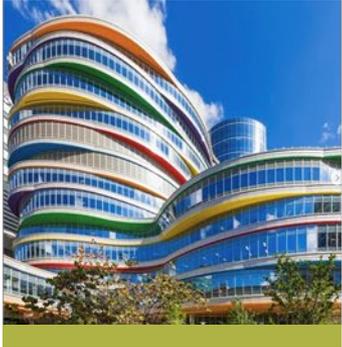




SHERWIN-WILLIAMS®



INDUSTRY OVERVIEW

JAMES R. JAYE

*SENIOR VICE PRESIDENT, INVESTOR RELATIONS
AND CORPORATE COMMUNICATIONS*

2021 FINANCIAL COMMUNITY PRESENTATION

This presentation contains certain "forward-looking statements," as defined under U.S. federal securities laws. These statements can be identified by the use of forward-looking terminology such as "believe," "expect," "may," "will," "should," "project," "could," "plan," "goal," "target," "potential," "seek," "intend," "aspire" or "anticipate" or the negative thereof or comparable terminology. These forward-looking statements are based upon current expectations, predictions, estimates, assumptions and beliefs concerning future events and conditions. Readers are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company that could cause actual results to differ materially from such statements and from the Company's historical performance and experience. These risks, uncertainties and other factors include such things as: general business and economic conditions; the Company's ability to successfully integrate past and future acquisitions into its existing operations, as well as the performance of the businesses acquired; strengths of retail and manufacturing economies and the growth in the coatings industry; changes in the Company's relationships with customers and suppliers; changes in raw material availability and pricing; adverse weather conditions or impacts of climate change, natural disasters and public health crises, including the COVID-19 pandemic; the duration, severity and scope of the COVID-19 pandemic and the actions implemented by international, federal, state and local public health and governmental authorities to contain and combat the outbreak and spread of COVID-19, which may exacerbate one or more of the aforementioned and/or other risks, uncertainties and factors more fully described in the Company's reports filed with the Securities and Exchange Commission (SEC); and other risks, uncertainties and factors described from time to time in the Company's reports filed with the SEC. Since it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results, the above list should not be considered a complete list. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

INDUSTRY DATA: In addition, industry information included in this presentation is not intended to be comprehensive. The coatings industry is global and diversified. The Company believes the multiple data sources cited in connection with industry market sizes, segments and other information are directionally helpful as of the date of this presentation, but may not be comprehensive, including from an absolute volume or industry size standpoint or otherwise. Generally, these sources tend to understate the size of the industry for all geographies.



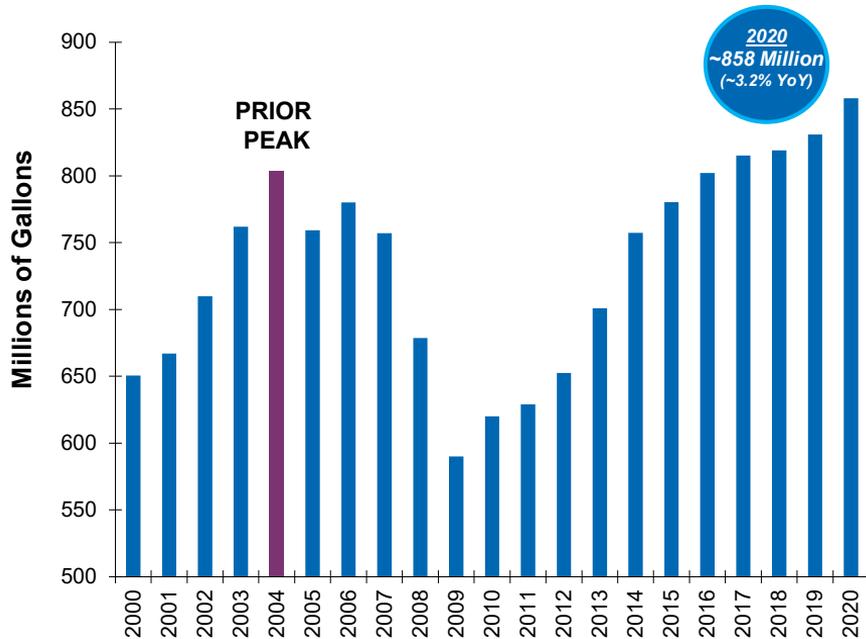
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2021 FINANCIAL COMMUNITY PRESENTATION

