

Creating a Better Future



TABLE OF CONTENTS

Executive Summary

CEO Letter.....	4
Corporate Profile.....	6
Brands.....	10
Materiality.....	12
Sustainability Leadership Letter.....	16

Our Products

Stewardship.....	20
Material Health.....	22
Supply Chain.....	24
Branding & Marketing.....	26

Our Operations

Waste.....	30
Energy & Emissions.....	32
Water.....	36

Our Associates

Talent Management.....	40
Diversity & Inclusion.....	44
Education & Training.....	46

Our Community

Giving & Volunteering.....	50
Education.....	52

Appendix

About This Report.....	56
Awards & Recognition.....	58
Memberships/Partnerships.....	60
GRI Content Index.....	62



The effort matters, because people matter.

Shaw Floors, Bellera, Outside the Lines

At Shaw, we don't just make flooring. We create the surfaces of life. Where moments happen. Big...and small.

We know that short-term decisions have long-term impact. We feel the constant pressure to do better and to achieve more.

Our vision is to Create a Better Future: for our associates, for our customers, for our company and for our communities. The effort matters, because people matter.



Vance D. Bell, Chairman and CEO

Dear Stakeholders,

2017 was a positive year for Shaw, as we continued to accelerate the evolution of our company. We are on track to further advance our strategic direction in 2018. As our product mix continued to evolve to meet market demands, we placed even more emphasis on innovation and investment in our people and processes.

We are honored to be among *Forbes* Magazine's 2018 list of America's Best Large Employers. Our robust talent management strategy supports our associates in achieving their full potential. It helps us foster a culture that spurs innovation by leveraging market insights, diverse experiences and perspectives and collaborative approaches. All of this is aimed at creating a better future for our customers, associates, communities and the company.

In addition to investing in our people, Shaw has invested in the expansion of our capabilities including:

- Modernization of plants in Andalusia, Ala. and Decatur, Tenn. focused on key components of our carpet manufacturing;
- Expansion of capabilities at our Ringgold, Ga., resilient / LVT manufacturing facility;
- Investments in our logistics and distribution network from Savannah, Ga., to Elkhart, Ind., and Portland, Ore., to ensure superb service;
- Completion of our Create Centre in Cartersville, Ga., home to our commercial division's marketing, design and innovation associates;
- Acquisitions of:
 - USFloors -- the fastest growing composite core supplier in late 2016;
 - Tricycle -- a technology innovator supporting commercial interiors sampling and design in late 2017; and
 - STS -- a Scotland-based carpet tile manufacturer in early 2018.

As we continue to grow and work to ensure that our people thrive and our processes evolve, Shaw's dedication to Cradle to Cradle design philosophies is unwavering. Cradle to Cradle guides us with even greater focus on human health and well-being as the sustainability landscape continues to evolve. Our new sustainable sourcing policy emphasizes chemical management and aligns with the ten principles of the UN Global Compact. Shaw became a signatory in 2017 to this widely-recognized set of principles focused on upholding and protecting human rights, labor, environment and anti-corruption standards.

These measures hold our suppliers to the same high standards we set for ourselves, regardless of where or by whom a product is manufactured or ingredients are sourced.

We are proud to have achieved carbon neutrality in our commercial carpet manufacturing operations and opened a combined heat and power facility in Columbia, S.C., in the first half of 2018 as we continue to reduce our carbon and energy impact throughout the company.

As with all innovation, we have seen both success and failure along the way. But we remain steadfast in our dedication to creating a better future.

Sincerely,

Vance D. Bell
Chairman and CEO

More than a flooring company.

We are 22,000 individuals bound together by a common vision to create a better future. By combining deep market knowledge with new ways of thinking, we drive innovation into our business and set the standard for next generation manufacturing.

OUR VISION

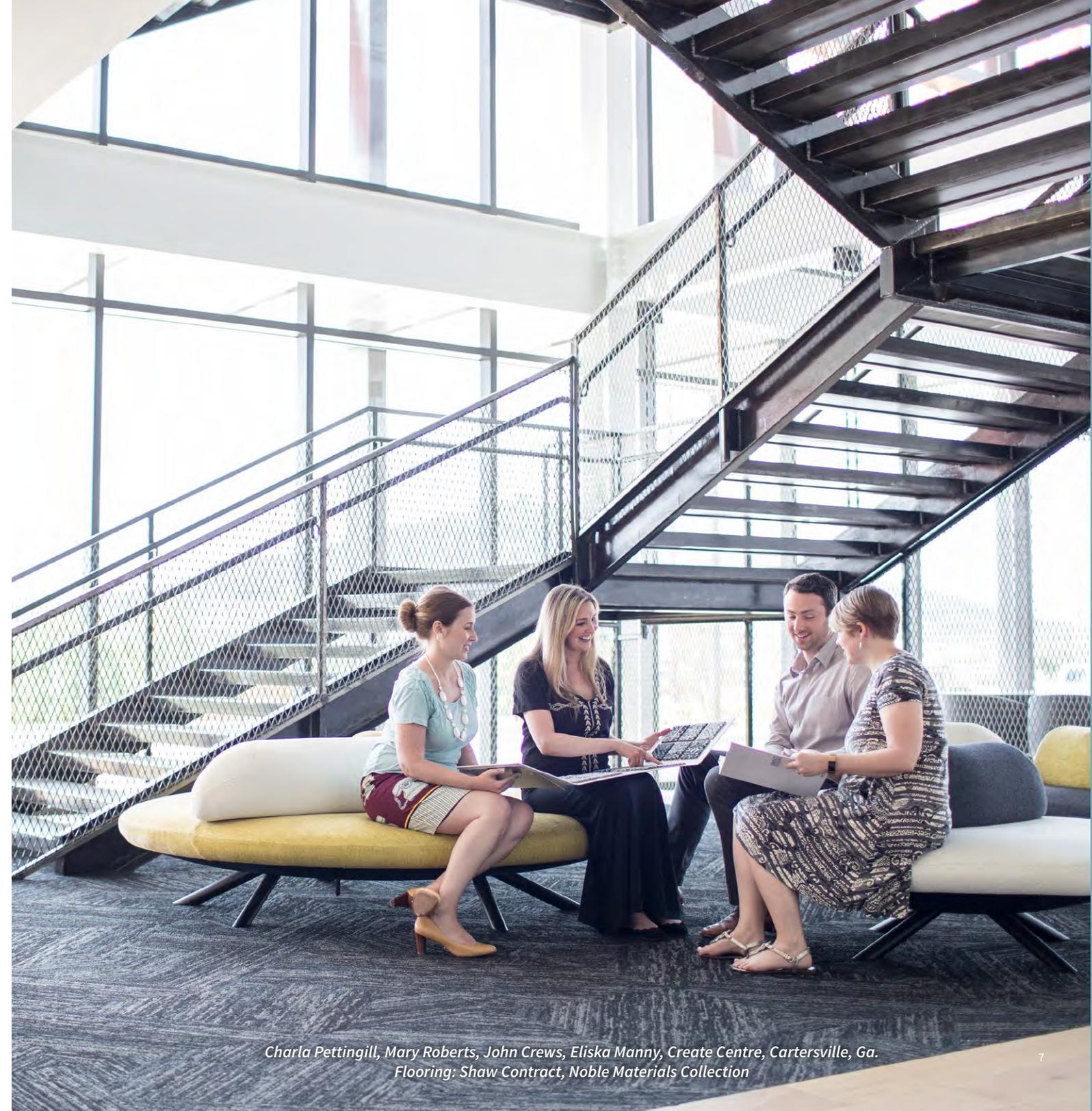
Creating a Better Future:
for our people, for our customers,
for our company and for our communities.

OUR MISSION

Great People. Great Products. Great Service. Always.

OUR VALUES

Honesty, Integrity and Passion.



*Charla Pettingill, Mary Roberts, John Crews, Eliska Manny, Create Centre, Cartersville, Ga.
Flooring: Shaw Contract, Noble Materials Collection*

BY THE NUMBERS

Shaw Industries Group, Inc. offers a diverse portfolio of carpet, resilient, hardwood, tile & stone and laminate flooring products, synthetic turf and other specialty items for residential and commercial markets worldwide via its brands Anderson Tuftex, COREtec, Patcraft, Philadelphia Commercial, Shaw Contract, Shaw Floors, Shaw Hospitality, Shaw Sports Turf, Southwest Greens, USFloors and more .

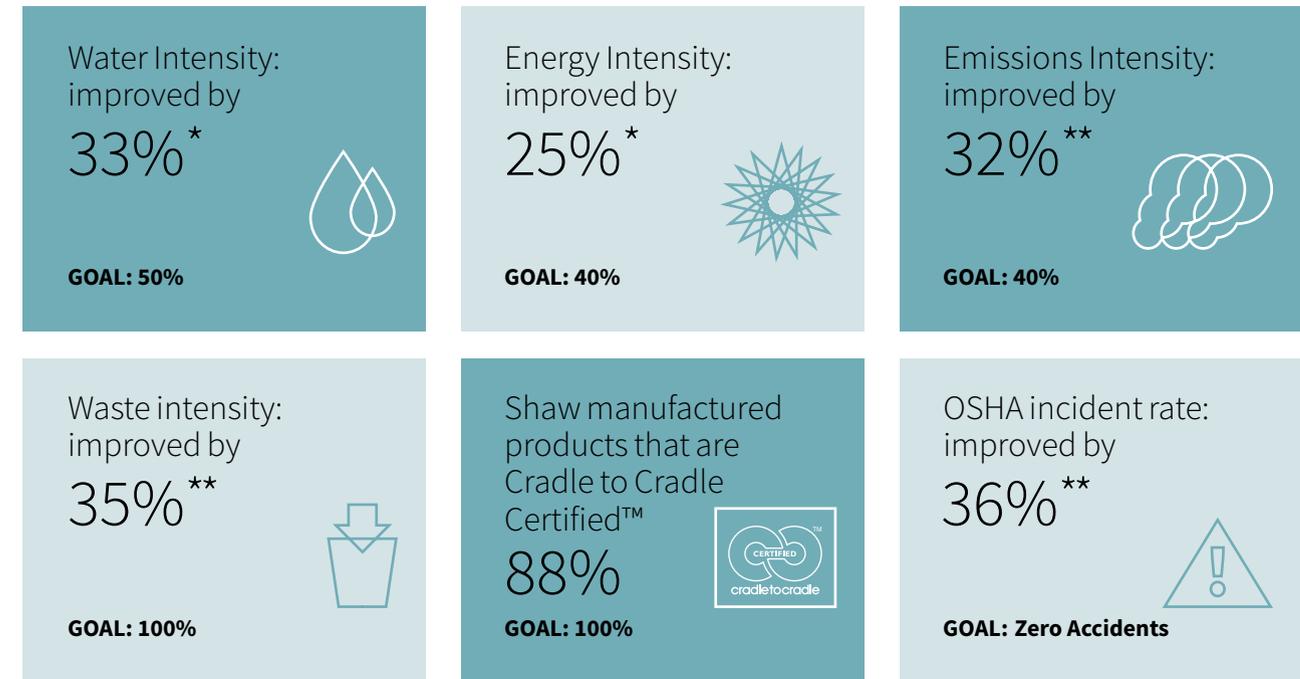
Headquartered in Dalton, Georgia, Shaw has annual revenues of almost \$6 billion and is a wholly owned subsidiary of Berkshire Hathaway, Inc. The company employs 22,000 associates with offices; R&D, manufacturing, warehousing and distribution locations; product showrooms; and/or salespeople throughout the U.S., as well as Australia, Belgium, Brazil, Canada, Chile, China, France, India, Mexico, Singapore, United Arab Emirates and the United Kingdom.



