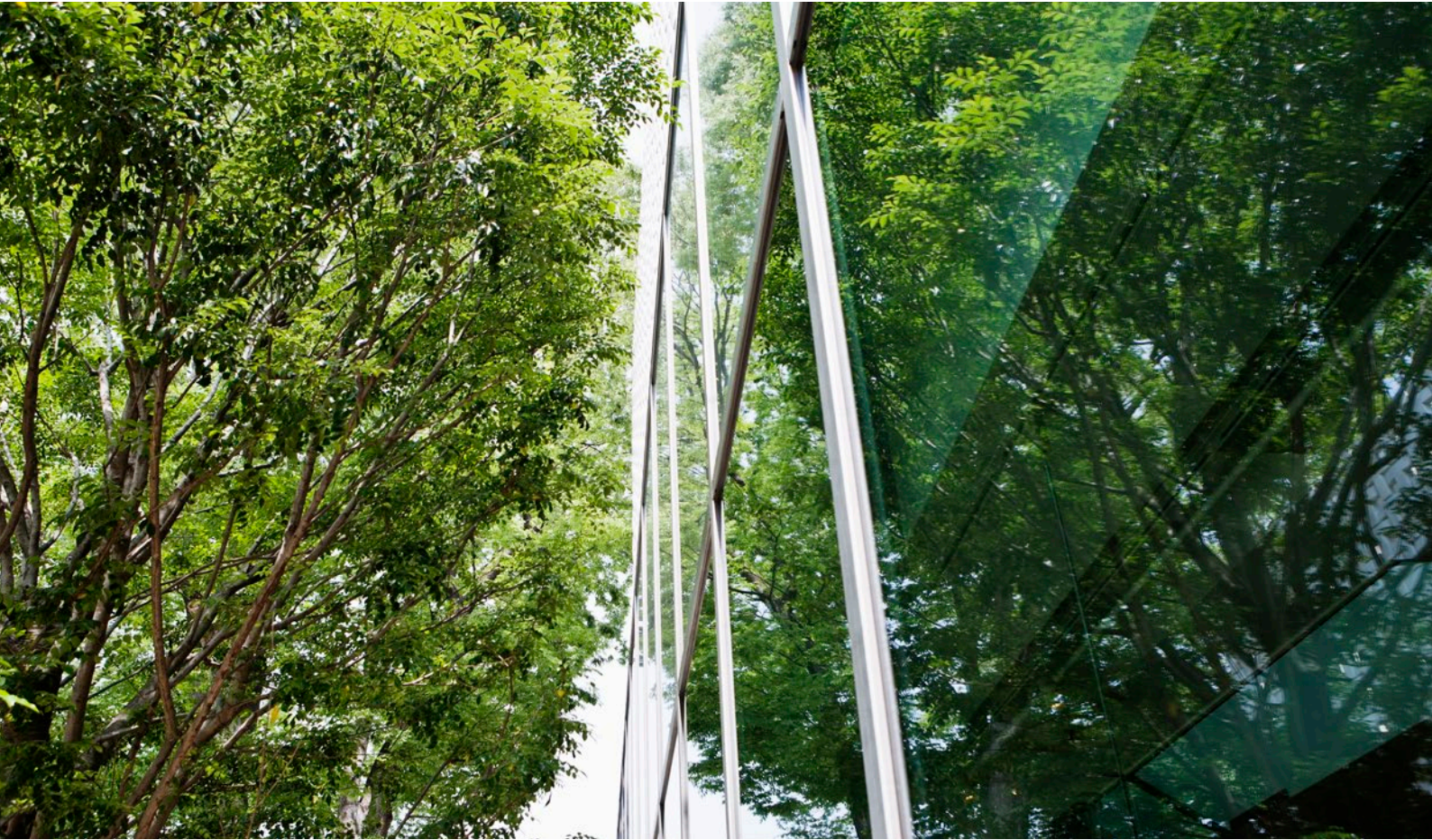


# BUILDING ON THE GOOD

**SHERWIN  
WILLIAMS®**



**Since 1866 we've been leading the way in developing high-performance paints, coatings and flooring solutions that protect properties and high-value infrastructure projects from the effects of time, weather and general wear and tear.**

Sustainability is embedded within our corporate purpose, with a focus on three pillars - our Environmental Footprint, our Product Blueprint and our Social Imprint.

Within these pillars, we work towards goals to guide our efforts to address climate change, expand our portfolio of 'sustainably advantaged products,' and make our Company a safe, more inclusive place to work.

