

Investor Download

Topic	Metric	2016	2017 ¹	2018
General				
Company	Total Employees	48,638	58,959	59,582
	Total Employees (Full-Time Equivalent)	42,550	52,695	53,368
	Net Sales (Thousands)	\$11,855,602	\$14,983,788	\$17,534,493
	Total Shareholder Return	<i>See Page 5 for Shareholder Return</i>		
	Number of Sites (includes manufacturing/distribution sites and global stores, branches and blending facilities)	4,880	5,132	5,345
Environmental				
General Environmental	ISO 14001 Certified Sites ² - # (%)	29 (39.7%)	45 (34.1%)	47 (36.72%)
	Environmental Management Policy	Global Environmental, Health, and Safety Policy		
Air Emissions and Climate Change	Scope 1 (Direct CO ₂) GHG Emissions (metric tons CO ₂ e)	270,867	446,796	482,017
	Scope 1 GHG Emissions Intensity (metric tons CO ₂ e/\$million sales)	22.85	29.82	27.49
	Scope 2 (Indirect CO ₂) GHG Emissions (metric tons CO ₂ e)	298,715	390,586	322,436
	Scope 2 GHG Emissions Intensity per Sales (metric tons CO ₂ e/\$million sales)	25.196	26.067	18.39
	Total CO ₂ Emissions (metric tons CO ₂ e)	569,582	837,382	804,453
	Total GHG Emissions Intensity per Sales (metric tons CO ₂ e/\$million sales)	48.043	55.886	45.88
	Scope 3 Emissions from Business Travel (metric tons CO ₂ e) ³	10,189	8,475	16,593
	Emission Reduction Targets	Yes	Reduce GHG by 5.9% per 100 lb. produced by 2020 (2017 baseline).	Reduce GHG by 5.9% per 100 lb. produced by 2020 (2017 baseline).
	Climate Change Policy	Yes	Yes	Yes
	CDP Climate Change Disclosure	CDP Climate Change Response		
CDP Climate Change Score	C	D	Not Yet Available	
Energy	Total Energy Consumption (MWh)	1,725,306	2,584,188	2,743,708
	Electricity intensity (kWh/100 lbs. produced)	9.67	8.49	8.25
	Electricity Consumption (MWh)	533,511	695,936	700,107
	Heat and Fuel Consumption (MWh)	1,191,795	1,888,252	2,043,602
Water	Water Withdrawn (m ³)	2,155,360	3,572,240	3,547,297
	Water Consumption (m ³)	695,200	1,573,900	Not Yet Available
	Water Intensity (m ³ / metric ton production)	0.86	0.96	0.92

¹ The acquisition of Valspar in 2017 significantly impacted our 2017 results, particularly our exposure to water stress

