Sherwin-Williams is committed to a continuous process of improvement including addressing material issues that we as a company — and our stakeholders — believe are important. The following process was used to evaluate materiality for Sherwin-Williams.

Members of the Sherwin-Williams sustainability work group — who represent Sherwin-Williams various business units and also have frequent interaction with a diverse selection of stakeholder groups — participated in the evaluation process. The work group members served as proxies for the stakeholders with whom they interact.

The list of topics being evaluated was reviewed and modified incorporating industry standard guidelines such as the Global Reporting Initiative. Once issues were identified, a survey of all members was conducted and each topic was rated both for its potential impact on Sherwin-Williams as well as likely stakeholder concerns or influence when making decisions to do business with or invest in Sherwin-Williams.

The chart (right) presents the topics which were determined to have the potential to have a significant impact on Sherwin-Williams or a topic that could create a potential significant concern for stakeholders decisions. Policies and programs are in place to monitor the issues identified here. In many cases, improvement goals for certain issues have been set and are tracked. As appropriate, Sherwin-Williams provides metrics for issues being tracked — many of which are in this report. Sherwin-Williams most recent materiality determination process evaluation was conducted in the first quarter of 2017.

**Identify**

**Group**

**Rank**

**Prioritize**

**High Impact / High Concern**
- Business Ethics
- Product Quality
- Product Safety

**High Impact / Significant Concern**
- Regulatory Compliance
- Significant Spills and Releases

**Significant Impact / High Concern**
- Sherwin-Williams Business Performance
- Stock Performance

**Significant Impact / Significant Concern**
- Anti-corruption Policy
- Anti-trust / Anti-Monopoly Practices
- Child Labor
- Community-Safety
- Compelling, Differentiated, Sustainable Recognized Brands
- Customer Support
- Employment
- Fair Employment Practices (including hiring and promoting)
- Forced or Compulsory Labor
- Guiding Values

**Moderate Impact / Significant Concern**
- Security Practices
- Volatile Organic Compound Emissions (from customers using our products )

**Significant Impact / Moderate Concern**
- Diversity / Equal opportunity
- Employee Benefits
- Energy Usage within Sherwin-Williams
- Human and Labor Rights (at Supplier Locations)
- Labor/Management Relations
- Local Senior Management
- Training and Education
- Volatile Organic Compound Emissions (from Manufacturing)
- Wages
- Workplace – Security

**Significant Impact / Low Concern**
- Hazardous Waste
- Human and Labor Rights (at Sherwin-Williams facilities)
- Non-discrimination
- Occupational Health and Safety
- Raw Materials (usage, waste, conservation, recycling, availability)

**Significant Impact / Low Concern**
- Anticorruption Policy
- Anti-Trust / Anti-Monopoly Practices
- Child Labor
- Community-Safety
- Compelling, Differentiated, Sustainable Recognized Brands
- Customer Support
- Employment
- Fair Employment Practices (including hiring and promoting)
- Forced or Compulsory Labor
- Guiding Values

**Moderate Impact / Low Concern**
- Diversity / Equal opportunity
- Employee Benefits
- Energy Usage within Sherwin-Williams
- Human and Labor Rights (at Supplier Locations)
- Labor/Management Relations
- Local Senior Management
- Training and Education
- Volatile Organic Compound Emissions (from Manufacturing)
- Wages
- Workplace – Security

**Low Impact / Low Concern**
- Hazardous Waste
- Human and Labor Rights (at Sherwin-Williams facilities)
- Non-discrimination
- Occupational Health and Safety
- Raw Materials (usage, waste, conservation, recycling, availability)

**Low Impact / Low Concern**
- Anticorruption Policy
- Anti-Trust / Anti-Monopoly Practices
- Child Labor
- Community-Safety
- Compelling, Differentiated, Sustainable Recognized Brands
- Customer Support
- Employment
- Fair Employment Practices (including hiring and promoting)
- Forced or Compulsory Labor
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**Low Impact / Low Concern**
- Diversity / Equal opportunity
- Employee Benefits
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