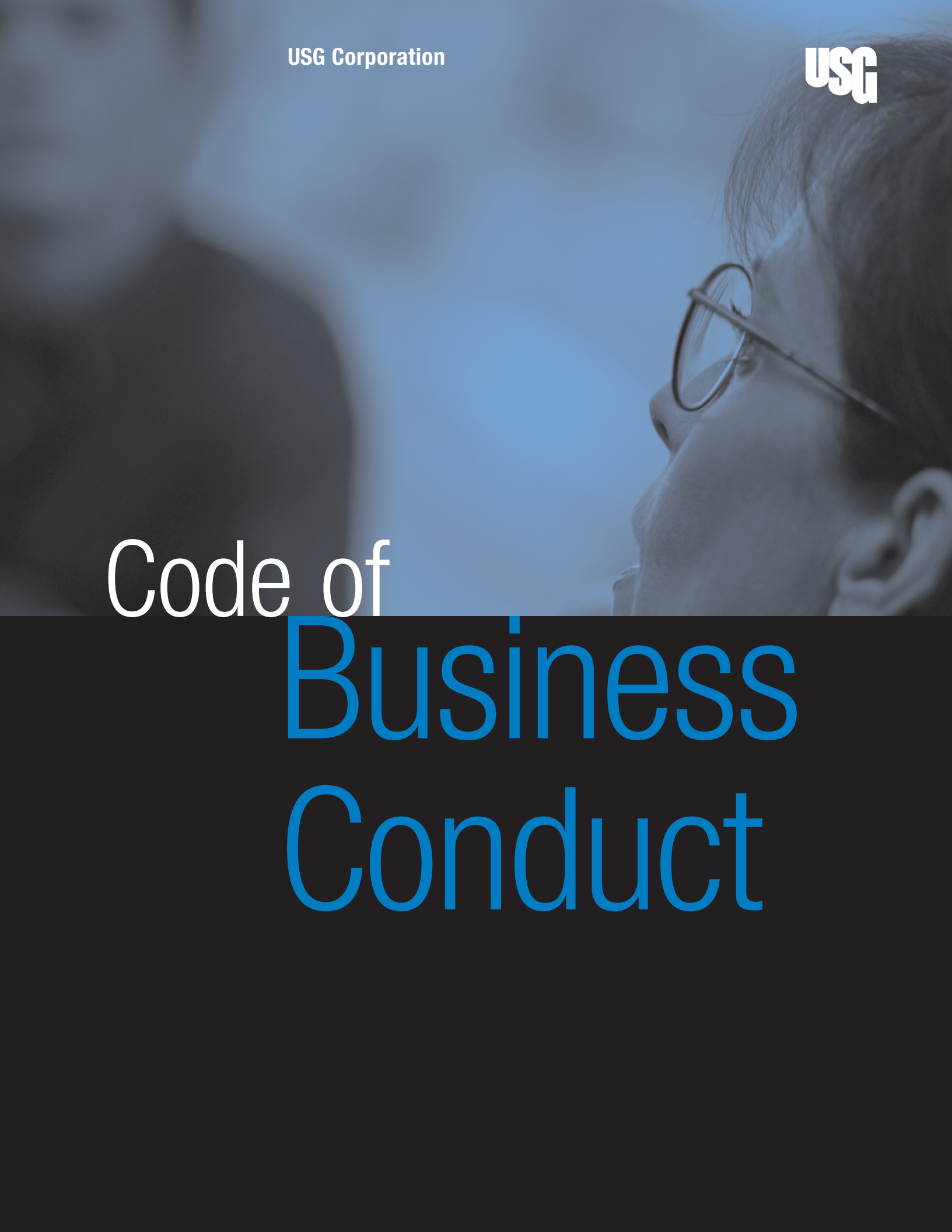


USG Corporation

A background image showing a close-up profile of a person wearing glasses, looking upwards and to the right. The image is overlaid with a blue gradient and a dark horizontal band at the bottom where the title text is located.

# Code of Business Conduct

# Contents

|   |              |
|---|--------------|
| <b>Overview</b>   | <b>3-4</b>   |
| <b>General Policies</b>   | <b>5</b>     |
| <b>Avoiding Conflicts of Interest</b>   | <b>6-10</b>  |
| Relationships with Suppliers/<br>Potential Suppliers  | 7            |
|   | 7            |
|   | 7            |
| Relationships with Customers/<br>Potential Customers  | 8            |
| Employee Outside Activities   | 8            |
| Directors and Executive Officers  | 9            |
| Reporting Conflicts of Interest   | 10           |
| <b>Protecting USG's Business Opportunities</b>  | <b>11</b>    |
| <b>Protecting Assets and Property</b>   | <b>12</b>    |
| Confidential Information  | 12           |
| Corporate Assets  | 12           |
| Prohibition Against Political Contributions<br>and Other Payments Relating to Political<br>or Government Activity | 12-13        |
| <b>Complying with Laws, Rules, and Regulations</b>  | <b>14-17</b> |
| Criminal Laws   | 14           |
| Antitrust Laws  | 15           |
| Trading in the Corporation's Securities   | 16-17        |
| Fair Dealing Laws   | 17           |
| <b>Protecting Records and Responding to Legal Process</b>   | <b>18-20</b> |
| Integrity of Financial Records  | 18-19        |
| Corporate Documents and Records   | 19           |
| Responding to Legal Process   | 19-20        |
| <b>Integrity and Quality in Our Workplace</b>   | <b>21</b>    |
| Avoiding Harassment in the Workplace  | 21           |
| <b>Reporting Questionable Conduct</b>   | <b>22</b>    |
| <b>Contact Information</b>  | <b>23</b>    |

# Overview

---

## General Policies

The mission of USG Corporation is to provide the finest building solutions to our customers worldwide. Consistent with our mission, it is the policy of USG Corporation to maintain the highest ethical standards and obey both the letter and spirit of the law.

