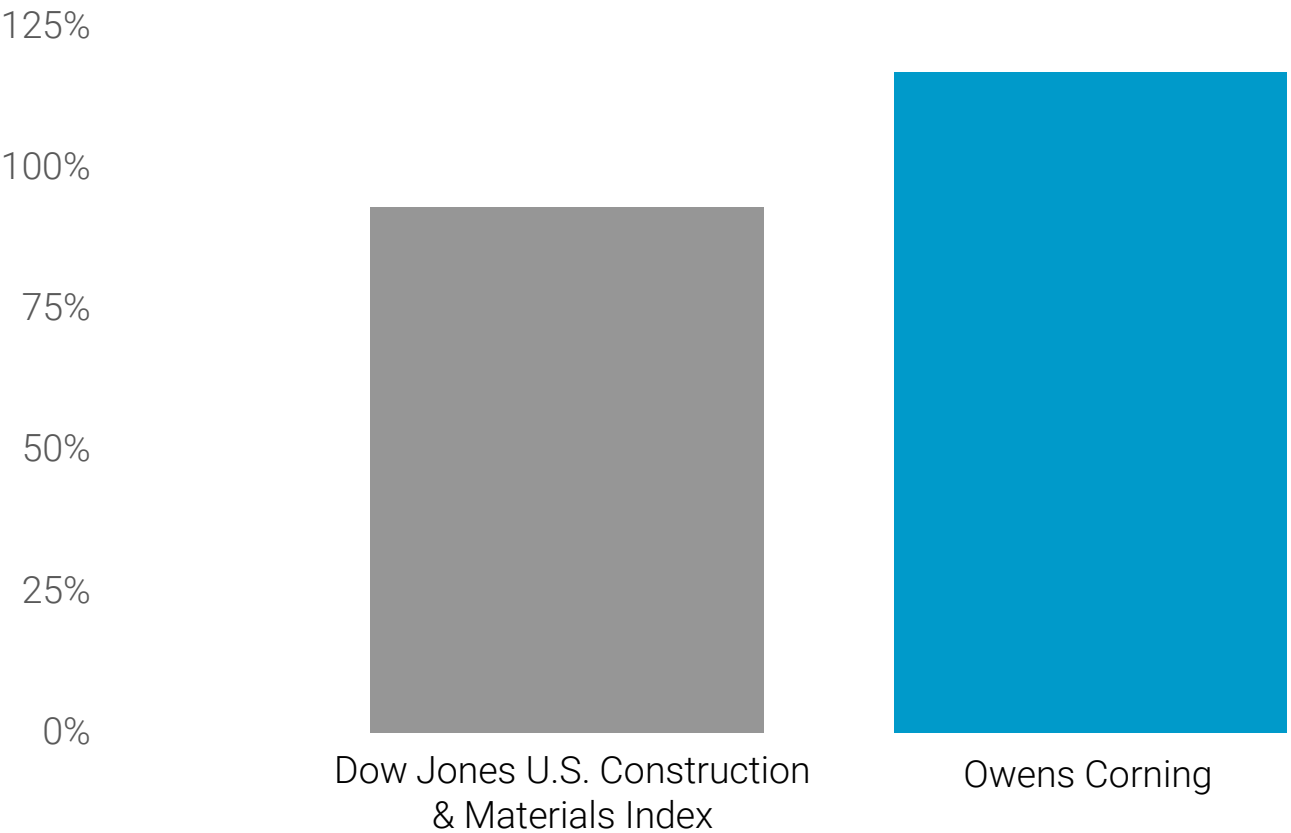
Strong earnings performance

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Purposeful working capital management

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Focused on operating and capital efficiency

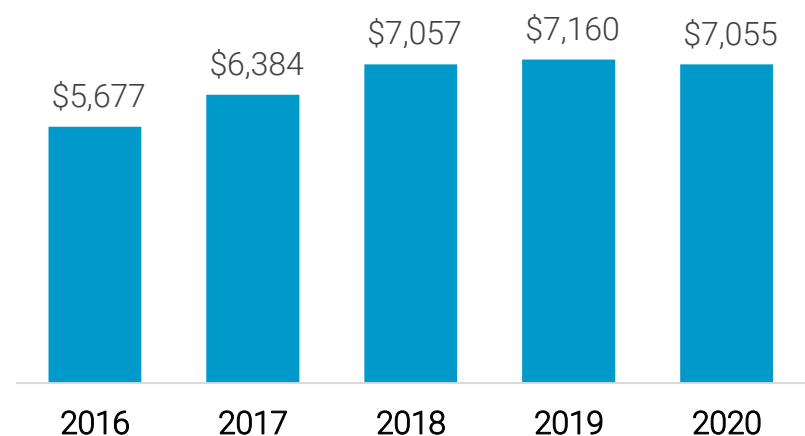


Free cash flow conversion defined as (cash flow from operating activities – capital expenditures)/(adjusted earnings)  
Source: CapIQ data as of 02/26/2021 for all constituents with data available over this time period; SEC filings, please refer to Appendix for reconciliation to Owens Corning SEC filings.  
The DJUSCN average free cash flow and free cash flow conversion may differ from methods used by index constituents in similar disclosures.

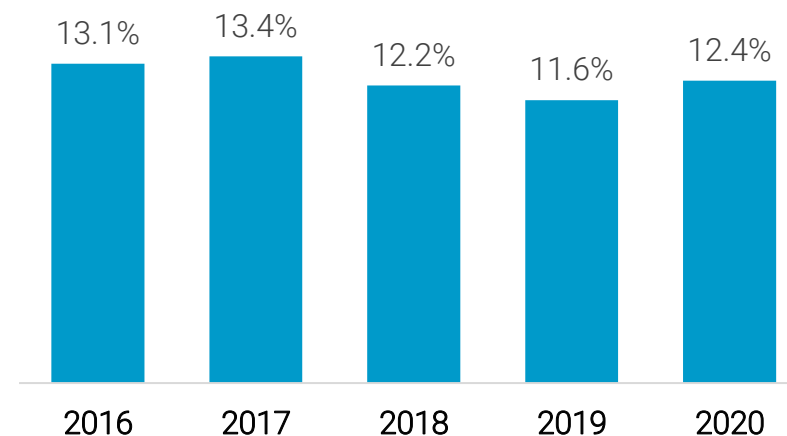


# FOCUSED ON KEY DRIVERS OF SHAREHOLDER VALUE CREATION

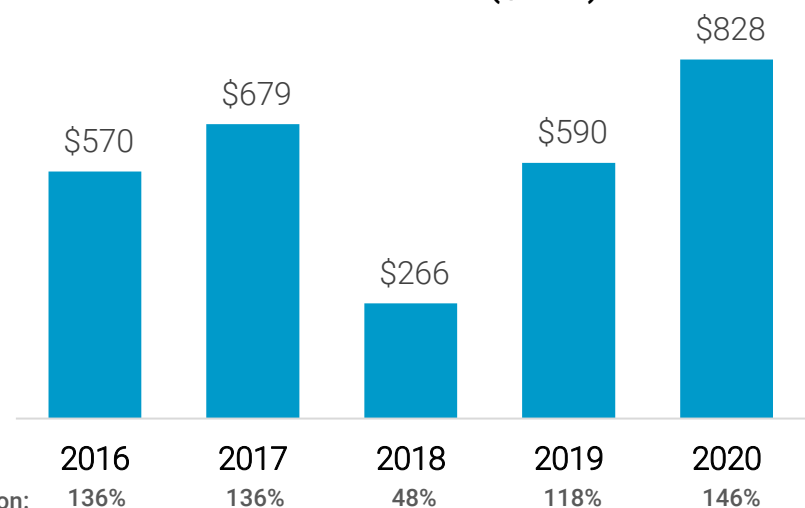
Revenue (\$mm)



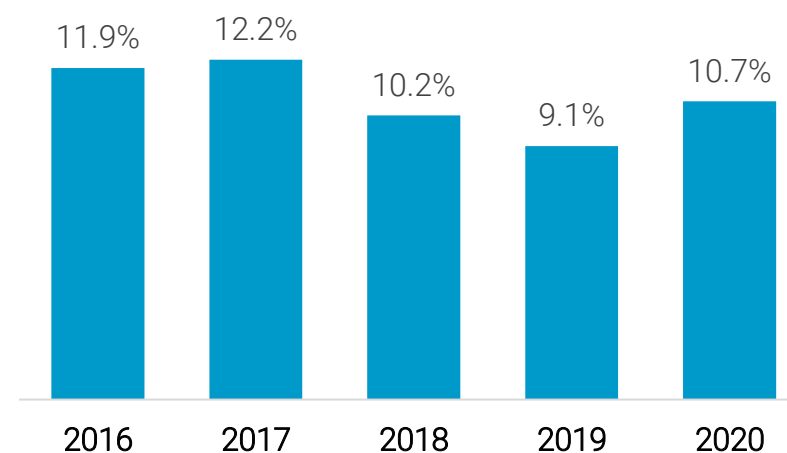
Adjusted EBIT margin



Free cash flow (\$mm)



Return on capital



FCF conversion:

136% 136% 48% 118% 146%



Source: Owens Corning SEC filings, please refer to Appendix for reconciliation to Owens Corning SEC filings.