- Shaw plants, sales offices and showrooms
- Shaw global distribution network



PROGRESS TOWARD SHAW'S 2030 GOALS



*Percent change in actual vs modeled intensity in 2016. **Percentage improvement from baseline year.

BRANDS



RESIDENTIAL FLOORING



SPECIALTY MARKETS



COMMERCIAL FLOORING



SERVICES



Focusing on what matters.

With a plan and a purpose, we work with our customers and partners to design and build a world where environments are healthier for people, where products are more recyclable and where our resources are used more wisely and preserved for tomorrow.

Listening and Learning.

In 2017, we engaged stakeholders in our sustainability commitments in various ways, including:

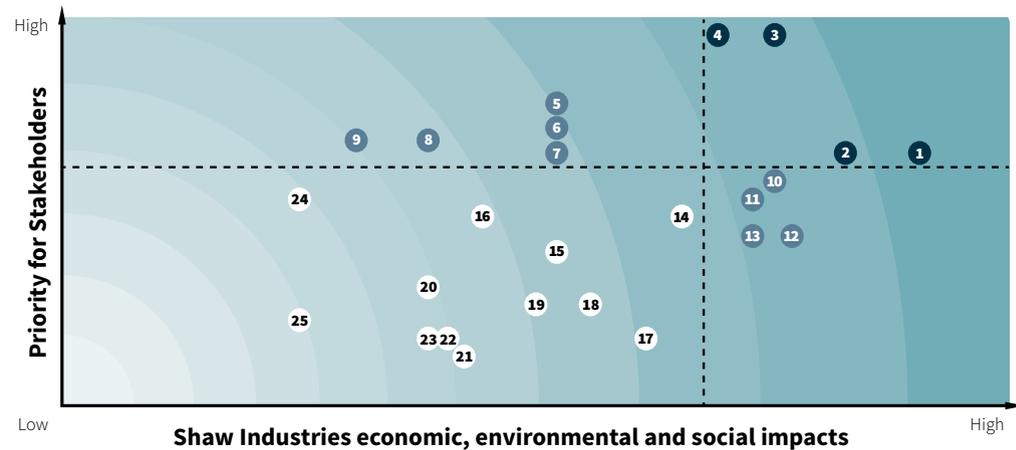
- Actively participating in community, industry, trade and non-governmental organizations
- Convening the biannual convention for Shaw Flooring Network's aligned dealers
- Offering on-site visits and facility tours
- Leading conversations at the Berkshire Hathaway sustainability summit
- Participating in major industry events including NeoCon, Sustainable Brands and Greenbuild as well as residential market events in major U.S. cities
- Actively participating in industry certification and standards development committees
- Conducting focus groups, market research and surveys of our associates and external stakeholders
- Engaging the Cradle to Cradle Certification Program's Community of Practice

The graphic below summarizes key topics raised by specific stakeholder groups.



Determining What Matters

By understanding what people need and expect from Shaw, we can make better decisions about how to prioritize both our actions and our sustainability reporting. In addition to the ongoing and consistent interactions with our stakeholders, Shaw conducts formal third-party materiality assessments. The last materiality assessment was conducted in 2014, and we are updating this assessment for the 2018 sustainability report. We use this formal exercise to systematically review the ongoing, give-and-take conversations we have with stakeholders, identify where we might need additional information and further explore any areas in question. This analysis helps us capture current data and anticipate future trends, as well as focus Shaw's sustainability strategy and reporting each year.



<p>MATERIAL</p> <ul style="list-style-type: none"> 1. Talent Management 2. Branding & Marketing 3. Product Stewardship 4. Materials Use <p>PRIORITY</p> <ul style="list-style-type: none"> 5. Waste 6. Management Oversight of Corporate Responsibility 	<p>PRIORITY</p> <ul style="list-style-type: none"> 7. Energy 8. Community Relations 9. Climate Change/GHG 10. Associate Engagement 11. Customer Satisfaction 12. Product Innovation 13. Supply Chain Management 	<p>IMPORTANT</p> <ul style="list-style-type: none"> 14. Global Competitiveness 15. Associate Health & Safety 16. Water 17. Logistics & Distribution 18. Diversity & Inclusion 19. Labor Relations 20. Human Rights 	<p>IMPORTANT</p> <ul style="list-style-type: none"> 21. Business Continuity 22. Philanthropy 23. Air Emissions 24. Facilities Management 25. Public Policy
---	---	--	--

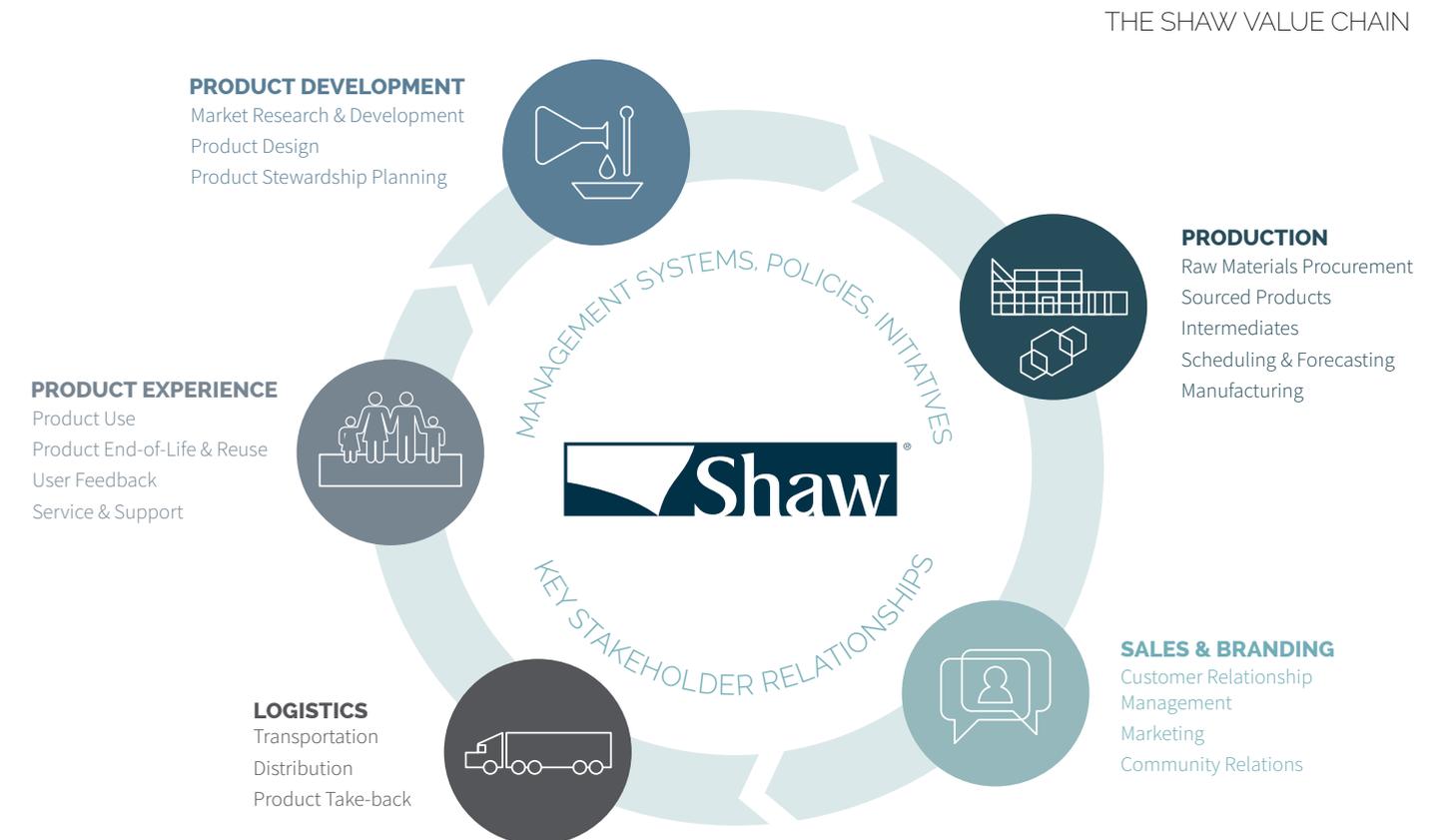
MATERIAL TOPIC	BOUNDARY WITHIN SHAW	BOUNDARY OUTSIDE SHAW
Talent Management	Shaw	None
Branding & Marketing	Shaw	Customers
Product Stewardship	Shaw	Customers, Communities, Suppliers
Materials Use	Shaw	Customers, Communities, Suppliers

Achieving Sustainability Across Our Value Chain

We understand the importance of understanding Shaw's impact across our value chain so that we can effectively manage it in a way that minimizes our environmental impact while maximizing positive impacts for our stakeholders.

