

Environment, Health & Safety MANAGEMENT SYSTEM



*Caring for our employees, our workplace
and our communities.*



SHERWIN-WILLIAMS®

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Sherwin-Williams has always been a company that cares for our employees, our workplace and our communities. Whether we're assessing the programs that are in place to keep our employees safe, or ways that we can conserve resources more effectively, protecting our people and the world we live in is a core value that has been with us since our inception nearly 150 years ago.



Now, we have another tool designed to make these efforts even more clearly defined and consistent across our global operations. This Environment, Health and Safety Management System (EHSMS) assures that as an organization we have a common roadmap for the best practices that help us to work towards an accident- and incident-free workplace and more sustainable organization.

Throughout this management system you'll find information that spells out the processes that are in place to maintain a safe and healthy environment, and the role you play in assuring these are executed consistently. As a global business, this helps us maintain our corporate integrity and our competitive advantage. When we all work from the same playbook, abide by the same standards and aim to improve our workplace in the same way, we reinforce that we are a company that cares for our people and our environment. All operating organizations are required to implement and maintain the systems, tools and processes needed to conform to the expectations described in this framework.

We have built the best paint company in the world. As we look towards our next 150 years, our focus remains on improving the lives of our people and the quality of our products and our processes. This EHSMS is an invaluable tool to help us care for ourselves, our workplace, our community and our environment. I encourage you to refer to it often, and share it with your teams. Use it to guide the exceptional work you already do.

A handwritten signature in black ink that reads "John G. Morikis".

John G. Morikis
Chairman, President and Chief Executive Officer

PRINCIPLE: PEOPLE

Successful management of health, safety and the environment requires effective leadership, teamwork, open communication and commitment from every employee to care about ourselves, our workplace, our community and our environment. Delivery of all elements of the EHSMS is achieved through engagement at all levels.



ELEMENT 1: LEADERSHIP

Leadership is the driving factor for achievement of EHS Excellence. Leaders are visibly committed and accountable. Leaders establish policy based upon our core values and openly communicate expectations. Goals and metrics are developed, resources defined and accountabilities assigned. Leadership provides resources for successfully managing EHS activities.

- 1.1 Senior management establishes EHS policies to ensure that systems for EHS Excellence are established, communicated and supported at every level of the organization.
- 1.2 Through their actions, managers and supervisors visibly and effectively demonstrate commitment to EHS Excellence. They accept accountability and understand how their behaviors impact others.
- 1.3 Managers and supervisors possess the knowledge and skills to effectively implement the EHS Management System.
- 1.4 Authority, roles, responsibilities and accountabilities within EHS Excellence are defined, documented and communicated. EHS resources are adequate to ensure successful implementation of the system.



- 1.5 EHS goals and objectives to implement and improve the EHSMS are established annually at all levels. These are clearly communicated and performance against these goals and objectives is evaluated.
- 1.6 Performance of the overall EHSMS is evaluated and results communicated to senior management.

ELEMENT 2: ENGAGEMENT

Employee engagement is important to successfully achieve EHS Excellence. Employees are given opportunities and encouraged to be actively involved.

- 2.1 Employees at all levels are provided opportunities to participate in the planning, implementation and evaluation of EHS activities and programs.
- 2.2 EHS Committees and teams are established and reflect the make-up of the workforce.

PRINCIPLE:

OPERATIONAL PROCESSES

Operational processes ensure that hazards, risks and regulatory compliance are anticipated, recognized, evaluated and controlled. Processes contribute to continuous improvement and will lead to EHS Excellence.

ELEMENT 3: RISK ASSESSMENT

A comprehensive risk assessment process includes identification and analysis of hazards, risks and controls that impact safety, health and the environment. Results of assessments provide essential information for evaluation of controls, decision-making and planning.

- 3.1. EHS risk management processes are in place to periodically identify, assess and mitigate the EHS risks related to activities and operations.
 - 3.1.1. Risk assessments are performed by qualified personnel that are representative of the operation or process and include expertise from outside the immediate area when appropriate.
 - 3.1.2. Assessed risks are documented and communicated to appropriate levels of management. Decisions are made to manage risk appropriate to its nature and degree.
 - 3.1.3. Actions arising from assessments are addressed.
 - 3.1.4. Risk assessments are kept current.





ELEMENT 4: COMPLIANCE ASSURANCE

Compliance with regulatory and Company requirements contributes to the protection of our employees, the public, our Company and the environment.

- 4.1. A process is in place to identify and record applicable legal requirements; EHS policy, standards and procedures; and other requirements.
- 4.2. Programs to assure compliance are developed and implemented.
- 4.3. Compliance is periodically verified.

ELEMENT 5: DESIGN, MODIFICATION AND CONSTRUCTION

Standards and procedures are crucial for facility and process design, modification, construction and startup activities. This allows for safe operation and minimizes risk to worker health and the environment.

