The Values & Expectations of

integrity
commitment
responsible entrepreneurship
moral courage
Dear Fellow Employees:

My grandfather started RPM with a basic philosophy –
**Hire the best people you can find. Create an atmosphere that will keep them. Then let them do their jobs.**

That philosophy is as true today as it was in 1947 when he founded this company. I believe that you, the officers, directors and employees of RPM International Inc. and its operating companies, make up the best workforce in the world and we have a track record of more than six decades of growth and success that proves it.

To remain the best and to maintain a working atmosphere that gives you the flexibility to exercise your entrepreneurial spirit, we must continue to use the gifts of life and the limited time we have to always do the right things, the right way, for the right reasons – that is the Value of 168®. With that in mind, I directed the development of this guidebook with the intent that it serve as a tool for you to use as you endeavor to continue to meet RPM’s high standards.

The Values and Expectations of 168 are living, breathing principles that identify who we are, what we demand of ourselves and of those affiliated with us, and what others can expect from us. Today’s world is complex, and business decisions are increasingly more challenging. These values and expectations serve as beacons to guide you in making the right choices when you are faced with difficult business decisions. I expect that each of you will read this guidebook, and refer to it often. I am proud and privileged to work with each and every one of you. Thank you for your investment of time and talent in our continuing growth and success.

Yours very truly,

Frank C. Sullivan
Chairman and Chief Executive Officer
RPM International Inc.
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TO REPORT AND CORRECT SUSPECTED VIOLATIONS
THE Value of 168® and Our Core Principles
168 refers to the number of hours in a week, but more than that, it exemplifies our commitment to ethical business conduct and always using the gifts of life and the limited time we have to do the right things, the right way, for the right reasons. All of our actions should adhere to the Value of 168® and its inherent core principles.

**INTEGRITY:** Be open and honest. Accurately and openly disclose information in business transactions. Deception and retaliation have no place at RPM and will not be tolerated.

**COMMITMENT:** Follow the law, our policies and procedures. Safeguard our companies’ property, assets and interests, and ensure the focus is on the collective goals of shareholders, employees, customers, consumers and communities.

**RESPONSIBLE ENTREPRENEURSHIP:** Search for innovative ways to compete and win in the markets we serve. Compete vigorously, but always do so fairly and in adherence to free enterprise and competition standards, environmental and human rights principles, and with respect for our customers, competitors and the communities in which we operate.

**MORAL COURAGE:** Do the right thing, even when it is tough, and regardless of whether someone is watching or if you will receive credit.

The Value of 168 and its core principles are the cornerstone for ALL decision making. We are RPM, and our success depends on each of us making good choices.
Q: Every year, my supervisor sets higher goals and she tells us to do “what it takes to meet them.” What do I do?
A: As responsible entrepreneurial leaders, we have an obligation to continuously seek better ways to compete in our markets and develop our products in a manner that best serves our customers’ needs. As a result, we continue to expand our goals and inspire our employees to continue their professional growth. However, we will never compromise our values to reach our organizational goals. No one may make statements or take actions that are intended to violate a law or our values, and you should never accept any statement as directing you to do so. Our values and expectations are paramount, and by definition, we cannot meet any organizational goal or objective if we violate our personal and collective ethical principles to do so. If anyone ever directs you to deviate from our values and expectations, regardless of who it is or how strong the external pressures may seem, you have an obligation not to take the requested action and to report that conduct.

Q: I work for an RPM company that is not in the U.S., and our laws are different from U.S. laws. Which law do I follow?
A: Our values and expectations are such that when followed, we will be conducting business honestly, ethically and legally at all times and in all locations in which we conduct business. However, there might be circumstances where the choice of which law may apply to a situation becomes important. If that occurs, you must understand that in all cases, U.S. federal laws must be considered. This is required because RPM is incorporated in the U.S., and therefore, all RPM companies, regardless of their locations, must abide by U.S. federal laws applicable to their operations as well as the laws of any locations in which they operate. As long as two or more laws are not in conflict, you must apply the law that covers the given situation in the most restrictive manner. If, however, there is an actual conflict, or you are unsure of whether there is a conflict between U.S. federal law and the laws of the country in which your company operates, you must seek the advice of your operating group’s or RPM’s legal department to ensure that we behave appropriately in a lawful manner.