**FROM SPEC TO PROTECT**

[protectiveemea.sherwin-williams.com](https://protectiveemea.sherwin-williams.com)

## THINK GLOBALLY - ACT LOCALLY

Operating across 5 continents, we take a global view. Here's what we've been doing in terms of strategic frameworks:

Since **2005**, we have voluntarily reported to the CDP's Climate Change Reporting Initiative while initiating several key projects to help reduce our greenhouse gas carbon footprint. These include continuously improving our sustainable processes and products to preserve natural resources, protect the environment and contribute to social improvement. This can be seen in the goals, metrics, and sustainability reports that we publish annually.

In **2019**, we undertook a robust materiality assessment to identify and prioritise the critical Environmental, Social and Governance topics to our business. The following core strands were incorporated into our sustainability framework:

- Climate and Carbon
- Occupational Health & Safety
- Product Stewardship
- Talent Acquisition
- Life Cycle Assessment
- Employee Engagement

The Sherwin-Williams culture is built on trust, respect, execution and inclusion, which guide our commitment to take care of our customers, respect our employees and the environment, and support the communities in which we live and work. Sustainability is rooted in our values and our way of doing business.

**2021** saw us focus our sustainability strategy on three core pillars:

- Environment Footprint
- Product Blueprint
- Social Imprint

These pillars sit on a foundation of Governance and Ethics which provide the framework for sustainability and ESG throughout our global operations.

In **2022**, we published our first statements on our latest sustainability performance with the Task Force on Climate-Related Financial Disclosures framework. These disclosures reflect our current understanding of the risks and opportunities related to climate change.

### Our 2030 Environmental Footprint Reduction Goals

Sherwin-Williams 2030 goals span the priority areas of our Environmental Footprint. Rolled out in early 2021 and benchmarked against a 2019 baseline, these goals build on our past progress and demonstrate a significant evolution in our sustainability strategy and approach. We are committed to the following goals for 2030:



#### Greenhouse gas emissions

Reduce absolute Scope 1 and 2 greenhouse gas emissions by **30%**



#### Renewable energy

Increase electricity from renewable sources to **50%** of total electricity usage



#### Energy efficiency

Increase operational energy efficiency by **20%**



#### Waste reduction

Reduce waste disposal intensity by **25%**



## OUR CLIMATE STRATEGY IN ACTION

From 2009 to 2020 we focused our efforts on reducing our greenhouse gas emissions (GHG) intensity, which is measured by the rate of GHG per 100 pounds of product produced.

The GHG Protocol Corporate Standard categorises GHG emissions as Scope 1, Scope 2 and Scope 3. In 2021, we aligned our climate strategy to reflect a science-based targets approach influenced by the Paris Agreement and its goal to limit global warming to well below 2°C.

Our goal to reduce our absolute Scope 1 and Scope 2 emissions by 30%, set against a 2019 baseline, was developed on this basis.

We subsequently made the key decision to track and weigh our absolute GHG emissions, rather than setting an intensity-based goal, as this better aligned with the global need for mitigating the physical amount of GHGs emitted into the atmosphere.

Aiming towards our 2030 goal, our sustainable behaviours now include, but are not limited to:

- Virtual power purchase agreements
- Solar installations
- Introducing electric vehicles into our fleet
- Energy efficiency improvements throughout our operations



## CARBON EMISSIONS PERFORMANCE

This chart represents total carbon emissions for our global footprint. The decline in emissions from 2020 to 2021 was due to the following factors:

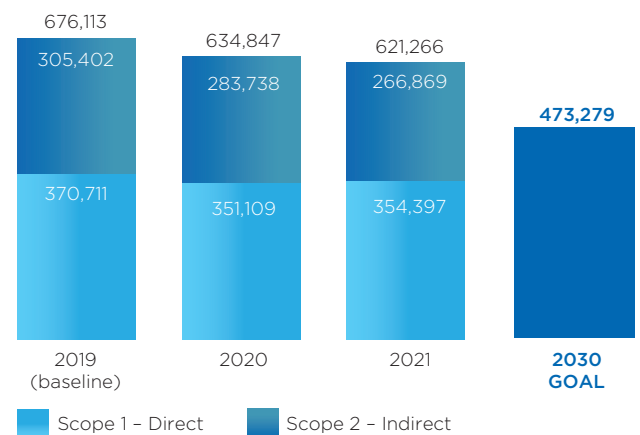
- Continued evolution of the energy grid towards greater use of renewable energy
- Ongoing energy efficiency initiatives in our facilities (including the installation of LED (light emitting diode))
- A 5.6% improvement in the fuel efficiency of our fleet vehicles

Our scope 3 emissions are measured globally and amounted to 6,197 metric tons of CO<sub>2</sub>e per year (TCOe/year) for business travel in 2021.

NOTE: However, more contributions need to be accounted for and we are working through collecting this data. Thanks to our collaborations with suppliers and academia, we are gaining a better understanding of our scope 3 emissions, and we'll continue to optimise opportunities to improve product sustainability. Using renewable feedstocks and more sustainable raw materials are just two key approaches that we will adopt.

