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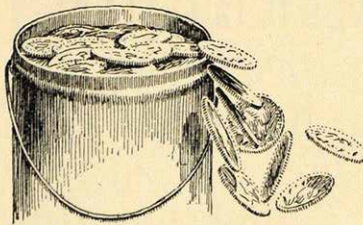
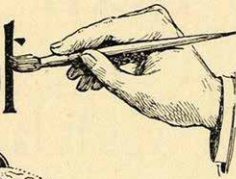
ANTI-CORRUPTION COMPLIANCE MANUAL

Guided by our values.
Driven to do what's right.



COIN

in the
Paint Pot



THE SHERWIN-WILLIAMS CO.

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Introduction

This manual is designed to promote compliance with Sherwin-Williams' Anti-Bribery and Anti-Corruption Policy and all applicable laws related to corruption. This manual provides guidance on how to properly address corruption risks. Each employee is responsible for conducting themselves in compliance with our Policy and applicable anti-bribery and anti-corruption laws.

Sherwin-Williams' Board of Directors and executive management team consider compliance with anti-bribery and anti-corruption laws to be more than a legal requirement; compliance is also a reflection of how Sherwin-Williams values are embedded in our culture and business practices. Our Guiding Values form the foundation for the behavior by which our Company wants to be judged by society at large. Corruption violates our fundamental business principles. Accordingly, Sherwin-Williams and its employees worldwide are required to observe and strictly adhere to our Anti-Bribery and Anti-Corruption Policy, and anti-bribery and anti-corruption laws. To further our compliance efforts, we have enhanced training and communication around anti-bribery and anti-corruption laws. We want our business partners, prospective business partners and employees to know that we conduct our business – all of our business – in compliance with all applicable laws.

The contents of this manual will not address every situation that you may encounter pertaining to anti-bribery and anti-corruption compliance. Instead the intention is to provide you with some understanding and clarity relating to corruption risks. If you have questions pertaining to corruption or compliance, please contact the Legal Department or refer to the reference section of this manual to escalate your concerns.

This manual and the Anti-Bribery and Anti-Corruption Policy are to be followed and interpreted consistent with the Company's Code of Conduct.

Remember:

- ✓ **Know where your company does business**
- ✓ **Know who your business partners are**
- ✓ **Know where your operations interact with government agencies**

About our Policy

Sherwin-Williams has expanded its operations around the globe over the past several years. With this expansion comes inherent risks and additional legal requirements. One area of both increased risk and increased legal requirements involves bribery and corruption. In order to assist us in mitigating this risk, Policy 511 Anti-Bribery and Anti-Corruption Policy was created and is included as an appendix in the back of this manual.

The Policy is aimed at addressing many of the corruption risks that are involved in our day to day operations as we continue to expand our global footprint. This Policy will assist us in continuing to conduct business in a legal and proper manner, and guide us to continue our use of sound judgment during this growth. The Policy applies to all Sherwin-Williams employees and directors. Our expectation is that our business partners, distributors, contractors, agents and service providers will conduct their business activities consistent with this Policy and all applicable anti-bribery and anti-corruption laws. This Policy can be accessed through mySherwin by going to Policies and Procedures and accessing the Corporate Policies.

For any questions and/or concerns about the information in this Policy, please contact Internal Audit or refer to the Resources section of this document.



- ✓ **An electronics company sets a record in a bribery and corruption investigation**
- ✓ **\$1.6 billion in fines**
- ✓ **The electronics company spent more than \$1.4 billion to bribe foreign officials**
- ✓ **The electronics company knowingly falsified and caused to be falsified the books, records, and accounts required to accurately and fairly reflect the transactions and dispositions of the company**

How can my actions impact Sherwin-Williams?

Some anti-corruption laws, like the Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act, have global considerations. Since Sherwin-Williams has operations in the US and UK, all of our international operations are subject to the US and UK Anti-bribery and Anti-corruption laws. Actions by a non-US operation can impact the company as a whole.

Bribes and Other Corrupt Payments

The Anti-Bribery and Anti-Corruption Policy requires that each employee, officer and director of Sherwin-Williams and its affiliates, and all persons who act as a representative, agent, distributor or partner to Sherwin-Williams or any of its affiliates, comply with all applicable anti-bribery and anti-corruption laws. Sherwin-Williams employees are prohibited from directly and indirectly offering, giving, soliciting or receiving any form of bribe, kickback or other corrupt payment, or anything of value, to or from any person or organization, to private companies, employees of private companies, government entities or government officials, regardless of the purpose. No sale, and no commercial or business purpose, will justify an exception to this Policy.

Generally, anti-bribery and anti-corruption laws prohibit a person or company from making an improper payment or offer of payment of money or anything of value, and the improper recording of any such payment, to a government official, private entity or individual to secure an improper advantage in obtaining or retaining business. Regarding interactions with government entities, agencies and officials, anti-corruption laws also prohibit an improper payment or offer of payment of money or anything of value to a government official to influence the government official in his or her official capacity or to induce the government official to act or fail to act in violation of his or her official duty.

I am a citizen of a country other than the United States, and my business responsibilities for Sherwin-Williams are outside of the United States, so the Foreign Corrupt Practices Act doesn't apply to me, right?

Wrong. Country of residence, citizenship, or where business transactions take place are immaterial. Since Sherwin-Williams is a registered entity headquartered in the United States, the Foreign Corrupt Practices Act is applicable to all transactions that are conducted by Sherwin-Williams or on Sherwin-Williams behalf. There are also several other global anti-bribery laws that Sherwin-Williams must adhere to due to the fact we perform business transactions in countries throughout the world.

If questions arise, please contact the Internal Audit and Loss Prevention Department or the Legal Department for more clarification.

Interactions with Government Entities and Government Officials

Sherwin-Williams employees should recognize that government entities and government officials include a wide array of entities, agencies and individuals. Government entities are broadly defined under many anti-corruption laws to include state-owned enterprises (private companies that are owned and/or controlled by government entities) or private companies predominately used by governments. You should be aware where your business interacts with government entities, agencies and officials, whether directly or indirectly.

When you think of government interactions, consider all interactions between Sherwin-Williams and government entities, government agencies, government officials, private companies owned and/or controlled by government entities and the employees of such private companies, including the following interactions.

Sales

You should be aware when you sell directly to government entities and when external sales agents, sales representatives and distributors sell Sherwin-Williams products to or interacts with government entities.

Purchasing

Purchasing from government entities directly or indirectly includes both goods and services, including electricity, telecom, water, waste disposal and other utilities.

Logistics

Movement of goods and services often requires government interaction. This may include importing and exporting of products. Government interactions include dealing with customs controls and obtaining permits, licenses and inspections.

Taxes

Taxes can be federal, state and local and may involve various tax authorities. As such, you will interact with government entities and officials when preparing and paying taxes.

A government official contacted a Sherwin-Williams manufacturing location for a donation for a much needed pavement resurfacing project located near the facility. The government official asked for the donation to be distributed in cash. Is this permissible?