No matter how strong any outside or business pressures may be, never deviate from the Value of 168 and its principles.

Any employee who violates our values and expectations, or who directs or who knowingly permits an employee or representative to violate our values and expectations will be subject to disciplinary action up to and including termination.
The following sections will identify some of the most common legal and ethical challenges you may face. You must always rely on the Value of 168 and its inherent principles to manage these issues and you must exercise the moral courage to report and assist with correcting any suspected violations.

**WHEN COMPLEX ISSUES ARISE, THIS DECISION-MAKING CHART MAY HELP YOU FIND YOUR WAY TO THE RIGHT CHOICE:**

1. **ASK LEGAL DEPARTMENT**
   - Is it lawful?
   - **NO** → DON’T DO IT!
   - **YES** → ASK SUPERVISOR

2. **ASK SUPERVISOR**
   - Does it comply with RPM’s policies?
   - **NO** → DON’T DO IT!
   - **YES** → ASK SUPERVISOR

3. **ASK SUPERVISOR**
   - Could this negatively affect RPM, any of its companies, their employees, shareholders, consumers, and/or the communities in which they operate?
   - **NO** → DON’T DO IT!
   - **YES** → ASK SUPERVISOR

4. **ASK SUPERVISOR**
   - Does it reflect well on RPM’s or any of its companies’ values and culture? In other words, would you be proud if this appeared as a headline on the news?
   - **NO** → DON’T DO IT!
   - **YES** → THE COURSE OF ACTION COMPLIES WITH OUR VALUES AND EXPECTATIONS.

*START*
Act In The Best Interest of the Company

You are expected to act for the company’s benefit and to be free from conflicting interests when representing the company in business dealings or when making recommendations that may influence the company’s actions.

In some instances, your financial, professional and personal relationships and goals may come into conflict with your commitment to the company. If that happens, you are required to disclose the conflict. Failure to disclose potential conflicts to the appropriate supervisor can create the appearance that you are not acting in the company’s best interest. If you are actively participating in any matter on behalf of the company in which you have, or it appears that you may have, a conflict of interest, you must disclose that conflict to a first-level executive supervisor (vice president, general manager or president) of your operating company, any RPM or operating group officer or RPM’s Director of Global Compliance.

Even if you believe that you are acting in the best interest of the company, disclosure protects you and the company. In most cases, the existence of or appearance of a conflict of interest will not mean that you are unable to participate in transactions on behalf of RPM or your company. When properly disclosed, safeguards can be established so that final approvals are made by those without a conflict to ensure that any final decision is in the best interest of the company. This also protects you from potential allegations that a decision was made solely for your personal gain.
Where can conflicts of interest be found?

**FINANCIAL INTERESTS:** You or a close relative directly or indirectly own or benefit from a company doing business with or competing against any of RPM’s operating companies.

**OUTSIDE ACTIVITIES:** You or a close relative directly or indirectly serve as a board member, director, officer, employee, consultant or agent of an entity with which RPM has transactions; or you engage in an independent business venture or perform work or services for a business, civic or charitable organization that prevents you from devoting sufficient time to the company’s business.

**GIFTS:** You or a close relative accept a gift (or are promised gifts in the future) from a person or entity that may limit you from acting solely in the company’s best interests.

**TRANSACTIONS WITH THE COMPANY:** You or a close relative are a principal party to a business transaction with the company.

You must disclose conflicts to a first-level executive supervisor.
CONFLICTS OF INTERESTS

Q: My spouse owns stock in one of our primary suppliers. I am working on a project and have been asked to give an opinion that will directly affect whether our company continues to buy raw materials from this supplier. I feel like I should tell someone about my wife’s financial interest. What should I do?

A: Your instincts are correct, and in most instances, you will be able to continue to work on the project. You have a financial conflict of interest in the transaction on which you are working because you have a close relationship with someone who can financially benefit from the opinion that you give on the project. By disclosing your conflict of interests to your supervisors, you allow them to determine if you can continue to work on the project and, if so, they can develop appropriate safeguards to ensure that the company’s interests are properly protected. These safeguards also protect you because no one will be able to claim that you engaged in an activity motivated by your personal gain.