# CAPITAL ALLOCATION STRATEGY FOCUSES ON INCREASING TSR

2016-2020: RETURNED ~\$1.5B OF CASH AND OVER 50% OF FREE CASH FLOW TO SHAREHOLDERS

## Capital allocation strategy

### **Maintain investment grade balance sheet**

with flexibility to support growth and drive shareholder value

### **Maintain safe, sustainable, and productive operations**

in our existing business

### **Invest in targeted growth opportunities**

organic growth and bolt-on acquisitions

### **Return excess cash to shareholders**

through dividends and share repurchases

## Capital allocation targets over time

2-3X debt/EBITDA leverage

Deploy capital in line with D&A with a focus on productivity and organic growth investments

Return at least 50% of free cash flow to shareholders



Cash to shareholders reflects dividends paid plus purchases of treasury stock  
Source: Owens Corning SEC filings.

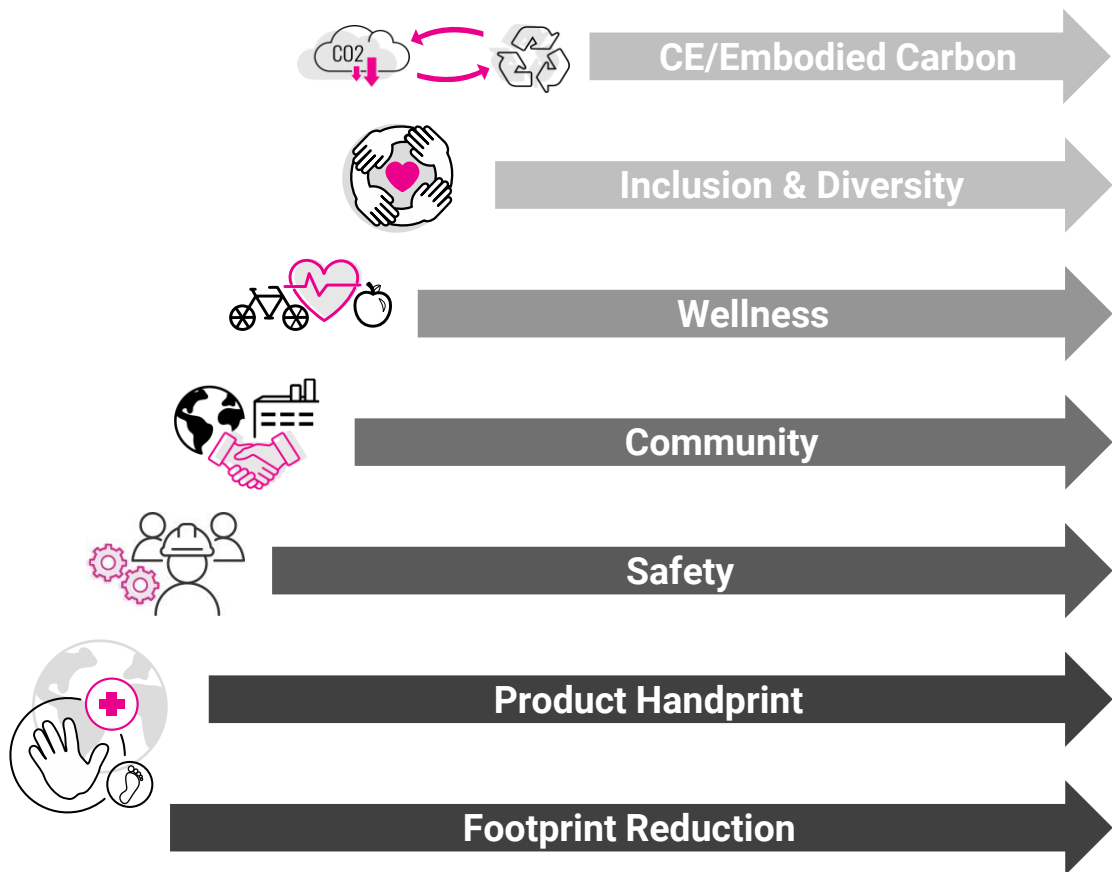
# **ESG AT OWENS CORNING**



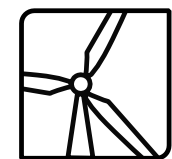
# OUR PEOPLE AND PRODUCTS MAKE THE WORLD A BETTER PLACE

## BEYOND TODAY, SHAPING TOMORROW

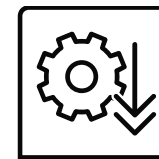
### An evolving view of sustainability



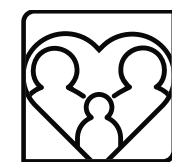
### Net positive company aspiration



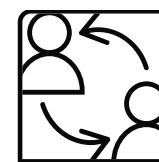
Double the positive impact of our **PRODUCTS**



Halve the negative impact of our **OPERATIONS**



Eliminate **INJURIES** and improve the **QUALITY OF LIFE** for our employees and their families



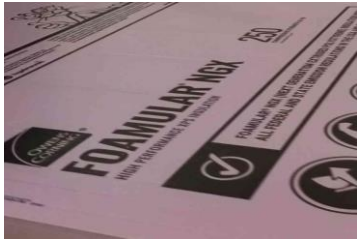
Advance our **INCLUSION AND DIVERSITY**



Have a positive impact on our **COMMUNITIES**

# REDUCING OUR ENVIRONMENTAL FOOTPRINT & EXPANDING OUR PRODUCT HANDPRINT

**INDUSTRY-LEADING SUSTAINABILITY** INCREASING THE **POSITIVE IMPACTS** OUR PRODUCTS HAVE ON THE WORLD



**FOAMULAR®  
NGX™  
INSULATION**

~80% reduction in embodied carbon of the product compared to legacy FOAMULAR® insulation



**PAROC®  
NATURA™  
INSULATION**

Carbon neutral line of stone wool and first Owens Corning carbon-neutral product



**RESIDENTIAL  
FIBERGLASS  
INSULATION**

Energy used to produce a typical unit of fiberglass insulation is saved 12x in its first year in place



**WINDSTRAND®  
COMPOSITES**

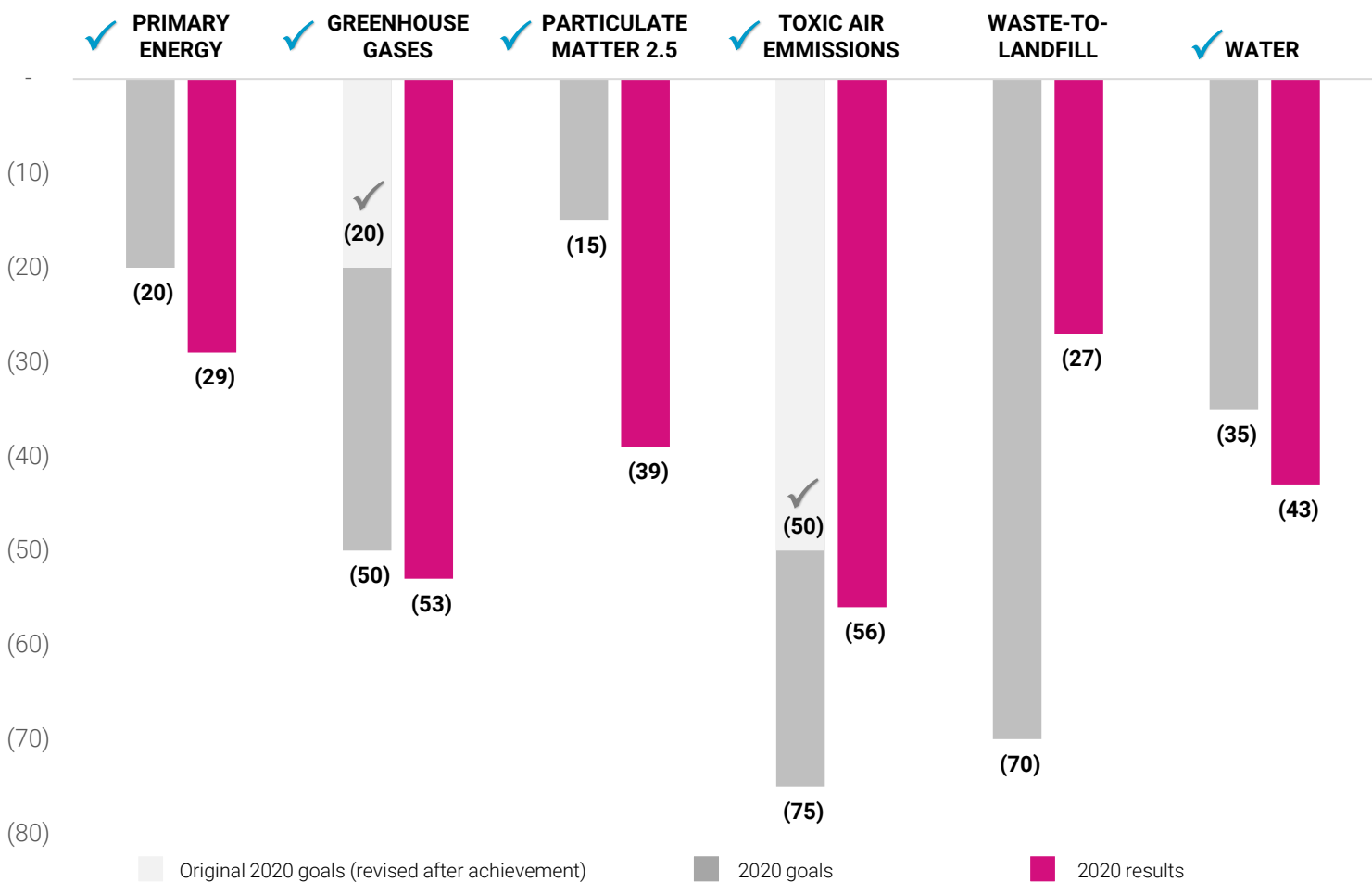
Making renewable energy more affordable



**OWENS CORNING  
COOL ROOF  
COLLECTION™**

Reducing energy use by keeping roofs cooler

# PROGRESS ON OUR 2020 SUSTAINABILITY TARGETS



## Through our actions, we have:

- Reduced absolute greenhouse gas emissions from operations by 60% since peak year
- Saved 4.8 billion gallons of water through our plant-led conservation efforts since 2010
- Received “Made with 100% Wind-Powered Electricity and Reduced Embodied Carbon” certification on 13 products
- Installed a parking lot canopy solar array at our world headquarters in Toledo that provides approximately 20% of the building’s electricity