To help our dedicated employees understand and abide by these standards, USG's Code of Business Conduct sets forth requirements applicable to all employees. Every salaried employee and hourly supervisor is required to read the full Code of Business Conduct thoroughly. If you have questions after reading the Code, address them to your supervisor or USG's Legal Department. After you have thoroughly read the Code of Business Conduct and addressed any questions, you must sign an acknowledgement of your compliance and return it to your supervisor.

Following is an overview of key points of the USG Code of Business Conduct:

---

## Avoiding Conflicts of Interest

Employees must avoid "conflicts of interest," situations where personal interests may be inconsistent with the interests of the Corporation and may interfere with the employee's objectivity in making business decisions on behalf of the Corporation. Examples that may create a conflict include:

- Receiving personal gifts from a supplier.
- Having personal financial dealings with a company that does business with us.
- Having a financial interest in a company that does business with us (excluding stock ownership in a public company, which is discussed on p. 8).

Employees also have a duty to report any situation he or she reasonably believes is or may be a conflict of interest. Some situations can be resolved by implementing appropriate controls, and the Corporation may consent to others if the conflict is minor and not likely to adversely affect our business. In all cases, the Corporation must be made aware of the facts in a timely manner to make an appropriate judgment.

---

## Protecting Corporate Business Opportunities

Employees may not use the Corporation's information or property for personal gain.

Examples of prohibited conduct include:

- Using the Corporation's property, information, or position for anything other than the business of the Corporation.
- Competing with the Corporation while an employee.

---

## Protecting Corporate Assets and Property

All employees are required to protect and not disclose confidential information they obtain while employed by the Corporation, and each employee must sign an agreement promising to protect and not disclose such information. All employees have a duty to protect the assets of the Corporation and use those assets only for legitimate business purposes.

---

## Complying with Laws, Rules and Regulations

The policy of the Corporation is to obey the letter and spirit of the law. It is the responsibility of all employees to be reasonably well informed about the laws applicable to their areas of responsibility.

# Overview

---

**Protecting the Integrity of  
Corporate Records**

Employees are responsible for ensuring that the Corporation's books and records are accurate and reliable. This is important to our investors, the continued growth and success of the Corporation, and our compliance with the law.

The Corporation is required to keep certain types of records for specific periods of time. These requirements are set forth in USG's Record Retention Directive, and all employees are expected to comply.

---

**Protecting the Integrity and  
Quality of our Workplace**

The Corporation is committed to equal employment opportunity in all areas of its business. The Corporation and its employees shall recruit, hire, train, compensate, and promote persons in all positions without regard to race, color, religion, non-disqualifying physical or mental disability, veteran status, gender, national origin, sexual orientation or age. Each employee is expected to comply with this policy of equal employment opportunity.

# General Policies

**It is the policy of USG Corporation to adhere to the highest ethical standards and obey both the letter and spirit of the law.**

USG Corporation is committed to providing the finest building solutions to our customers worldwide. This commitment reflects our core values of safety, quality, service, efficiency, innovation, integrity, and diversity. Consistent with these values, it is the policy of USG Corporation to adhere to the highest ethical standards in the conduct of our business and to obey both the letter and spirit of the laws applicable to our business.

The Corporation's ability to achieve these goals begins with our dedicated employees, who have a proud record of service to our core values. To provide continuing guidance, USG's Code of Business Conduct sets forth standards and rules applicable to all employees.

USG's Code of Business Conduct applies to all officers, directors, and employees of USG Corporation and its direct or indirect subsidiaries, wherever they do business. Some conduct standards set forth in the Code apply specifically to directors and officers. Please note that "Corporation" includes USG Corporation and all of its direct or indirect subsidiaries, and, unless otherwise noted, "employee" includes employees, officers, and directors of the Corporation.

This Code is not an all-inclusive list of permitted or required conduct. More specific standards and rules apply to such issues as antitrust compliance, document retention obligations, human resources practices, protection of confidential information, the Foreign Corrupt Practices Act, and use of the Corporation's computers. Those standards and rules are available on USG's intranet website at [www.usgconnections.com](http://www.usgconnections.com) or in hard copy from your supervisor or the Legal Department. All employees should be familiar with those standards and rules. Many additional standards and rules apply to workplace and product safety, environmental responsibility, and other important aspects of our business. Employees with responsibilities in these areas are expected to be familiar with those standards and rules, as well. This Code of Business Conduct is in addition to the obligations set forth in more specific directives.

Every salaried employee and hourly supervisor is required to read this Code of Business Conduct thoroughly. If you have questions after reading the Code, address them to your supervisor or USG's Legal Department. After you have thoroughly read the Code of Business Conduct and addressed any questions, you must sign an acknowledgement of your compliance and return it to your supervisor.

A section at the end of the Code identifies people to contact to report any suspected violation of the Code of Business Conduct or to address any subsequent questions or concerns.

Please note that this Code of Business Conduct does not in any way constitute an employment contract or an assurance of continued employment. Employees who engage in conduct in violation of this Code may be subject to disciplinary action including, where appropriate, termination of employment.

