

CORPORATE SOCIAL RESPONSIBILITY

Building a Better World



ABOUT RPM

RPM International Inc. owns subsidiaries that manufacture and market high-performance coatings, sealants and specialty chemicals, primarily for maintenance and improvement applications.

Among its well-recognized consumer brands are Rust-Oleum, DAP and Zinsser. Its industrial brands are trusted to protect the world's most precious landmarks, including the Eiffel Tower, World Trade Center, Sydney Opera House and many others.

RPM employs 14,500 people worldwide and operates 145 manufacturing facilities in 26 countries. Its products are sold in approximately 170 countries and territories.

Fiscal 2018 sales were \$5.3 billion, with 67 percent sold to industrial and specialty markets worldwide and the remaining 33 percent sold to consumers mainly in North America. Shares of the company's common stock are traded on the New York Stock Exchange under the symbol RPM.

168

The number 168 was our founder's favorite. It represents the number of hours in a week, and served as his reminder that time is fleeting and we should make the most out of every moment we have.

At RPM, we have adopted this concept into our corporate philosophy, known as The Value of 168. It reminds us to use our time wisely, whether at work with our colleagues and customers, at home with our families, or in the communities in which we operate. The Value of 168 comes to life through motivated employees who enjoy their work and create the conditions that allow our customers to grow, communities to thrive and stockholders to prosper.

It is this philosophy that guides how our 14,500 employees worldwide operate when it comes to environmental, social and governance (ESG) issues. This brochure summarizes some of the many ways our people, products and processes are making a positive impact on ESG matters to ensure that RPM is a good corporate steward.



Frank C. Sullivan
Chairman and Chief Executive Officer





ECO-FRIENDLY INITIATIVES

Many of RPM's products, services and processes drive sustainability by helping our customers minimize their environmental footprint. Energy efficiency, zero landfill, renewable resource use, greener chemistry, life cycle analysis, LEED support and emissions reductions are just some of the many customer expectations that RPM meets every day.

Below are a few examples of how RPM and its operating companies proactively manage their environmental impact:

PRODUCTS

- **Dryvit's** Outsulation® high-performance exterior insulation and finish systems (EIFS) can be installed directly over an existing façade, which reduces landfill, delivers superior insulation to enhance energy efficiency, and results in significant time and cost savings.
- **Tremco's** AlphaGuard® fluid-applied roofing system allows a building's roof to be restored rather than replaced, which extends its life cycle by 10-20 years, reduces energy consumption and eliminates landfill. In addition, Tremco offers vegetated, cool and photovoltaic roofing systems as an eco-friendly, cost-effective option for sustainable facility construction and management.
- Structures damaged by water and fire can often avoid replacement and instead be renovated, thanks to **Legend Brands'** restoration equipment, accessories and chemicals.
- **Rust-Oleum's** Krud Kutter® water-based, biodegradable, non-toxic cleaning solutions are made from green formulations that are safer than many traditional products on the market and contain little to no VOCs.
- **Pipeline & Drainage Systems** supplies curb, bridge and channel drainage products that are formulated from recycled plastics, eliminate landfill and reduce carbon footprint.

PROCESSES

- **Packaging material and waste reduction:** **Stonhard**, the world's largest producer of polymer flooring, has moved from rigid metal pails to flexible pouches and cardboard boxes that cost less to produce and ship, require less storage space and are easily recycled. This unique packaging prevents more than 4.8 million one-gallon pails and quart cans from being dumped into landfills annually.
- **Sustainable innovation:** RPM businesses incorporate sustainability at the very forefront of their product innovation process, which includes the reduction and elimination of chemicals of concern, as well as the implementation of processes that reduce waste generation and energy consumption. For example, our **Viapol** plant switched from fossil fuels to biomass and reduced greenhouse gas emissions by 85%.
- **Energy-saving systems:** On a corporate-wide scale, RPM has audited and improved the systems that use the most energy, such as those for compressed air use, heating and cooling, water and facility control. Lighting upgrades, for example, have resulted in annual energy and maintenance savings.
- **Water recycling:** Many of RPM's manufacturing facilities have implemented technologies that reduce water consumption by taking cooled water and running it through a chiller or heat exchanger to reuse in their processes. This results in significantly less water and energy use. In fact, one such project at the Rust-Oleum facility in Attleboro, Massachusetts, cut its water consumption by nearly 30 million gallons per year.





SOCIAL ENGAGEMENTS

RPM's operating companies strive to be good corporate stewards in everything they do.

By supporting a variety of philanthropic efforts, RPM makes a positive impact on the communities in which it operates and helps them to thrive, while bringing its corporate philosophy – The Value of 168 – to life.

