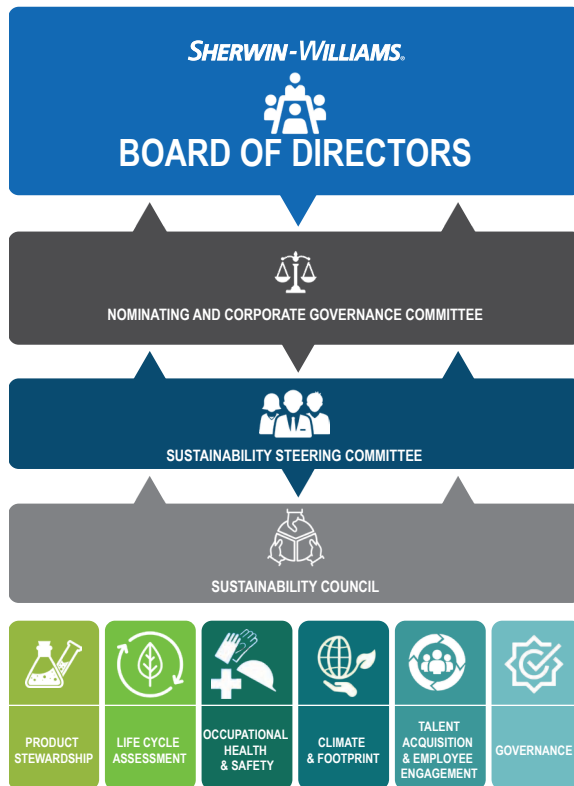


# Governance at Sherwin-Williams

At Sherwin-Williams, our approach to corporate social responsibility is grounded in our commitment to creating and maintaining sustainable value for our customers, our employees, our shareholders and the communities in which we live and work. This commitment is managed within a governance structure that supports broad engagement across the organization, while providing appropriate oversight and accountability at the highest levels of the Company.



## Board of Directors

While management is responsible for assessing and managing our exposure to various risks, the Board of Directors has responsibility for the oversight of risk management. Our Board committees assist the Board with its overall risk management oversight responsibility by reviewing specific risk areas, such as Environmental, Social and Governance (ESG) risks.

## Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee (NCG) consists of independent directors and has specific oversight responsibility for risks related to our environmental, safety, sustainability and corporate social responsibility policies, objectives and practices. Management periodically reviews our policies, objectives and practices concerning these risks with the Committee. Over the past year, these reviews included updates from management regarding the progress and results of our recently completed materiality assessment — which identified, prioritized and validated the ESG topics most significant to the Company. For more information on the materiality assessment, please see the previous page in this report.

## Sustainability Steering Committee

Because sustainability is integral to Sherwin-Williams business and stakeholders, our Sustainability Steering Committee is comprised of members of our executive team and other senior leaders across the organization, including those within the areas of Environmental, Health, and Safety and Regulatory Affairs, Legal, Investor Relations, Corporate Communications, Human Resources, Global Supply Chain, Global Sustainability and Global Operations. The Sustainability Steering Committee periodically receives updates regarding progress and initiatives of the Sustainability Council and drives alignment across the organization to address emerging ESG risks and opportunities.

## Sustainability Council

Our Sustainability Council consists of six working groups formed to address the five most prominent topics identified in our materiality assessment plus governance structure and processes. The Sustainability Council is focused on deeper integration of sustainability and other ESG initiatives throughout Sherwin-Williams and the proactive identification of emerging ESG trends and opportunities across the organization. It is also tasked with driving the development, recommendation and implementation of Company-wide ESG targets and goals.

# Governance at Sherwin-Williams

## (continued)

Our Board committees review other specific risk areas to assist the Board with its overall risk management oversight responsibility.

Additional information about our Board and Committees can be found in our Corporate Governance Guidelines, Committee Charters, 2020 Proxy Statement and other materials made available through our Investor Relations website: [investors.sherwin-williams.com](https://investors.sherwin-williams.com).

At the Board and management level and throughout the Company, we recognize our collective actions impact our reputation and credibility with our customers, suppliers, communities and other stakeholders. We are committed to ensuring work-related activities reflect standards of honesty, loyalty, concern for others and accountability. Our global compliance efforts help us to uphold this commitment.



### AUDIT COMMITTEE

- Enterprise risk management process
- Integrity of financial statements
- Effectiveness of internal controls over financial reporting
- Matters relating to independent auditor and internal audit function
- Cybersecurity
- Compliance with legal and regulatory requirements



### COMPENSATION & MANAGEMENT DEVELOPMENT COMMITTEE

- Management and nonemployee director compensation
- Annual CEO evaluation, goals, and objectives
- Management succession planning
- Stock and stock-based plans
- Pension and welfare benefit plans, practices, and arrangements
- Annual risk assessment of compensation policies and practices



### NOMINATING & CORPORATE GOVERNANCE COMMITTEE

- Director candidate review and recommendation
- Board and committee composition
- Corporate governance guidelines and other corporate governance matters
- Annual Board and committee self-assessment process
- Environmental, safety, sustainability, and corporate social responsibility



#### Annual Compliance Training

*Code of Conduct, Anti-Bribery, Anti-Corruption & other policies to minimize risk*



#### Global Ethics Hotline

*Continuous Monitoring*



#### Annual ERM Risk Assessment

*Incorporated into Strategic Planning Process*



#### Internal Audit and Loss Prevention Functions

*Professionals Worldwide*



#### Regional Corporate Ethics Committees

*Regular, Quarterly Meetings*