² This only applies to manufacturing and distribution facilities

³ Scope 3 emissions from business air travel

Water (Cont'd)	Water Sourced from Regions with High or Extremely High Baseline Water Stress	0.50%	5.36%	Not Yet Available
	CDP Water Disclosure	CDP Water Response		
	CDP Water Score	B	B	Not Yet Available
Waste	Wastewater Discharge (m ³)	1,458,690	1,579,960	Not Yet Available
	Waste Reduction Targets	Sherwin-Williams Sustainability Index		
	Hazardous Waste Reduction Targets	Sherwin-Williams Sustainability Index		
Social				
	Women in Workforce	23.5%	24.0%	24.2%
	Women in Management	24.8%	25.3%	25.9%
	Minorities in Workforce (U.S. Only)	30.2%	30.9%	32.2%
	Minorities in Management (U.S. Only)	23.6%	23.8%	25.1%
	Workforce Age Group 70+	0.6%	0.6%	0.7%
	Workforce Age Group 60-69	5.4%	5.5%	5.6%
	Workforce Age Group 50-59	14.6%	15.3%	15.1%
	Workforce Age Group 40-49	17.4%	19.2%	19.3%
	Workforce Age Group 30-39	24.6%	25.8%	25.9%
	Workforce Age Group 20-29	34.8%	31.5%	31.3%
	Workforce Age Group Under 20	2.6%	2.1%	2.1%
	Voluntary-Regrettable Turnover	8.2%	8.1%	10.1%
	Employee Stock Purchase and Savings Plan Common Stock Ownership	11.5%	10.7%	10.0%
Diversity & Inclusion	Equal Opportunity Policy	Equal Employment Opportunity Policy		
	<p>Annual Survey: Our formal employee engagement survey measures viewpoints on culture, leadership, development, communication, and diversity and inclusion. We measure feelings of respect, value, and belonging based on the following questions:</p> <ul style="list-style-type: none"> I can be myself working at Sherwin-Williams. Sherwin-Williams provides a supportive environment for every employee. The company is committed to diversity. I feel that my personal beliefs and values are respected in my workplace. <p>Conscious Inclusion Education & Training equips employees with inclusive leadership behaviors and resources to improve performance, drive business growth, and enhance customer experience. The sessions and resources are designed to help leaders become mindful of unconscious perspectives and provide them with practical actions they can take to create and lead more inclusive cultures.</p>			
Safety and Health	Days Away Restricted or Transferred (DART) Rate (Total incidents per 200,000 hours worked)	1.03	0.76	0.90
	Recordable Case Rate (Total number of employees with recordable incidents per 200,000 hours worked)	1.58	1.43	1.38
	Health and Safety Policy	Global Environmental, Health, and Safety Policy		
Human Rights	Human Rights Policy	Code of Conduct Human Trafficking Policy		
	Conflict Minerals Policy	Conflict Minerals Policy		
Community	Total Corporate Foundation and Other Giving (\$USD)	4,706,169	5,238,198	6,291,760
	Community Involvement Program	Community and Social Involvement		

Products

Quality and Safety

Total Technical Expenditures (\$USD)	\$153,000,000	\$216,000,000 ⁴	\$254,000,000
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Product Safety Program

At Sherwin-Williams, we are committed to delivering world class products that are safe and effective when used as directed.

To accomplish this, we follow a set of guiding principles regarding the safe use of chemicals in our formulations and manufacturing processes. These principles guide all phases of our product development and they are supported by a product stewardship strategy rooted in continuous improvement. This means recognizing and addressing the potential impacts of our products throughout their lifecycle, from design and development through use and disposal and all steps in between. We assess each ingredient in a product formulation in combination with other ingredients in terms of human health, environmental impact, physical and chemical properties, and other information reflecting current best practices. Because science is constantly evolving, we continuously monitor news and scientific literature and update our products to best support the needs of our customers.

Sherwin-Williams Global Product Stewardship organization monitors and tracks chemical trends across the world for regulatory or other external pressures. It engages paint and coatings trade associations and other organizations around the world. It also works within the business on continuously improving its products. Global Product Stewardship periodically provides updates highlighting chemical trends and meets with relevant business units to ensure updates are understood and can be assessed as to their relevance to the business. Through these efforts, the company can be proactive towards proposed legislation, health, and environmental data as well as other market pressures regarding chemical issues. Finally, Sherwin-Williams assesses all raw materials used in its formulated products against global regulations for compliance, customer restrictions and our own company policies, where they exist.

Product Sustainability Reference Guide

[Sustainable Programs and VOC Regulated Areas Reference Guide](#)

Supply Chain

Supply Chain

Supplier Guidelines / Code of Conduct

[Code of Conduct](#)

Governance

Ethics

Business Ethics Policy

[Code of Conduct](#)