No, not as presented above. In order to make a donation of this type, all the following must be followed:

- ✓ Payment to the government is issued by Company check
- ✓ An appropriate receipt is obtained from the government
- ✓ The donation is accurately recorded on Sherwin-Williams books
- ✓ Proper internal approval that is required based on the dollar amount of the donation is obtained in advance.

If questions arise, please contact the Internal Audit and Loss Prevention Department or the Legal Department for more clarification.

Facilities

Companies interact with government agencies and officials when obtaining operating, environmental and regulatory licenses and permits. Government agencies often require businesses to have inspections for health and safety matters. Whether these are conducted by government officials or independent third parties related to the government, you need to be mindful of the interactions.

A “government official” is broadly defined and interpreted under anti-corruption laws and includes any person acting in an official capacity for or on behalf of a government or government entity, any public international organization, any political party or party official, or any candidate for public office. The term government official also includes the immediate families of all such persons. Government officials and government entities generally include the following types of persons and entities:

- Elected and appointed officials
 - Political candidates
 - Legislators
 - Officers and employees of public utilities
 - Officers and employees of government-owned and government-controlled businesses
 - Tax officials
 - Managers and employees of government instrumentalities (hospitals, schools, universities)
 - Officers and employees of public international organizations (U.N., World Bank, IMF, etc.)
 - Inspectors (fire, emissions, waste)
 - Police personnel
- For additional information please reference sections 1.5-1.7 of the Code of Conduct.



- ✓ **At a multinational corporation an investigative team found evidence of several hundred payments over a three year period for nearly 10 million dollars to various government officials.**
- ✓ **A former employee claimed that they had given these men “envelopes of cash” for government officials such as mayors, city council members, and low-level bureaucrats to expedite licenses.**

May I pay a small bribe to benefit the Company, even if I don't benefit personally?

No. Your payment of a bribe to a non-US government official will violate anti-corruption laws including the FCPA and company policy. Whether there is personal benefit or not is immaterial. Such a payment could cost the company millions of dollars in fines, penalties, disgorgement of profits and legal fees. You may lose your job, and could also be subject to stiff civil and criminal penalties (including imprisonment) imposed by the U.S Department of Justice (“DOJ”), and U.S. Securities and Exchange Commission (“SEC”).

If questions arise, please contact the Internal Audit and Loss Prevention Department or the Legal Department for more clarification.

Anything of Value

As previously stated, under the Anti-Bribery and Anti-Corruption Policy, Sherwin-Williams employees are prohibited from directly and indirectly offering, giving, soliciting or receiving any form of bribe, kickback or other corrupt payment, or anything of value, to or from any person or organization, including government agencies, government officials, private companies and employees of private companies under any circumstances. Gifts, gratuities, entertainment and other benefits paid or offered with the intent to secure an advantage in a business transaction or to influence an official act (including any such benefit paid or offered to a person's family members and friends) may violate anti-corruption laws.

There are few, if any, limitations on what can be defined as "anything of value." Almost any form of direct or indirect benefit can constitute something of value including:

- Travel arrangements
- Meals
- Company promotional items
- Contributions to charity at the direction of a person or government official
- Giving a job to a family member of a person or government official
- Granting a scholarship to the family member of a person or government official
- Tickets to sporting events and other entertainment
- Free or discounted products

The list above only provides examples of potentially improper transfers and in no way limits the scope of anti-corruption laws.



Most anti-corruption laws do not contain an exception that makes small payments legal, so attention must be paid to any offers made to a Government official, no matter how small.

Is it permissible to make a charitable contribution at the request of a government official or to a government entity?

The answer to both questions is yes. However, proceed with caution. Seek the advice of the Legal Department whenever you receive a request for a charitable contribution from a government official or whenever a donation to a government entity has been requested or proposed. Any donation must be approved in advance by the appropriate level of management, paid via company check, a detailed receipt obtained, and the donation must be accurately recorded in the company's books and records.

If questions arise, please contact the Internal Audit and Loss Prevention Department or the Legal Department for more clarification.

Five Questions to consider when making charitable payments in a foreign country:

1. What is the purpose of the payment?
2. Is the payment consistent with the Company's internal guidelines on charitable giving?
3. Is the payment at the request of a foreign official?
4. Is a foreign official associated with the charity and, if so, can the foreign official make decisions regarding your business in that country?
5. Is the payment conditioned upon receiving business or other benefits?

Sherwin-Williams is subject to the books and records provisions under applicable anti-corruption laws. These laws require that all transactions be accurately characterized and recorded on the books to properly reflect the nature of the transaction or expense. Sherwin-Williams and responsible parties will be held liable if the recording of expenses are not transparent and accurately recorded.



A telecom equipment maker agreed to pay the Justice Department \$1.5 million in criminal fines and pay the SEC an additional \$1.5 in penalties to resolve Foreign Corrupt Practices Act violations in China and Thailand.

The telecom company was alleged to have engaged in conduct which violated the FCPA including:

- 1. Arranging and paying for travel to popular tourist destinations in the United States, including Hawaii, Las Vegas and New York City. These trips included a cash allowance of between \$800 and \$3,000 per person.**
- 2. Spending nearly \$7 million on lavish gifts and all-expenses paid executive training programs in the U.S. for existing and potential foreign government customers in China and Thailand.**
- 3. Presenting expensive gifts to and engaging in entertainment with government agents such as nearly \$10,000 on French wine as a gift to agents of a government customer, and spending \$13,000 on entertainment expenses for the same customer in an attempt to secure business.**

Gifts and Entertainment

Sherwin-Williams relationships with its customers are vital to our success. These relationships must be based entirely on sound business decisions and fair dealing. Normal business courtesies, gifts and gratuities of nominal value, and reasonable entertainment can build goodwill, but also may make it harder for customers to make objective business decisions.

S-W Policy states that any gift, gratuities, awards, merchandise and/or other incentives should not be given or received if it exceeds a fair market value of more than \$50 USD.

Sherwin-Williams' Code of Conduct requires the use of good judgment, discretion and moderation when giving or receiving gifts and entertainment in business settings. The Code also requires that any gifts and entertainment given or received be in compliance with applicable laws, including applicable anti-bribery and anti-corruption laws, and also requires that these transactions are properly documented. Finally, of note, the Code prohibits offering or providing entertainment, meals, gifts, gratuities or other business courtesies to government employees, except for an occasional soft drink, coffee or donuts if provided other than as part of a meal.

See Section 7.2 of the Code of Conduct for limitations and guidance regarding gifts and entertainment.

What if my friend is a government official and I attend his son's wedding and provide a gift? Is that considered bribing a government official?

If you are attending the event as a friend of this individual and not as a Sherwin-Williams employee, and paying for the gift personally, then providing a gift is allowable.

- For additional information please reference section 7.2 of the Code of Conduct.

Government Entertainment

Sherwin-Williams employees may offer, give and receive Business Gratuities, provided they are infrequent, of nominal value, normal and customary under the circumstances, for a legitimate business purpose and are permissible within the rules of the recipient's employer.