Q: I’m a board member at a not-for-profit organization and do not receive compensation for my service. That organization is transacting business with our company in a matter in which I am being asked to participate. Even though I would not make any money either way from this transaction, I’m still telling my supervisor. Is that the right thing to do?

A: Yes. Even though you would not make money from any transactions that our company has with the not-for-profit organization, you still have a conflict of interest that must be reported to our company, and even to the not-for-profit organization. As an employee of our company, you have a duty to act in its best interest, and as a board member of the not-for-profit organization, you have a duty to act in its best interest. Those duties conflict when our company engages in transactions with the not-for-profit organization. Therefore, to protect our company, you are correct in reporting your conflict to your supervisor prior to participating in any transaction.
Protect Our Corporate Assets and Information

All employees have an obligation to protect the company’s assets, proprietary and confidential information and opportunities.

Protect Corporate Assets

Company assets should be used only for legitimate business purposes. RPM and some of its operating groups and companies may allow incidental personal use of electronics and communication equipment, such as computers, phones, fax machines or copy machines. Personal use of other types of corporate assets is not permitted. Always check with your operating company’s or group’s supervisors or review your company’s policies prior to using any electronic or communications device to ensure compliance with all applicable policies.

Q&A

PROTECTION OF CORPORATE ASSETS

Scenario: I received an email from the purchasing department of a customer. The email looked legitimate and had the logo of the customer’s company on it. I did not recognize the name of the person who sent the email, but he said his company wants to wire us money for products it bought from us. I want to take care of our customers as quickly as possible but based on the limited information I have about the customer, I don’t feel comfortable giving the caller our company’s bank account routing number and account number via email. Am I doing the right thing?

Your obligation: Absolutely. The email may not really be from one of our customers and may be from someone trying to get our company’s banking information to steal from us. It is admirable that you want to provide great customer service, but your skepticism is appropriate. Criminals will use our employees’ desire to provide great customer service to persuade our employees to disclose information that will be used to harm our company.

Do not provide sensitive financial or confidential information to anyone unless you are absolutely sure who it is and that the person has the authority to possess the information, and never post or discuss confidential, financial, or proprietary information on social media sites. If you have any doubt about a person who is seeking information, contact someone who knows the individual or who can verify the individual is making a valid request. Also, always use the most reasonable secure means available to transfer financial or confidential information.
As part of your employment, you may learn confidential or proprietary information about the company, our employees, or others with whom we do business. You must maintain strict confidentiality of all information entrusted to you, except when disclosure is authorized by RPM’s or your operating group’s general counsel, or when required by law or regulation. Confidential or proprietary information includes nonpublic information that could be harmful to the party entrusting it to us or to RPM or could be useful to competitors if disclosed. Your obligation to preserve nonpublic information continues even after your employment ends.

The company is often a party to nondisclosure agreements with customers, suppliers, potential buyers and sellers of businesses, and others. If you receive confidential or proprietary information of an entity with whom we transact business, confirm whether any such agreement exists, and if so, you must exercise care in using and safeguarding that confidential information to keep it from being inappropriately disclosed.

Safeguard Confidential and Proprietary Information

Confidential and proprietary information includes customer data, business marketing and service plans, designs, databases, records, salary information, unpublished financial data and reports, and intellectual property such as product formulas.

APPROPRIATELY USE CORPORATE OPPORTUNITIES

You have a duty to the company to advance its business interests when the opportunity arises. Therefore, you are prohibited from taking (or directing to someone else) a business opportunity that you discovered through the use of corporate property, information or your position. In other words, you are prohibited from using corporate property, information or your position for personal gain and to compete with the company, whether directly or indirectly.
Q: I need to move my furniture from my residence to a storage facility, just a couple of miles away. Would using the company truck for this short trip be considered incidental use?
A: No. Use of a vehicle is not “incidental” under any circumstances, as the company could be liable for damages to the vehicle or damages caused as a result of the use of the vehicle. Therefore, no one may use a corporate vehicle, or any other corporate property, for non-incidental personal use unless such use has been previously approved by the President or Chief Operating Officer of his or her operating company.