# SIGNIFICANT RECOGNITION FOR OUR LEADERSHIP



**Ranked Industry Leader 8 years consecutively** in the Building Products Group (top scores in environmental, social and economic for 4<sup>th</sup> year in a row)



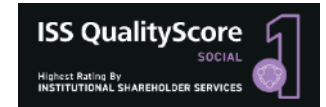
Included in CDP's **"A List" for climate change and water** for 2020 – 5<sup>th</sup> year in a row for climate and 2<sup>nd</sup> straight for water



**Ranked 1<sup>st</sup>** among 100 Best Corporate Citizens for **three consecutive years**



**Earned "Gold Class" score** in 2021 for the 8<sup>th</sup> consecutive year



Earned the following ISS scores in 2021:

- **Environmental: 1**
- **Social: 1**
- **Governance: 2**



Obtained a **perfect score** on Corporate Equality Index for the 17<sup>th</sup> time



Recognized by Ethisphere as **1 of only 2 honorees** in the Construction and Building Materials Industry



Received **Noteworthy** recognition for second year



**National Top 100 List** of the largest green power users, and on the list of Green Power Partners from the Fortune 500®.



**#1 for the Building Materials Industry Group** and #15 overall on Corporate Knights 100 Most Sustainable Corporations



Note: recognitions and rankings as of May 2021

**THREE STRONG BUSINESSES**

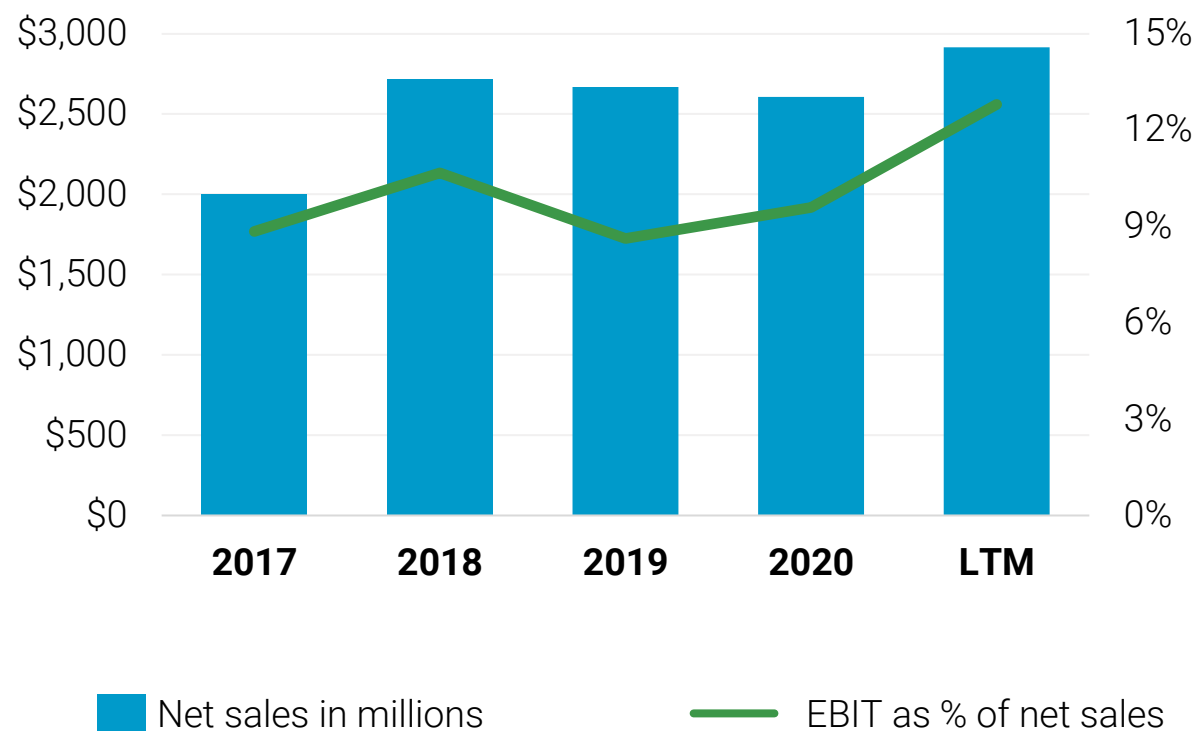
# INSULATION BUSINESS

Strong market in the North American residential fiberglass insulation business

Broad technical insulation offering serving residential and non-residential markets

Improved competitive advantage through manufacturing technology

Five-year financial performance



# INCREASED EARNINGS POTENTIAL IN INSULATION

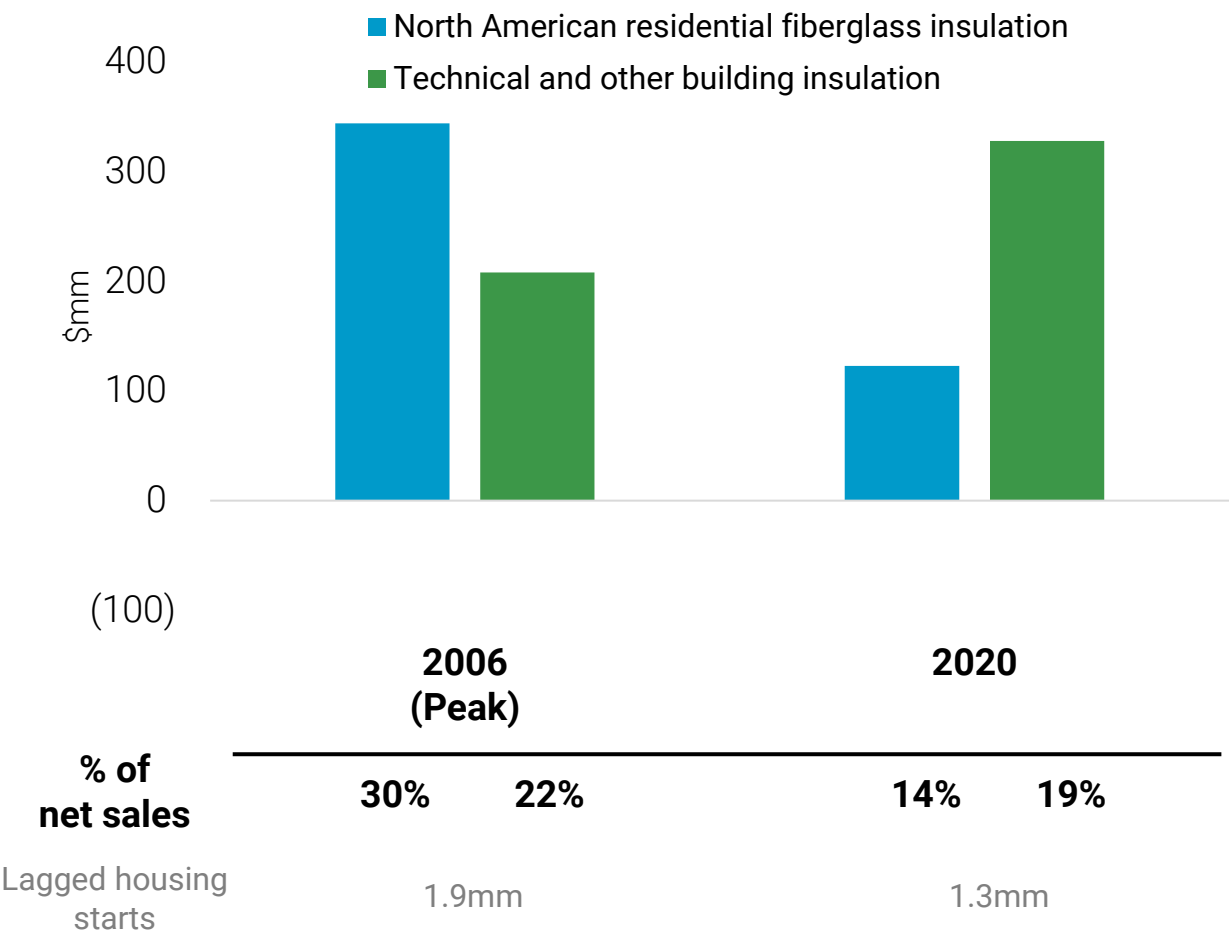
## NORTH AMERICAN RESIDENTIAL FIBERGLASS INSULATION