All Business Gratuities offered, given or received by Sherwin-Williams employees must comply with local law, *Sherwin-Williams Code of Conduct with the application of this Government Entertainment Policy* and the *Foreign Corrupt Practices Act Policy and Guidelines*. Sherwin-Williams employees may never receive, offer, promise or incur expenditures that are intended, or could reasonably be interpreted, to improperly affect or influence (or appear to improperly affect or influence) our business decisions or the decisions of our customers, suppliers, government or regulatory officials, or other business partners. Sherwin-Williams employees may never offer, give or receive gifts of cash or cash equivalents, such as gift cards or gift certificates.

Failure to adhere to this policy may result in disciplinary action to both the employee and the employee's manager, up to and including termination of employment.

Government Entertainment must comply with all policies, regional policies and regulations. For questions, contact the Director of Enterprise Risk Management at 1-216-566-3068.

- For additional information please reference section 7.3 of the Code of Conduct.

Government Employees

Sherwin-Williams employees should be especially careful when offering gifts, meals, entertainment or other Business Gratuities including meals and entertainment to Government Officials. The United States and most other

nations have laws that prohibit giving anything of value to Government Officials (including employees of regulatory agencies or any employee of companies that are owned, even in part, by the government) to obtain or retain business or to secure some other improper business advantage. All Business Gratuities must strictly comply with the **Foreign Corrupt**



Practices Act Policy and Guidelines. Sherwin-Williams Government employees may not offer a Business Gratuity to any Government Official if it is offered or given with the intent or prospect of influencing the recipient's business decision-making or where it might be construed as a bribe, even where the Business Gratuities comply with the value and frequency limits set forth below. When in doubt, Sherwin-Williams employees should contact the Legal Department before providing any Business Gratuities to a Government Official.

Meals & Entertainment: In cases where the intended recipient of a meal or entertainment event is a Government Official, Sherwin-Williams employees or agents may provide meals or other lawful and appropriate business entertainment to the same individual no more than 5 times per year, provided that (1) the cost of each meal or other entertainment event is no more than \$50 USD per person per occasion; and (2) the cumulative total for any one meal or entertainment event does not exceed \$250 USD for all participants.

The cumulative value of all Business Gratuities (including meals/entertainment) provided to a single Government Official by Sherwin-Williams Government may not exceed \$250.00 USD annually.

Accurate Books and Records

Sherwin-Williams is required to maintain detailed and accurate books and records of payments made for any Business Gratuities provided by Sherwin-Williams to customers, Government Officials, or other business partners. When completing expense reports in Concur, Sherwin-Williams employees must record the following information in reasonable detail and with complete accuracy:

- The name of the employee who has incurred an expenditure for any Business Gratuities;
- The name of the person receiving the Business Gratuity, including the identity of the person's employer, the person's title, and whether the person is a Government Official;
- A detailed description of the Business Gratuity provided by the Sherwin-Williams employee, including the date on which the Business Gratuity was provided, the place it was provided, and
- The precise value of the Business Gratuities provided.



In order to ensure that any of this activity has proper oversight for management, there have been a couple of changes to the Concur expense system to aid in the transparency, proper monitoring, and tracking of all entertainment with Government Official(s). Any Sherwin-Williams employee should do the following if trying to submit expenses related to entertainment with Government Official(s):

1. Consider the details of the transaction prior to any activity occurring. Make sure that any transaction is in compliance with applicable law(s), Sherwin-Williams Code of Conduct, and also Sherwin-Williams company policy. ***If you ever have a question about a transaction before it takes place, contact your direct line manager, the Legal department, Loss Prevention or Human Resources.***
2. Select the Entertainment category for "Group Meal"
3. Click to add the attendees and fill out all of the fields including:
 - Attendee type which now includes "Government Official"
 - First Name
 - Last Name
 - Attendee Title
 - Branch of Government

As previously stated, should you have any other questions please contact your direct line manager, the Legal department, Loss Prevention or Human Resources.

Influencing an Official Act

Anti-corruption laws prohibit payments and offers of payment that occur in exchange for some sort of action or inaction in a government official's official capacity. Accordingly, through an improper inducement, no Sherwin-Williams employee may seek to:

- influence a government official to perform an act in his or her official capacity;
- influence a government official to refrain from acting in his or her official capacity;
- incite a government official to affect an act or decision of his or her government; or
- secure any improper advantage.

The action or inaction being induced through the improper payment or offer need not relate to the government official's own government. For example, if the ministry of energy, upon receiving a bribe, telephones that country's largest petroleum producer and asks that corporation to buy products from Sherwin-Williams, we could be in violation of anti-corruption laws.



The Securities and Exchange Commission charged a former executive at an investment banking firm with violating the Foreign Corrupt Practices Act (FCPA) as well as securities laws for investment advisers by secretly acquiring millions of dollars worth of real estate investments for himself and an influential Chinese official who in turn steered business to the investment banking firm's funds.

The government official need not be directly involved in awarding or directing business. Any action or inaction by a government official that would benefit the business interests would typically fall under the prohibitions of various anti-corruption laws, such as the granting of a permit or license, or the failure to enforce applicable laws and regulations, against Sherwin-Williams.

Should a payment be made if a government official threatens to close a plant if a payment or bribe is not paid?

No. All information must be immediately communicated to the Internal Audit and Loss Prevention Department or the Legal Department (see Resources on page 29 of this guide).

I need to obtain a visa and I pay to have it processed quickly. Is this considered a violation of bribery and corruption regulations?

If the expediting payment is at a published rate and available to everyone, then this is not a violation of bribery and corruption regulation.

Contracting

Most companies believe that entering into an arm's-length relationship with third parties reduces or even eliminates the risk of vicarious liability for that third party's violations of international bribery and corruption regulations. However, companies have been fined and penalized for failing to manage their third parties. Sherwin-Williams employees need to protect the company from the actions of third parties by properly negotiating contracts that obligate the third party to comply with anti-corruption laws.

All new and existing agreements and contracts should be coordinated with the assistance of the Corporate Legal department.

Recent enforcement actions highlight the importance that contracts properly protect Sherwin-Williams interest in prohibiting corrupt activities. Consequently, Sherwin-Williams needs to properly contract with these third parties to ensure our expectations of the third party's behaviors are properly stated. Specifically, the terms should state that the third party will not engage in any bribery or corruption on behalf of Sherwin-Williams. Language, which can be obtained from the legal department, should include explicit terms that the third party will comply with all applicable laws and regulations, including bribery and corruption regulations.

You should make every effort to work with the Corporate Legal Department to ensure there are contracts in place with our business partners where permissible. Such contracts should, to the extent possible, include provisions to prevent corrupt activities by third parties. If there is no contract in place, you should ensure that the third party signs an acknowledgement regarding their responsibility to adhere to all applicable laws and regulations.

Use of Third Parties

Sherwin-Williams engages third party agents, sales representatives, distributors, representatives and consultants around the world. Sherwin-Williams can be held liable for the acts of third parties under anti-corruption laws, with or without the Company's knowledge. It is Sherwin-Williams expectation that all third parties engaged by the Company comply with applicable anti-corruption laws at all times in the conduct of their business.