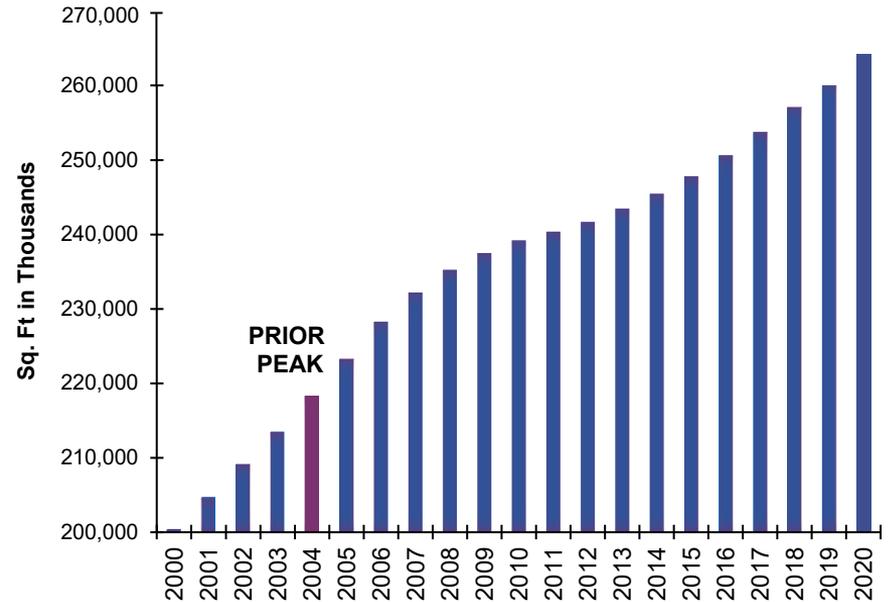
U.S. ARCHITECTURAL COATINGS

Architectural Paint Gallons



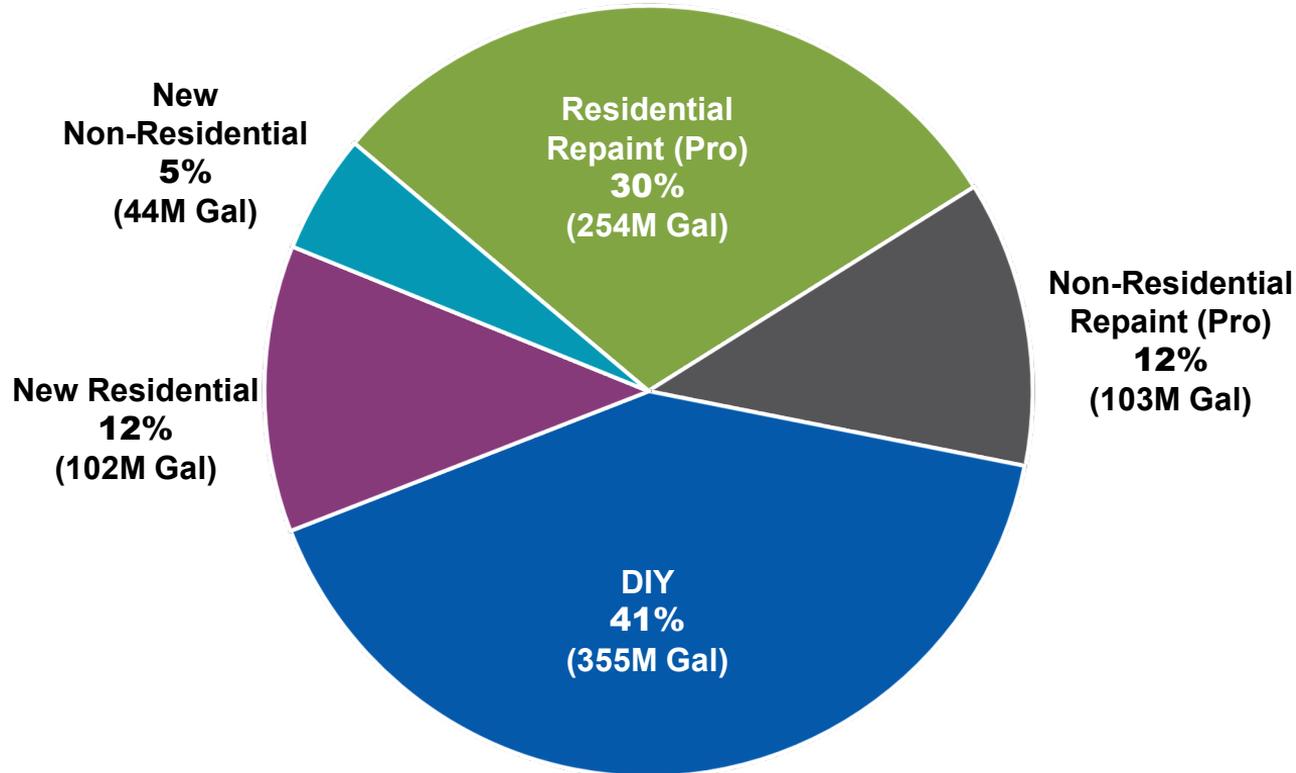
Sources: ACA, Department of Commerce, Dodge Data & Analytics & Company Estimates

Non-Residential & Residential Square Footage



Source: Dodge Data & Analytics U.S. Building Stock Data

~19% Growth in Square Footage Since Prior Peak Should Drive Continued Gallon Growth Due to Larger Repaint Opportunity



~858 Million Gallons in 2020

U.S. Architectural Paint Industry Trends

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NEW RESIDENTIAL

- Starts strong, customers bullish
- Strong household formations drive long-term demand



RESIDENTIAL REPAINT (PRO)

- Interior and exterior strong
- Demographic and economic indicators favorable long term



COMMERCIAL

- Prior projects resuming, gaining momentum
- Pace of new starts choppy



PROPERTY MANAGEMENT

- Apartment turns, hospitality gaining momentum
- Return to office, travel, vaccinations supportive



DIY

- Return to normal cools “nesting”
- Gradual return to more normalized demand level

U.S. Demographics

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SILENT
1928-1945

- Transitioning to Senior Living Facilities



BABY BOOMERS
1946-1964

- Aging in place; driving remodeling spend
- Eventually will downsize
- Eventually will relocate to active adult facilities



GEN X
1965-1980

- Move up creates churn and drives remodeling
- Most likely to hire contractors



**MILLENNIALS
(GEN Y)**
1981-1996

- Forming households
- First time homebuyers
- Demand for entry level homes
- Driving multifamily and rentals



iGEN (GEN Z)
1997-2012

- Will further extend household formation
- Always connected, eComm

76-93 YEARS OLD
(AS OF 2021)

23

MILLION

8% OF U.S.
POPULATION

57-75 YEARS OLD
(AS OF 2021)

72

MILLION

22% OF U.S.
POPULATION

41-56 YEARS OLD
(AS OF 2021)

65

MILLION

20% OF U.S.
POPULATION

25-40 YEARS OLD
(AS OF 2021)

72

MILLION

22% OF U.S.
POPULATION

9-24 YEARS OLD
(AS OF 2021)

78

MILLION

24% OF U.S.
POPULATION

Source: [PewResearch.org](https://www.pewresearch.org). Please Note: above estimates based on Census projections for 2020 US population. Percentages exclude those born before 1928 and after 2012. No chronological end date has been set for Gen-Z.