# Avoiding Conflicts of Interest

---

## General Guideline

Business decisions made by employees of the Corporation must be based on the best interests of the Corporation, and not on personal interests. Toward that end, employees must avoid “conflicts of interest,” situations where the personal interests of an employee are inconsistent with those of the Corporation and may interfere with the employee’s objectivity in making business decisions on behalf of the Corporation.

As examples, a conflict of interest may occur when an employee receives personal gifts or other gratuities from a company that does business with the Corporation. A conflict of interest may also exist when an employee (or family member) has personal financial dealings with someone who does business with the Corporation.

Every employee has a duty to report conflicts of interest, whether involving himself or herself or another employee, so that the Corporation may address the situation promptly.

---

## Avoiding and Disclosing Conflicts of Interest

There are two important aspects of dealing with conflicts of interest. The first is understanding the types of situations where a conflict of interest may exist. The second is informing the Corporation of these situations so that they may be appropriately addressed. After disclosure, some conflicts of interest can be resolved through implementing appropriate controls to protect the Corporation. Where an appropriately disclosed conflict of interest is minor and not likely to have any adverse impact on the Corporation, the Corporation may consent to the activity. But, in all cases, the Corporation must be made aware of the facts in a timely manner to make an appropriate judgment.

**No employee should be in a position in which it appears that his or her business decisions were based on personal interests and not those of USG.**

To assist employees in identifying actual or possible conflicts of interest, the Code of Conduct outlines below some of the situations where there are or may be conflicts of interest between an employee’s interests and those of the Corporation. Although no Code of Conduct can anticipate every questionable situation, each employee should keep this in mind: No employee may personally benefit from his or her position with the Corporation except through compensation received directly from the Corporation, and no employee should be in a situation where it appears that his or her business decisions were based on personal interests and not those of the Corporation. This rule applies in addition to the more specific rules outlined below.

If an employee has any doubts about the application of these standards and rules, he or she should seek clarification from management, the Internal Audit Department, or the Legal Department.

The ways to report an actual or potential conflict of interest are provided at the end of this section.

---

**Conflicts of Interest in Supplier or Potential Supplier Relationships**

**Gifts or Gratuities**

- An employee (or family member) shall not accept gifts from any individual, company, or organization that does (or seeks to do) business with the Corporation, except that promotional or other gifts of nominal value are acceptable so long as they are consistent with generally accepted business practices in the industry.
- An employee (or family member) shall not accept the free use of any vehicle, merchandise, or other product from any individual, company, or organization that does (or seeks to do) business with the Corporation. However, products submitted to authorized buyers, product managers, or research personnel for legitimate testing are not included in this prohibition.
- An employee (or family member) shall not accept or receive free or discounted goods or services from an individual, organization, or company that does (or seeks to do) business with the Corporation, other than on terms available to the general public.

If an employee receives an inappropriate gift or gratuity in a situation where he or she reasonably believes it would be harmful to business relations to refuse or return the item, the employee shall promptly report the matter to his or her supervisor. The supervisor shall promptly report the matter in writing to Internal Audit or the Legal Department, which shall decide on the disposition of the gift or gratuity.

Under no circumstances shall an employee accept personal monetary payments from any individual, organization, or company that does (or seeks to do) business with the Corporation.

**Entertainment and Travel**

Employees may accept entertainment (such as an occasional ticket to a sporting event or a meal) from third parties that do (or seek to do) business with the Corporation so long as the entertainment provided is consistent with generally accepted business practices in the industry. An employee may accept travel and lodging for business events if approved by the employee's supervisor.

However, in no case shall an employee accept gifts, entertainment, travel, lodging, or anything else of value from a supplier or potential supplier if the amount or frequency involved is excessive or the situation would reasonably be viewed as obligating the employee or the Corporation to do something in exchange. Employees shall not *solicit* gifts, entertainment, travel, lodging, personal monetary payments, or any other gratuity.

**Personal Financial Dealings**

An employee (or family member) shall not have personal financial dealings with, or a financial interest in, any company, individual, or other entity that does (or seeks to do) business with the Corporation, unless these dealings are disclosed in writing to the Corporation and approved in writing by the Corporation. If a family member of an employee works for a company that does business with the Corporation, that employment should be disclosed in writing to the Corporation.

# Avoiding Conflicts of Interest

In addition, an employee (or family member) shall not accept a loan from any individual, organization, or company that does (or seeks to do) business with the Corporation, other than on terms available to the general public.

As an exception to these rules, an employee (or family member) may receive dividends or other financial gain from ownership of the securities of large, publicly traded companies that do business with the Corporation, and such ownership and benefits do not need to be reported to the Corporation. This exception does not apply to the Corporation's directors, officers, or employees in a position to influence business dealings with the company at issue, where (a) such person's direct or indirect interest in the company would reasonably be viewed as being significant to that person, and (b) the amount of business done between the company and the Corporation is significant. In such situations, the interest must be disclosed and approved by the Corporation.

## **Conflicts of Interest in Customer or Potential Customer Relationships**

The same conflict of interest standards that apply to supplier relationships also apply to customer relationships. As examples, employees should never offer or give anything of value to a representative of a customer or potential customer that would appear to improperly influence that person or would violate the policies of the recipient's organization. Except as noted above with regard to securities ownership, employees shall not have personal financial dealings with, or a financial interest in, customers of the Corporation unless those dealings are disclosed in writing to the Corporation and approved in writing by the Corporation. Employees shall never offer or provide kickbacks or bribes under any circumstances.