As a responsible manufacturer, we develop programs and projects to address each of these impacts. In order to ensure that these efforts are aligned with stakeholder values, we remain attuned to their perspectives as market demands shift. Continuous attentiveness to this feedback helps Shaw prioritize the efforts and initiatives related to our products, operations, associates and communities.

The graphic below represents the key components of our business cycle. We carefully manage each step and continually evaluate opportunities to improve our processes, programs and products with an eye to increased efficiency, sustainability (environmental and human health) and process innovations.



THE SHAW VALUE CHAIN



Troy Virgo, Director Sustainability and Product Stewardship

Dear Stakeholders,

An avid cyclist, I love to get out on my bike. It clears my head, allows me to enjoy the beautiful surroundings of north Georgia and helps keep me healthy. But, like so many others, I spend the vast majority of my time indoors. In fact, according to research, people spend an average of 90 percent of our time inside.

That means we need to ensure our indoor environments are safe, healthy and supportive. The spaces in which we live, work, play, learn and heal have a huge impact on our lives. Their design – as well as the products that go into them – play an important role in how we function every day, the quality of our interaction with others and our physical comfort and health.

Are these spaces noisy and chaotic or comfortable and calming? Do they encourage collaboration and allow innovation to flourish? Do they irritate our senses or promote and restore healthy life choices?

At Shaw, we fundamentally believe that everyone should have access to safe, sustainable products for their homes and workspaces. We're proud that 88 percent of the products we manufacture are Cradle to Cradle Certified. Our products adhere to a rigorous methodology for assessing material health, based on understanding and evaluating the ingredients that go into our products - whether made by Shaw or others. It's codified in our new sustainable sourcing policy.

Our products are at the heart of places where countless life moments happen – where thinkers innovate, students learn, patients heal and champions are made. Our view of sustainability encompasses not only the environmental health of our products and our operations, but also how our products impact human health. We use that lens whether we're looking at water, waste, material health or carbon and energy.

Let's face it, the Earth is fairly resilient. But what quality of life can we help create for the people living on it? Big or small, near or far, we work to positively impact the communities where we operate, where our associates and customers work and live. Beyond our focus on the quality and impact of our products, we are committed to helping our associates thrive. We work every day to foster a culture that respects and values diverse perspectives in which we can achieve our fullest potential - as individuals and as a global company.

Our effort matters, because people matter.

I invite you to learn more about Shaw's approach to sustainability and how we're fulfilling our vision to create a better future through the pages of this year's report.

Troy Virgo
Director Sustainability and Product Stewardship

Where life happens.



Shaw Floors, Bellera Collection, Diamonds Forever

Sustainability is an engine for innovation at Shaw.

We continually improve our processes and production and design beautiful, sustainable surfaces to contribute to beautiful, impactful lives.

Life happens on our products.

Guided by Cradle to Cradle principles, we design with intention and a focus on material health, recyclability, water, renewable energy and social responsibility.

PRODUCT STEWARDSHIP

We're at our best when we're innovating and iterating side by side.

Vance Stafford, Katie Vines, Design Center, Dalton, Ga.

The more things change, the more they stay the same.

Change has been a theme of our sustainability reports in recent years as customer expectations, technology and other dynamics rapidly re-shape our industry. As we share Shaw's 10th annual corporate sustainability report, we see an important thread of consistent focus and action against that constant backdrop of change.

Our first report, titled "Sustain: Strength Amidst Change," detailed our commitment to creating the most beautiful – and sustainable – flooring in the world and highlighted the major emphasis we place on the human health and ecological impacts of the ingredient materials we use.

In what some are referring to as the "second wave of sustainability" in the built environment, wellness – for people and the environment – is emerging as a key theme. People spend the majority of their time indoors, and there is growing consensus that healthier indoor environments can have a positive impact on all of our well-being.

Thanks to the commitment we made to Cradle to Cradle two decades ago, this has long been the focus of our sustainability, innovation and product stewardship efforts.

We collaborate with customers to create spaces that are healthier and more comfortable for those who live and work in them. This includes extensive acoustics testing and Shaw's patent-pending Sound Advisor™ tool, which showcases the impact ceiling and floor construction and

flooring and underlayment selection have on room acoustics, in particular the impact of sound from a floor above transferring to the room below.

Since 2006, Shaw has reclaimed and recycled nearly 1 billion pounds of post-consumer carpet - ours and other manufacturers'. We're working to create an even more robust reverse-distribution system to encourage greater return of our EcoWorx® backed carpet tile products as well as to continually explore innovative approaches at our Evergreen Ringgold research and innovation facility. And we continue to be focused on the environmental footprint of our products - proudly taking our commercial carpet manufacturing carbon neutral in 2018. Our waste, water and energy progress is detailed on pages 29-37.

Sustainability remains an engine for our innovation. It's rarely easy. Not everything goes as planned. That's part of risk-taking and innovation. We learn from our experiences, and with every decision, every thought and every action, we're working toward even better solutions.

At Shaw, we're problem-solvers by nature. We value collaboration with our customers, suppliers, non-profit and industry partners and others. And we know that the steps we take together – from how our products are designed and made to their end of life solutions – make a difference to create a better and more sustainable future.

CRADLE TO CRADLE ATTRIBUTES





*It's what's inside
that matters.*

Liliana Vargas, Central Laboratory, Dalton, Ga.

MATERIAL HEALTH

The materials that go into our products and how they are designed set the stage for the impact throughout their life. Whether the floors of businesses, hotels, restaurants, hospitals, schools and homes and in backyards and sports fields around the world – our goal is: safe ingredients that can be perpetually recycled.

We fundamentally believe that everyone should have access to safe, sustainable products for their homes and workspaces. It's why we're proud that in 2017, 88 percent of the products we manufacture are now Cradle to Cradle Certified and have undergone a rigorous material health assessment.

We've implemented new sustainable sourcing processes to apply Cradle to Cradle thinking to our sourced products and ingredients. It's an ambitious but important undertaking.

It will require a combination of continually re-conceiving existing products and shifting to new ones.

The Cradle to Cradle Certified Products Program requires a re-assessment every two years and in that time the standard and requirements evolve as new information is available - about chemical ingredients for example. And companies are expected to improve their products and operations over time across all categories - material health, recyclability, energy, water and social responsibility - even if the standard doesn't change.

We're also introducing new products to our portfolio. The hard surface flooring market has exploded in the past few years with luxury vinyl tile (LVT)/resilient in particular. For products that aren't Cradle Certified, we still apply the same thinking and methodology to continuously look for ways to improve.

In addition to our LVT/resilient products, we are actively working on vinyl alternatives, both through our own manufacturing operations and our sourcing partners. These products can be recycled more readily, while meeting our stringent performance standards. We've introduced new products – such as our bio-based and PET resilient collections – over the past year that exemplify our progress in that realm.

We partner with a wide range of organizations including Cradle to Cradle Products Innovation Institute, BizNGO, HPD Collaborative and others to advance toward healthier products throughout the industry and beyond.

We continuously look to increase our use of renewable materials in our products. In 2017, renewable materials represented more than 25 percent of our product inputs – up almost a billion pounds from 2016.

In 2017, Clear Path Recycling – a joint venture between Shaw and DAK Americas to recycle plastic bottles into material that can be used in Shaw's flooring products – received prestigious GE Ecomagination Leadership and Return on Environment (ROE) awards for its noteworthy reductions in chemical usage and cost.

The hard work never stops.

SUPPLY CHAIN

We are committed to ensuring that no matter where in the world a product or ingredient is made or sourced, it is held to the same high standards that Shaw sets for itself.

What we purchase matters – whether in our day-to-day lives as individuals or as a global manufacturer. At Shaw, we have the ability to influence markets and our supply chain with the significant purchasing power of a \$6 billion global company.

Each purchase we make sends a signal to the market regarding what we value. We support our communities by prioritizing local sources whenever possible. In 2017, we spent 75 percent of our total supplier expenses in the 15 states where 95 percent of our associates are located.

In 2017, Shaw signed the UN Global Compact. The world's largest corporate sustainability initiative, the United Nations Global Compact is a call to companies to align strategies and operations with universal principles on human rights, labor, environment and anti-corruption and take actions that advance societal goals.

We also instituted a new sustainable sourcing policy that incorporates the Ten Principles of the UN Global Compact and brings even greater transparency into our supply chain by requiring disclosures about the ingredients that go into the products we make and sell. This extends the positive impact Shaw is making beyond our own operations to a vast array of suppliers providing goods and services to Shaw. Each step we take to understand the materials they use, or to help them

improve their sustainability performance, has a ripple effect that can create a wave of change – not only for Shaw's products but for the industry.

We're proud to have received the Market Transformation Leadership Award and the Supplier Leadership Award from the Sustainable Purchasing Leadership Council in 2017 for our work with suppliers to continuously optimize our EcoWorx-backed carpet tile – the first flooring product to ever be Cradle to Cradle Certified.

We also bring our focus on diversity and inclusion to the way we manage our supply chain. We can have a significant impact on the businesses in our community by providing equal access to Shaw's purchasing opportunities to all qualified suppliers. To promote supplier participation that is reflective of our customers and communities, we intentionally expanded our supplier diversity program to include small, women, veteran, minority and LGBT-owned businesses. In 2017, we increased diversity spend by nearly \$30 million bringing the total to 25 percent of allowable spend.

In 2017, Shaw improved processes to help a wider range of suppliers register their information and become potential bidders. It's created a usable database of diverse suppliers interested in doing business with Shaw. We have internal quarterly goals around the amount of diverse supplier engagement – tracking how many diverse suppliers we interview and measuring and reporting spend.

*A ripple can
lead to a wave
of change.*



Knowledge is power.

Pyramid Guest, Create Centre, Cartersville, Ga.
Flooring: Patcraft, Subtractive Layers Collection

BRANDING AND MARKETING

Our associates, our customers, our suppliers, our communities and every person that interacts with us can depend on Shaw's commitment to open and transparent communications. We aim to be consistent, clear and comprehensive so that anyone can find the information that is important to them and understand what we value - what we stand for. Our hope is that they will find their values reflected in ours.