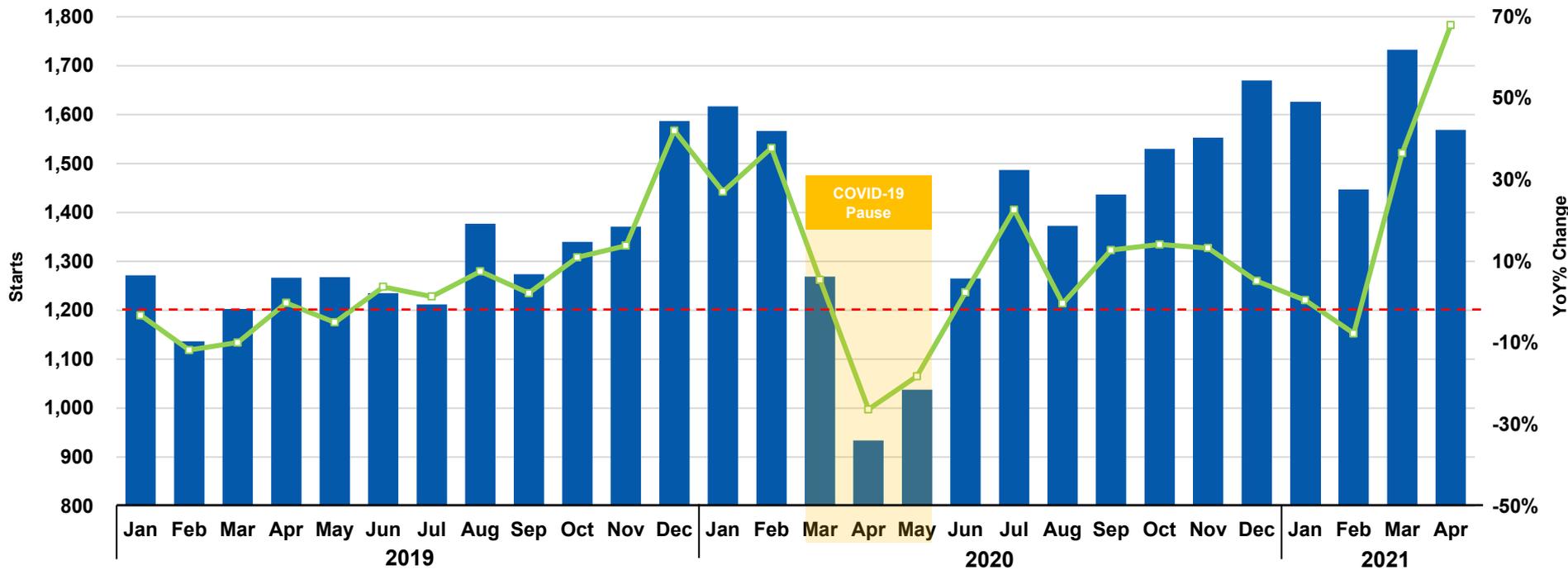
New Residential Housing Starts

Painting Begins ~3-4 Months After Start

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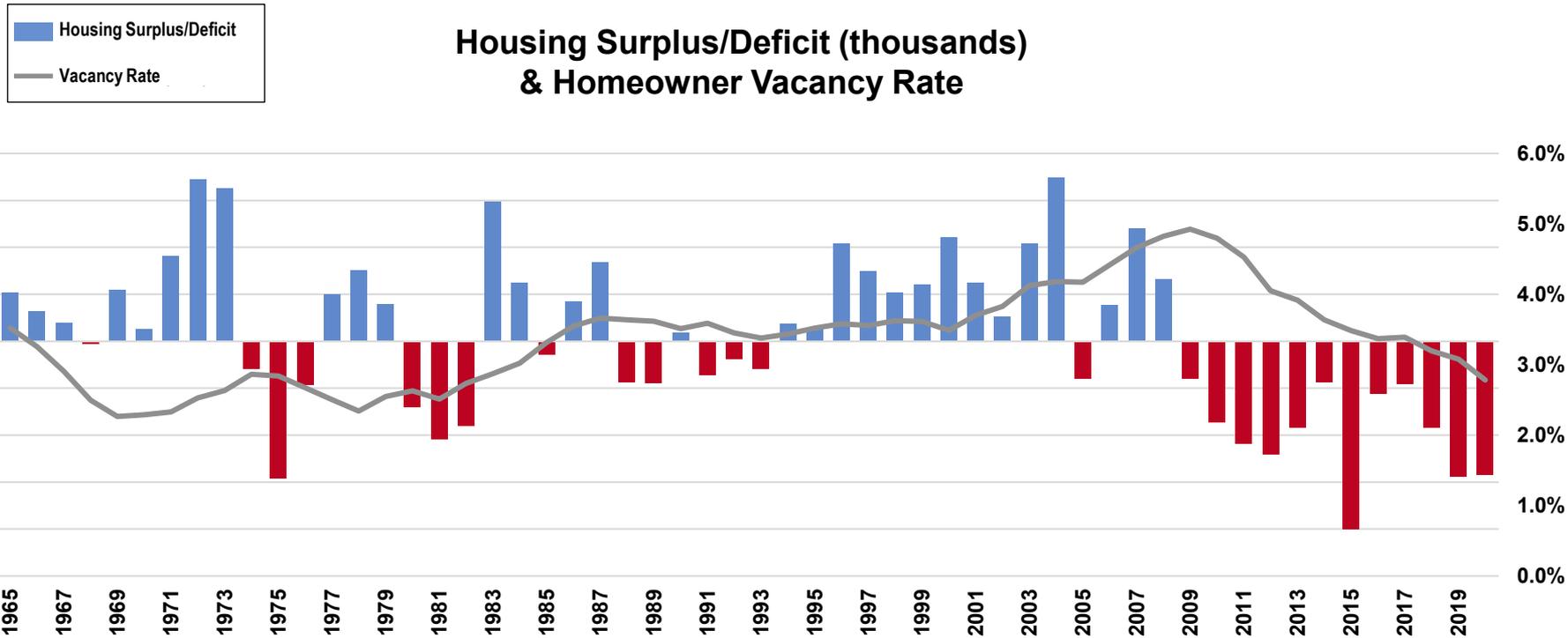
Housing Starts in '000s (Seasonally Adjusted Annual Rate) & YoY% Change

Housing Starts YoY% Change



Sustained Strength in New Starts Following Short COVID-19 Related Pause

Housing Supply Not Keeping Pace



We have Underbuilt Since the Great Recession and Inhabitable Vacancies have Largely Been Absorbed