Investments in productivity and process technology have created a more flexible and lower cost network

## TECHNICAL AND OTHER BUILDING INSULATION

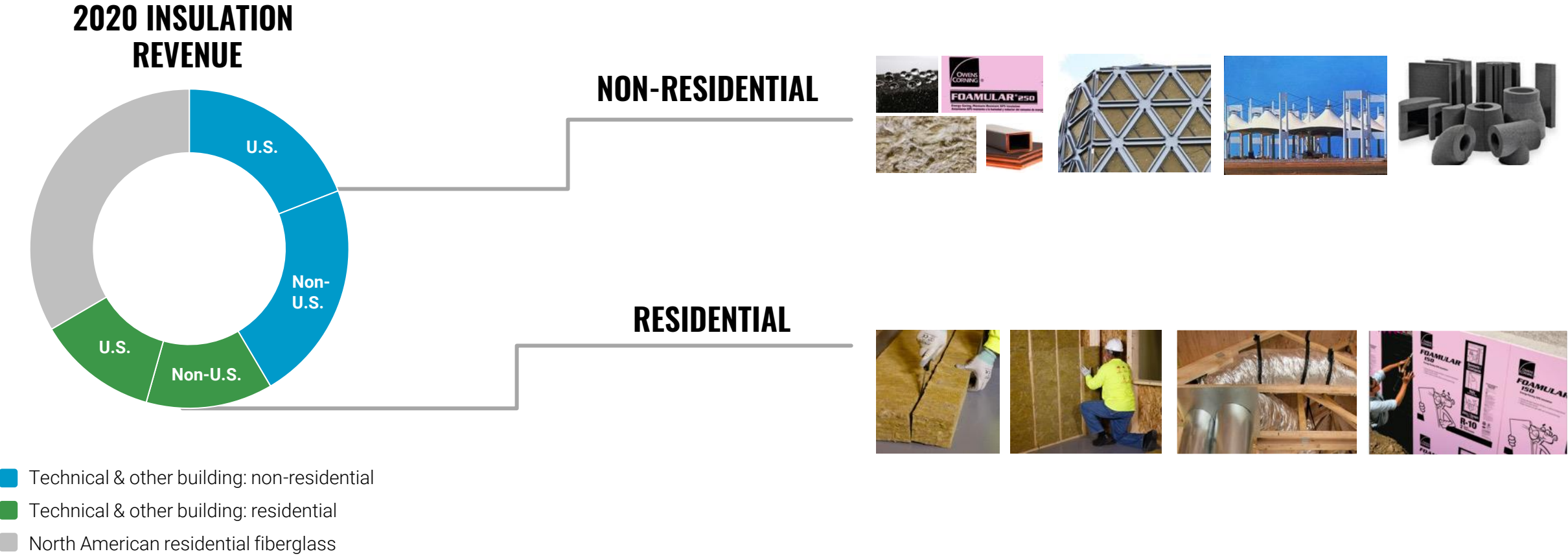
Acquisitions in technical insulation have grown and strengthened the overall business with attractive and stable margins

Insulation EBITDA and margins



North American residential fiberglass insulation includes batts & rolls and loosefill sold to insulation contractors and distributors, home centers, and manufactured housing producers in the U.S. and Canada. Technical and other building insulation includes pipe and flexible duct media insulation, cellular glass insulation, foam, mineral fiber, and all building material products sold to Europe, Latin America and Asia. Comparability may differ over time. Margin of error on intra-segment EBITDA estimated to be below \$15mm. Source: Historical data based on Owens Corning management estimates and not seasonally adjusted (NSA) housing starts from the United States Census Bureau

# TECHNICAL & OTHER INSULATION 2020 REVENUES BY END MARKET



Source: Owens Corning management estimates; estimated error margin +/- 5%. Technical and other building insulation includes pipe and flexible duct media insulation, cellular glass insulation, foam, mineral fiber, and all other building material products sold to Europe, Latin America and Asia. The residential end market includes all global residential end uses except fiberglass building insulation in the U.S. and Canada. Comparability may differ over time. Certain products in the technical and other building insulation businesses are used interchangeably between end markets and some customers sell into more than one end market. Due to these limitations, we have used management estimates and other assumptions to allocate end market net sales.