Anti-corruption laws prohibit corrupt payments and activities through third parties. It is unlawful to make a payment to a third party knowing that all or a portion of that payment will go directly or indirectly to a government official. Sherwin-Williams cannot engage in conscious avoidance or plead ignorance to the actions of our third parties.

We have a responsibility to ensure that the third parties we engage are aware of Sherwin-Williams' expectation that they will comply with all applicable anti-corruption laws in the conduct of their business.

When engaging a third party, you should be aware of the reputation and character of the third party, as well as the third party's interaction with any government entity or government official. These relationships include not only family relationships, but business relationships as well. You should also monitor the actions of the third parties that we engage. At a minimum, you should assess the third party's business conduct to ensure that it is aligned with what the third party was engaged to provide, and the nature and extent of expenditures incurred by



In 2007, three subsidiaries of an oil services provider, pled guilty to violating the FCPA after paying bribes to Nigerian officials through a third-party freight forwarding and customs clearance provider. The government obtained cooperation of the freight forwarder in identifying its other customers and the government sent letters to a number of those customers seeking information about their use of the freight forwarder. Total fines were approximately \$236,565,000 in criminal fines and disgorgement.

the third party on Sherwin-Williams behalf. Monitoring third parties is an effective way to protect the Sherwin-Williams interests.

Sherwin-Williams liability for the acts of third parties can be mitigated, in part, by obligating the third party to comply with applicable anti-corruption laws in written contracts. Language, which can be obtained from the legal department, should include explicit terms that the third party will comply with all applicable laws and regulations, including bribery and corruption laws. You should make every effort to ensure there are contracts in place with our business partners.

What should I do if I hear that a sales agent has been bribing a government official?

If you believe that an employee or someone acting on behalf of Sherwin-Williams has – or may be about to - engage in bribery, there is an obligation to report and the Company must investigate. Sherwin-Williams requires that concerns of this nature be reported to one of the compliance contacts listed in the “Resources” section on page 29 of this guide, or through the Ethics Point Reporting System

Books and Record Keeping

Some anti-corruption laws include requirements to:

- (1) keep accurate books and records, and
- (2) devise and maintain an adequate system of internal accounting controls.

It is the policy of Sherwin-Williams that all financial transactions must be recorded in a timely and accurate manner. Any information material to a transaction must be recorded. Sherwin-Williams records should reflect transactions in conformity with accepted accounting standards and there should be designed internal controls to prevent off-book transactions such as kickbacks and bribes.

Accordingly, Company employees must follow all applicable standards, principles and laws for accounting and financial reporting. No employee should establish an undisclosed or unrecorded account on behalf of the Company for any purpose. In addition, false or artificial entries are not to be made in the books and records of Sherwin-Williams for any reason. Further, Sherwin-Williams must devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that:

- Transactions are executed in accordance with management's general or specific authorization.
- Transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements and to maintain accountability for assets.
- Access to assets is permitted only in accordance with management's general or specific authorization.
- The recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.



In 2010, a U.S. company settled with the Securities and Exchange Commission related to the creation and acceptance of false documents while paying extorted immigration fines and obtaining immigration visas in the Republic of Kazakhstan. The company paid money that is an extortion payment, however it did not accurately report such payments on its books and records.

Are facilitation payments permissible?

No. Making facilitation payments is against Sherwin-Williams Code of Conduct and is a violation of Company policy and some laws. Making payments to expedite transactions is not permissible unless they meet the following criteria:

- ☑ These payments are made at pre-established advertised public rate for speedier service, and are available to anyone with no improper advantage being requested or received.
- ☑ The payments are part of routine government actions such as providing visas, mail service, etc.

If questions arise, please contact the Internal Audit and Loss Prevention Department or the Legal Department for more clarification.

Recognizing Red Flags

Avoid unusual payment patterns or financial arrangements.

Improper payments made to foreign officials are frequently accompanied by unusual payment arrangements. Employees should use increased vigilance when asked; for example, to make payments to a bank account not located in either the country where the services were rendered or the country where the recipient of funds is located.

Be cautious when conducting business in a country with a history of corruption.

To find out whether a country has a history of corruption, please contact the Legal Department or Internal Audit & Loss Prevention.

Avoid paying unusually high commissions.

Commissions historically have been a vehicle through which bribes have been funneled to government officials. Accordingly, a request to pay unusually high commissions is a warning sign of possible corruption.

Beware of a lack of transparency in expenses and accounting records.

A reluctance to share expense statements and accounting records of joint activity by a foreign business partner is a possible indicator of corrupt activity.

Be careful when a government official recommends hiring a consultant.

Be cautious when a government official suggests, in any way, that the Company pay or hire a third party.

Money Laundering

Sherwin-Williams is committed to conducting business only with reputable third parties involved in legitimate business transactions and with funds derived from legitimate sources. Sherwin-Williams will comply with all anti-money laundering laws and will not proceed with suspicious transactions. Money laundering is generally defined as the process of taking funds obtained through illegal activities and making those funds appear legal.

In order to prevent money laundering, employees must be alert for any unusual or suspicious activities or transactions, such as:

- Offers of cash payments or payment from unusual funding sources;
- Payments from parties or transfers of funds from countries not involved in the transaction or unrelated to the customer or third-party;
- Customers or third parties who are reluctant to provide complete information or provide false or suspicious information, or who express concern about or are anxious to avoid reporting or record-keeping requirements;
- Unusually complex deals that don't reflect a real business purpose; or
- Anything irregular in the way payments are made as these could be warning signs of money laundering.

Employees should screen all customers and third parties and expand their diligence where warning signs are identified and report any suspicious transactions.

Anti-Bribery and Anti-Corruption Training

It is essential for each Sherwin-Williams employee to understand the anti-corruption material discussed in this manual, and the risks that exist with bribery and corruption. Training focused on these topics will be provided.

Our company is required to make sure that you are provided current and relevant training material. In order to facilitate this process, many of you will be required to complete training both on the company's Code of Conduct and also training on anti-bribery and anti-corruption on an annual basis.

Due to our global reach, your location and your accessibility may determine how this training is delivered, either through:

- Facilitated training with instructor led sessions
- Access to electronic material that can be utilized to assist you in meeting the above requirement

By doing so, the company adheres to the requirements set forth by the U.S. Department of Justice and the U.S. Securities and Exchange Commission. This also allows the company to keep the information fresh and up to date to better prepare employees.

How to Raise a Concern

Your Duty to Speak Up

We want you to ask questions whenever you are in doubt about the right course of action. No company can live up to its commitment to act with integrity if each of us, as an individual, does not speak up when he or she should. You can harm Sherwin-Williams not only by acting inappropriately, but also by keeping silent when you are unsure what to do, or when you see something wrong. Always speak up if:

- You are unsure about the proper course of action and need advice; or
- You believe that someone acting on behalf of Sherwin-Williams is doing - or may be about to do - something that violates our Company's standards of ethical business conduct or the law.