Repaint & Remodel

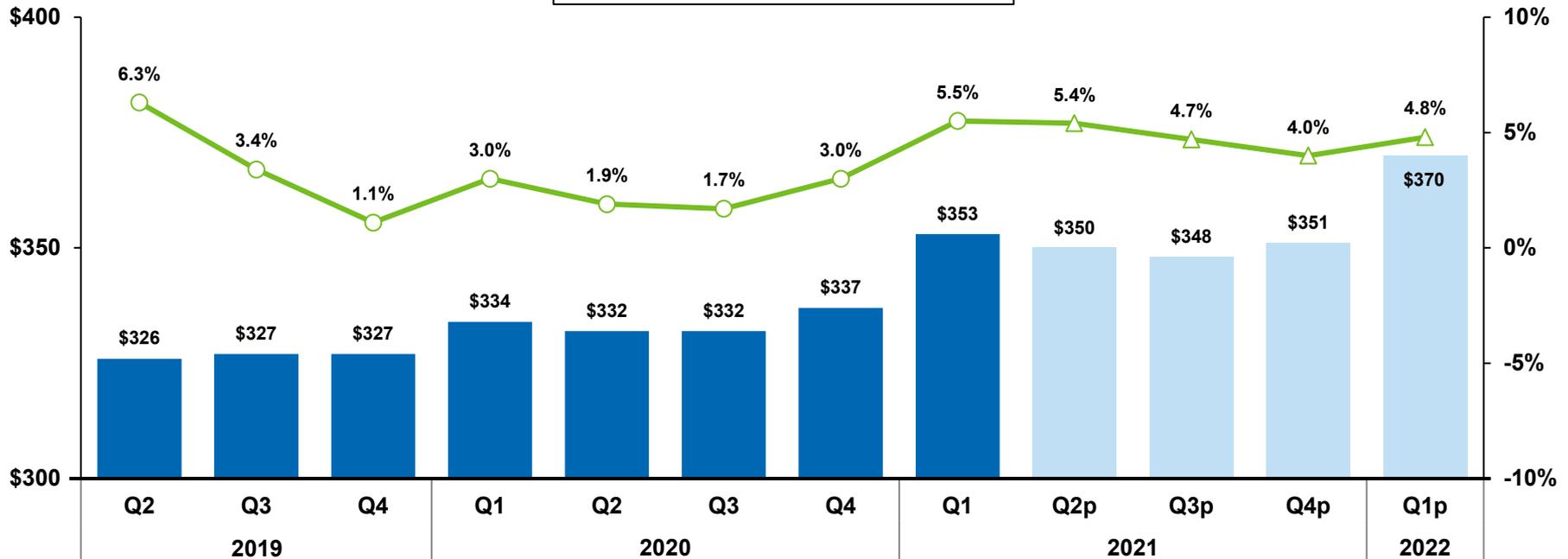
Leading Indicator of U.S. Remodeling Activity

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Homeowner Improvements & Repairs
Four-Quarter Moving Totals Billions



Four-Quarter Moving
Rate of Change



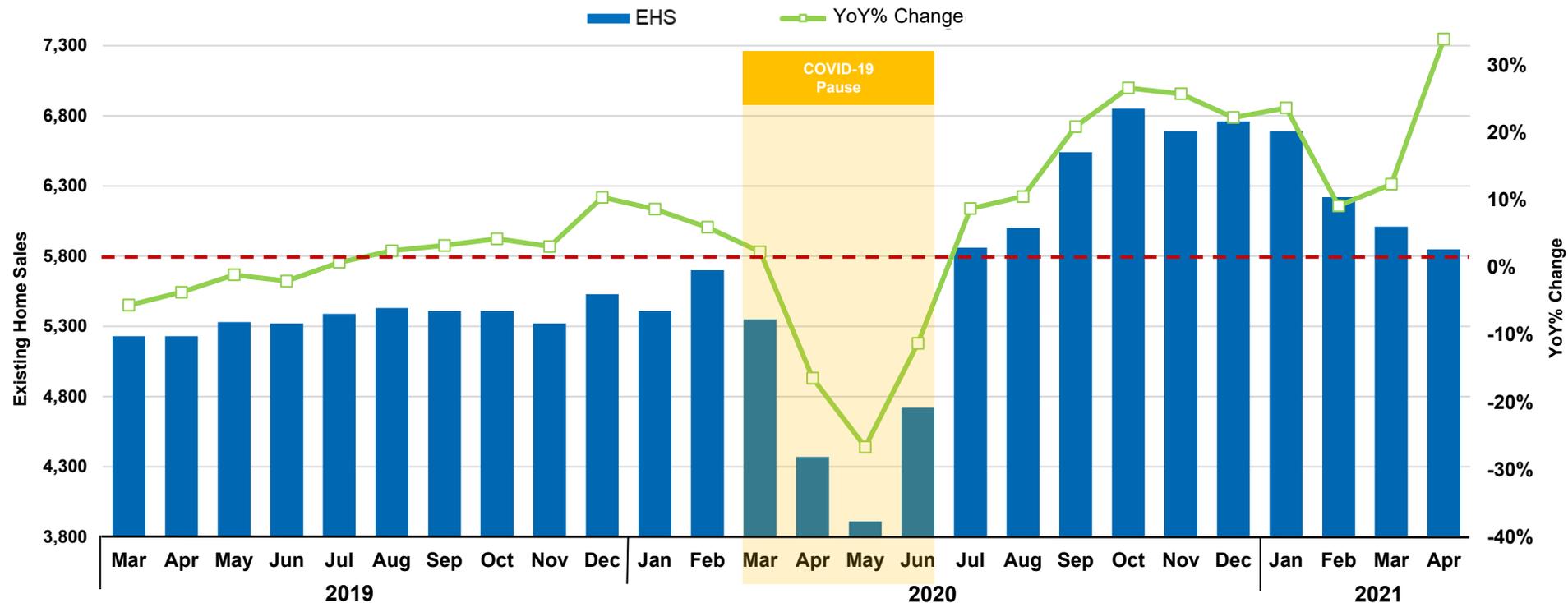
Notes: Improvements include remodels, replacements, additions and structural alterations that increase the value of homes. Routine maintenance and repairs preserve the current quality of homes. Historical estimates since 2019 are produced using the LIRA model until American Housing Survey benchmark data become available.