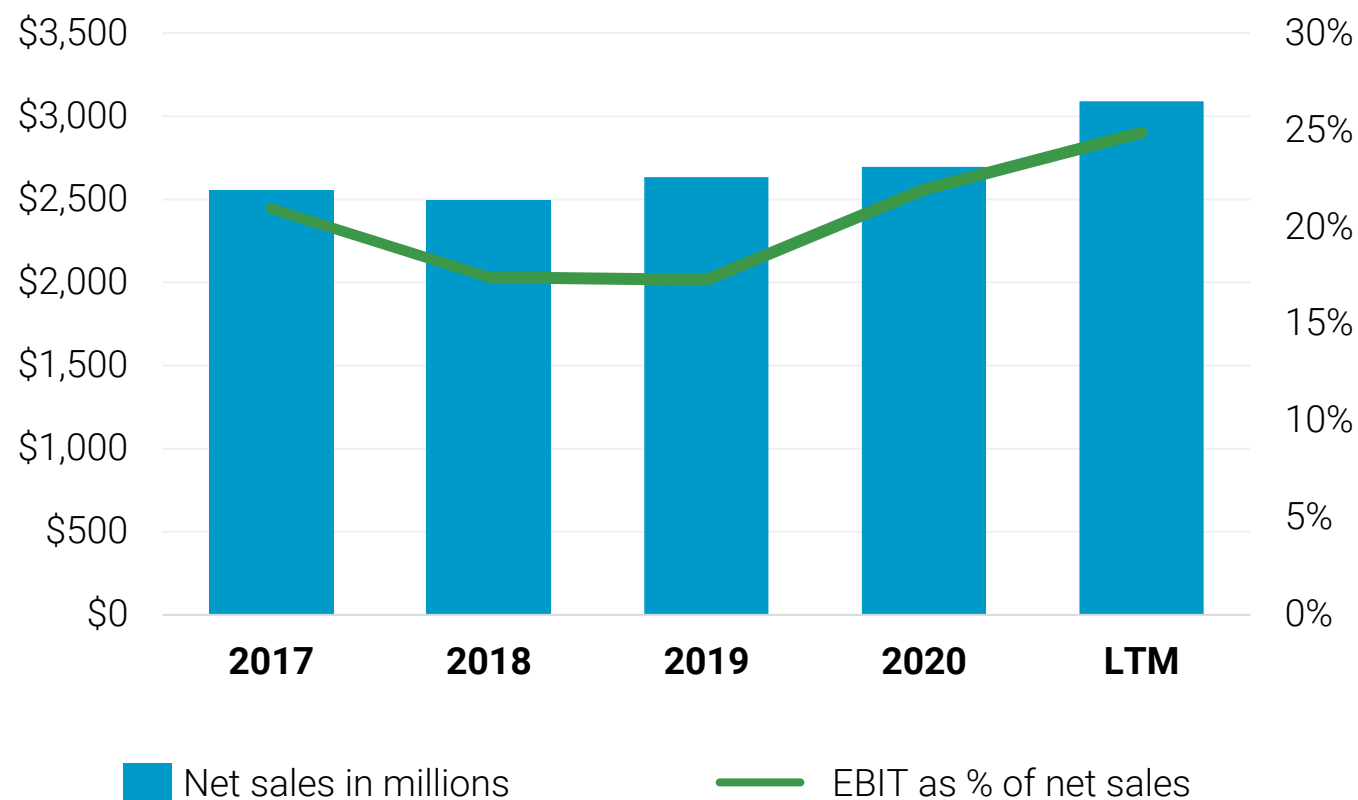
# ROOFING BUSINESS

Track record of strong operating performance

Roofing is a resilient business driven by remodeling activity

Components business has grown above market with attractive margins

Five-year financial performance



# DRIVERS FOR U.S. ASPHALT ROOFING DEMAND

## Remodeling



Aging housing stock

Economic factors:  
existing home sales,  
home equity,  
consumer income

## Major storms & weather events



~40mm square  
average storm market  
in last 10 years

Weather events drive  
early replacement of  
roofs

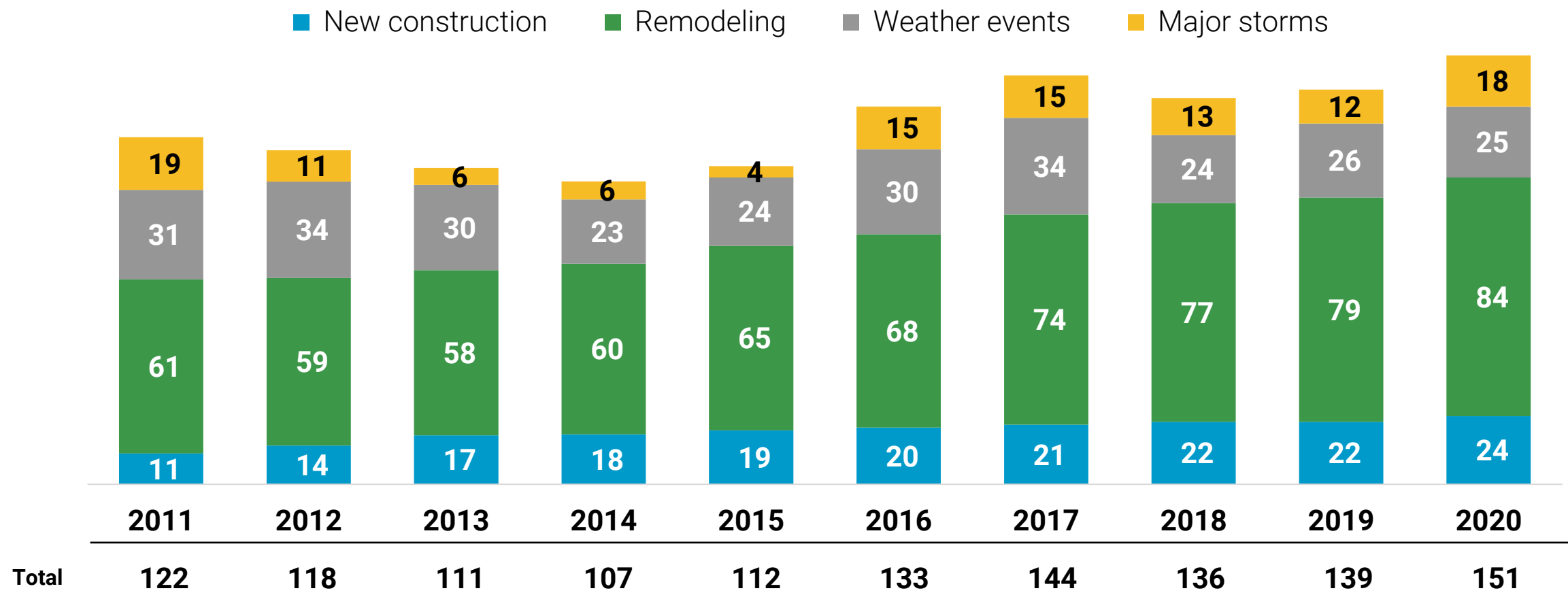
## New construction



Housing activity  
provides growth  
opportunity

# REMODELING & NEW CONSTRUCTION MARKETS HAVE BEEN GROWING

## U.S. asphalt shingle market in mm squares



Source: Owens Corning management estimates based on data provided by Asphalt Roofing Manufacturers Association - Summary of Asphalt Roofing Industry Shipments, National Oceanic and Atmospheric Administration, National Association of Realtors, U.S. Energy Information Administration, Moody's Analytics, Oxford Economics reports, U.S. Bureau of Labor Statistics and U.S. Bureau of Economic Analysis  
Updated to reflect 2020 ARMA restatement from 152mm squares to 151mm squares

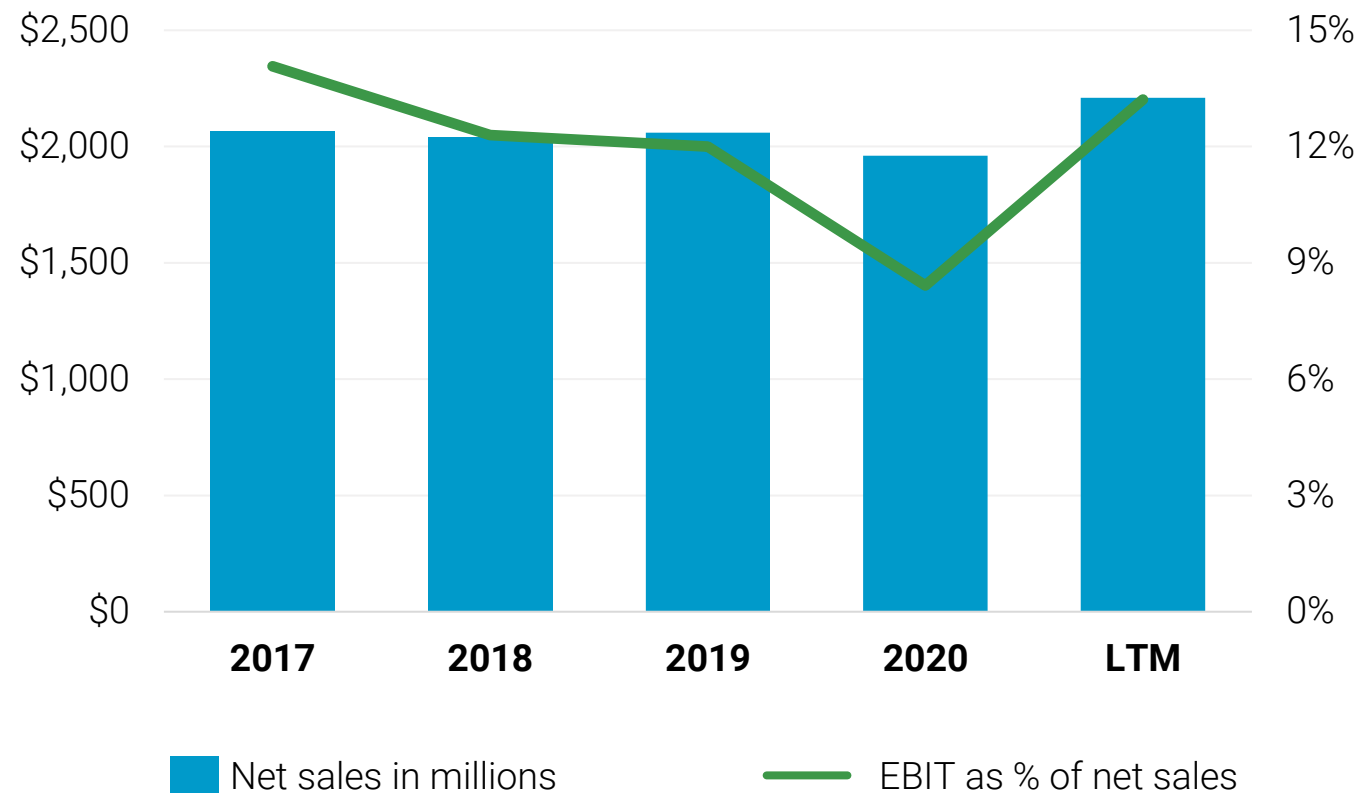
# COMPOSITES BUSINESS

Investing to grow in higher-value, downstream applications in building & construction, wind energy, and infrastructure