The obligation to raise a concern about a possible violation of the Code of Conduct, Sherwin-Williams policies, or the law is one of the most important responsibilities each of us has as an employee. Failure to raise a concern can cause significant harm to the health and safety of yourself, your fellow employees, the Company, customers, and the communities in which we operate. Failure to raise a concern could also result in the loss of confidence by our customers and shareholders.

Where to Go for Help

You have options when raising a concern or issue. Your supervisor is usually a good place to start with a legal, ethical or business conduct issue. You may also reach out to your HR representative, the Legal Department, Internal Audit or Loss Prevention.

Using the Ethics Point Reporting System

If you have a concern or issue that you cannot discuss with your supervisor, or you believe that there has been any violation of our accounting practices, securities laws or legal requirements, or if there are any issues that you believe should be brought to the attention of the Audit Committee of the Board of Directors, you have the ability to report the issue either by telephone (Ethics Point Helpline), or Internet (Ethics Point Web Portal).

Ethics Point is an independent third party that administers our ethics helpline and web portal.

- **Ethics Point Helpline.** If you call the Ethics Point Helpline, Ethics Point will listen and make a detailed summary of your call. *See country-specific phone numbers on page 25-28.*
- **Ethics Point Web Portal.** To file a report online, go to **sherwin.ethicspoint.com**.

Anonymity

If you wish and if permitted by law, your report can be made anonymously. The Helpline or Web portal will assign a tracking number, so that reporters who do not want to give their name can still check back to receive a response or provide more information. Of course, giving your name can often help us look into the matter, and, as explained (see Non-Retaliation), the Company will not tolerate retaliation for raising a good faith concern under this Code.

Every effort will be made to give your call a quick response, especially when circumstances make that important. If an investigation is undertaken, we will look into the issue promptly and, whenever called for, see that corrective action is taken.

Ethics Line Phone Numbers by Country

COUNTRY	CONTACT PHONE NUMBER	DIRECT ACCESS CODE
Argentina	0-800-555-0906 or 0-800-444-8084	
Aruba	Reverse Charge Calls. From an outside line, contact your local operator and request a collect call to be placed to the United States to the following number: 704-526-1185	
Australia	1-800-339276	
Austria	From an outside line dial: 0-800-200-288	At the prompt dial: 8448931071
Barbados	Reverse Charge Calls. From an outside line, contact your local operator and request a collect call to be placed to the United States to the following number: 704-526-1186	
Belarus	From an outside line dial: 8^800-101 <i>^ Indicates second dial tone</i>	At the prompt dial: 1-800-792-8783
Belgium	From an outside line dial: 0800-77004	
Brazil	From an outside line dial: 0800-8911667	
Bulgaria	From an outside line dial: 00-800-0010	At the prompt dial: 1-800-792-8783
Canada (French)	From an outside line dial: 1-855-350-9393	
Canada (English)	From an outside line dial: 1-800-792-8783	
Chile	From an outside line dial: 1230-020-5771	
China (Northern)	From an outside line dial: 10-800-712-1239	
China (Southern)	From an outside line dial: 10-800-120-1239	
Colombia	From an outside line dial: 01800-9-155860	
Curacao	From an outside line dial: 001-800-872-2881	At the prompt dial: 1-800-792-8783

COUNTRY	CONTACT PHONE NUMBER	DIRECT ACCESS CODE
Czech Republic	From an outside line dial: 800-142-550	
Denmark	From an outside line dial: 80-882809	
Ecuador	From an outside line dial: 1-800-225-528	At the prompt dial: 1-800-792-8783
Ecuador (Spanish Operator)	From an outside line dial: 1-999-119	At the prompt dial: 1-800-792-8783
Finland	From an outside line dial: 0800-1-14945	
France	From an outside line dial: 0800-902500	
Germany	From an outside line dial: 0800-1016582	
Greece	From an outside line dial: 00-800-1311	At the prompt dial: 8448931071
Grenada	From an outside line dial: 1-800-225-5288	At the prompt dial: 1-800-792-8783
Hong Kong	From an outside line dial: 800-93-2266 or 800-96-1111	At the prompt dial: 8448931071
India	000-800-100-1071 or 000-800-001-6112	
Indonesia	From an outside line dial: 001-801-10 <i>Not available from cellular phones, use public phones allowing international access</i>	At the prompt dial: 1-800-792-8783
Ireland	From an outside line dial: 1-800615403	
Italy	From an outside line dial: 800-786907	
Jamaica	From an outside line dial: 1-8003371285	
Japan (NTT)	From an outside line dial: 0034-811-001	At the prompt dial: 8448931071
Japan (KDDI)	From an outside line dial: 00-539-111	At the prompt dial: 8448931071
Japan (Softbank Telecom)	From an outside line dial: 00-663-5111	At the prompt dial: 8448931071

ANTI-CORRUPTION COMPLIANCE MANUAL

COUNTRY	CONTACT PHONE NUMBER	DIRECT ACCESS CODE
Korea (Dacom)	From an outside line dial: 00-309-11	At the prompt dial: 8448931071
Korea (ONSE)	From an outside line dial: 00-369-11	At the prompt dial: 8448931071
Korea (Korea Telecom)	From an outside line dial: 00-729-11	At the prompt dial: 8448931071
Korea (US Military Bases - Dacom)	From an outside line dial: 550-2872	At the prompt dial: 8448931071
Korea (US Military Bases - Korea Telecom)	From an outside line dial: 550-4663	At the prompt dial: 8448931071
Lithuania	Reverse Charge Calls. From an outside line, contact your local operator and request a collect call to be placed to the United States to the following number: 503-619-1879	
Malaysia	From an outside line dial: 1-800-80-8641	
Mexico	From an outside line dial: 001-800-840-7907 or 001-866-737-6850	
Netherlands	From an outside line dial: 0800-0226174	
New Zealand	From an outside line dial: 508847418	
Norway	From an outside line dial: 800-15654	
Peru	From an outside line dial: 0800-52116	
Poland	From an outside line dial: 0-0-800-1211571	
Puerto Rico	From an outside line dial: 1-800-792-8783	
Romania (Romtelecom)	From an outside line dial: 0808-03-4288	At the prompt dial: 1-800-792-8783
Russia	From an outside line dial: 8-10-8002-6053011	
Saint Lucia	From an outside line dial: 1-800-225-5288 <i>Available from airports, cruise docks and hotles only</i>	At the prompt dial: 1-800-792-8783