Also, employees should not give gifts or provide entertainment or travel to any government official without obtaining approval in advance from the Legal Department. (For additional information regarding dealings with government officials, see "Prohibition Against Political Contributions and Other Payments Relating to Political or Government Activity," below.)

## **Conflicts of Interest in an Employee's Outside Activities**

**Employees should be aware of situations in which their personal activities may conflict with the interests of the Corporation.**

The Corporation respects the right of every employee to use his or her personal time for social, political, spiritual, or economic activity of the employee's choice. But employees should make it clear that their views and actions are not those of the Corporation.

Although the Corporation makes every effort to respect what an employee does in his or her personal life, there are occasions where conflicts will arise between an employee's personal activities and the interests of the Corporation. Generally, these situations arise when an employee has involvement with other companies or groups whose activities impact the business of the Corporation. To guard against these conflicts, an employee should not do any of the following without obtaining prior written approval from USG's Legal Department:

- Serve on the board of another company or a government agency;
- Accept compensation from or have personal business dealings with a competitor of the Corporation;
- Participate in activities of a group where the activities or the group itself have a direct impact on the business of the Corporation; or

- 
- Participate in activities of a group where the activities or the group itself are inconsistent with the Corporation’s policies or values.

If an employee has any questions about any such activities, he or she should consult USG’s Legal Department.

The Corporation reserves the right to determine whether an employee’s outside activities are not consistent with the Corporation’s best interests. If, after such determination and an appropriate discussion, an employee continues to engage, directly or indirectly, in such activities, the Corporation reserves the right to terminate the employee’s employment with the Corporation.

---

**Conflicts of Interest Specifically  
Relating to Directors and  
Executive Officers**

There are specific conflict of interest standards that apply to directors of USG Corporation. The directors of USG Corporation may be connected with other organizations with which the Corporation has business dealings from time to time. Under the Corporation’s Corporate Governance Guidelines, it is the responsibility of each director to advise the Corporation of any affiliation with public or privately held businesses or enterprises that may create a potential conflict of interest, potential embarrassment to the Corporation, or possible inconsistency with the Corporation’s policies or values. The Corporation annually solicits information from its directors in order to monitor potential conflicts of interest, and no director of USG Corporation shall vote on any transaction in which the director, or the organization with which the director is connected, is interested.

In addition, it is a violation of federal law for the Corporation, with some exceptions, to directly or indirectly extend or maintain credit, or renew an extension of credit, in the form of a personal loan to or for any director or executive officer of the Corporation.

# Avoiding Conflicts of Interest

## Reporting Conflicts of Interest

Employees must report to the Corporation any situations where the employee reasonably believes that there is or may be a conflict of interest, whether the conflict applies to the reporting employee or any other employee of the Corporation. Disclosure of conflict of interest situations is critical to the Corporation. If an employee has any doubt about whether to disclose a conflict of interest situation, he or she should err on the side of disclosure.

There are several ways to report conflicts of interest:

**Employees must report any situation they reasonably believe is or may be a conflict of interest.**

All salaried employees and hourly supervisors are required to disclose actual or potential conflicts of interest in which they may be personally involved in an annual certification reviewed by the Internal Audit Department of the Corporation. In addition, certain management employees are required to disclose actual or potential conflicts of interest by quarterly certifications. Employees who complete these certifications should also promptly report in writing to the Internal Audit Department any of the conflict of interest situations described in this Code of Conduct that arise during the period between certifications. Any certifying employee who has information about an actual or potential conflict of interest involving another employee should report this information to the Internal Audit Department or the Legal Department.

Employees who do not file these annual or quarterly certifications should report actual or potential conflicts of interest, whether involving the employee or another employee, to the reporting employee's supervisor or local Human Resources manager or, if the employee prefers, to the Internal Audit Department or the Legal Department. Any supervisor or manager who receives such a report should promptly disclose the information in writing to the Internal Audit Department or the Legal Department. The supervisor or Human Resources Manager is also encouraged to notify his or her own supervisor of this information.

If an employee prefers, conflicts of interest regarding the Chief Executive Officer, senior financial officers, or other officers or directors may be reported in writing to the Board of Directors at the address published on the Corporation's website at [www.usg.com](http://www.usg.com) or provided in the last section of this Code.

The Corporation will not tolerate any retaliation against an employee who in good faith reports an actual or potential conflict of interest regarding another employee.

Conflict of interest situations will be addressed by USG's Internal Audit Department, USG's Legal Department, USG's Human Resources Department, and, where appropriate, senior management. In certain situations where the conflict of interest involves the Corporation's executive officers or directors, the situation will be addressed by USG Corporation's Board of Directors or designated committee.

Employees who engage in conduct in violation of these standards and rules may be subject to disciplinary action, including termination.

# Protecting USG's Business Opportunities

---

## **General Guideline**

Consistent with each employee's duty to act in the interests of the Corporation, an employee may not use the Corporation's information or property for personal gain. Examples of conduct in violation of this guideline include:

- Using the Corporation's property, information, or position for anything other than the business or benefit of the Corporation, unless specifically authorized.
- Competing with the Corporation while employed by the Corporation.
- Competing with the Corporation using the Corporation's trade secrets or other confidential information obtained while an employee of the Corporation.

# Protecting Assets and Properties

## General Guideline

All employees are required to protect and not disclose confidential information they obtain while employed by the Corporation. All employees have a duty to protect the Corporation's assets and use those assets only for legitimate business purposes.