Board of Directors

Size of the Board	11	10	10	10
Non-Executive Directors on Board - # (%)	9 (81.8%)	9 (90%)	9 (90%)	9 (90%)
Independent Directors on Board - # (%)	9 (81.8%)	9 (90%)	9 (90%)	9 (90%)
Independent Lead Director	Yes	Yes	Yes	Yes
Women on Board - # (%)	2 (18.2%)	2 (20%)	2 (20%)	2 (20%)
Board Average Age	61.4	61.8	62.8	62.8
Board Average Tenure	6.6	6.0	6.9	6.9
Mandatory Retirement Age	72	72	72	72
Board Meetings Held	11	7	5	5
All Directors Attended ≥ 75% of Meetings	Yes	Yes	Yes	Yes
Independent Members on the Audit Committee - # (%)	4 (100%)	4 (100%)	4 (100%)	4 (100%)
Audit Committee Meetings	5	5	5	5
Independent Members on the Compensation & Management Development Committee - # (%)	5 (100%)	5 (100%)	5 (100%)	5 (100%)
Compensation & Management Development Committee Meetings	4	4	5	5
Independent Members on the Nominating & Corporate Governance Committee - # (%)	5 (100%)	5 (100%)	5 (100%)	5 (100%)
Nominating & Corporate Governance Committee Meetings	2	3	3	3

⁴ 2017 includes Valspar financial results since June 1, 2017.

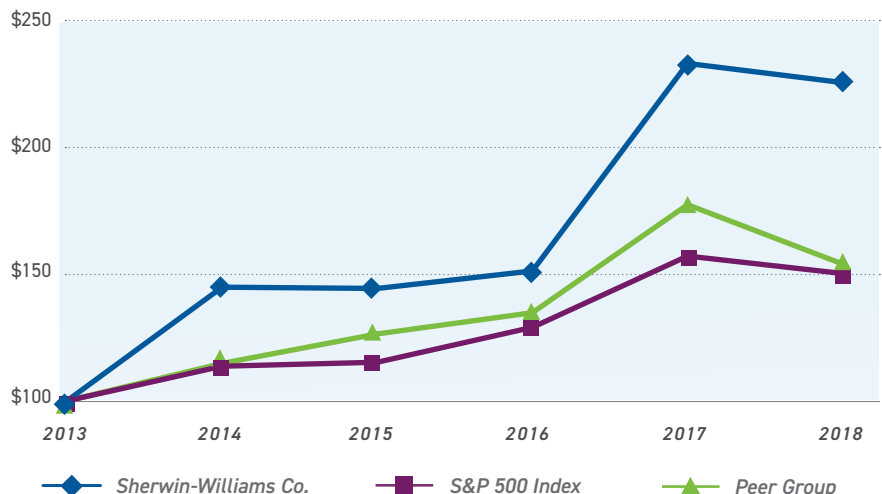
Board of Directors (cont'd)	Annual Board and Committee Self-Assessments	Yes	Yes	Yes
	Orientation Program for New Directors	Yes	Yes	Yes
Shareholder Practices	Equal Voting Rights (One Vote per Share)	Yes	Yes	Yes
	Annual Say n Pay Voting Support	97.2%	96.1%	95.7%
	Shares Outstanding as of December 31	93,013,031	93,883,645	93,116,762
	Equity Reserved as % of Shares Outstanding	8.30%	11.4%	10.4%
	Options Granted as % of Shares Outstanding	0.80%	0.70%	0.60%
	Fair Price Provision	Yes	Yes	Yes
	Mandatory Bid Provision	No	No	No
	Majority Voting Standard	Yes	Yes	Yes
	Classified Board	No	No	No
	Proxy Access	No	No	Yes ⁵
	Shareholder Rights Plan	No	No	No
	Political Involvement	Political Action Committee	No	No
Political Involvement Policy		Code of Conduct		
Compensation	Total Compensation Paid to Named Executives (\$USD)	\$25,536,959	\$26,554,274	\$25,488,840
	Total Salaries and Bonuses Paid to Named Executives (\$USD)	\$4,156,566	\$3,600,840	\$3,861,505
	All Other Compensation Paid to Named Executives (\$USD)	\$21,380,393	\$22,953,434	\$21,627,335
	Total Compensation Paid to CEO (\$USD)	\$9,647,808	\$13,513,194	\$13,213,749
	Total Salaries and Bonuses Paid to CEO (\$USD)	\$1,095,795	\$1,142,313	\$1,276,924
	All Other Compensation Paid to CEO (\$USD)	\$8,552,013	\$12,370,881	\$11,936,825
	Executive Remuneration Policy	Compensation Discussion and Analysis (CD&A)		
	Significant Stock Ownership Guidelines ⁶	Yes	Yes	Yes
	Double-Trigger Equity Vesting Upon CIC	Yes	Yes	Yes
	Anti-Hedging and Anti-Pledging Policy	Yes	Yes	Yes
	Clawback Provision for Executive Compensation	Yes	Yes	Yes
	Governance	Total Executives	11	11
Female Executives - # (%)		2 (18.2%)	2 (18.2%)	2 (20.0%)
Sustainability Disclosures Independently Verified/Assured		No	No	No
UN Global Compact Signatory		No	No	No
CSR/Sustainability Committee		No	No	No
External Auditor		Ernst & Young LLP	Ernst & Young LLP	Ernst & Young LLP
Audit & Audit-Related Fees Paid to Auditor (\$USD)		\$4,241,572	\$9,270,000	\$8,439,000
Non-Audit Fees Paid to Auditor (\$USD)		\$628,175	\$3,241,000	\$4,233,000
Total Auditor Fees (\$USD)		\$4,869,747	\$12,511,000	\$12,672,000