Leveraging low-cost manufacturing network

Well-positioned to capture market growth with a capital-efficient strategy

Five-year financial performance



# GLASS FIBER – AN \$8B MARKET WITH FAVORABLE EXPOSURE

Building & Construction



Transportation



Consumer



Industrial



Power & Energy

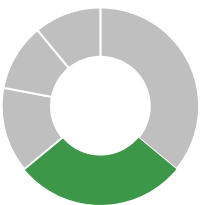


Market Size

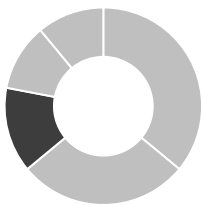


OC vs. Market

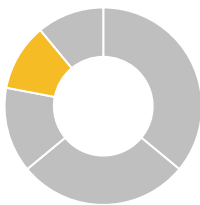
Overweight



Underweight



Underweight

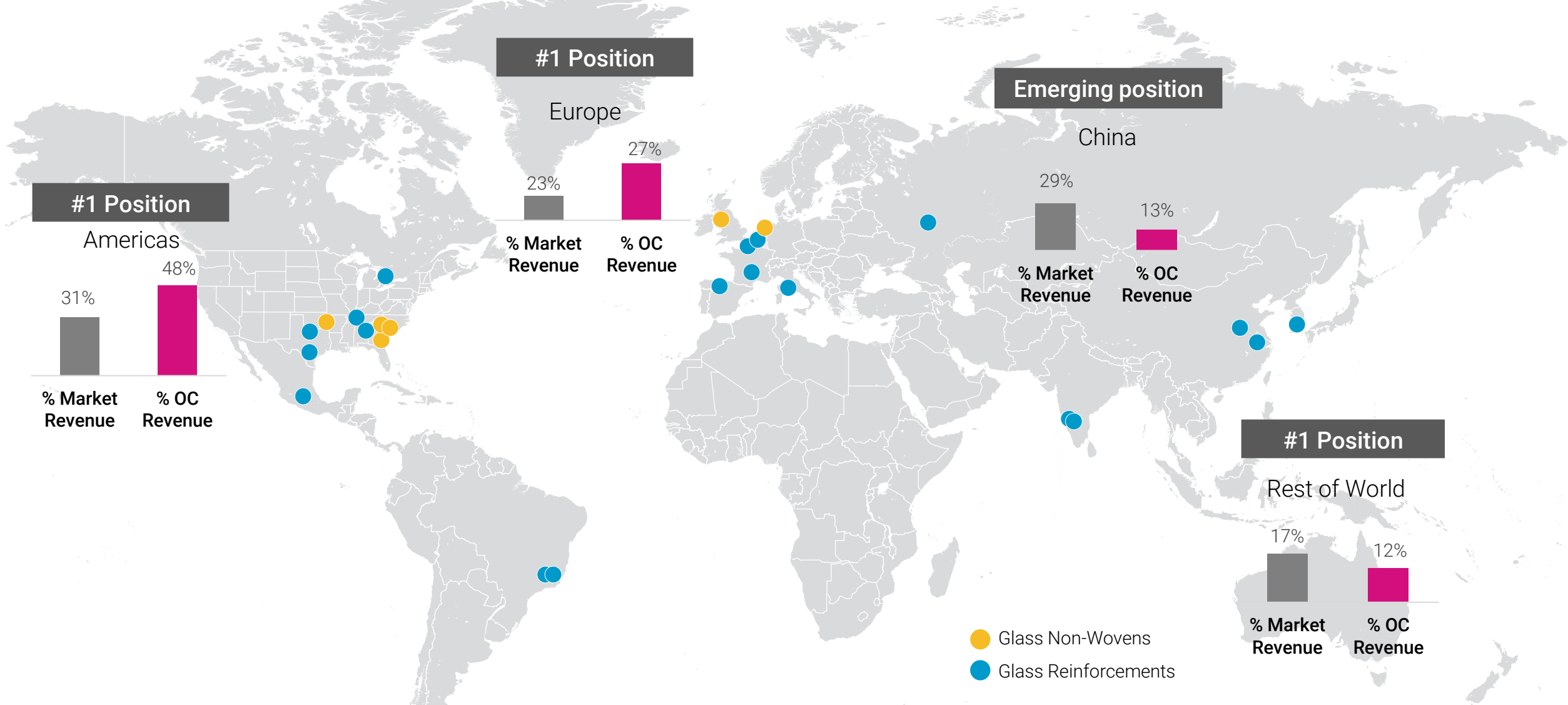


Sector weight



Overweight

# POSITIONED TO COMPETE ANYWHERE IN THE WORLD



% Market Revenue = market revenue in region as % of 2020 global market size; % OC Revenue = OC revenue in region as % of OC Composites global 2020 net sales; Glass reinforcements market defined as glass fiber reinforcements and direct conversion products as consumed, excluding yarns. Sources: Fiber Economics Bureau, GlassFibreEurope (APFE), Global Trade Information Services, Inc. and Owens Corning management estimates of 2020 global market.

# **ADDITIONAL FINANCIAL INFORMATION**

# APPENDIX A: KEY FINANCIAL DATA – CORPORATE

(\$ in millions, except per share data)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Net sales	2,239	1,625	4,154	3,226
Net earnings (loss) attributable to Owens Corning	298	96	508	(821)
Diluted earnings (loss) per common share (EPS) attributable to Owens Corning common stockholders	\$2.82	\$0.88	\$4.80	(\$7.55)
Earnings (loss) before interest and taxes (EBIT)	428	171	729	(695)
Earnings (loss) before interest, taxes, depreciation and amortization (EBITDA)	550	287	970	(463)
Adjusted EBIT	408	167	690	283
Adjusted EBITDA	529	283	929	514
Adjusted earnings	274	99	457	166
Adjusted EPS (diluted)	\$2.60	\$0.91	\$4.32	\$1.53
Adjusted EBIT as a % of net sales	18%	10%	17%	9%
Adjusted EBITDA as a % of net sales	24%	17%	22%	16%
Depreciation and amortization (D&A)	122	116	241	232
Net cash flow provided by (used for) operating activities	498	281	702	229
Free cash flow	405	233	525	89
Net debt	2,279	2,901	2,279	2,901



Source: Owens Corning SEC filings; please refer to Appendix for reconciliation to Owens Corning SEC filings.



# APPENDIX A: KEY FINANCIAL DATA – BUSINESS

(\$ in millions)	Insulation		Roofing		Composites	
	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020
Net sales	806	595	917	677	583	398
EBIT	112	32	234	148	98	6
EBIT as % of net sales	14%	5%	26%	22%	17%	2%
D&A	53	49	14	15	39	39

(\$ in millions)	Insulation		Roofing		Composites	
	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020
Net sales	1,506	1,198	1,628	1,232	1,142	892
EBIT	194	71	390	212	177	50
EBIT as % of net sales	13%	6%	24%	17%	15%	6%
D&A	104	98	29	29	77	77



Source: Owens Corning SEC filings; reportable segment totals are shown in SEC filings before intercompany eliminations

# APPENDIX A: KEY FINANCIAL DATA – DISAGGREGATED REVENUE

Reportable Segments		Three Months Ended June 30, 2021					
		(\$ in millions)					
Disaggregation Categories	Composites	Insulation	Roofing	Eliminations	Consolidated		
U.S. residential	\$ 83	\$ 285	\$ 847	\$ (66)	\$ 1,149		
U.S. commercial and industrial	162	177	33	-	372		
Total United States	245	462	880	(66)	1,521		
Europe	164	194	5	(1)	362		
Asia-Pacific	129	53	2	-	184		
Rest of world	45	97	30	-	172		
NET SALES	\$ 583	\$ 806	\$ 917	\$ (67)	\$ 2,239		

Reportable Segments		Twelve Months Ended December 31, 2020					
		(\$ in millions)					
Disaggregation Categories	Composites	Insulation	Roofing	Eliminations	Consolidated		
U.S. residential	\$ 272	\$ 949	\$ 2,450	\$ (204)	\$ 3,467		
U.S. commercial and industrial	538	603	133	-	1,274		
Total United States	810	1,552	2,583	(204)	4,741		
Europe	524	609	14	(1)	1,146		
Asia-Pacific	495	158	11	-	664		
Rest of world	131	288	87	(2)	504		
NET SALES	\$ 1,960	\$ 2,607	\$ 2,695	\$ (207)	\$ 7,055		



Source: Owens Corning SEC filings; 2020 Form 10-K

# APPENDIX B: NON-GAAP RECONCILIATION – TABLE 1

The reconciliation from net earnings (loss) attributable to Owens Corning to EBIT and Adjusted EBIT is shown in the table below (in millions):

	Predecessor Ten Months Ended October 31, 2006	Successor Two Months Ended December 31, 2006	Twelve Months Ended December 31,								Total of 2006 to 2012
	2006	2006	2006	2007	2008	2009	2010	2011	2012		
Net earnings (loss) attributable to Owens Corning	\$ 8,140	\$ (65)	\$ 8,075	\$ 95	\$ (813)	\$ 64	\$ 933	\$ 276	\$ (19)	\$ 8,611	
Less: net earnings attributable to non-controlling interests (a)	—	—	—	3	2	3	7	5	3	23	
Net earnings (loss)	8,140	(65)	8,075	98	(811)	67	940	281	(16)	8,634	
Earnings (loss) from and gain on sale of discontinued operations, net of tax	127	(11)	116	69	—	—	—	—	—	185	
Earnings (loss) from continuing operations	8,013	(54)	7,959	29	(811)	67	940	281	(16)	8,449	
Equity in net earnings (loss) of affiliates (a)	—	(4)	(4)	(1)	2	—	4	2	(4)	(1)	
Income tax expense (benefit)	980	(23)	957	(8)	931	14	(840)	74	(28)	1,100	
Earnings (loss) from continuing operations before taxes	8,993	(73)	8,920	22	118	81	96	353	(40)	9,550	
Interest expense, net	241	29	270	122	116	111	110	108	114	951	
Gain on settlement of liabilities subject to compromise	(5,864)	—	(5,864)	—	—	—	—	—	—	(5,864)	
Fresh-start accounting adjustments	(2,919)	—	(2,919)	—	—	—	—	—	—	(2,919)	
Loss on debt extinguishment	—	—	—	—	—	—	—	—	74	74	
Earnings (loss) from continuing operations before interest and taxes	451	(44)	407	144	234	192	206	461	148	1,792	
Adjusting items (b)	5	117	122	(201)	(94)	(116)	(175)	—	(145)	(609)	
Adjusted EBIT	\$ 456	\$ 73	\$ 529	\$ 345	\$ 328	\$ 308	\$ 381	\$ 461	\$ 293	\$ 2,645	
Net sales	\$ 4,627	\$ 772	\$ 5,399	\$ 4,978	\$ 5,847	\$ 4,803	\$ 4,997	\$ 5,335	\$ 5,172	\$ 36,531	
Adjusted EBIT as a % of Net sales			10 %	7 %	6 %	6 %	8 %	9 %	6 %	7 %	

(a) In 2006, net earnings attributable to non-controlling interests and equity in net loss of affiliates were presented as one line item on the consolidated financial statements. This amount is reflected in equity in net earnings (loss) of affiliates in the table above.

(b) Management excludes from net earnings (loss) attributable to Owens Corning certain items it believes are not representative of ongoing operations. Please refer to Table 5 of Appendix B for explanation of adjusting items.