## Confidential Information

**Employees must protect the Corporation's confidential information.**

All employees are required to protect and not disclose confidential information they obtain while employed by the Corporation, and each employee must sign an agreement promising to protect and not disclose such information. Confidential information includes all non-public information, such as trade secrets, trademarks, patents, know-how, and other intellectual property, that might be of use to competitors or, if disclosed, harmful to the Corporation or its customers. This includes confidential information developed by the Corporation, as well as confidential information obtained from the Corporation's business partners, suppliers, customers, or others related to the Corporation's business. Confidential information may not be disclosed, except where disclosure is authorized in writing by the Corporation or required by law.

More specific standards and rules regarding disclosure and use of non-public information that may affect the market for or price of the Corporation's stock or other securities appear in "Trading in the Corporation's Securities" in this Code of Business Conduct.

## Corporate Assets

All employees have a duty to protect the assets of the Corporation. The Corporation's assets include property, hardware, software, supplies, materials, information, and intellectual property. Corporate assets should be used only for legitimate business purposes. Personal use of the Corporation's assets without permission is prohibited. Specific rules apply to the use of the Corporation's computers, hardware, software, and email systems, and these rules are set forth in USG's Electronic Communications Policy.

## Prohibition Against Political Contributions and Other Payments Relating to Political or Government Activity

**Political contributions by corporations are highly regulated and must never be made without express written consent of the General Counsel.**

- Corporation funds or assets shall not be used for:
- Political contributions or reimbursing others for such contributions, unless approved in writing and in advance by the General Counsel of USG Corporation.
  - Making payments as kickbacks or bribes.
  - Any unlawful purpose.

Federal law generally prohibits corporate contributions to any political candidate, party, or committee in connection with a federal election. Political contributions may include donations of money or property to any political activity, as well as reimbursements (whether in the form of compensation, donation, or loan) to an employee for time or money spent on any political activity. Political activity includes any action to oppose or support a political party, committee, or candidate.

Political contributions not prohibited by law may be permissible under certain circumstances, but in all cases contributions must be approved in writing and in advance by the General Counsel of USG Corporation.

---

Lobbying activity on behalf of the Corporation is permissible but highly regulated by law. Any lobbying activities on behalf of the Corporation should be approved by the General Counsel of USG Corporation.

Specific laws prohibit the Corporation from making payments to foreign officials to influence their actions or decisions. These laws, contained in the Foreign Corrupt Practices Act, are complex, and not all payments to foreign officials are considered illegal. Any employee involved in making decisions about payments to foreign officials or governments should be familiar with the Foreign Corrupt Practices Act standards and rules (which are available on USG's intranet website at [www.usgconnections.com](http://www.usgconnections.com)) and should consult the Legal Department before making any such payments.

Employees may not disguise prohibited payments or contributions in the books and records of the Corporation. (See "Protecting the Integrity of Financial Records" in this Code of Business Conduct.) If an employee has any questions concerning the legality or propriety of contributions or payments described in this section, he or she should contact USG's Legal Department.

# Complying with Laws, Rules, and Regulations

## General Guideline

It is the Corporation's Policy is to obey the letter and spirit of the law. We recognize that many laws, rules, and regulations apply to the business of the Corporation, and not all are precisely worded or easy to understand and apply. Nevertheless, it is the responsibility of all employees to be reasonably well informed about the laws applicable to their areas of responsibility and to make informed, good faith efforts to comply.

In addition to this general rule, described below are laws relating to specific subjects affecting the business of the Corporation.

## Criminal Laws

No matter what an employee's job is with the Corporation, there is a good chance that some aspect of it is regulated by a federal or state law having criminal penalties. The number of such laws governing business activities is growing. Individual employees can be held accountable, both by the government and the Corporation, for willful violations.

**It is our duty to be reasonably well-informed about the laws that apply to our areas of responsibility.**

The following are only some examples of applicable criminal laws that carry penalties including fines and/or jail sentences:

- In the antitrust area, acts such as price-fixing, division of markets among competitors, and concerted action to boycott are classified as felonies.
- Under the securities laws, it is a crime to make a materially false or misleading statement in any filing with the Securities and Exchange Commission, or to willfully buy or sell stock based on "insider information."
- The Consumer Products Safety Act declares that any knowing or willful violation of a product standard or any order of compliance is a crime.
- The Occupational Safety and Health Act provides for criminal liability in the event of any willful violation of a standard, rule, or order after the government agency has given proper notice, particularly if the violation results in a death.
- Under the Corporate and Criminal Fraud Accountability Act, it is a crime to destroy or alter records with the intent to obstruct or influence the investigation or administration of any matter under the jurisdiction of a U.S. agency or department, or in contemplation of any such matter.

The Corporation is prohibited by law from indemnifying employees against fines, other criminal penalties, or litigation expenses if they result from a willful crime. It is the policy of the Corporation, subject to approval by the Board of Directors, to indemnify directors, officers, and employees who are named defendants in litigation to the extent and in the manner provided by Delaware law. This policy permits payment of attorneys' fees and other costs of defense in both civil and criminal actions, including criminal cases where the individual is found guilty but acted in good faith or in a manner the individual reasonably believed to be in the best interests of the Corporation, and where the individual had no reasonable cause to believe his or her conduct was unlawful. Even if these tests are met, the courts may prohibit any reimbursement for fines levied against the individual.