### Total CO<sub>2</sub>e emissions

(metric tons, all global locations)



# CARBON REDUCTION IN THE UK

## A roadmap to sustainability

Wherever we work or operate, we want our facilities to be driving forward sustainable best practice where possible, and to continually review and improve what we do. To help us achieve this we've employed third party consultants to assess our current practices, and we also undertake periodic site-specific energy audits to analyse the performance of individual Sherwin-Williams facilities.

Our UK plants have an annual goal to undertake a series of energy and waste sustainability projects which include:

- On-site renewable energy generation
- Virtual power purchase agreements
- Renewable energy credits

Investing in the most fuel-efficient vehicles has already improved their mile-per-gallon (km/litre) performance, but we're now introducing hybrid alternatives to reduce our carbon footprint further. We're also piloting electric vehicles to assess whether they have a practical application to our business.

As with all our sustainability initiatives, we're constantly reviewing and reporting on their performance and also identifying further opportunities to make an even bigger impact.

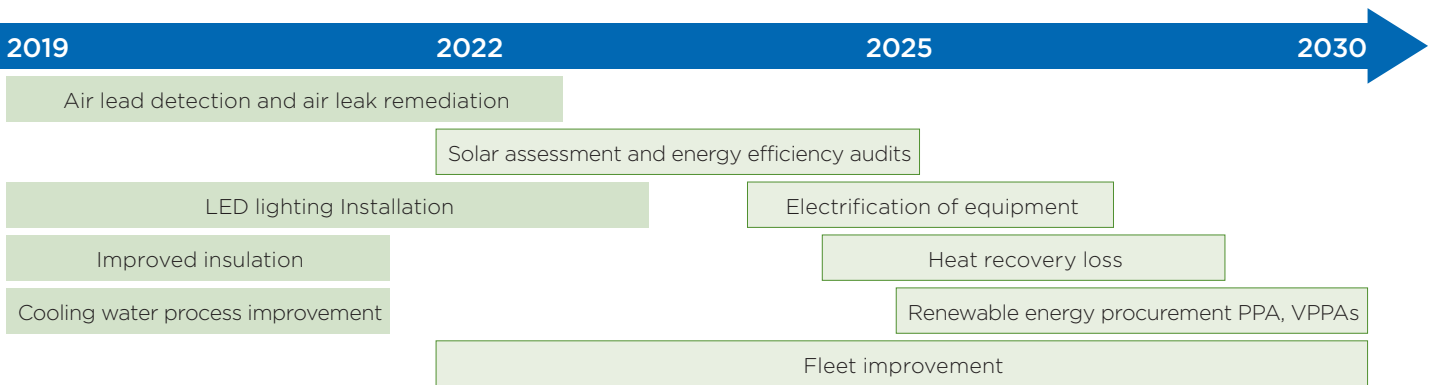
Our Bolton operation is a good example of how we're bringing our global sustainability strategy into action locally.

## Bolton - sustainability measures

Bolton, Lancashire, is home primarily to our Protective & Marine business which currently contributes around 25% to the overall carbon emission in the UK. The site has a long history of manufacturing, extending back to 1844 and was purchased by Leigh Paints in 1939.

Sherwin-Williams acquired the site in 2011 and, since then, has produced around 14m tonnes of solvent and water-based products a year, including our FIRETEX® intumescent paints.

The below roadmap sets out the measures we have taken to improve sustainability at the Bolton site since 2019, and further planned improvement works up to 2030.

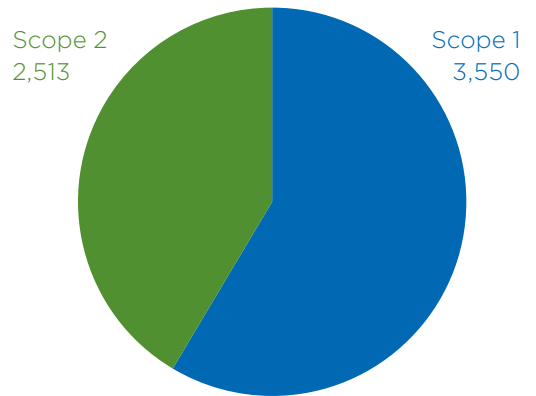


## Forward looking statements and other information

For more information regarding our sustainability- and ESG-related goals, targets, strategies and initiatives, including disclosures relating to this and other forward-looking statements, visit [sustainability.sherwin-williams.com](https://sustainability.sherwin-williams.com)

## UK 2021 carbon breakdown by scopes\*

Total CO<sub>2</sub>e emissions = 6,063 (metric tons)



\* All UK sites



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