# APPENDIX B: NON-GAAP RECONCILIATION – TABLE 2

The reconciliation from net earnings (loss) attributable to Owens Corning to EBIT and Adjusted EBIT is shown in the table below (in millions):

	Twelve Months Ended December 31,				Total of 2013 to 2015	Twelve Months Ended December 31,				Total of 2016 to 2020	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2014	2015		2016	2017	2018	2019	2020		2020	2021	2020	2021
Net earnings (loss) attributable to Owens Corning	\$ 204	\$ 226	\$ 330	\$ 760	\$ 393	\$ 289	\$ 545	\$ 405	\$ (383)	\$ 1,249	\$ 96	\$ 298	\$ (821)	\$ 508
Less: net earnings (loss) attributable to non- controlling interests	1	2	4	7	6	1	2	—	(2)	7	(1)	—	—	—
Net earnings (loss)	205	228	334	767	399	290	547	405	(385)	1,256	95	298	(821)	508
Earnings from and gain on sale of discontinued operations, net of tax	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Earnings (loss) from continuing operations	205	228	334	767	399	290	547	405	(385)	1,256	95	298	(821)	508
Equity in net earnings (loss) of affiliates	—	1	1	2	(3)	—	(1)	1	—	(3)	(1)	—	—	1
Income tax expense	68	5	120	193	188	269	156	186	129	928	39	97	63	156
Earnings (loss) from continuing operations before taxes	273	232	453	958	590	559	704	590	(256)	2,187	135	395	(758)	663
Interest expense, net	112	114	100	326	108	107	117	131	132	595	36	33	63	66
Loss (gain) on debt extinguishment	—	46	(5)	41	1	71	—	32	—	104	—	—	—	—
Earnings (loss) from continuing operations before interest and taxes	385	392	548	1,325	699	737	821	753	(124)	2,886	171	428	(695)	729
Adjusting items (a)	(31)	(20)	(2)	(53)	(47)	(118)	(40)	(75)	(1,002)	(1,282)	4	20	(978)	39
Adjusted EBIT	\$ 416	\$ 412	\$ 550	\$ 1,378	\$ 746	\$ 855	\$ 861	\$ 828	\$ 878	\$ 4,168	\$ 167	\$ 408	\$ 283	\$ 690
Net sales	\$ 5,295	\$ 5,260	\$ 5,350	\$15,905	\$ 5,677	\$ 6,384	\$ 7,057	\$ 7,160	\$ 7,055	\$33,333	\$ 1,625	\$ 2,239	\$ 3,226	\$ 4,154
Net sales growth %	2.4 %	(0.7)%	1.7 %	n/a	6.1 %	12.5 %	10.5 %	1.5 %	(1.5)%	n/a	n/a	n/a	n/a	n/a
Adjusted EBIT as a % of Net sales	7.9 %	7.8 %	10.3 %	8.7 %	13.1 %	13.4 %	12.2 %	11.6 %	12.4 %	12.5 %	10.3 %	18.2 %	8.8 %	16.6 %

(a) Management excludes from net earnings (loss) attributable to Owens Corning certain items it believes are not representative of ongoing operations. Please refer to Table 5 of Appendix B for explanation of adjusting items.

# APPENDIX B: NON-GAAP RECONCILIATION – TABLE 3

The calculations of net operating profit after tax (NOPAT), total capital and return on capital (ROC) are shown in the table below (in millions):

	Twelve Months Ended December 31,					
	2020	2019	2018	2017	2016	2015
<b>Numerator</b>						
Adjusted EBIT (a)	\$ 878	\$ 828	\$ 861	\$ 855	\$ 746	\$ 550
Less: Taxes at pro forma tax rate (b)	(211)	(232)	(224)	(282)	(246)	(182)
Net operating profit after tax	\$ 667	\$ 596	\$ 637	\$ 573	\$ 500	\$ 368
<b>Denominator</b>						
Goodwill	\$ 989	\$ 1,932	\$ 1,949	\$ 1,507	\$ 1,336	\$ 1,167
Intangible assets, net	1,667	1,721	1,779	1,360	1,138	999
Less: Adjustment to exclude pre-emergence and fresh start goodwill and intangible assets, net and other non-acquisition intangibles (c)	(1,439)	(1,978)	(1,994)	(2,008)	(2,025)	(2,043)
Post-emergence goodwill and intangibles	1,217	1,675	1,734	859	449	123
Receivables, less allowances	919	770	794	806	678	709
Inventories	855	1,033	1,072	841	710	644
Less: Accounts payable	(875)	(815)	(851)	(834)	(615)	(535)
Property, plant and equipment, net	3,809	3,855	3,811	3,425	3,112	2,956
Total capital	\$ 5,925	\$ 6,518	\$ 6,560	\$ 5,097	\$ 4,334	\$ 3,897
Average of beginning and ending total capital (d)	\$ 6,222	\$ 6,539	\$ 6,251	\$ 4,716	\$ 4,188	n/a
Return on capital (NOPAT / Average total capital) (e)	10.7 %	9.1 %	10.2 %	12.2 %	11.9 %	n/a

(a) Please refer to Table 2 of Appendix B for the reconciliation of net earnings (loss) attributable to Owens Corning to Adjusted EBIT.

(b) To compute NOPAT, we apply a pro forma effective tax rate to Adjusted EBIT. The pro forma tax rate is equal to each year's effective tax rate, less the impact of significant valuation allowance reversals and deferred tax adjustments described in Table 6 of Appendix B. The following pro forma tax rates were used above: 24% in 2020, 28% in 2019, 26% in 2018, 33% in 2017, 33% in 2016, and 33% in 2015.

(c) Based on Owens Corning internal management reports for the remaining net book value of these respective assets.

(d) Includes Owens Corning management estimate to normalize the mid-year timing impact of the April 21, 2016 InterWrap acquisition on average total capital for 2016 and estimate to normalize early-year timing impact of the February 5, 2018 Paroc acquisition on average total capital for 2018. Accordingly, we added \$72 million to the average of beginning and ending total capital for 2016 and \$422 million to the average of beginning and ending total capital for 2018 to arrive at the figures above. No adjustment was applied to 2017 average total capital for the June 27, 2017 Pittsburgh Corning acquisition, due to the proximity of its acquisition date to mid-year.

(e) When used to discuss segment ROC, the measure differs from the total company ROC formula. Segment return on capital uses a business-specific tax rate and excludes fresh-start accounting adjustments from the numerator and the denominator.

# APPENDIX B: NON-GAAP RECONCILIATION – TABLE 4

The reconciliation from net cash flow provided by operating activities to free cash flow and the calculation of free cash flow conversion of adjusted earnings ("free cash flow conversion") are shown in the table below (in millions):

	Twelve Months Ended December 31,					Total of 2016 to 2020	Simple Average 2016 to 2020 (d)	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2017	2018	2019	2020			2020	2021	2020	2021
Net cash flow provided by operating activities	\$ 943	\$1,016	\$ 803	\$1,037	\$1,135	\$ 4,934	n/a	\$ 281	\$ 498	\$ 229	\$ 702
Less: Cash paid for property, plant and equipment	(373)	(337)	(537)	(447)	(307)	(2,001)	n/a	(48)	(93)	(140)	(177)
Free cash flow (a)	\$ 570	\$ 679	\$ 266	\$ 590	\$ 828	\$ 2,933	n/a	\$ 233	\$ 405	\$ 89	\$ 525
Adjusted earnings (b)	\$ 419	\$ 498	\$ 550	\$ 500	\$ 566	\$ 2,533	n/a	\$ 99	\$ 274	\$ 166	\$ 457
Free cash flow conversion (c)	136 %	136 %	48 %	118 %	146 %	116 %	117 %	n/a	n/a	n/a	n/a

(a) Free cash flow is a non-GAAP liquidity measure used by investors, financial analysts and management to help evaluate the Company's ability to generate cash to pursue opportunities that enhance shareholder value. Free cash flow is not a measure of residual cash flow available for discretionary expenditures due to the Company's mandatory debt service requirements.

(b) Please refer to Table 6 of Appendix B for the reconciliation from net earnings (loss) attributable to Owens Corning to adjusted earnings.

(c) We compute free cash flow conversion on an annual basis only due to the seasonality of our businesses.

(d) To compute the simple average of free cash flow conversion for the Dow Jones U.S. Construction and Materials Index (DJUSCN) shown on slide 13, we compute the free cash flow conversion for each of the DJUSCN constituents each year based on comparable data pulled from CapIQ. We then average the free cash flow conversions of all constituents for each year, and compute the simple average of the annual averages from 2016 to 2020. For comparability, we similarly compute a simple average of the Company's free cash flow conversion from 2016 to 2020.



# APPENDIX B: NON-GAAP RECONCILIATION – TABLE 5

The adjusting income (expense) items to EBIT are shown in the tables below (in millions):

	Predecessor Ten Months Ended, 2006	Successor Two Months Ended, 2006	Twelve Months Ended December 31,																	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2006	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021	2020	2021		
Chapter 11 related reorganization items	\$ (45)	\$ (10)	\$ (55)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		
Asbestos litigation claims	13	—	13	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Fresh-start accounting impact	—	(63)	(63)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Restructuring gains / (costs)	34	(32)	2	(54)	(7)	(53)	(40)	—	(136)	(26)	(36)	(2)	(28)	(48)	(22)	(28)	(41)	(5)	(1)	(10)	(2)		
Acquisition-related costs	(7)	(6)	(13)	(101)	(85)	(33)	(13)	—	—	—	—	—	(9)	(15)	(16)	—	—	—	—	—	—		
Recognition of acquisition inventory fair value step-up	—	—	—	—	—	—	—	—	—	—	—	—	(10)	(5)	(2)	—	—	—	—	—	—		
Litigation settlement gain, net of legal fees	—	—	—	—	—	—	—	—	—	—	—	—	—	29	—	—	—	—	—	—	—		
Pension settlement losses	—	—	—	—	—	—	—	—	—	—	—	—	—	(64)	—	(43)	—	—	—	—	—		
Environmental liability charges	—	—	—	—	—	—	—	—	—	—	—	—	—	(15)	—	(4)	—	—	—	—	—		
(Losses) gains on asset sales, impairments, useful life changes and insurance activity	—	—	—	(12)	33	(1)	(120)	—	(9)	(5)	16	—	—	—	—	—	(961)	9	21	(968)	41		
Net precious metal lease income / (expense)	—	—	—	3	(9)	—	(2)	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Employee emergence equity program expense	—	(6)	(6)	(37)	(26)	(29)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Total adjusting items (a)	\$ (5)	\$ (117)	\$ (122)	\$ (201)	\$ (94)	\$ (116)	\$ (175)	\$ —	\$ (145)	\$ (31)	\$ (20)	\$ (2)	\$ (47)	\$ (118)	\$ (40)	\$ (75)	\$ (1,002)	\$ 4	\$ 20	\$ (978)	\$ 39		

(a) Please refer to each year's respective Form 10-K filing in the "Adjusted Earnings Before Interest and Taxes ("Adjusted EBIT")" paragraph of Management's Discussion and Analysis for additional information on these adjusting items. For the three and six months ended June 30, 2020 and June 30, 2021, please refer to our Form 10-Q filing for the second quarter of 2021 in the "Adjusted Earnings Before Interest and Taxes" paragraph of Management's Discussion and Analysis for additional information on these items.