---

**Antitrust Laws**

The Corporation competes aggressively on the basis of superior products, service, and customer satisfaction, and not through practices prohibited by the antitrust laws. Specific standards and rules relating to antitrust compliance are set forth in USG's Antitrust Compliance Policy, and all employees involved in marketing or selling our products should thoroughly read the Policy. This Code of Business Conduct focuses on two aspects of antitrust compliance:

**No employee should ever discuss our prices, costs, or customers with a competitor.**

**Contacts with Competitors**

Whenever possible, employees should avoid contact with the employees or representatives of any competitor of the Corporation. This general rule applies to all USG employees but is particularly important to those involved in marketing or selling our products. Any discussion with a competitor relating to prices, customer activities, business cycles, or other marketing matters should be avoided. Even casual comments on these subjects might be overheard and misinterpreted.

Ordinary social contacts with employees or representatives of a competitor are not prohibited. However, employees must take care that such contacts are not transformed into prohibited business discussions about competitive matters.

**Membership in Trade Associations**

Generally, any trade association of interest to the Corporation will fall into one of three broad categories:

- Associations of competitors, including industry organizations such as the Gypsum Association, as well as logistics and credit organizations.
- Associations of customers and suppliers.
- Conglomerate associations, such as the Chamber of Commerce, National Association of Manufacturers, Kiwanis, etc.

No new memberships in associations of competitors, customers, or suppliers should be undertaken without prior evaluation by the Legal Department. Legal Department review is not required for conglomerate association membership. Each employee involved in a trade association must be familiar with USG's Antitrust Compliance Policy, and, if an employee's trade association activities bring him or her into contact with competitors of the Corporation, the employee should comply with the provisions of this Code of Business Conduct and USG's Antitrust Compliance Policy.

# Complying with Laws, Rules, and Regulations

## Trading in the Corporation's Securities

Securities laws regulate the public disclosure of information that might affect the price of the Corporation's stock or influence a reasonable investor's decision to buy, sell, or hold the Corporation's stock. The securities laws refer to this type of information as "material" information. The securities laws generally prohibit employees from buying or selling the Corporation's stock based on nonpublic material information. "Nonpublic" material information is material information that has not been adequately disclosed to the investing public through, for example, a press release or filing with the Securities and Exchange Commission.

Just a few examples of information that may be considered "material" include:

- Current earnings
- Proposed changes in dividends
- Proposed stock splits
- Acquisition or divestiture proposals
- New product developments
- Developments in important litigation
- Major plant closings

**Employees who have nonpublic, material information about the Corporation should not disclose this information to third parties, including family members.**

Employees who have nonpublic, material information about the Corporation should not disclose this information to third parties, including family members, without the express consent of a senior financial officer or the General Counsel of USG Corporation. Because the securities laws regulate the disclosure of material information, only authorized employees should speak to stock market firms, market analysts, researchers, or the press about matters relating to the Corporation, its businesses, or the markets in which we operate, whether or not those matters are considered confidential.

| <b>Inquiries from ...</b>       | <b>Are referred to ...</b>           |
|---------------------------------|--------------------------------------|
| Government officials            | General Counsel of USG Corporation   |
| Securities market professionals | Director of Investor Relations       |
| The press                       | Director of Corporate Communications |

Employees who have nonpublic, material information about the Corporation should not trade in the securities of the Corporation until the second business day after public disclosure by the Corporation of the material information.

These standards and rules apply to all employees of the Corporation, regardless of title or function. Violating these standards and rules could lead to a civil fine for the employee or the Corporation in an amount up to three times the profit gained, or loss avoided, by trading on nonpublic, material information. Violations could also lead to lawsuits against the employee and the Corporation for money damages and to investigations and possible unfavorable action by the Securities and Exchange Commission or the New York Stock Exchange.

---

Additional and more restrictive securities rules apply to officers of the Corporation and the directors of USG Corporation. Details about these rules have been distributed to these parties.

Securities rules and regulations are complex and the penalties for violations can be severe. This overview is not intended to be personal legal advice to any employee, but, rather, to provide guidance to our employees to ensure that the Corporation complies with its obligations under the securities laws. Please contact the General Counsel or the Corporate Secretary with any questions about these standards and rules.

---

**Fair Dealing Laws**

Employees should not take unfair advantage of third parties through fraud, abuse of privileged or confidential information, or any other unfair dealing practice prohibited by law.

# Protecting Records and Responding to Legal Process

## General Guideline

Employees are responsible for ensuring that the Corporation's books and records are accurate and complete. This is important to our investors, the continued growth and success of the Corporation, and our compliance with the law. The Corporation also is required to maintain certain types of records for specific periods of time. These requirements are set forth in USG's Record Retention Directive, and all employees are expected to comply.

## Integrity of Financial Records

It is vital that the Corporation's financial records are accurate and complete and that financial information is factually reported. Under federal law, the Corporation's chief executive officer and chief financial officer must certify quarterly to the Securities and Exchange Commission that financial and other information contained in the Corporation's quarterly and annual reports is accurate and complete.

**Employees are responsible for ensuring that the Corporation's books and records are accurate and reliable.**

Employees are responsible for ensuring that the Corporation's books and records are accurate and reliable, and employees are expressly prohibited from:

- Falsifying Corporation records and expense reports, including disguising payments or any other transactions by false or fictitious entries.
- Fraudulently handling the Corporation's funds or property.
- Establishing any undisclosed or unrecorded fund or asset of the Corporation for any purpose, or improperly or inaccurately recording any such fund or asset.
- Making a payment with the understanding that any part of it is to be used for a purpose other than as described in the Corporation's books and records.
- Aiding anyone in doing any of the foregoing.