U.S. Remodeling Activity Projected to be Strong into 2022

Remodeling Drivers

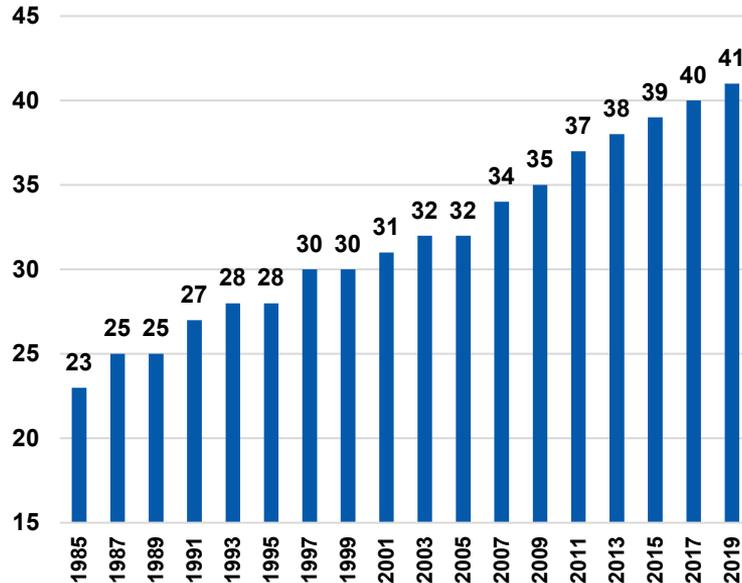
Existing Home Sales

Existing Home Sales '000s - SAAR (YoY% Change)