Knowledge is Power

We want to make it easy for people to find out what's in our products and understand our position on issues that are important to them. From product labels to sales materials and web sites, we make every effort to clearly communicate comprehensive product information about construction, care and sustainability. Our multifaceted and thorough review process provides checks and balances that help ensure everything we say is clear and accurate. Shaw follows the United States Federal Trade Commission's Green Guides for communicating our environmental initiatives and the sustainability of our products. Many Shaw product labels include logos and branding that reflect our participation in voluntary sustainability certification programs. These programs include Cradle to Cradle Certified, GREENGUARD and others. We provide this information so that our customers can make informed purchase decisions based upon the sustainability and performance attributes they seek.

Partnering for Impact

Shaw understands that we are stronger and more effective when we work together with others. We are proud of the strategic partnerships we've established with nonprofit organizations to promote important environmental and social causes.

As a sampling of these efforts, we partnered with the Cradle to Cradle Products Innovation Institute on a series of Built Positive

workshops for the second year in 2017. These workshops raise knowledge and awareness of the circular economy among commercial property architects, designers, building owners and other leaders.

In 2017, we partnered with the Centers for Disease Control and Prevention, City and County of San Francisco, Cradle to Cradle Products Innovation Institute, Ecoworks Studio, GIGA, HDR and McDonough Innovation to bring fresh thinking and continuing education opportunities to USGBC Greenbuild attendees in 2017.

We will continue collaborating with sustainability leaders to support our customers as we work together to propel our industry forward.

Communication on Progress

Beginning in 2017, Shaw became a signatory of the UN Global Compact extending our commitment to global sustainability standards and reporting, which have been aligned with the GRI framework since 2009. Shaw provides transparent updates to our stakeholders that demonstrate our pledge to uphold the Ten Principles. This report, which meets the requirements of a 'GC Active' Communication on Progress (CoP), is part of fulfilling our commitment to the UN Global Compact and to continually improving our sustainability.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



*Making our
passion for
a better
tomorrow
a reality.*

John Pak, Plant T1, Adairsville, Ga.

We don't just make more sustainable products; we create smarter, more sustainable ways of producing them. Through our increasingly sophisticated, advanced manufacturing practices and our time tested craftsmanship, we make our passion for a better tomorrow a reality.

Over the past five years, we've invested \$1.5 billion (USD) in new and existing operations to continually upgrade equipment and facilities to meet high safety and sustainability standards and to expand our capacity to meet ever-changing market demands.

Each step of the way, we're driving to create a better future.

We've learned from our experiences. We've grown as individuals and as a sustainable business.



Recycling, Plant T1, Adairville, Ga.

Shaw works toward a more circular economy that supports the long-term health of our environment by carefully managing the waste in our operations. We meticulously manage the inputs in our manufacturing processes.

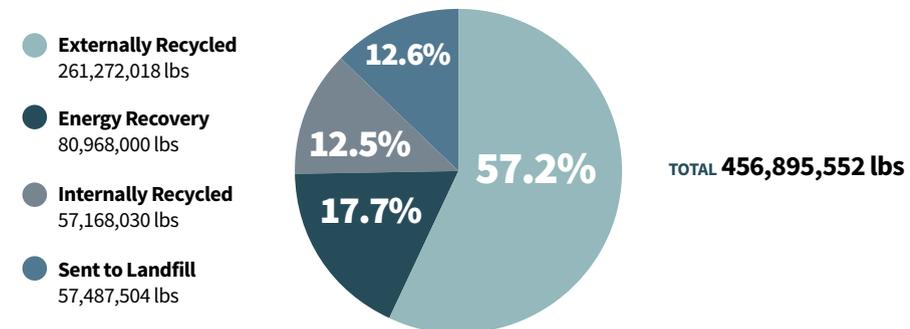
We also seek ways to turn the byproducts of our processes into resources that can be used elsewhere, whether in our operations or in another industry. We manage waste using a sophisticated data management system called Material Resource Management (MRM). This system helps us consistently categorize, measure and channel waste toward the best possible use – whether that be through recycling or reuse, within Shaw or another industry.

We're also proud participants in the U.S. Business Council for Sustainable Developments "Materials Marketplace," an award-winning

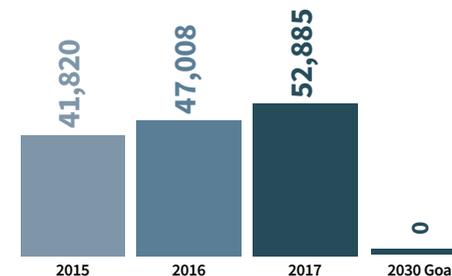
regional and national platform to facilitate company-to-company industrial reuse. Through the cloud-based platform, traditional and non-traditional industrial waste streams are matched with new product and revenue opportunities, and is intended to enable a culture shift to a circular, closed-loop economy.

Through these and other internal efforts and external partnerships, Shaw continues to work toward our goal of completely eliminating landfill and hazardous waste by 2030. In 2017, we improved our waste intensity to 2.87 percent from the 2008 baseline of 4.44 percent. The overall improvement is more than 35 percent. Our waste intensity decreased slightly from 2016, as we face many similar challenges resulting from new processes, equipment startups and a plant shutdown.

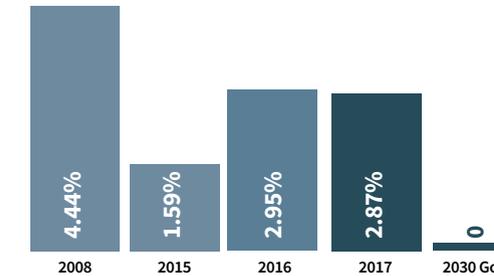
TOTAL WASTE BY TYPE AND DISPOSAL METHOD* - 306-2



HAZARDOUS CHEMICAL WASTE DISPOSAL* - 306-4
units represented in lbs.



WASTE INTENSITY*
percent lbs. landfill waste per lb. finished product



* Does not include waste totals from our China Plant. Regulated chemical wastes, representing approximately 1% of the total waste stream, are managed separately and are not included in these values.

Sustainability challenges us to challenge ourselves.



Combined Heat & Power Plant, Plant 8S, Columbia, S.C.

ENERGY & EMISSIONS

Climate change is a complex, global issue that requires a global response. No one company can solve problems at this scale by itself, but we can each contribute to an effort that enables all of us to create a wave of change for the better.

Our approach to energy and GHG management begins with reducing our energy consumption, then switching to cleaner fuels; producing renewable energy at our own facilities; and incentivizing additional renewable energy development and usage through the purchase of renewable energy credits.

Across our entire company, our strategy of continued energy efficiency investments, the operation of a 1 megawatt rooftop solar array in Cartersville, Ga., and our purchases of renewable energy certificates and carbon credits have resulted in a 32 percent reduction in our greenhouse emissions from our 2010 baseline. In this same period, our energy intensity improved by 16 percent. We have a target of reducing both the amount of energy we use and the amount of GHG emissions we produce by 40 percent by 2030 (per pound of finished product).

In 2017, we began construction of a combined heat and power (CHP) plant at our fiber production facility in Columbia, S.C. With this unit that became operational in May 2018, Shaw generates its own electricity and is also able to use the waste combustion heat in its manufacturing processes. The CHP is projected to reduce the plant's annual greenhouse gas emissions by an estimated 26,000 metric tonnes; that's an impact equal to removing almost 5,500 passenger vehicles from the road each year.

And in the first half of 2018, we also achieved carbon neutrality in our commercial carpet manufacturing operations as a result of our energy and GHG management strategy.

These are just a few of the actions we have taken and will continue to take in line with our overall sustainability strategy and corporate vision. We all have an important role in creating a better future, and with every decision, every thought and every action, we're working toward even better solutions. The steps we take matter.