# APPENDIX B: NON-GAAP RECONCILIATION – TABLE 6

A reconciliation from net earnings (loss) attributable to Owens Corning to adjusted earnings and a reconciliation from diluted earnings (loss) per share to adjusted diluted earnings per share for selected periods are shown in the tables below (in millions, except per share data):

	Twelve Months Ended December 31,					Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2017	2018	2019	2020	2020	2021	2020	2021
<b>RECONCILIATION TO ADJUSTED EARNINGS</b>									
Net earnings (loss) attributable to Owens Corning	\$ 393	\$ 289	\$ 545	\$ 405	\$ (383)	\$ 96	\$ 298	\$ (821)	\$ 508
Adjustment to remove adjusting items (a)	47	189	40	107	1,002	(4)	(20)	978	(39)
Adjustment to remove tax (benefit)/expense on adjusting items (b)	(11)	(62)	(12)	(24)	(20)	2	4	(16)	9
Adjustment to remove significant tax items (c)	(10)	82	(23)	12	(33)	—	—	18	—
Adjustment to tax expense to reflect pro forma tax rate (d)	—	—	—	—	—	5	(8)	7	(21)
<b>ADJUSTED EARNINGS</b>	<b>\$ 419</b>	<b>\$ 498</b>	<b>\$ 550</b>	<b>\$ 500</b>	<b>\$ 566</b>	<b>\$ 99</b>	<b>\$ 274</b>	<b>\$ 166</b>	<b>\$ 457</b>
<b>RECONCILIATION TO ADJUSTED DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWENS CORNING COMMON STOCKHOLDERS</b>									
DILUTED EARNINGS (LOSS) PER COMMON SHARE ATTRIBUTABLE TO OWENS CORNING COMMON STOCKHOLDERS	\$ 3.41	\$ 2.55	\$ 4.89	\$ 3.68	\$ (3.53)	\$ 0.88	\$ 2.82	\$ (7.55)	\$ 4.80
Adjustment to remove adjusting items (a)	0.41	1.67	0.36	0.97	9.23	(0.04)	(0.19)	9.00	(0.37)
Adjustment to remove tax (benefit)/expense on adjusting items (b)	(0.10)	(0.54)	(0.11)	(0.22)	(0.18)	0.02	0.04	(0.15)	0.08
Adjustment to remove significant tax items (c)	(0.09)	0.72	(0.20)	0.11	(0.31)	—	—	0.17	—
Adjustment to tax expense to reflect pro forma tax rate (d)	—	—	—	—	—	0.05	(0.07)	0.06	(0.19)
<b>ADJUSTED DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWENS CORNING COMMON STOCKHOLDERS</b>	<b>\$ 3.63</b>	<b>\$ 4.40</b>	<b>\$ 4.94</b>	<b>\$ 4.54</b>	<b>\$ 5.21</b>	<b>\$ 0.91</b>	<b>\$ 2.60</b>	<b>\$ 1.53</b>	<b>\$ 4.32</b>
<b>RECONCILIATION TO DILUTED SHARES OUTSTANDING</b>									
Weighted average shares outstanding used for basic earnings per share	114.4	111.5	110.4	109.2	108.6	108.6	104.6	108.7	105.0
Non-vested restricted shares and performance shares	0.8	1.5	0.8	0.7	—	0.2	0.8	—	0.8
Options to purchase common stock	0.2	0.2	0.2	0.2	—	0.1	0.1	—	0.1
<b>Diluted shares outstanding</b>	<b>115.4</b>	<b>113.2</b>	<b>111.4</b>	<b>110.1</b>	<b>108.6</b>	<b>108.9</b>	<b>105.5</b>	<b>108.7</b>	<b>105.9</b>

(a) Management excludes from net earnings (loss) attributable to Owens Corning certain items it believes are not representative of ongoing operations. Please refer to Table 5 of Appendix B for explanation of adjusting items.

(b) The tax impact of adjusting items is based on our expected tax accounting treatment and rate for the jurisdiction of each adjusting item.

(c) For 2021, there were no significant tax items. For 2020, significant tax items include the impact of a change in valuation allowances recorded against certain deferred tax assets, a change in estimate related to finalized regulations on global intangible low-taxes income (GILTI), part of the U.S. Tax Cuts and Jobs Act of 2017, and the recognition of a deferred tax asset resulting from the transfer of certain intellectual property rights held by wholly owned foreign subsidiaries to the U.S. For 2019, significant tax items include the impact of a change in estimate related to proposed regulations on GILTI, part of the U.S. Tax Cuts and Jobs Act of 2017. For 2018, significant tax items include the impact of our net charge related to the U.S. Tax Cuts and Jobs Act of 2017 and the \$32 million gain related to the settlement of an uncertain tax position in Finland. For 2017, significant tax items include the impact of our net charge related to the U.S. Tax Cuts and Jobs Act of 2017. For 2016, significant tax items include the reversal (recorded in the fourth quarter of 2016) of valuation allowances against certain European net deferred tax assets.

(d) To compute adjusted earnings, we apply a full year pro forma effective tax rate to each quarter presented. For 2021, we have used a full year pro forma effective tax rate of 27%, which is the mid-point of our 2021 effective tax rate guidance of 26% to 28%, excluding the items referenced in (a), (b) and (c). For 2020, we have used a full year pro forma effective tax rate of 24%, which was our 2020 effective tax rate, excluding the adjusting items referenced in (a), (b) and (c). For 2019, we have used a full year pro forma effective tax rate of 28%, which was our 2019 effective tax rate, excluding the adjusting items referenced in (a), (b) and (c). For 2018, we have used an effective tax rate of 26%, which was our 2018 effective tax rate excluding the adjusting items referenced in (a), (b) and (c). For 2017, we have used an effective tax rate of 33%, which was our 2017 effective tax rate excluding the adjusting items referenced in (a), (b) and (c). For 2016, we have used an effective tax rate of 33%, which was our 2016 effective tax rate excluding the adjusting items referenced in (a), (b) and (c).



# APPENDIX B: NON-GAAP RECONCILIATION – TABLE 7

The reconciliation of Net earnings (loss) attributable to Owens Corning to Earnings (loss) before interest and taxes ("EBIT") and adjusted EBIT, and a reconciliation from EBIT to Earnings (loss) before interest, taxes, depreciation and amortization ("EBITDA") and adjusted EBITDA are shown in the table below (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2021	2020	2021
NET EARNINGS (LOSS) ATTRIBUTABLE TO OWENS CORNING	\$ 96	\$ 298	\$ (821)	\$ 508
Net loss attributable to noncontrolling interests	(1)	—	—	—
NET EARNINGS (LOSS)	95	298	(821)	508
Equity in net (loss) earnings of affiliates	(1)	—	—	1
Income tax expense	39	97	63	156
EARNINGS (LOSS) BEFORE TAXES	135	395	(758)	663
Interest expense, net	36	33	63	66
EARNINGS (LOSS) BEFORE INTEREST AND TAXES	171	428	(695)	729
Adjusting items (a)	4	20	(978)	39
ADJUSTED EBIT	\$ 167	\$ 408	\$ 283	\$ 690
EARNINGS (LOSS) BEFORE INTEREST AND TAXES	\$ 171	\$ 428	\$ (695)	\$ 729
Depreciation and amortization	116	122	232	241
EBITDA	287	550	(463)	970
Adjusting items (a)	(4)	(20)	978	(39)
Accelerated depreciation included in restructuring	—	(1)	(1)	(2)
ADJUSTED EBITDA	\$ 283	\$ 529	\$ 514	\$ 929
Net Sales	1,625	2,239	3,226	4,154
ADJUSTED EBITDA as a % of Net Sales	17 %	24 %	16 %	22 %

(a) Please refer to Table 5 of Appendix B for detail of adjusting items to EBIT.

# APPENDIX B: NON-GAAP RECONCILIATION – TABLE 8

Net debt (a non-GAAP financial measure) is defined by the Company as total borrowings, less cash and cash equivalents. The reconciliation from total debt to net debt is shown in the table below (in millions):

	June 30, 2021	June 30, 2020
Short-term debt	\$ —	\$ 3
Long-term debt - current portion	23	166
Long-term debt, net of current portion	3,144	3,314
Total debt	\$ 3,167	\$ 3,483
Less: Cash and cash equivalents	(888)	(582)
Net debt	\$ 2,279	\$ 2,901