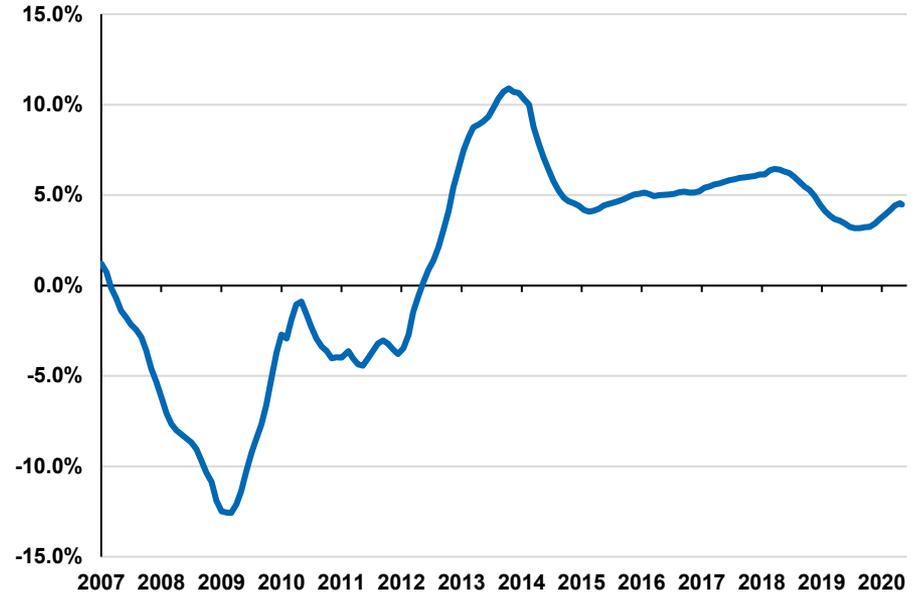


Sustained Strength in Existing Home Sales Following Short COVID-19 Related Pause

Median Age of Housing Stock

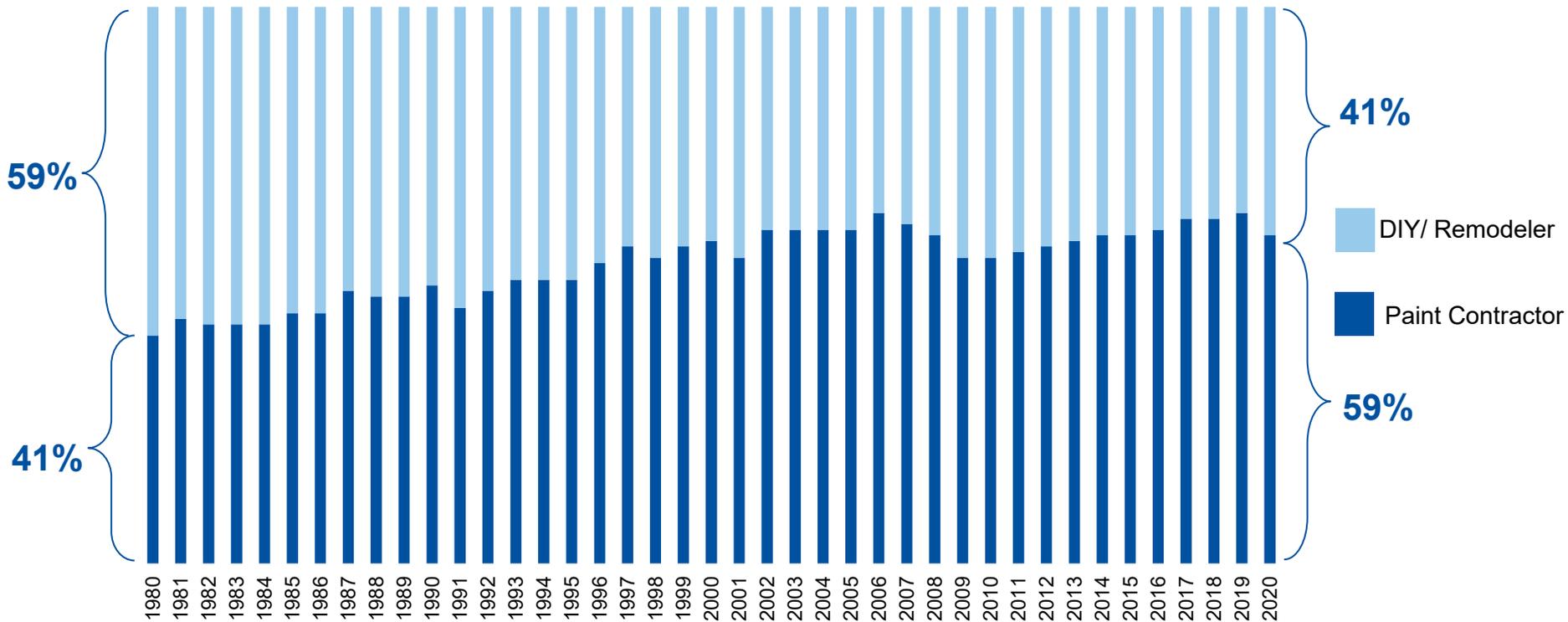


S&P/Case-Shiller Home Price Appreciation Index - YoY% Change



Ageing Housing Stock and Home Price Appreciation Drive Remodel Spend

DIY → Contractor Shift Expected to Continue in U.S. & Canada *SHERWIN-WILLIAMS*



Sources: U.S. Commerce Department, Company Estimates

Sherwin-Williams is Well Positioned to Serve Pro and DIY



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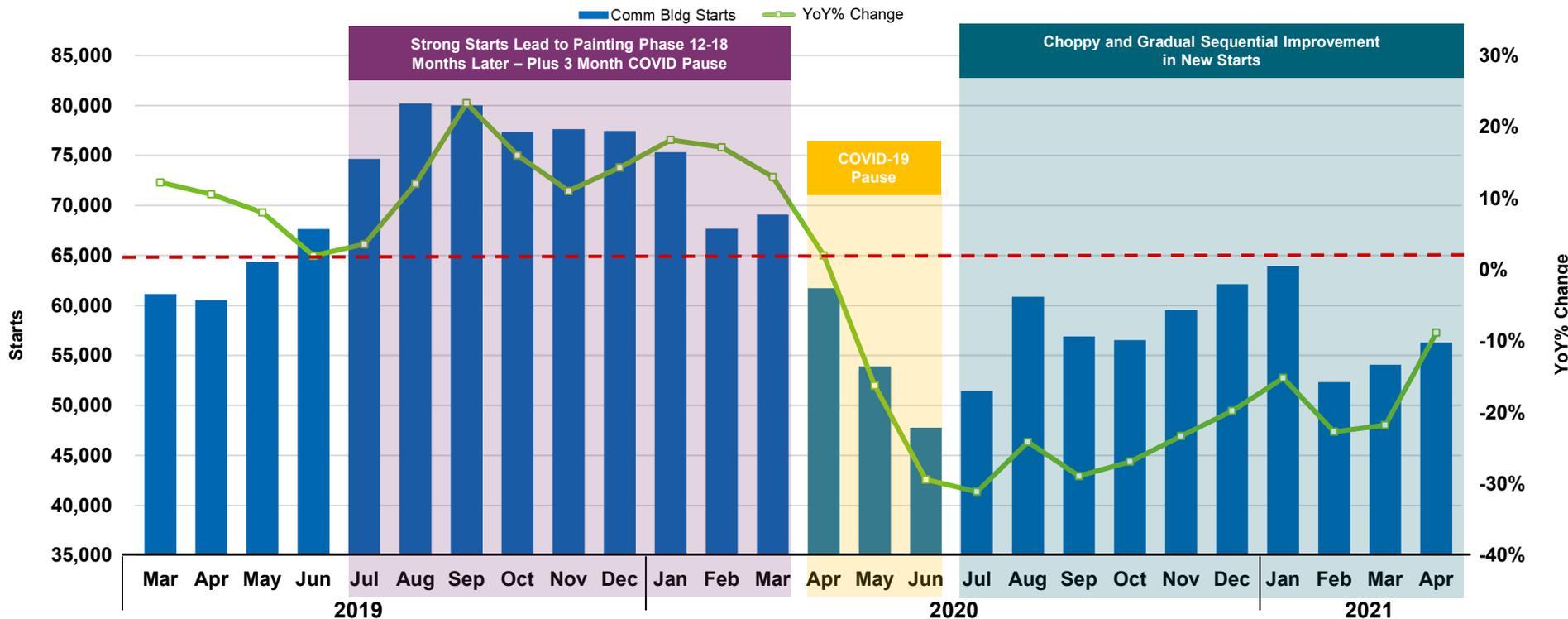
COMMERCIAL CONSTRUCTION