MINIMIZE
Energy Use & Switch
to Cleaner Fuels

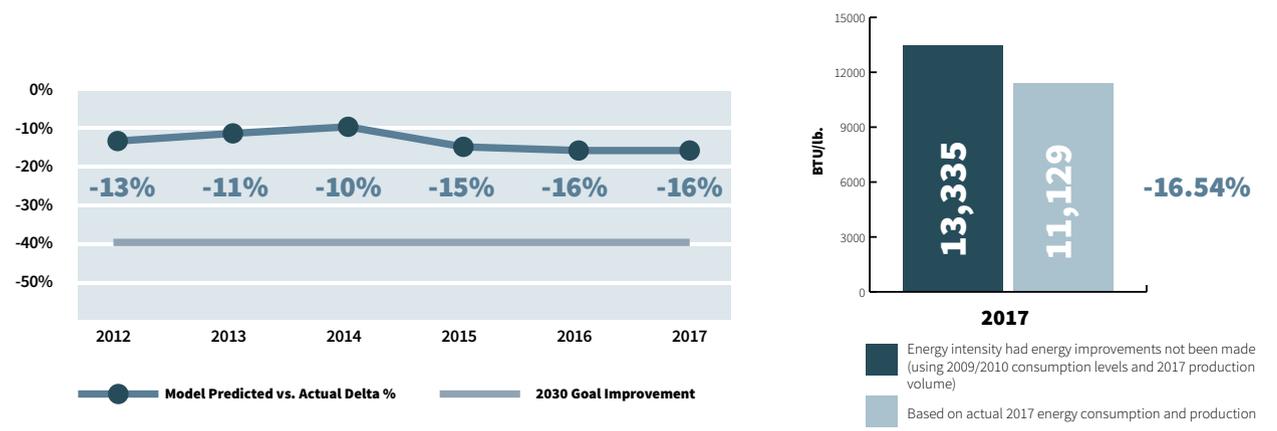


GENERATE
Renewable
Energy

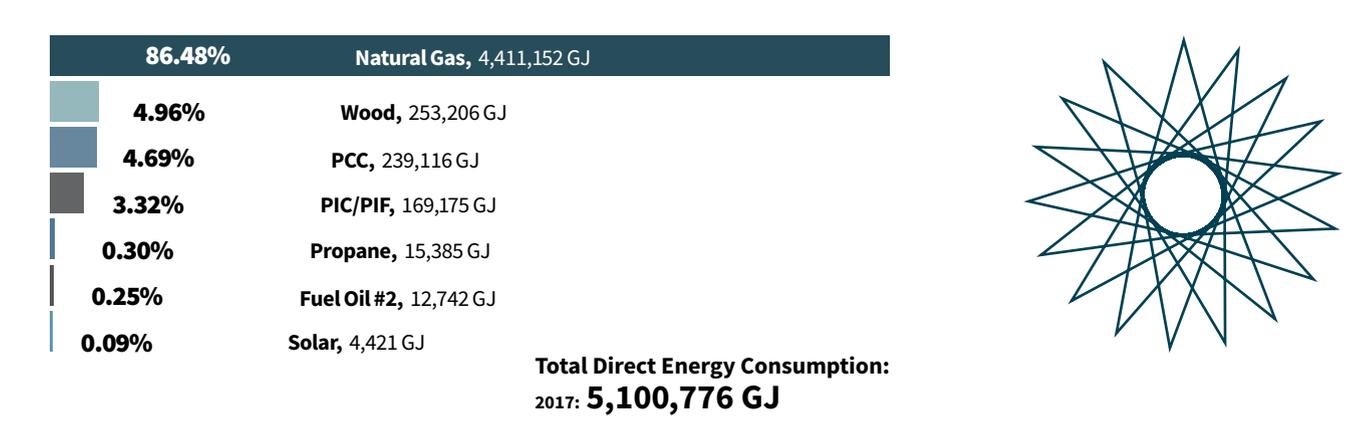


PURCHASE
Renewable Energy Credits
& Carbon Credits

ENERGY INTENSITY IMPROVEMENT - 302-3



DIRECT ENERGY CONSUMPTION BY SOURCE - 302-1



NOTE: Transportation is not included in this metric. PCC is post consumer carpet, PIC is post industrial carpet and PIF is post industrial fiber.

GREENHOUSE GAS EMISSIONS INTENSITY - 305-4
lbs. CO₂ equivalents per lb. finished product

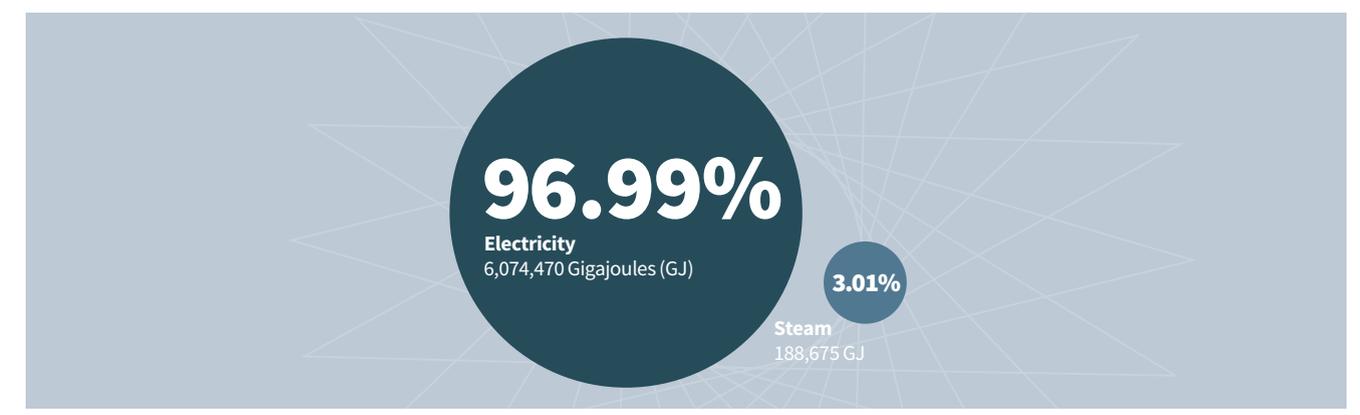


DIRECT & INDIRECT GHG EMISSIONS BY SCOPE & WEIGHT - 305-1, 305-2
GHG in millions of metric tons of CO₂ equivalents

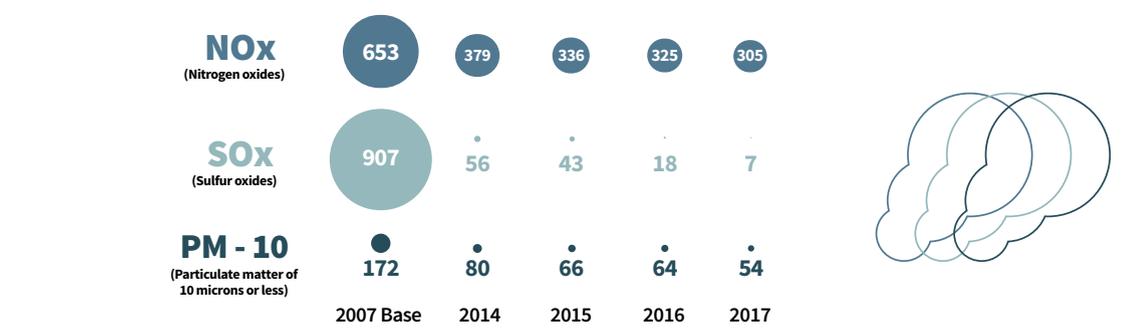


NOTE: This indicator was calculated using the Climate Registry General Reporting Protocol V 2.0 until 2014. Starting 2016, we started calculating this indicator using the GHG Protocol Corporate Standard.

INDIRECT ENERGY USE - 302-1



CRITERIA AIR POLLUTANT EMISSIONS - 305-7
In metric tons



NOTE: Emissions of selected criteria air pollutants from fossil fuel combustion in Shaw operations by weight. Does not include emissions from transportation-related energy use.

Conserving water, preserving life.

South Carolina Wildlife Federation certified site, Plant 8S, Columbia, S.C.

Water is an essential substance of life. Knowing this critical resource sustains life, Shaw makes it our responsibility to use water wisely. We have taken significant measures to minimize its use in our operations and manufacturing processes.

Shaw is particularly sensitive to this issue because many of our facilities are located in regions where communities face cyclical droughts, such as in north Georgia and California.

As a result, we have instituted systems that reuse water whenever possible and made facility-wide improvements to save more and use less. Our goal is to reduce actual versus modeled water intensity per pound of finished product by 50 percent by 2030. To meet this goal, we're focused on identifying new technologies and innovative solutions to

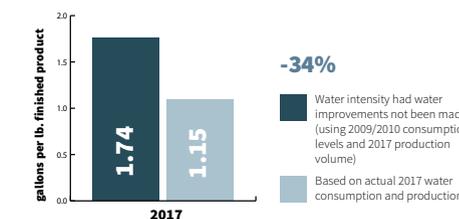
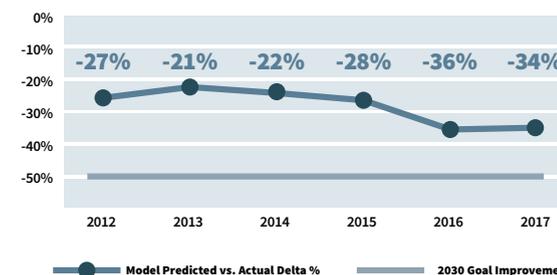
reduce water use within our operations.

Because water use and energy are so closely linked, we report water data in alignment with the energy and emissions data and baseline. In 2017, we used 1.15 gallons of water per pound and achieved a 34 percent reduction in actual versus modeled water intensity.

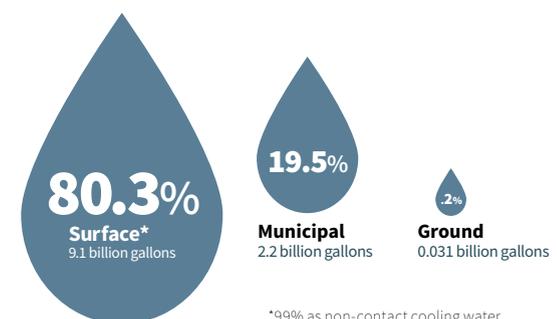
Of our total water consumption in 2017, we recycled or reused 14.9 percent based on testing of the water brought in, up from 14.5 percent in 2016.

Shaw also supports organizations that work to safeguard water resources and engage people in the conversation such as the Coosa River Basin Initiative, Rivers Alive and other nonprofits working to clean up rivers and protect watersheds.

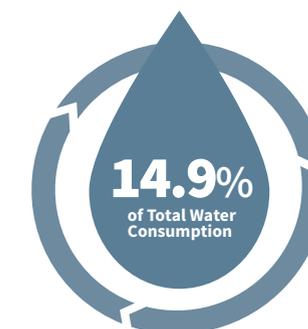
WATER INTENSITY
gallons per lb finished product



WATER WITHDRAWAL BY SOURCE -303-1



% OF RECYCLED & REUSED WATER -303-3





We love working together to solve problems.

Ashley Ginn, Omoleye Adeyemi, Create Centre, Cartersville, Ga.

Designers and data analysts; mechanics and marketers; sourcing managers and sales professionals. We love working together to solve problems.

As innovators and collaborators, ideators and creators, we believe in each other, and in the power of people and human ingenuity. We're at our best when we're iterating and innovating side by side.

Every day, 22,000 associates at Shaw are working to positively impact our customers, our company, our communities, and their own lives through a constant quest to do better and achieve more.

TALENT MANAGEMENT

We believe in each other, and in the power of people and human ingenuity.

David Bice, Aaron Ferguson, Plant HW, South Pittsburg, Tenn.

The people who work at Shaw are the heart and soul of our organization. They are the doers, the problem solvers, the innovators. Everything Shaw does depends on this team of talented individuals working together to support our customers, our communities and each other.

Shaw is proud to have been named to Forbes America's Best Large Employers list 2018, based on data collected in 2017. Talent management is one of Shaw's material priorities and an area of significant focus for our leadership. After 50 years in business, Shaw is focused on reinvigorating our culture in order to continue serving our customers successfully for another 50 years and beyond.