It is a violation of federal law and Corporation policy to fraudulently influence, coerce, manipulate, or mislead the Corporation's accountants engaged in performing an audit of the Corporation's financial statements for the purpose of rendering such financial statements materially misleading.

Reporting information about financial irregularities is essential to prevent and correct inaccuracies and to ensure that the Corporation complies with its reporting obligations. An employee who has information that the Corporation's financial records have been falsified or are misleading should promptly report this information to USG's Internal Audit Department or Legal Department. If the employee prefers, this information may be communicated in writing to the Chair of USG's Audit Committee at the address published in the Corporation's website at [www.usg.com](http://www.usg.com).

The Corporation will not tolerate any retaliation against an employee who in good faith reports such irregularities. Further, it is a crime for a company or any of its employees to retaliate against an employee because the employee provided to proper authorities information the employee reasonably believed related to fraud against the company's shareholders.

---

If the Corporation discovers willful irregularities in its books and records, the Corporation will seek appropriate redress. In cases where it is warranted, criminal prosecution will be considered.

---

**Corporate Documents and Records**

The Corporation's records are important assets. Corporate records include essentially all documents created by the Corporation's employees or other representatives over whom the Corporation has control, whether those documents are in paper or electronic form.

**Employees must be aware of and comply with USG's record retention obligations and guidelines.**

The Corporation is required to maintain certain types of records for specific periods of time. Failure to maintain records as required could subject the Corporation to penalties and fines, place the Corporation in contempt of court, or seriously disadvantage the Corporation in legal proceedings. The rules regarding retention of specific types of records and disposal of records that are no longer needed are set forth in USG's Record Retention Directive, and all employees are expected to comply.

Specific guidelines apply to records that may be relevant to an anticipated or pending legal dispute or government investigation. All such records must be retained and not destroyed unless and until an attorney in USG's Legal or Human Resources Department advises that the records no longer need to be retained. This overrides any other record retention rule or guideline. Under federal law, it is a crime to destroy or alter records with the intent to obstruct or influence the investigation or administration of any matter under the jurisdiction of a United States agency or department, or in contemplation of any such matter.

Any employee who believes that corporate records may be relevant to a threatened or pending legal proceeding or government investigation, or has any questions about whether this record retention rule should apply, should contact USG's Legal Department.

---

**Responding to Legal Process**

**Any employee who receives a legal paper, such as a lawsuit, summons, or wage deduction order, should immediately contact the Legal Department.**

Employees may be contacted by an outside attorney or served with legal papers. In such a situation, the employee should follow these rules:

- Do not communicate with, or send documents to, any outside attorney without prior approval from an attorney in USG's Legal or Human Resources Department. If contacted by an outside attorney, direct such inquiry to an attorney in the Legal or Human Resources Department.
- Do not provide, or agree to provide, "expert" or other testimony in lawsuits in which the Corporation is not a party, without prior approval of your supervisor and the Legal Department.
- If the employee or someone in his or her office is served with a legal paper such as a subpoena, summons, complaint, notice, or wage deduction order, the employee should notify both his or her supervisor and the Legal Department immediately. Time is extremely important in these circumstances, so notice to the Legal Department should be communicated by telephone the same day the paper is received.

# Protecting Records and Responding to Legal Process

---

If the contact or legal paper involves an employment or labor matter, the employee may contact an attorney in USG's Human Resources Department or direct the inquiry to that attorney.

Employees may also be contacted by government inspectors or investigators. If the contact is by letter, notify the Legal Department immediately. If the contact is by telephone, the full identity of the caller and his or her stated purpose should be obtained, and the Legal Department should be consulted before any further conversation takes place. If the contact is by an unscheduled or unannounced visit to a facility of the Corporation, the full identity of the visitor and his or her stated purpose should be obtained, and the Legal Department should be consulted at the first opportunity, preferably before any further conversation takes place. If the contact relates to an employment or labor matter, the employee may contact an attorney in USG's Human Resources Department.

Visits by police officers to facilities of the Corporation fall into a different category. Employees shall cooperate fully with police officers visiting to question employees or apprehend specific individuals. A report should be made to the Legal Department and the Human Resources Department simultaneously with such cooperation.

# Integrity and Quality of Our Workplace

---

## General Guideline

The Corporation is committed to equal employment opportunity in all areas of its business and all employees are expected to honor this commitment. The Corporation and its employees shall not unlawfully discriminate against any employee or applicant for employment. The Corporation and its employees shall make all employment decisions and offer terms and conditions of employment without regard to prohibited factors including race, gender, color, religion, non-disqualifying physical or mental disability, veteran status, national origin, sexual orientation or age. Each employee is expected to comply with this policy of equal employment opportunity.

## Avoiding Harassment in the Workplace

The Corporation wants to provide a work environment that encourages job satisfaction and the opportunity for personal and professional growth. Recognizing that individual achievements and contributions to the organization are directly related to the quality of employee worklife, the Corporation is committed to maintaining a workplace free of distractions involving matters that do not relate to the Corporation's business. Toward that end, the Corporation will not tolerate sexual or other harassment, whether through words (spoken or written) or conduct.

The Corporation has more detailed standards and rules relating to these issues that are available on the Corporation's intranet website at **[www.usgconnections.com](http://www.usgconnections.com)** (in the Human Resources section) or may be obtained from your supervisor, local Human Resources Manager, or the Human Resources Department.