2021 FINANCIAL COMMUNITY PRESENTATION

Commercial Construction Starts

Painting Begins ~12-18 Months After Start

T3M Avg - Sq Ft in '000s and YoY% Change

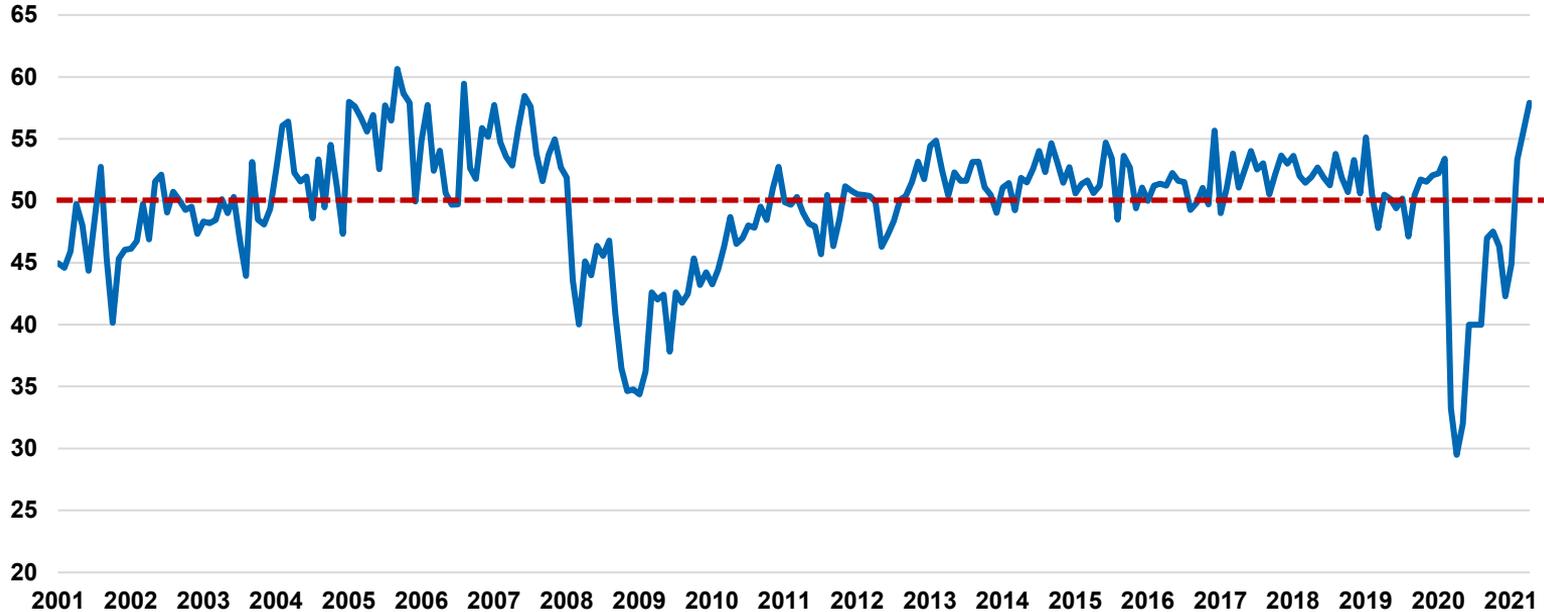


Pre-Pandemic Starts Reach Painting in 2021; New Starts Remain Choppy

Commercial Recovery Gaining Momentum

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Architectural Billings Index (>50 = expansion)



ABI has Strengthened to a Score Not Seen Since Pre-Great Recession

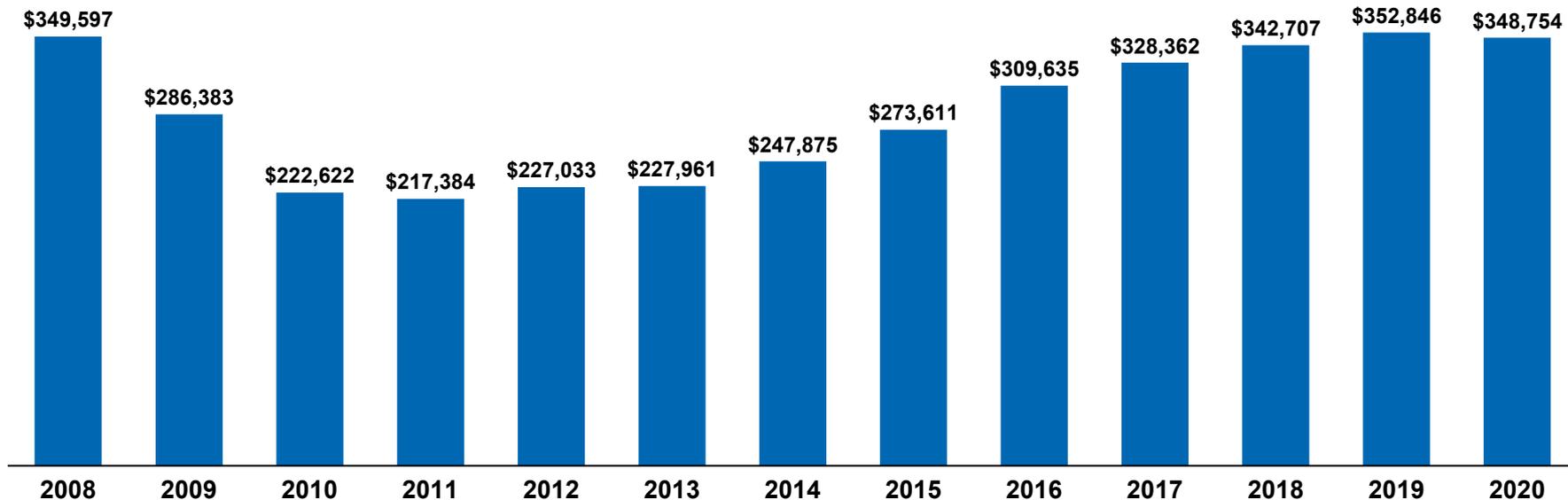
U.S. Commercial Construction Put in Place

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Projects Will Resume as Maintenance Cannot be Delayed Indefinitely

Annual Commercial Construction Put in Place

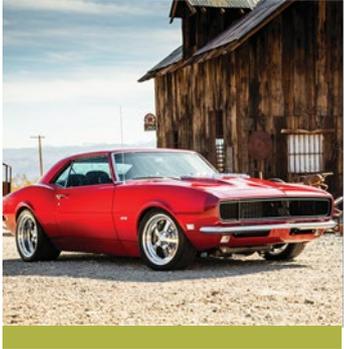
(Millions of Dollars)



\$3.0T in Accumulated Commercial Construction Put in Place Since 2008 Drives Maintenance Opportunities



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INDUSTRIAL COATINGS

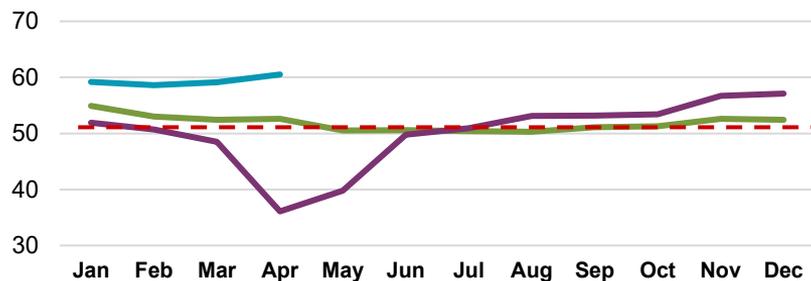
2021 FINANCIAL COMMUNITY PRESENTATION

Industrial Demand by Region

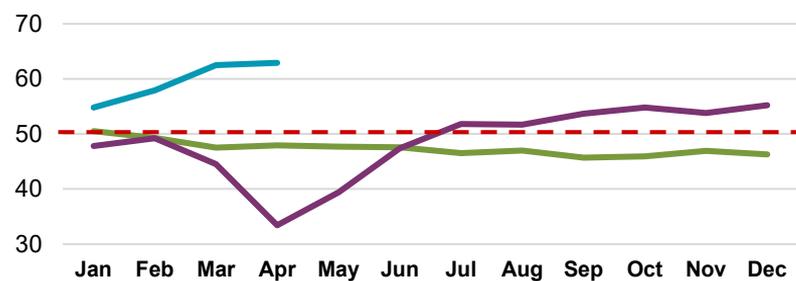
Purchasing Managers Index (PMI) - Manufacturing