COUNTRY	CONTACT PHONE NUMBER	DIRECT ACCESS CODE
Saint Maarten	From an outside line dial: 001-800-872-2881	At the prompt dial: 1-800-792-8783
Serbia	From an outside line dial: 800191063	
Singapore	From an outside line dial: 800-1204201	
South Africa	From an outside line dial: 0-800-99-0123	At the prompt dial: 8448931071
Spain	From an outside line dial: 900-991498	
Sweden	From an outside line dial: 020-79-8729	
Switzerland	From an outside line dial: 0-800-890011	At the prompt dial: 8448931071
Taiwan	From an outside line dial: 00-801-102-880	At the prompt dial: 8448931071
Thailand	From an outside line dial: 001-800-12-0665204	
Trinidad & Tobago	From an outside line dial: 1-888-805-3405	
Turkey	From an outside line dial: 0811-288-0001	At the prompt dial: 8448931071
Ukraine	From an outside line dial: 0-800-502-886	At the prompt dial: 1-800-792-8783
UAE	From an outside line dial: 8000-021	At the prompt dial: 1-800-792-8783
UAE (du)	From an outside line dial: 8000-555-66	At the prompt dial: 1-800-792-8783
UAE (Military-USO and cellular)	From an outside line dial: 8000-061	At the prompt dial: 1-800-792-8783
United Kingdom	From an outside line dial: 0800-032-8483	
United States	From an outside line dial: 1-800-792-8783 or 1-800-SWC-TRUE	
Uruguay	From an outside line dial: 000-413-598-3075	
Venezuela	From an outside line dial: 0800-1-00-4586	
Vietnam	From an outside line dial: 120-11067	

Non-Retaliation

We want to encourage employees to do the right thing. This includes reporting all violations of Company policies and the law, including incidents of harassment or discrimination. We will take appropriate steps to investigate all such reports and will take appropriate action.

Under no circumstances will you be subject to any disciplinary or retaliatory action for reporting, in good faith, a possible violation of the Code of Conduct or applicable law or for cooperating in any investigation of a possible violation.

Remember . . .

If you do not feel comfortable talking to your supervisor about a concern directly, use the Ethics Point Helpline. After your information is received, we will investigate the allegation.

The right thing to do is to report your concern immediately.

Resources

INTERNAL AUDIT	CONTACT PHONE NUMBER
Vice President of Internal Audit and Loss Prevention	216-566-2691
Director of Loss Prevention Compliance and Reporting	216-566-3068
LEGAL	
Associate General Counsel	216-566-1208

Anti-Corruption Third Party Due Diligence Process

Purpose of Due Diligence

Third party due diligence is an important aspect of our anti-corruption program, and helps us identify and understand risks associated with third parties. The purpose of due diligence is to ensure, to the extent possible, that Sherwin-Williams retains only reputable third parties by understanding several aspects to include the following:

- Where the third party does business?
- Who are the third parties business partners?
- Know where these transactions interact with government agencies?

Overview of Due Diligence Process

At Sherwin-Williams, we conduct due diligence based upon the level of potential risk involved with a third party. Before the due diligence process is initiated for an existing or potential new third party, you should contact your division's representative in the Legal Department to determine the need for an agreement with the third party. Before signing any agreement or conducting business with the third party, you must contact Corporate Loss Prevention to initiate the third party due diligence process. Our due diligence is conducted by Securimate, so it is probable that you or the third party will see emails from Securimate during this process.

The request will then be either APPROVED, DENIED or referred to you for further action. Upon ultimate approval or denial, the results will be communicated to you and other interested Sherwin-Williams parties.

Due Diligence Process

Please refer to the 4 step process flow document on page 32 (Figure 1a) for a quick summary of steps in this process

1. Initiate preliminary discussions for the commencement of or the renegotiation of the relationship. SW Legal customarily is contacted at this point to determine the need for a written agreement.

2. Determine type of third party. Third parties that require due diligence include (but are not limited to):

a. Customers

i. Distributors

ii. Sub-Distributors*

iii. Active Re-seller/ Retailers

iv. Dedicated Dealers

b. Service Providers

i. Freight forwarders/Customs Brokers

ii. Sales Agents

iii. Permit/registration/license agents

iv. Consulting services including Environmental Consultants

v. Any other third parties interfacing with the government on behalf of SW

3. The in-country facilitator will complete the Internal Due Diligence Questionnaire via the following link: dwf.sherwin.com and logging in with your Sherwin-Williams mySherwin user ID and password. You can also get to the questionnaire by logging into mySherwin, going to My Apps and then going to either Anti-Bribery or Sales Agreements. The Distributor Approval Questionnaire, which is required for all third party distribution agreements, and the Sales Agent Approval Questionnaire, which is required for all sales agent agreements, are included in the automated internal anti-corruption due diligence questionnaire, noted above. The Distributor Agreement Approval Questionnaire and Sales Agent Agreement Approval Questionnaire will be reviewed for approval by the Global Contract & Licensing Manager (216-566-1840).

4. After the information is reviewed by Corporate Loss Prevention (and the Global Contract & Licensing Manager, when applicable) a link will then be sent directly to the third party via email to complete the External Due Diligence Questionnaire.

5. When the External Due Diligence Questionnaire is completed and submitted by the third party (via online link), the appropriate level of due diligence for the third party will be initiated.

6. When the due diligence process is complete, the results will be assessed as necessary by Corporate Loss Prevention, the Legal Department and the SW business unit.
7. If approved, the business unit can then proceed with signing the agreement, provided the agreement has been approved by SW Legal. If not approved, further review will be conducted between Corporate Loss Prevention, the Legal Department and the SW business unit.

** For sub-distributor and re-seller relationships, an Internal Due Diligence Questionnaire must be submitted to Corporate Loss Prevention to determine if the External Due Diligence Questionnaire is necessary. If there is a question about a third party, please contact the Corporate Loss Prevention Compliance Manager at 216-566-3068 or 3rdPartyDD@sherwin.com.*

Third Party Due Diligence Process



SW Business Unit completes Internal Due Diligence Questionnaire via the following link: dwf.sherwin.com and logging in with your Sherwin-Williams mySherwin user ID and password. You can also get to the questionnaire by logging into mySherwin, going to My Apps and then going to either Anti-Bribery or Sales Agreements.



A link to the External Due Diligence Questionnaire is sent to the third party via email.



When the external questionnaire is completed by the third party, it will then be submitted to our vendor for a background review.



When the due diligence review is complete, the findings will be reviewed by LP/Audit and/or Legal departments for approval or further review.

Anti-Bribery and Anti-Corruption Policy

I. Statement of Policy

- 1. Purpose.** The laws of most countries make the payment, offer of payment, or receipt of a bribe, kickback or other corrupt payment a crime, subjecting both Sherwin-Williams and individual employees to fines and/or imprisonment. These anti-bribery and anti-corruption laws make it a crime to pay, offer, or give anything of value to government officials for the purpose of influencing the acts or decisions of those officials. This is true even if such payments may be common within the country in question.

The purpose of this Policy is to ensure compliance by all employees, officers and directors of Sherwin-Williams, and its worldwide subsidiaries and affiliates, with all anti-bribery and anti-corruption laws of any country in which Sherwin-Williams does or intends to do business.

- 2. Scope.** This Policy applies to all employees, officers and directors of Sherwin-Williams and its worldwide subsidiaries and affiliates. This policy should be read in conjunction with Sherwin-Williams' Code of Conduct.

3. Policy.

A. Bribes, Kickbacks or Other Corrupt Payments. It is the policy of Sherwin-Williams that, in doing business anywhere in the world, Sherwin-Williams, all affiliates, employees, officers and directors of Sherwin-Williams or any of its affiliates, and all persons who act as a representative, agent, distributor or partner to Sherwin-Williams or any of its affiliates, must comply fully with applicable anti-bribery and anti-corruption laws. Sherwin-Williams employees are prohibited from directly or indirectly offering, giving, soliciting or receiving any form of bribe, kickback or other corrupt payment, or anything of value, to or from any person or organization, including government agencies, individual government officials, private companies and employees of those private companies under any circumstances.