We're focused on creating a culture that fully embraces innovation - by being more supportive of risk taking. The road to innovation is often a bumpy one; we embrace these bumps in the road as learning opportunities on the path to success.

Shaw associates are collaborating more than ever - systematically building bridges between the different functions that support our customers. Innovation is never the responsibility of a single individual or team. Each Shaw associate is a leader with the capacity to identify and promote new solutions.

In recent years, Shaw's talent management has identified leadership imperatives and competencies necessary for our future success as an organization and as individuals. As part of this process, we

established clear expectations for each job, function and level. These are integrated across our talent management systems to support a positive, innovation-focused environment. This also supports career planning and development for associates.

We begin setting the tone of Shaw's culture for associates even before they are hired. From the hiring process through orientation and then throughout their career at Shaw, we provide the training, tools and resources they need to reach their full potential.

We provide associates with ongoing support through education, training, development and leadership opportunities. Our performance management process helps managers and associates work together to identify business development opportunities that align individual goals and strengths with business needs. We also support associate development, recruitment and retention through programs such as associate resource groups, mentor relationships, volunteer activities and community events.

We prioritize the safety and wellbeing of our associates while on the job. One of our 2030 goals is to reduce our OSHA incident rate to zero. In 2017, Shaw's incident rate was 2.08, representing the number of U.S. Occupational Safety & Health Administration (OSHA) medical recordable incidents per 200,000 hours worked. We are working hard to prevent illness and injury and improve this rate by keeping our associates safe.

RECORDABLE INCIDENT RATE

403-2



This rate represents the number of US Occupational Safety & Health Administration (OSHA) medical recordable incidents x 200,000 / hours worked.

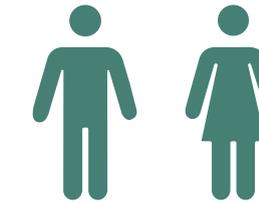


Katie Kirk, Create Centre, Cartersville, Ga.

ASSOCIATES BY EMPLOYMENT TYPE, CONTRACT TYPE & GENDER

102-7, 102-8

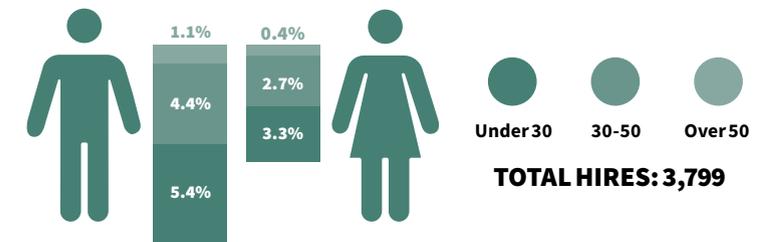
	U.S.		ASIA/PACIFIC		CANADA		EUROPE		S. AMERICA		TOTAL	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE		
FULL-TIME	13,605	7,837	110	152	56	20	3	10	2	2	21,797	FIXED
	25	9	0	0	0	0	0	0	0	0	34	TEMPORARY
PART-TIME	63	31	0	0	0	0	0	0	0	0	94	FIXED
	10	7	0	0	0	0	0	0	0	0	17	TEMPORARY



63.2% Male 36.8% Female

TOTAL ASSOCIATES: 21,942

ASSOCIATE HIRE RATES (U.S. ASSOCIATES) - 401-1

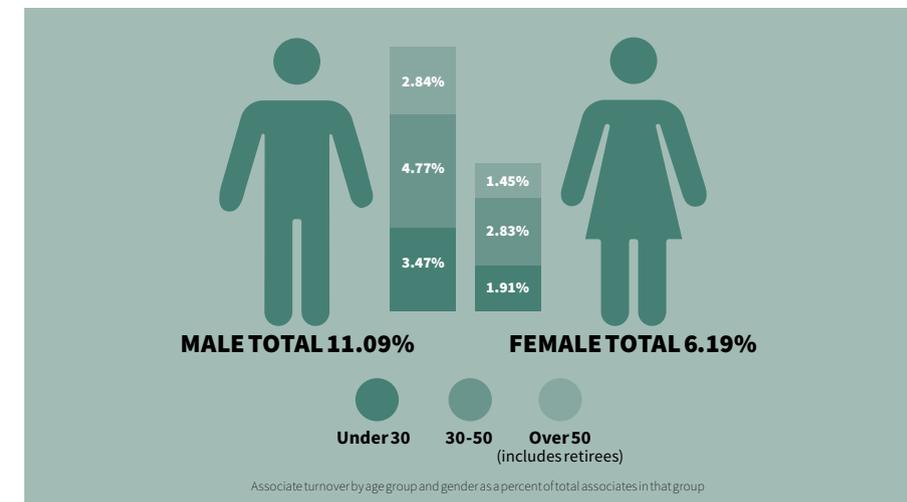


TOTAL HIRES: 3,799

Hire rate calculated as a percentage of total hires for region.

ASSOCIATE TURNOVER BY AGE & GENDER (U.S. ASSOCIATES)

401-1



MALE TOTAL 11.09%

FEMALE TOTAL 6.19%

Associate turnover by age group and gender as a percent of total associates in that group

DIVERSITY & INCLUSION

We all have an important role in bettering this world.

John Pak, Helyn Herrera, Plant T1, Adairsville, Ga.

Each person sees the world from their own unique perspective, a perspective that is influenced by an infinite array of dimensions - from family, culture, life experience, education to ethnicity, gender and sexual orientation. Fostering an environment that allows associates to bring their whole selves to work every day is instrumental to a culture of innovation.

We see diversity as a business advantage that can be nurtured through inclusive leadership. That means sharing perspectives and seeking out ideas from diverse sources. We believe this not only helps us provide a consistently welcoming culture for our associates, but also to innovate and better serve our customers around the world.

Shaw's Corporate Diversity and Inclusion (D&I) Leader helps deliver the HR vision to create a competitive advantage through people. In addition to developing D&I strategies that support the business objectives, the D&I Leader guides the Council for Diversity and Inclusion (CDI). The CDI is a cross divisional, cross functional and multi-level representation of Shaw associates focused on leading initiatives for demonstrating inclusive leadership behaviors. CDI puts our diversity principles into action through involvement in various work teams including education, supplier diversity and on-boarding.

An example of ongoing education to improve cultural fluency are the CDI hosted Table of Contents (TOC) sessions. During TOC, associates to have meaningful conversations around current diversity dimensions in the workplace. In 2017, topics such as Veterans as Colleagues, Introvert vs. Extrovert Leadership, and Perceptions: Being the Only One were added. TOC helps create the conditions for safe exploration and profound learning. Associates have shared how TOC helps them understand the relevance of personal dimensions to inclusive leadership and has even helped increase their self awareness.

Associate Resource Groups (ARGs) are another key component of Shaw's D&I efforts. The ARGs are volunteer, associate-led networks united in one common goal: make Shaw a great place to work and a great company to do business with. The ARGs are not just about fitting in, but about reaching in and finding the connections that exist in all of us.

Shaw's ARGs include:

- Women Innovation Network, or WiN (2014)
- ShawWET, which focuses on veterans (2014)
- Conexión, a Latino & Hispanic network (2016)
- Spectrum, a Black/Multicultural network (2016)
- Sales Cultural Council, connecting all brands for one Shaw (2017)

These initiatives have connected more than 2,000 associates with networking and professional development opportunities, shaped new talent acquisition and retention practices to reduce unconscious bias in the hiring and promotion process, included associates from all backgrounds in key business decisions, and educated our associate base on cultural fluency. Through this process, a clear roadmap for making business decisions and managing talent was developed, with diverse practices and inclusive policies woven into the way we work as individuals and as a company.

To share an example of the range of efforts to which we are committed, in 2017, Shaw's WiN group partnered with the American University in Dubai (AUD). The WiN group's goal in the region is supporting the development of women in the local design and construction industry by providing resources and opportunities that help them drive successful careers. Working with AUD's Chair and Associate Professor and the Associate Professor of Interior Design and Outreach Coordinator, Interior Design, two successful initiatives were held during 2017, including an open networking event entitled "Creativity is our Future."

EDUCATION & TRAINING

Driven by the simple questions: “How might we?” and “What if...?”, our associates are proficient, curious and innovative in fields ranging from engineering and manufacturing to design and distribution just to name a few. As a community, we focus on consistently learning, striving and improving our skills to better position each of us for successful careers while finding new and better ways to improve the lives of our customers.

Shaw associates have access to industry leading training and education offered by the Shaw Learning Academy (SLA). There are many opportunities to enhance existing skills, gain new ones and expand their leadership potential through SLA education and training. In fact, training opportunities are customized to support the skills and competencies for each associate based on Shaw’s people-focused talent model. This allows associates to select training opportunities that are directly aligned with their own goals and interests as well as the company’s.

Shaw accelerated development programs are offered for associates nearing the transition to a new leadership level (currently mid-level, senior and executive). The curriculum for these programs is aligned with the leadership competencies required for Shaw success, yet largely self-

defined. It is designed to introduce challenges that stretch leadership capabilities while providing a platform for trial and error.

Associates responsible for the operation, maintenance and repair of our sophisticated manufacturing facilities can take advantage of extensive technical education and training. Our human resources, IT, marketing and sales teams are well equipped to succeed at each stage of their career thanks to functional, leadership and professional development training available through SLA.

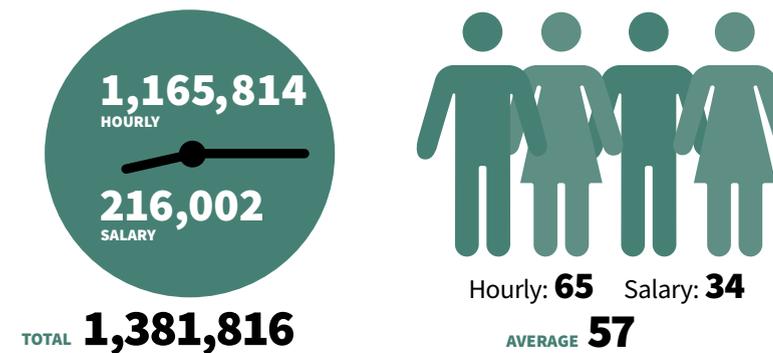
Altogether, Shaw delivered 57 hours of training per associate in 2017. That equates to more than 1.3 million total training hours for the year. SLA not only provides training in quantity, but of quality. Both our associates and third parties have consistently recognized the value of our industry-leading training programs.