- 5.1. Design and construction of new or modified facilities, installation of new equipment, or modification of equipment will use approved design standards and procedures.
- 5.2. Design standards and procedures comply with applicable regulatory requirements and Company requirements where regulations are not adequately protective. They consider environmental aspects, human factors and worker exposures.

- 5.3. Design specifications for facilities and materials are verified and assured. A procedure to approve deviation from design or material specifications is implemented.
- 5.4. A pre-startup review is performed and documented to ensure that design, construction, equipment, training and procedures are in place in accordance with design specifications.

ELEMENT 6: MANAGEMENT OF CHANGE

Management of both permanent and temporary change ensures risks arising from these changes are evaluated and managed. A management of change process addresses changes in facilities, operations or organizations.

- 6.1. A program is in place to manage both temporary and permanent change associated with facilities, operations, products or the organization.
- 6.2. The management of change process addresses: authority for approving changes; evaluation of health and safety hazards, environmental impacts and mitigation; acquisition of needed permits; communication of the change and the risks associated with the change; training of all impacted personnel; documentation of the change and updates to all affected procedures and records.
- 6.3. Managing organizational change addresses evaluation of impacts to the organizations, assignment of EHS responsibilities, communication to all affected personnel, and assurance of training and orientation for newly assigned personnel.



ELEMENT 7: EMERGENCY PREPAREDNESS

Prevention is the first priority; however, emergency planning and preparedness ensure that operations respond immediately and effectively to all emergencies and incidents. This is critical to the protection of employees, the public, the environment and Company assets.

- 7.1. The site maintains a procedure that results in prompt notification to management of significant health, environmental or safety incidents.
- 7.2. Emergency preparedness, response and business continuity plans are documented, accessible, current and communicated.
- 7.3. Plans address: identification of potential incidents applicable to the site and geographic location; response actions and procedures appropriate for incident scenarios; organizational structure, responsibilities and authorities; communication procedures both internal and external; and periodic review and update.
- 7.4. Trained personnel, equipment and infrastructure needed for emergency response are defined and readily available.
- 7.5. Plans are periodically tested through drills and other exercises. Improvements are identified and addressed.

PRINCIPLE:

OPERATIONAL CONTROLS

Operational controls ensure that appropriate procedures and equipment have been developed and implemented to minimize environmental impact, and prevent harm to employees, customers, the public and company assets.

ELEMENT 8: PROGRAMS

EHS Programs provide systematic mechanisms to identify and control hazards and risks, comply with regulatory and Company requirements and control contractor services. Well-designed and effectively implemented standards and procedures are necessary to ensure EHS Excellence.

- 8.1. A safety program is in place for each location. Core elements include:
 - 8.1.1. Documentation of how hazards present at the location are controlled.
 - 8.1.2. Behavior-based safety processes.
 - 8.1.3. Generation and maintenance of process safety information that documents chemical processes.
 - 8.1.4. Written programs appropriate to the operation and include at a minimum: fire prevention and mitigation, electrical safety, vehicle safety and fall protection.
 - 8.1.5. Methods that monitor and maintain risk control measures so they continue to be effective.

- 8.2. An occupational health program is in place for each location. Core elements include:
 - 8.2.1. Industrial hygiene and medical surveillance processes appropriate for the location. Processes include procedures for identification and control of workplace exposures and ongoing monitoring and surveillance of affected personnel.
 - 8.2.2. A process to determine whether members of the workforce are safely able to perform the essential physical, psychological and cognitive requirements of their job without risk to self or others and are not impaired by drugs, alcohol, disabling medical conditions or fatigue.
 - 8.2.3. Written occupational health and industrial hygiene programs appropriate to the operation and include at a minimum: hazardous materials communications, ergonomics, industrial hygiene and occupational medicine.



- 8.3. An environmental program is in place for each location. Core elements include:
- 8.3.1. Identification of actual and potential discharge points, characterization of all environmental discharges, and appropriate controls to protect human health and the environment. Discharge identification includes planned and unplanned emissions or releases to air, land and water.
 - 8.3.2. Monitoring and maintenance of process equipment and discharge controls including routine maintenance of equipment.
 - 8.3.3. Acquisition and maintenance of all environmental and operating permits, and compliance with regulatory requirements.
 - 8.3.4. Decontamination and remediation procedures for uncontrolled releases.
 - 8.3.5. Proper management and disposal of waste.
- 8.4. EHS Programs are monitored and their effectiveness measured. Results of monitoring and measurement are considered for program improvements and performance goals.
- 8.5. Procedural and equipment EHS controls are identified and included in operating instructions. These include routine actions to test and verify effectiveness of the controls.