B. This prohibition applies:

- i. Worldwide, without exception.
- ii. Without regard to local laws, regional customs, local practices or competitive conditions.
- iii. To the indirect payment of any such bribe, kickback or other corrupt payment that may be carried out through third party contract counter parties, such as representatives, consultants, brokers, contractors, suppliers, joint ventures or affiliates, or any other intermediary or agent acting on behalf of Sherwin-Williams.

No employee will be penalized for any delay or loss of business resulting from his or her refusal to pay a bribe.

- C. **Third Parties.** This policy also prohibits corrupt offers, promises and payments made through certain contract counter parties, distributors, intermediary agents, joint ventures, or third parties. Therefore, it is important to conduct due diligence on such parties, and not disregard or ignore facts which indicate a probability that a corrupt payment may occur. The purpose of due diligence is to ensure, to the extent possible, that Sherwin-Williams retains only reputable and honest counter parties, agents, representatives and partners. In addition, contracts with counter parties including agents or third-party representatives and joint venture partners should, to the extent possible, include provisions to remove the risk of potential illicit payments.

Please review section III. below for more details concerning Third Parties.

Anti-Corruption and Anti-Bribery Policy *continued*

- D. **Facilitation Payments.** Facilitation payments are payments of small amounts made to secure or expedite the performance of routine non-discretionary government action by non-U.S. clerical level government officials. Examples of facilitation payments may be obtaining routine permits to do business, processing visas and work orders, obtaining mail or telephone services, or expediting shipments through customs (assuming all legal requirements for obtaining these have been satisfied).

Sherwin-Williams prohibits the payment of any type of facilitation payment.

II. Guidelines on Compliance with this Policy

1. Definitions.

“Bribe” means giving, or making an offer or promise to give, or authorizing, soliciting, or accepting the giving of, anything of value or any other advantage, to improperly influence actions. For example, improper influence can include a kickback intended to cause someone else to misuse their position in order to secure a benefit.

“Anything of Value” can include money, gifts, hospitality, expenses, reciprocal favors, business or employment opportunities, political or charitable contributions, or any other tangible or intangible benefit or consideration to improperly influence actions, whether conferred directly or indirectly. Examples of consideration that may violate anti-bribery and anti-corruption laws include:

- Travel arrangements
- Meals
- Company promotional items
- Contributions to charity at the direction of a public official
- Giving a job to a family member of a public official
- Granting a scholarship to the family member of a public official
- Tickets to sporting events

Please note that the list above only are examples of potentially improper inducements and in no way limits the scope of anti-bribery and anti-corruption prohibitions.

Anti-Corruption and Anti-Bribery Policy *continued*

2. Elements of a Corrupt Offense. Stated simply, international anti-bribery and anti-corruption laws prohibit a person or a company from making an improper payment to a Government official, private entity or individual to obtain or retain business. Most anti-bribery and anti-corruption laws, however, are broadly interpreted and are designed to prohibit any type of inducement intended to circumvent their terms. The essential elements of anti-bribery and corruption laws relating to Government officials, private entities or individuals are:

- i. A payment, offer, or promise of:
 - a. Anything of value;
 - b. To any:
 - i. Government official;
 - ii. Political party or party official;
 - iii. Candidate for political office;
 - iv. Official at a public international organization;
 - v. Private entity and individual; or

Immediate family members of the foregoing or any person while knowing that all or part of such payment will be passed on to any of the people described above;

In certain regions of the world, it will of course be difficult to determine whether an individual is or is not a public official, particularly in countries that have expansive royal families. To remain in compliance with anti-bribery and anti-corruption laws, you should always assume that any individual with any connection to a government or ruling family is a Government official subject to anti-bribery and anti-corruption prohibitions.

As stated above, the anti-bribery and anti-corruption laws also apply to state-owned enterprises or private companies pre-dominantly used by governments. Accordingly, the term Government official can often mean an individual who does not perform a traditional governmental role. Frequently, these Government officials are employed by a commercial enterprise that is owned, controlled or operated by a Government.

Anti-bribery and anti-corruption laws also cover improper payments to employees of "public international organizations." Examples of such organizations include, but are not limited to, the World Bank, the International Monetary Fund, the Organization of American States, the European Space Agency and the Hong Kong Economic and Trade Offices.

ii. For the purpose of:

Influencing an official act or decision of that person;

Inducing such person to do or omit to do any act, in violation of his or her lawful duty;

Inducing such person to use his influence with a government to affect or influence any government act or decision; or

securing any improper purpose;

iii. in each case, to assist in obtaining or retaining business for or with, or directing any contract or business to, any person.

The following parts of this section will describe in more detail the elements listed above. It is important to note that the terms above are intended to be inclusive and, accordingly, governments will interpret these provisions widely.

Anti-Corruption and Anti-Bribery Policy *continued*

3. Payment, Offer or Promise. Most anti-bribery and anti-corruption laws prohibit an individual from making, offering or promising an improper payment to a Government official, private entity and individual. Accordingly, in most cases it does not matter whether the improper payment actually is transferred to the intended recipient. Further, the intended recipient need not accept the improper payment or even communicate that he or she intends to accept it. Rather, the mere offer or promise of an improper payment to a public official is the prohibited conduct.

Most laws do not contain an exception that would allow small payments from their prohibitions, so attention must be paid to any offers made to a Government official, no matter how small.

4. Responsibility. Compliance with this Policy is mandatory. Accordingly, employees and third parties must comply with both the letter and spirit of this Policy and all applicable laws. No employee or third party will suffer adverse consequences for refusing to engage in bribery or corrupt activities, even if this may result in Sherwin-Williams losing business or suffering other detriment.

All employees are responsible for acquainting themselves with the legal standards and Company policies applicable to their assigned duties, including this Policy and all applicable anti-bribery and anti-corruption laws, and to conduct themselves accordingly.

The Chief Financial Officer (“CFO”) is the compliance officer for Sherwin-Williams. Any questions regarding activities under consideration with regard to the anti-bribery and anti-corruption matters or this Policy should be directed to the CFO. Any employee who believes that Sherwin-Williams or one of its officers, directors, employees or agents is acting in violation of the anti-bribery and anti-corruption laws or this policy should report such concerns to the CFO. An employee who prefers to make a confidential report may do so through the Ethics Point Hotline at the numbers set forth below.

5. Books & Recordkeeping.

A. Anti-bribery and anti-corruption laws require that Sherwin-Williams maintain books and records that accurately and fairly reflect all company transactions and disposition of assets, and to maintain a system of internal financial and operational controls sufficient to provide reasonable assurances that transactions have been executed in accordance with management's specific authorization and recorded in accordance with generally accepted accounting principles.