Below is just a small sample of RPM's contributions:

- **Stonhard Group** has been working as an exclusive partner with Intertrade Caribe in Puerto Rico for more than 40 years. When Hurricane Maria hit the island, many workers from Intertrade Caribe experienced destruction or heavy damage to their homes. In response to their urgent need for fuel and power, Stonhard was quick to send six 250-gallon fuel storage tanks, back-up generators and other supplies to assist in the rebuilding process.
- The **DAP Championship**, a Web.com golf tour finals event, has raised more than \$447,000 to support The LeBron James Family Foundation since its inception in 2016. The funds raised help the Foundation continue to provide resources, support and enriching experiences for the more than 1,200 Akron public school students and their families.
- **Rust-Oleum** fosters the belief that everyone within the community deserves the opportunity to achieve his or her potential. Through the Rust-Oleum Cares program, the company partners with local charities to change, restore and transform communities through volunteer opportunities, sponsorship, and monetary and in-kind donations.
- **Legend Brands** regularly makes significant contributions to its organizations of choice. Most recently, it donated professional cleaning equipment and services to clean three Ronald McDonald houses. A scholarship program has also been established to support students attending Western Washington University.
- **Tremco Roofing** engages its employees and their family members in service projects every holiday season. Since 2010, Tremco Roofing has partnered with eight pinnacle organizations within its community. Through this initiative, the organizations have benefitted from 2,502 volunteer hours and collectively saved \$57,000 in expenses.

RPM's corporate office alone has **\$7 million** donated or pledged nearly **275 organizations** to approximately over the past five years



RPM is proud to have nurtured a culture of giving while allowing its operating companies the autonomy to support the causes that are important to their communities and employees. RPM also provides resources to charitable organizations in its local community. Over the past five years, the RPM corporate office alone has donated or pledged nearly \$7 million to approximately 275 organizations and provided an estimated \$100,000 annually through in-kind donations. Our employees also donate their time and expertise by volunteering for service activities, organizing fundraisers and taking on leadership roles on non-profit boards.



GOOD GOVERNANCE PRACTICES

At RPM, we have found that what is good for our employees is good for our business and shareholders. Operating under this belief, RPM has developed governance practices that build upon the success of its 14,000 employees worldwide and promote balanced decisions that keep the interest of outside investors at heart. With its leading code of conduct, commitment to transparency, independent board and generous benefits program, RPM fosters a culture of excellence, diversity and inclusivity.

Code of Conduct

The actions of RPM and its operating companies are guided by The Value of 168 and its inherent core principles: integrity, commitment, responsible entrepreneurship and moral courage. Operating under these values strengthens the foundation of RPM and positions it for future growth.

Transparency

Communicating RPM's financial performance is a cornerstone of its commitment to transparency. Operating company presidents and chief financial officers have supplied quarterly certifications of financial statements for more than a decade, and any decisions behind the numbers are always articulated in investor communications.

RPM believes in tackling issues directly. It reports significant legal and liability matters when they first surface and promptly seeks solutions for all affected parties. Should employees have concerns about improper, unethical or unsafe business practices, they are encouraged to raise them over RPM's anonymous hotline.

Board Independence

RPM strives to make sure that every stakeholder's interests are represented through a balanced board of trusted individuals. Since 1977, outside directors have comprised a majority of the board of directors, and only independent directors have served on the board's Audit and Compensation Committees. An independent board dilutes the concentration of power from company insiders alone, so decisions made at RPM consist of checks and balances to keep shareholder interest at the center. These best practices were implemented nearly three decades before becoming a New York Stock Exchange requirement, distinguishing RPM as a leader in good governance.

Employer of Choice

RPM's benefits package demonstrates a deep appreciation for its employees. It's one of the few Fortune 1000 companies that still has an active pension plan, 401(k) match and high-quality health insurance. The majority of RPM's companies also provide tuition reimbursement for college education. Additionally, RPM offers educational programs, including RPM University, The Center for Creative Leadership and the U.S. Army War College, designed to develop the next generation of leadership.

Committed to promoting fairness and equality, RPM and its operating companies are equal opportunity employers. Discrimination against any employee or job applicant on the basis of gender, race, color, religion, national origin, physical/mental disability or age is not tolerated.

At RPM, corporate social responsibility is more than just complying with industry regulations. It's about putting into play practices that will drive the continued existence and growth of our business, ultimately benefiting our customers, employees, suppliers, communities and shareholders.

We believe that by taking care of our employees, they will take care of their customers and communities. This, in turn, creates shareholder value.

Annual sales of **\$5.3** billion

Cash dividend has increased for **44** consecutive years

RPM's 10-year total return has outperformed the S&P 500 by **16%**



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