⁵ In 2018, the Board of Directors approved an amendment to the Company's Regulations to provide proxy access rights to 3 year, 3% shareholders for up to 20% of the Board.

⁶ After serving 5 years in such capacity, directors must own shares of stock equal in value to a minimum of 7x the annual Board cash retainer and executives must own shares equal in value to a multiple of his/her base salary, with 6x for the CEO, 4x for the COO and 3x for other named executives.

Shareholder Returns

Comparison of Cumulative Five-Year Total Return

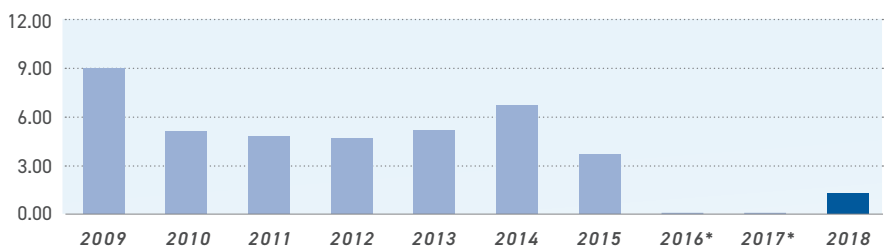


Peer group of companies comprised of the following: Akzo Nobel N.V., BASF SE, H.B. Fuller Company, Genuine Parts Company, The Home Depot, Inc., Lowe's Companies, Inc., Masco Corporation, Newell Brands Inc., PPG Industries, Inc., RPM International Inc., Stanley Black & Decker Inc. and USG Corporation

Five-Year Return

The graph at left compares the cumulative five-year total shareholder return on Sherwin-Williams common stock with the cumulative five-year total return of the companies listed on the Standard & Poor's 500 Stock Index and a peer group of companies selected on a line-of-business basis. The cumulative five-year total return assumes \$100 was invested on December 31, 2013 in Sherwin-Williams common stock, the S&P 500 and the peer group. The cumulative five-year total return, including reinvestment of dividends, represents the cumulative value through December 31, 2018.

Stock Repurchase (millions of shares)



* No open market purchases in 2016 and 2017

114.5	108.8	105.7	103.9	103.0	98.7	94.5	94.5	94.9	95.0
Average Common Shares Outstanding (fully diluted, in millions)									

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We have consistently returned a portion of our cash generated from operations to shareholders through cash dividends and share repurchases. In 2018, the Company increased its cash dividend 1.2 percent to \$3.44 per share, marking the 40th consecutive year we increased our dividend. Share repurchases are also an efficient way of returning cash to shareholders in that they return sellers' investment at market value and maximize the value of the remaining shares outstanding. We temporarily suspended share repurchases in 2016 and 2017, using cash to reduce total borrowings required to finance the Valspar transaction in 2016 and reducing debt by \$1 billion in 2017. We returned to share repurchases in 2018, buying 1.53 million shares on the open market while also reducing debt by \$1.1 billion. Over the past 10 years, we have reduced our average diluted common shares outstanding by more than 19 million shares.

Dividends Per Share