Sherwin-Williams will maintain books, records, and accounts which, in reasonable detail, accurately and fairly reflect all of Sherwin-Williams transactions. Sherwin-Williams and its subsidiaries will maintain a system of internal accounting controls sufficient to reinforce compliance with this Policy.

B. Recognizing Red Flags. To help Sherwin-Williams and its employees recognize situations in which payments may be suspect or corrupt, the following "red flags," circumstances or events should warn employees that their dealings may be in violation of anti-bribery and anti-corruption laws:

- i. Avoid unusual payment patterns or financial arrangements. Improper payments made to Government officials, private entities or individuals are frequently accompanied by unusual payment arrangements. Employees should use increased vigilance when asked, for example, to make payments in a bank account not located in either the country where the services were rendered or the country where the recipient of funds is located.
- ii. Be cautious when conducting business in a country with a history of corruption. To find out whether a country has a history of corruption, please contact the Sherwin-Williams Internal Audit Department.
- iii. Avoid paying unusually high commissions. Commissions historically have been a vehicle through which bribes and corruption are transacted. Accordingly, a request to pay unusually high commissions is a warning sign of possible corruption.

Anti-Corruption and Anti-Bribery Policy *continued*

- iv. Beware of a lack of transparency in expenses and accounting records. A reluctance to share expense statements and accounting records of joint activity by a foreign business partner is a possible indicator of corrupt activity.
- v. Be careful when a government official recommends hiring a consultant. Be cautious when a government official suggests, in any way, that Sherwin-Williams pay or hire a third party.
- vi. Avoid situations that would place you alone in closed door meetings with government officials.
- vii. Do not make facilitation payments.

III. Guidelines for Dealings with Third Parties

- 1. This Policy addresses bribery, corruption, waste, fraud or other violations by certain at-risk counter parties, distributors, intermediary agents, or joint ventures, (“Contract Counter Parties”).** Therefore, it is important to conduct due diligence on such potential Contract Counter Parties, and not disregard or ignore facts which indicate a probability that corruption or bribery could occur. The purpose of due diligence is to ensure, to the extent possible, that Sherwin-Williams retains only reputable and honest agents, representatives and partners. In addition, contracts with Contract Counter Parties should, to the extent possible, include provisions to remove the risk of potential illicit payments.

Accordingly, Sherwin-Williams requires that all Contract Counter Parties comply with laws and regulations at all times. In addition to the normal due diligence process that focuses on the Contract Counter Parties’ relevant expertise, experience and qualifications, all Sherwin-Williams employees must take necessary steps to secure compliance with laws and regulations.

Specifically, certain Contract Counter Parties may not be retained without the satisfactory completion of specific due diligence procedures established by the Sherwin-Williams Company. These due diligence procedures are established, reviewed and improved by Sherwin-Williams from time to time.

The documentation concerning the Contract Counter Party should be retained by the business unit engaging the Contract Counter Party for 5 years after the termination of the Contract Counter Party relationship. Payment to the Contract Counter Party will be permitted only if reasonable in relation to the services performed and are made pursuant to these written agreements.

Any suspected violation of laws, regulations or this policy by a Contract Counter Party should immediately be brought to the attention of the Legal Department in the form of a confidential communication for the purpose of obtaining appropriate guidance and requesting that an investigation be conducted.

Anti-Corruption and Anti-Bribery Policy *continued*

2. Contracting with Third Parties. If any Sherwin-Williams business unit utilizes the services of a Contract Counter Party, a detailed written contract should govern the arrangement. In addition to the arrangement's commercial terms, the contract should also contain appropriate representations and warranties from the Contract Counter Party concerning past and future compliance with anti-bribery and anti-corruption laws, including periodic certification that the Contract Counter Party remains in compliance with those laws.

Finally, when examining the relationship with the Contract Counter Party, Sherwin-Williams employees should evaluate whether the proposed compensation to be paid in exchange for the services rendered or the products delivered is reasonable in light of the circumstances. "Success" fees deserve heightened attention.

Contract Counter Parties should execute, on an annual basis, an annual compliance certification with respect to anti-corruption laws, the form of which has been established by Sherwin-Williams.

IV. How to Raise a Concern

1. Your Duty to Speak Up. We want you to ask questions whenever you are in doubt about the right course of action. No company can live up to its commitment to act with integrity if each of us, as an individual, does not speak up when he or she should. You can harm Sherwin-Williams not only by acting inappropriately, but also by keeping silent when you are unsure what to do, or when you see something wrong. Always speak up if:

- You are unsure about the proper course of action and need advice; or
- You believe that someone acting on behalf of Sherwin-Williams is doing — or may be about to do — something that violates our Company's standards of ethical business conduct or the law.

The obligation to raise a concern about a possible violation of the Code of Conduct, Sherwin-Williams policies, or the law is one of the most important responsibilities each of us has as an employee. Failure to raise a concern can cause significant harm to the health and safety of yourself, your fellow employees, the Company, customers, and the communities in which we operate. Failure to raise a concern could also result in the loss of confidence by our customers and shareholders.

2. Where to Go for Help. You have options when raising a concern or issue. Your supervisor is usually a good place to start with a legal, ethical or business conduct issue. You may also reach out to your HR representative, the Legal Department, Internal Audit or Loss Prevention.

Anti-Corruption and Anti-Bribery Policy *continued*

3. Using the Ethics Point Reporting System. If you have a concern or issue that you cannot discuss with your supervisor, or you believe that there has been any violation of our accounting practices, securities laws or legal requirements, or if there are any issues that you believe should be brought to the attention of the Audit Committee of the Board of Directors, you have the ability to report the issue either by telephone (Ethics Point Helpline), or Internet (Ethics Point Web Portal). Ethics Point is an independent third party that administers our ethics helpline and web portal.

- **Ethics Point Helpline.** If you call the Ethics Point Helpline, Ethics Point will listen and make a detailed summary of your call. See country-specific phone numbers on the following page.

- **Ethics Point Web Portal.** To file a report online, go to sherwin.ethicspoint.com.

A. Anonymity. If you wish and if permitted by law, your report can be made anonymously. The Helpline or Web portal will assign a tracking number, so that reporters who do not want to give their name can still check back to receive a response or provide more information. Of course, giving your name can often help us look into the matter, and, as explained (see Non-Retaliation), the Company will not tolerate retaliation for raising a good faith concern under this Code.

Every effort will be made to give your call a quick response, especially when circumstances make that important. If an investigation is undertaken, we will look into the issue promptly and, whenever called for, see that corrective action is taken.

See pages 30-33 for Ethics Line Phone Numbers by Country.

B. Non-Retaliation. We want to encourage employees to do the right thing. This includes reporting all violations of Company policies and the law, including incidents of harassment or discrimination. We will take appropriate steps to investigate all such reports and will take appropriate action.

Under no circumstances will you be subject to any disciplinary or retaliatory action for reporting, in good faith, a possible violation of the Code of Conduct or applicable law or for cooperating in any investigation of a possible violation.

C. Remember... If you do not feel comfortable talking to your supervisor about a concern directly, use the Ethics Point Helpline. After your information is received, we will investigate the allegation.

The right thing to do is to report your concern immediately.