Since 2005, Shaw has ranked in the Training Top 125. Also in 2017, we were ranked 17th in Elearning! Magazine’s Learning! 100. Honored for the seventh consecutive year, Shaw was among top private sector companies cited for high performance, organizational culture, innovation and collaboration.

How might we...?

Robert Slade, Makerspace, Dalton, Ga.

TRAINING HOURS & TRAINING HOURS PER ASSOCIATE - 404-1



We're all in this together.



Yuliana Bragg (far left), Mayra Hernandez (far right)

We believe creating stronger communities means sharing the wealth – of our time, talents and resources – and working with diverse suppliers to fulfill our business objectives.

Through community giving and philanthropy, expansive STEM education programs and strategic sourcing to local and diverse suppliers, we stand to leave a lasting positive impact in the hundreds of communities where we operate...and beyond.

This community focus helps create better futures for individuals and the environment we share. We're all stronger as a result.

GIVING AND VOLUNTEERING



Stanyiah, Age 3, Sickle Cell Disease, St. Jude Patient

Making a positive impact on our communities is an important component of our focus on creating a better future. We support many organizations that are doing important work to make our communities stronger, healthier and better educated. We know that our resources - including our expertise along with our time and financial contributions - can help these agencies help even more people.

In 2017, Shaw and our associates donated nearly \$5.3 million to community organizations. Beyond these financial contributions, Shaw associates volunteered more than 45,000 hours raking and painting, providing technical support and professional skills and many other activities to meet community needs.

Shaw's signature partnerships include two nationally recognized organizations that share our commitment to meeting community needs: The United Way and St. Jude Children's Research Hospital.

United Way

Shaw has been deeply ingrained with the United Way for decades based on our shared focus on addressing needs in our local communities. Shaw associates support their local United Way by serving in leadership roles as well as in program administration. In 2017, 875 Shaw associates participated in Spring into Service, completing more than 100 projects at United Way agencies and schools in northwest Georgia and southeastern Tennessee. In 2017, Shaw and our associates donated nearly \$2.5 million to United Way.

St. Jude Children's Research Hospital

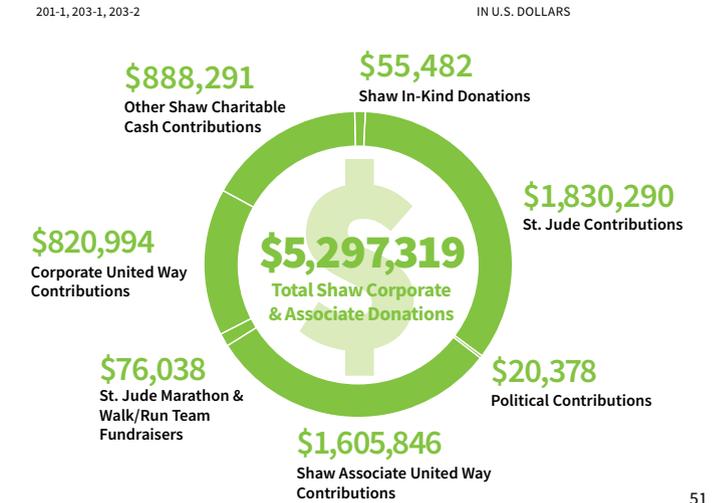
We're proud to support the work St. Jude Children's Research Hospital® does to help children battling cancer and other life-threatening diseases. Their impact has been significant as treatments invented at St. Jude have helped raise the overall childhood cancer survival rate from 20 percent when the hospital opened in 1962 to more than 80 percent today. And St. Jude won't stop until no child dies from cancer. Families never receive a bill from St. Jude for treatment, travel, housing or food - because all a family should worry about is helping their child live.

Shaw associates, partners and customers enthusiastically support our partnership with St. Jude, which began in 2011. Our work with St. Jude includes several programs and components including co-branded product lines, sponsorship of the St. Jude Dream Home Giveaway and other fundraisers. In addition, Shaw customers and associates participated in the St. Jude Memphis Marathon Weekend and the St. Jude Walk/Run to End Childhood Cancer raising more than \$76,000. In 2017, our support of the St. Jude Dream Home Giveaway and our co-branded product lines resulted in total company donations that totaled more than \$1.9 million.

Community Support

Shaw associates around the world create partnerships that impact their local communities in meaningful ways. For example, we responded to hurricanes Harvey and Irma by coordinating company, customer and associate support for the Red Cross. In Singapore, our Shaw Contract brand collaborated with Temasek Polytechnic to host a career talk for 60 architectural and interior design students at our Singapore showroom complementing other STEM and STEAM efforts throughout the company.

CORPORATE & ASSOCIATE CONTRIBUTIONS





*The future
looks bright.*

Student, CAMP D.E.M.

We don't know where the next big idea will come from, but we have confidence in people's creativity and ingenuity. We believe that education and opportunity hold the keys to future innovation - ours and the world's. People who have access to educational opportunities will undoubtedly make the world a better place.

Shaw sees this investment in people as important as any we make in new equipment or technology. We partner with several organizations that are doing the work on the ground to help people develop job skills, technological expertise and leadership strengths. Depending on the specific needs of each organization, we provide financial, learning and development expertise and in many cases extensive volunteer support.

Our community education investments are focused where we see the greatest need in our community and our business: Science, Technology, Engineering and Math (STEM) skills. We work with local schools and community non-profits on after-school programs, summer camps and even competitive robotic teams from elementary through high school and beyond.

STEM education for girls is the focus of programs that Shaw supported in 2017 at City Park Elementary School and Chattanooga Girls Leadership Academy. Female students in these programs can see themselves and their future potential in the Shaw mentors.

The summer camps (Camp D.E.M. and others like it) are free, week-long, STEM-focused programs for middle school students that Shaw helped develop and implement in 2011. The camps have grown from 29 students to 300 students in 2017 in three locations. These 12-14 year-olds explore career opportunities in manufacturing, and get hands-on experience with rapid prototyping, electronics, laser-integrated design, robotics, energy and carpet design.

Shaw and its associates in South Carolina support the DIG STE(A)M Festival - a celebration of Science, Technology, Engineering and Math [STE(A)M] in rural communities that attracts 4,000 spectators and participants each year.

Shaw leaders serve as guest speakers and we provide funding for laboratories and projects with the College and Career Academies and other high school programs. Shaw leaders also coached and mentored three Shaw sponsored FIRST® Robotics teams that qualified for the State Robotics Championships.

Shaw's partnership with the Great Promise Partnership (GPP) expanded to two additional locations in 2017. GPP helps at-risk students complete high school while gaining real-world job skills at a Shaw facility. High school students in our communities also have an opportunity to participate in Shaw's formal apprenticeship program, which introduces students to mechatronics and manufacturing careers.

For students pursuing training beyond high school, Shaw provides and supports mechanical, electrical and maintenance skills training - including through classroom teaching, computer-based learning, and lab instruction at Georgia Northwestern Technical College.

Shaw supports students with disabilities through a program called Project SEARCH with Cross Plains Community Partners. Since 2012, Shaw has partnered with Cross Plains for this nine-month employment preparedness program for individuals with intellectual and learning disabilities. Participants receive invaluable training and workplace skills, preparing them to enter the workforce. Upon completion, graduates may be placed into jobs within their local community that fit their skills and abilities. Shaw has a long history of offering mutually beneficial employment to participants; each of the most recent graduates are currently employed with Shaw Industries.

Project SEARCH interns work on tasks that highlight their skills and accommodate their disabilities. These interns are welcomed into Shaw where they find that their ideas are valued and their role is validated.



*Thomas Ward, Create Centre, Cartersville, Ga.
Flooring: Shaw Contract, Noble Materials Collection*



Mallory O'Donnell, Erin Helm, Ethan Helm, Custom Create Centre, Cartersville, Ga.
Flooring: Shaw Contract, Hexagon & Configure Collections

ABOUT THIS REPORT

Data Measurement & Information Integrity

Shaw Industries Group, Inc. and our management are responsible for the preparation and integrity of the information provided in this 2017 corporate sustainability report. Through an internal audit and quality control process that includes reviews by internal subject matter experts, we believe this information accurately represents our environmental, social and economic impacts in 2017. The disclosures based on the GRI Standards Sustainability Reporting Framework are used as the basis of data measurement and calculation for the performance indicators in this report where applicable. Operational definitions for each indicator are outlined in the report. The World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol), which embodies GHG accounting best practices, is used for the calculation of GHG emissions.

Reporting Cycle

Our sustainability reporting follows an annual cycle based on the calendar year. This report covers January 1, 2017 to December 31, 2017. Our most recent sustainability report was published in 2017 for the calendar year 2016. Previous reports can be accessed at: shawinc.com/reports/

Contact

To request hard copies of this report, please email sustainability@shawinc.com. For questions regarding the contents of this report, please email Susan Farris at susan.farris@shawinc.com.

Sustainability Governance & Management Approach

Shaw's top governance body includes the CEO and president of Shaw Industries Group, Inc., and the CFO of Berkshire Hathaway, Inc. Executive compensation is linked to the company's annual performance. Shaw's 26-member Growth and Sustainability Council is responsible for oversight of the company's economic, environmental and social performance. The council includes our CEO, CFO, president and executive vice president of

operations, and most senior leadership from all areas of the company. The committee is responsible for establishing goals and developing strategies that incorporate sustainability into Shaw's innovative products and services.

Shaw's sustainability performance is measured and reported against key social, environmental and economic goals and objectives established by the Growth and Sustainability Council mentioned above.

Our progress and performance is shared with all stakeholders through this annual corporate Sustainability Report.

Scope & Boundary

This report includes data from all directly-owned operations and wholly-owned subsidiaries, as well as joint ventures in which Shaw holds at least a 50 percent financial stake. Exceptions are noted where applicable. Scope, boundary and measurement methods are consistent with prior reports. There are no limitations on scope or boundary in this report.