Employees are expected to promptly and accurately report any violations of the Corporation's policies on these issues to the employee's supervisor or local Human Resources Manager, in accordance with Employee Complaint Resolution and Quality of Worklife Procedures. Any employee who feels that he or she cannot discuss these issues with their supervisor or local Human Resources Manager should contact the Vice President of Human Resources of the appropriate subsidiary. The problem will be immediately investigated and appropriate action, including discipline and/or discharge when warranted, will be taken. Employees shall not be discriminated or retaliated against for reporting such behavior.

# Reporting Questionable Conduct

\* Concerns about safety issues should be reported through normal channels or by contacting our Safety Director at 312.436.4001 or visiting <http://www.usgconnections.com/Safety/>. Concerns about human resources matters or quality of worklife issues should be reported through normal channels cited in USG's "Complaint Resolution Procedure" or the "Quality of Work Life Policy" posted on USGConnections under the "I need to know" HR icon called "HR Information—HR Policies" section.

It is the duty and responsibility of every employee to report conduct he or she reasonably believes is or may be a violation of USG's Code of Business Conduct. The Corporation will not tolerate retaliation against any employee who performs his or her reporting obligations under the Code.

The Corporation will investigate all matters reported under the Code and will take appropriate corrective and/or disciplinary action, including termination. All employees have an obligation to cooperate in the investigation of any alleged violation of the Code of Conduct.

Listed below are issues addressed in the Code and the persons you should contact to ask questions or report violations. Their contact information appears at the end of this document. In addition to contacting the listed individuals, you may also use our confidential hotline (the Business Ethics Alert System) to report any concerns or complaints about violations of our Code involving fraud, theft, conflicts of interest, inappropriate payments, other financial or accounting irregularities, or violations of the antitrust laws, the securities laws, the Foreign Corrupt Practices Act, or our confidentiality obligations. Our hotline is run by an independent third party, called **MySafeWorkplace**. You may reach the hotline at 800.461.9330 (720.514.4400, outside the U.S.) or by visiting [www.mysafeworkplace.com](http://www.mysafeworkplace.com).\*

|   |   |
|---|---|
| <b>Initial Questions before Signing Acknowledgement of Compliance</b>   | Employee supervisor<br>Legal Department (Mary A. Martin)  |
| <b>Conflicts of Interest</b>  | Internal Audit Department (William A. Grady) or Legal Department (Mary A. Martin)<br>Board of Directors or designated Board committee, where the issue involves a senior financial officer, other executive officer, or director<br>Local supervisor or Human Resources manager (for employees who do not file annual certifications) |
| <b>Political Contributions, Payments to Government Officials / Lobbying Activities</b>  | General Counsel (Stanley L. Ferguson)   |
| <b>Complying with Laws, Rules, and Regulations, including Trading in the Corporation's Securities and Complying with Antitrust Laws</b> | General Counsel (Stanley L. Ferguson) or Corporate Secretary (Ellis A. Regenbogen), where the issue involves trading in the Corporation's securities<br>Any attorney in the Corporation's Legal Department, for all other inquiries   |
| <b>Financial Records</b>  | Internal Audit (William A. Grady)<br>Legal Department (Ellis A. Regenbogen, Mary A. Martin, or Stanley L. Ferguson)<br>Audit Committee  |
| <b>Protecting Corporate Documents and Records</b>   | Legal Department (Mary A. Martin)   |
| <b>Responding to Legal Process</b>  | Legal Department (Mary A. Martin)<br>Attorney in Human Resources Department (Paul R. Haney), where an employment or labor matter is involved<br>Yvonne Owens, Sr. Manager, Employee Relations and Corporate Labor Counsel, USG Corporation  |
| <b>Protecting the Integrity and Quality of Our Workplace</b>  | Supervisor, Local Human Resources Manager, Vice President of Human Resources  |
| <b>Any Questionable Situation Involving an Officer or Director of the Corporation</b>   | Legal Department (Stanley L. Ferguson or Ellis A. Regenbogen) or Board of Directors   |

# Contact Information

---

**Legal Department****Stanley L. Ferguson**

Executive Vice President and General Counsel  
(312) 436-5387  
sferguson@usg.com

---

**Ellis A. Regenbogen**

Associate General Counsel – Corporate  
and Corporate Secretary  
(312) 436-5978  
eregenbogen@usg.com

**Mary A. Martin**

Associate General Counsel – Litigation  
(312) 436-5363  
mamartin@usg.com

---

**Internal Audit****William A. Grady**

Director, Internal Audit  
(312) 436-5555  
wgrady@usg.com

---

**Human Resources****Kevin J. Corrigan**

Vice President, Human Resources  
L&W Supply  
(312) 436-5413  
kcorrigan@usg.com

**Paul R. Haney**

Director, Employee Relations,  
Chief Labor Counsel  
and Vice President Human Resources  
USG International  
(312) 436-5447  
phaney@usg.com

**Greg S. Puchalski**

Vice President, Human Resources  
Building Systems  
(312) 436-4390  
gpulchalski@usg.com

---

**Board of Directors****Board of Directors or Audit Committee**

c/o Ellis A. Regenbogen  
Associate General Counsel  
and Corporate Secretary  
USG Corporation  
550 West Adams Street  
Chicago, IL 60661-3676



USG Corporation  
P.O. Box 6721  
Chicago, IL 60680-6721

X1051/rev. 1-08  
© 2008, USG Corporation  
Printed in U.S.A.  
Printed on recycled paper.