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US PMI - IHS MARKIT (50+ = expansion)

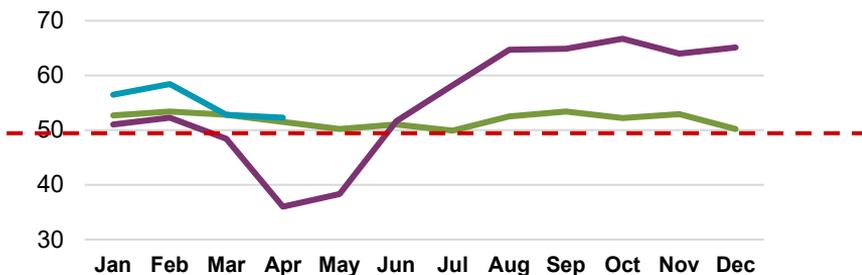


EUROZONE PMI - IHS MARKIT (50+ = expansion)

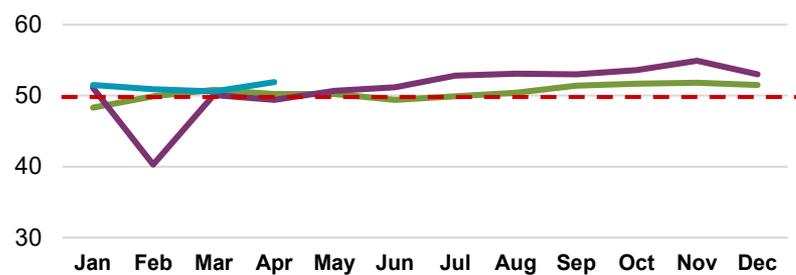


— 2019 — 2020 — 2021

BRAZIL PMI - IHS MARKIT (50+ = expansion)



CHINA PMI - IHS MARKIT (50+ = expansion)



Improving Industrial Indicators in All Regions Signal Additional Momentum



INDUSTRIAL WOOD

- New residential strength driving flooring, cabinetry and furniture
- OEM transition from China to SE Asia largely complete

***Sales up YoY every month since July 2020
for U.S. Kitchen Cabinet producers.¹***

¹ Kitchen Cabinet Manufacturing Association



GENERAL INDUSTRIAL

- Heavy equipment OEMs reporting solid trends
- Demand improving in all regions, led by Asia YTD
- U.S. and Eurozone Manufacturing PMI at record levels. Other regions strong.

“Sentiment, pricing, and inventory levels all point to upward pressure on demand in 2021.”²

² BoA Securities, April 19, 2021



PACKAGING

- Shift from plastic to cans – environmental concerns
- Growing new categories: spiked seltzer & energy drinks
- Shift to non-BPA technology
- Customer investments in capacity expansion

“Beverage can volume growth in North and Central America is expected to exceed 6% this year, while EMEA is expected to be mid-single digits and South America is anticipated to grow mid-to-high teens.”¹

¹DeutscheBank, May 6, 2021



COIL

- Recovery of commercial construction – similar drivers as architectural
- Appliance, HVAC, trailer truck strong momentum in 2021
- New business wins in all regions

“We think nesting and COVID-19 altered work behaviors has increased the overall intensity of appliance demand, creating a favorable tailwind into FY22.”²

²KeyBanc, April 22, 2021



AUTO REFINISH

- Miles driven and collision rates improving but below pre-COVID levels
- Continued industry consolidation creates opportunity
- SHW system installations strong

“Upbeat miles driven outlook bodes well for automotive refinish.”¹

¹ Jefferies, May 18, 2021



PROTECTIVE & MARINE

- Sequential improvement
- Oil and gas maintenance cannot be delayed indefinitely
- Growth in other segments – flooring, pharmaceutical, etc.
- Infrastructure opportunities

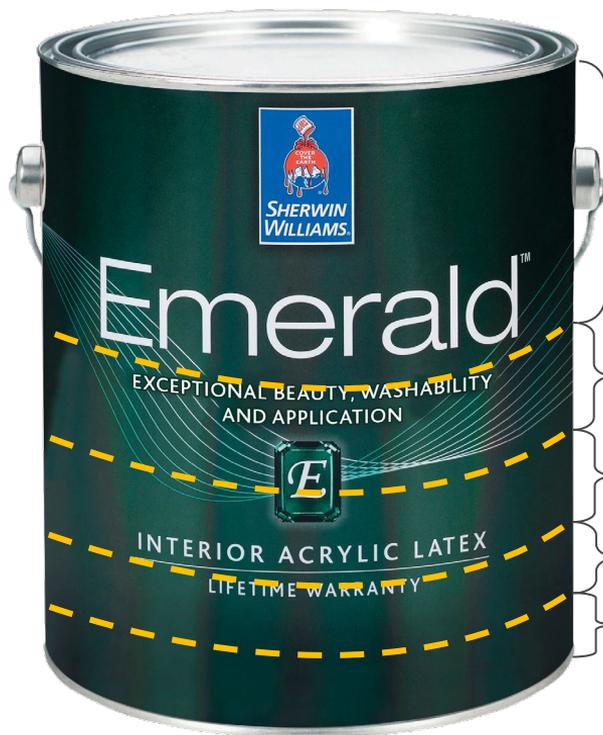
“The pandemic brought a sharp downturn in 2020, which will lead to a bounce-back in non-building starts in 2021 and 2022.”²

² Dodge Data & Analytics, March 2021

Typical Coatings Product

2021 est. vs. 2020

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Resins/Latex (41%)

Acrylic (Latex Paints)

Alkyd (Oil Paints)

Epoxy (Epoxy Paints)

Pigments (29%)

Titanium Dioxide

Pigments

Paint Fillers

Extenders

Containers (15%)

Metal or Plastic

Additives (9%)

Solvents (6%)

Industry Inflation*

11 to 19%

1 to 2%

7 to 13%

-1 to -2%

18 to 31%

Total: +HSD to LDD

**This represents the average cost range for the Coatings Industry. It does not reflect the cost for an individual Coatings Company. This cost could be lower or higher based upon company size or other variables (e.g., product mix, quality, etc.) that impact cost.*

Source: Based on Sherwin-Williams internal estimates and assumptions using publicly available industry information.