Additional Context

- The vast majority of Shaw associates are not covered by collective bargaining agreements. Shaw's Pro Installations, Inc. is a signatory on a number of collective bargaining agreements, however, Shaw does not track the small number of associates impacted.
- There were no significant changes in size, structure, ownership or supply chain in 2017.
- This 2017 report does not include restatements of information from prior reports, except where noted.
- In 2017, we had no incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling.
- In 2017, Shaw had zero incidents of non-compliance with regulations and voluntary codes concerning our marketing communications.
- Shaw had no incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of our key products across their lifecycle in 2017.
- All references to currency are in U.S. dollars.



Shaw Contract, Color at Work & Color Form Collections
Shown at WiZink (Design Is Award Winner)

AWARDS & RECOGNITION

Environmental Sustainability

- GE Ecomagination Leadership Award - Clear Path Recycling
- GE Return on Environment Award - Clear Path Recycling
- Sustainable Purchasing Leadership Council (SPLC) 2017 Purchasing Leadership Awards
 - Market Transformation Leadership Award
 - Supplier Leadership Award
- Energy Manager Today 50 - Charles Chapman, Director of Energy and Reliability Engineering
- Floor Covering News Awards of Excellence - Environmental Leadership Award
- USGBC LEED Gold: Shaw Contract - New York Showroom
- USGBC LEED Silver: Shaw Contract - Atlanta Showroom
- The Carpet and Rug Institute (CRI) Joseph J. Smrekar Memorial Award - Troy Virgo, Director of Sustainability and Product Stewardship

Social - Diversity, Philanthropy, Community

- St. Jude Children's Research Hospital 2017 Proprietary Campaign of the Year Award
- Manufacturing Institute - Women in Manufacturing STEP Ahead Awards – Shannan Billings, Global Sourcing Director of Raw Materials; Amber Holland, Director, IS Administration Systems; Danielle Lancianese, Technical Manager
- Floor Covering Weekly - GreenStep Promotion Award: Shaw's support of St. Jude Children's Hospital

Workplace / Training

- Selling Power magazine - 50 Best Companies to Sell For
- eLearning! magazine - Learning 100
- Georgia Manufacturing Extension Partnership (GaMEP) Faces of Manufacturing – Marten Hutchison, Lead Innovation Manager
- Training magazine - 2017 Training Top 125

Products and Operations

- Best of NeoCon 2017
 - Patcraft: Subtractive Layers, Flooring: Hard Surface
 - Shaw Contract: Emergence, Carpet: Modular
- Building Product Innovation Grand Award - Patcraft Subtractive Layers
- IIDA /HD (Hospitality Design) Product Design Competition 2017 - Best in Flooring - Carpet - Shaw Contract: Off the Grid
- Floor Covering Weekly ReCo Awards:
 - Top Laminate Brand
 - Top Carpet Brand
 - Top LVT Brand
 - Top Hardwood Brand
- Floor Covering News – Award of Excellence
 - Tuftex – Best Carpet Manufacturer (Group B)
 - USFloors – Best LVT Manufacturer
 - Anderson – Best Hardwood Manufacturer (Group B)
- Transport Topics - 2017 Top 100 Private Fleets



Lisa Woods, Jodi Wrenn, Design Center, Dalton, Ga.

MEMBERSHIPS & ASSOCIATIONS

- Alliance for Innovation and Sustainability
- American Society of Interior Designers
- Canada Green Building Council
- Carpet America Recovery EffortSM
- Carpet and Rug InstituteTM
- Coosa River Basin Initiative
- The Center for Green Schools
- The Center for Health Design
- ChemSec
- Cleaning Industry Research Institute
- Clean Production Action
 - BizNGO
 - GreenScreen[®] for Safer Chemicals
- The Climate Registry
- The Cradle to Cradle Products Innovation Institute
- The Conference Board[®]
- Decorative Hardwoods Association
- Emirates Green Building Council
- FIRST[®] (For Inspiration and Recognition of Science and Technology)
- Floor Covering Industry Foundation
- Georgia Association of Manufacturers
- Georgia Chamber
- Georgia Conservancy
- Great Promise Partnership
- Green Building Council Brasil
- Green Building Council of Australia
- Hardwood Federation
- Hardwood Forestry Fund
- International Interior Design Association
- International Living Future InstituteTM
- Investing in Manufacturing Communities Partnership
- Manufacture Alabama
- Masco Environments for Living[®]
- McDonough Braungart Design Chemistry
- National Association of Manufacturers[®]
- National Safety Council[®]
- National Wood Flooring Association[®]
- North American Laminate Flooring Association[®]
- Public Architecture
- Resilient Floor Covering Institute
- SCS Global Services
- St. Jude Children's Research Hospital[®]
- South Carolina Manufacturers Alliance
- Sustainable Brands[®]
- U.K. Green Building Council
- UL Environment
- U.S. Department of Energy Better Buildings[®]
- U.S. Department of Energy Better Plants[®]
- United States Environmental Protection Agency (EPA) SmartWay[®]
- United States EPA WasteWise
- United Way[®]
- U.S. Green Building Council[®]
- World Green Building Council

GRI INDEX

The Global Reporting Initiative (GRI) produces the world’s most comprehensive sustainability reporting framework to facilitate greater organizational transparency. The framework, including the reporting guidelines, sets out the principles and indicators organizations can use to measure and report their economic, environmental and social performance. This Report is organized and presented in accordance with the GRI standards, using the “Core” option.

STANDARD	INDICATOR DESCRIPTION	OMISSIONS	PAGE #
102: GENERAL DISCLOSURE			
102-1	Name of the organization.		8
102-2	Primary brands, products and services.		8
102-3	Location of organization’s headquarters.		8
102-4	Countries where the organization operates.		8
102-5	Location of organization’s headquarters.		8
102-6	Markets served (including geographic breakdown, sectors served and types of customers and beneficiaries)		8
102-7	Scale of the organization (total number of employees).		9
102-8	Information on employees and other workers.		9, 43
102-9	Supply chain.		25
102-10	Significant changes to the organization’s size, structure, ownership or supply chain.		25
102-11	The organization addresses the precautionary approach.		21, 23, 27
102-12	Externally developed economic, environmental and social charters, principles or other initiatives.		23-27
102-13	Memberships & associations.		61
102-14	CEO Letter.		5
102-15	Key topics raised by stakeholder engagement and responses.		13
102-18	Organizational governance structure.		57
102-20	Executive-level position with responsibility for economic, environmental and social topics.		17
102-40	Stakeholder groups.		13
102-41	Collective bargaining agreements.		57
102-42	Basis for identifying stakeholder groups for engagement.		13-15
102-43	Approach to stakeholder engagement.		13
102-44	Key topics raised by stakeholder engagement and responses.		13
102-45	Entities included in financial statements.		8
102-46	Process for defining report content and aspect boundaries.		57
102-47	List of material topics.		14
102-48	Restatements of information.		57



Thomas Justus, Plant HW, South Pittsburg, Tenn.



Patcraft, Mixed Materials Collection
Shown at Norfolk Southern IDEA|SPAN

STANDARD	INDICATOR DESCRIPTION	OMISSIONS	PAGE #
102-49	Changes in reporting.		57
102-50	Reporting period.		57
102-51	Date of most recent report.		57
102-52	Reporting cycle.		57
102-53	Contact point for questions regarding the report.		57
102-54	Claims of reporting in accordance with the GRI Standards.		62
102-55	GRI Content index.		62
102-56	External assurance.		57
103: MANAGEMENT APPROACH			
103-1	Internal aspect boundaries for each material aspect.		14
103-2	An explanation of how the Organization manages the topic.		21-27, 41-47
201: ECONOMIC PERFORMANCE			
201-1	Direct economic value generated and distributed.		51
203: INDIRECT ECONOMIC IMPACT			
203-1	Development and impact of infrastructure investments and services supported.		51-53
203-2	Significant indirect economic impacts, including the extent of impacts.		51-53
204: PROCUREMENT PRACTICES			
204-1	Proportion of spending on local suppliers.		25
301: MATERIALS			
301-2	Recycled input materials used.		23
302: ENERGY			
302-1	Energy consumption within the organization.		35
302-3	Energy intensity.		34
302-4	Reduction of energy consumption.		34-35
303: WATER			
303-1	Water withdrawal by source.		37
303-3	Water recycled and reused.		37

STANDARD	INDICATOR DESCRIPTION	OMISSIONS	PAGE #
305: EMISSIONS			
305-1	Direct (Scope 1) GHG emissions.		34
305-2	Energy indirect (Scope 2) GHG emissions.		34
305-4	GHG emissions intensity.		34
305-5	Reduction of GHG emissions.		34
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.		35
306: EFFLUENTS AND WASTE			
306-2	Total Weight of Waste by Type and Disposal Method.	Does not include China plant, hazardous waste (which is reported under 306-4), and nonhazardous chemical waste (due to missing data on disposal methods of this type of waste).	31
306-4	Transport of hazardous waste.		31
401: EMPLOYMENT			
401-1	New employee hires and employee turnover.		43
404: EDUCATION AND TRAINING			
404-1	Average hours of training per year per employee.	Reporting on this disclosure does not cover breakdown by region or by region or by gender or employee category. This data is currently unavailable.	47
404-2	Programs for upgrading employee skills and transition assistance programs.		47
416: CUSTOMER HEALTH AND SAFETY			
416-1	Assessment of the health and safety impacts of product and service categories.		23
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services.		57
417: MARKETING AND LABELING			
417-1	Requirements for product and service information and labeling.		27
417-2	Incidents of non-compliance concerning product and service information and labeling.		57
417-3	Incidents of non-compliance concerning marketing communications.		57

Photo Credits:

Page 32 & 36 - Donald Jones, Shaw Associate

Page 58 - 3g Office

Page 64 - IDEA|SPAN & Raftermen Photography

All Others - Jack Parker Photography



Shaw Industries Group, Inc.
616 E. Walnut Avenue Dalton, GA 30721 USA
shawinc.com/corporate-responsibility
sustainability@shawinc.com

© 2018 Shaw, a Berkshire Hathaway Company.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.