- 8.6. A process is in place that ensures third-party service suppliers, including their subcontractors, perform to safety, health and environmental requirements consistent with those required of Company employees. Written contractor EHS programs include contractor selection, instruction, monitoring and evaluation of performance.

ELEMENT 9: MAINTENANCE

Operation and maintenance of facilities and equipment within established parameters is a vital part of protecting workers and the environment. This requires effective procedures, structured inspection and reliable maintenance programs.

- 9.1. Operating, maintenance and inspection procedures are developed, implemented and consistently used. Procedures are periodically reviewed and updated.
- 9.2. Critical equipment is identified and tested, and undergoes preventive maintenance.
- 9.3. A system is in place to ensure preventive maintenance activities are scheduled, performed and validated.



ELEMENT 10: DOCUMENTATION

Document management will help sites effectively identify and maintain all documents and records related to EHS programs and activities. This is essential to assess and manage risk and assure regulatory compliance.

- 10.1. A document control system is in place to ensure records, documented procedures, drawings, and other written materials supportive of EHS Excellence are identified, maintained and controlled.

- 10.2. Documents are approved prior to issue and when revised. Changes and revision status are identified. Relevant versions of applicable documents are available.
- 10.3. Documents and records are legible, readily identifiable and accessible; protected against damage, deterioration or loss; secure according to regulatory requirements; retained for a specified period; and use of obsolete documents is prevented.

ELEMENT 11: TRAINING AND DEVELOPMENT

Ensuring competent employees at all levels of the workforce is critical to EHS Excellence and for the control of operations. To achieve this, training and learning solutions are provided to develop and maintain knowledge and skills.

- 11.1. A program is in place to identify and provide training and learning solutions needed for leaders, supervisors, workers, contractors and visitors to meet specified job, regulatory and Company requirements. The program includes assessment of employees' current knowledge and skills relative to requirements.
- 11.2. Training documentation includes training materials and an annual calendar or schedule of training events. A means to track individual employee attendance to scheduled training is in place.
- 11.3. Initial, ongoing and periodic training and development is provided. Specific content determines cycle of refresher training needed (monthly, annual, etc.).
- 11.4. Employee assessments are in place to evaluate the level of learning. Comprehension, retention and execution are gauged and feedback is provided.



PRINCIPLE:

IMPROVEMENT

Continuous improvement requires that the site implements effective systems to prevent incident reoccurrence, verify compliance, review performance and manage actions. This is achieved through a rigorous process of audit, system reviews and improvement planning.



ELEMENT 12: AUDIT

Assessment of management systems and compliance controls implementation improves operations and maintains accountability.

- 12.1. Corporate, self and third-party audits are conducted to verify conformance with management systems and Company requirements, legal compliance and effective risk control implementation.
- 12.2. The frequency and scope of audits reflect the complexity of the operation, level of risk and performance history, or as needed by legal and other requirements.
- 12.3. Audit teams are trained and have the necessary skills and qualifications to conduct their assigned audits.
- 12.4. Audit findings are documented and resolved in a timely manner.
- 12.5. Audit finding trends are identified, communicated and addressed.



ELEMENT 13: INCIDENT MANAGEMENT

Effective investigation and identification of root causes of incidents are necessary to achieve EHS Excellence, prevent future incidents and contribute to continuous improvement. It is vital to not only correct an incident but to also identify preventive measures.

- 13.1. Documented procedures are in place to report, document and investigate all incidents and near misses.
- 13.2. Investigations are timely, documented and appropriate to the level and potential outcome of the incident.
- 13.3. Root causes are determined and actions are identified to prevent reoccurrence.
- 13.4. Incidents, trends and root causes are reviewed and analyzed on a regular basis. Results are shared across the Company and used for intervention strategies and continuous improvement.

ELEMENT 14: ACTION MANAGEMENT

Corrective and preventive actions are identified through audits, inspections, consultation and incident investigation. These are managed to completion to ensure improvement and prevention of future incidents.

- 14.1. A process is in place to document actions arising from EHS activities such as audits, risk assessments, inspections, consultation and incident investigation.
- 14.2. Documented action plans are developed and include responsible parties, activities and due dates.
- 14.3. Actions are tracked through completion, progress is regularly reviewed by management, and effectiveness is verified.

ELEMENT 15: MANAGEMENT SYSTEM REVIEW

Senior management conducts periodic reviews of EHS Management System activities to evaluate progress on performance and to identify necessary adjustments to plans to achieve EHS Excellence.

- 15.1. A documented procedure is in place to review the effectiveness of the EHSMS.
- 15.2. The review includes evaluation of conformance to element requirements, the quality of execution, and whether the Principles are being achieved.
- 15.3. Improvement opportunities are identified from the findings of the management system review and action items are assigned.
- 15.4. Records of management system reviews are maintained.