Q: I’m on lunch break, and I want to use my computer to buy flowers for my spouse. Can I do that?
A: Yes, if your operating company allows this type of incidental use. This is incidental because there is little cost or risk of liability to the company. You are also using the property during your lunch break, which is appropriate.

Q: I’m leaving the company and starting my own coatings and sealants business. When I’m gone, can I use the product formulas I learned to create my own products?
A: You may not. Those formulas belong to the company and are part of its intellectual property. Taking them could lead to civil penalties and may even be a criminal violation for theft of trade secrets.

Q: But what if I invented the formula?
A: The formula you invented or were involved in inventing was invented as a part of your work for the company, and therefore, under the terms of your employment, the company owns all right to it, so you may not use it.
Commitment to People & COMMUNITIES

Protect Health, Safety and Our Environment

We all have a responsibility to conduct business in a manner that protects the environment and the health and safety of employees, contractors, suppliers, distributors, customers, consumers, communities and the public.

Our facilities must comply with applicable environmental, health and safety laws and maintain an open dialogue with local communities about materials manufactured and handled on site. We will also work with government authorities, industry groups and the public to promote awareness and emergency response programs to deal with potential hazards.

HEALTH, SAFETY AND ENVIRONMENTAL

Scenario: While working at the plant, an employee cut his arm when dislodging something from a machine. He did not have to go to the hospital and went back to work immediately after receiving basic first aid to clean and cover his cut. My manager doesn’t want to report this because our plant is trying to hit the two-year incident-free mark and we are only a week away from meeting that goal.

Your Obligation: Your plant has been doing great for the last 23 months and luckily, the injury to your fellow worker was not serious. However, it is critical that the incident be reported to your Environmental, Health and Safety (EH&S) Manager, and it is a violation of our values and expectations not to report it. Do not sacrifice our values to meet an organizational goal. All of our Core Principles require that this event be reported to the EH&S Manager. Tracking injuries and near misses, regardless of how minor, helps our company identify trends and safety hazards that may potentially lead to more serious injuries or events. Your report will help us reach the ultimate goal of eliminating all injuries and accidents, and more important, it could help prevent someone from being more seriously injured in the future when engaging in similar conduct.
What is Personally Identifiable Information (PII)?

PII includes information that, when associated with an individual or a corporation, can be used to identify that person or corporation, for example, address, telephone number, gender, birth date, payroll records, telephone and telecommunication records, credit card, bank information and performance evaluations.

PII may be found almost anywhere — written notes, electronic files or typewritten documents. In accordance with RPM’s and your operating company’s document retention policy, shred all unneeded paper documents containing this information, and properly and permanently delete unneeded electronic files that may contain PII.

Safeguard the Privacy and Security Interests of Everyone

Employees and nonemployee business partners acting on behalf of the company may have access to personally identifiable information (PII). Improper disclosure of PII can jeopardize the finances and security of customers, suppliers and employees, and therefore, must be protected at all times.

We must be cautious when transferring PII or corporate information; many countries have laws that restrict the transfer or disclosure of employee or corporate information, even when the transfer is being made to an individual or entity that will safeguard it and use it for lawful purposes. If you have doubts about whether you are authorized to transfer PII or corporate information, contact your group’s or RPM’s legal department.
PROTECTION OF PERSONAL INFORMATION

Q: Someone I did not know from another operating company called asking for the birthday of a mid-level manager. Apparently, our manager is going to travel to our sister operating company and the caller was buying the airline ticket for our employee. The travel agency needs the employee’s birthday to book the travel. I have access to the information, but because I did not know the person calling, I did not give him the information. I didn’t do anything wrong, did I?

A: You did the right thing. You don’t know the caller, so you do not know if the caller legitimately works for another RPM operating company. Even if the caller does work for the RPM operating company, you do not know if he or she has the authority to receive the information and is going to use it for legitimate purposes. Only disclose PII if all of the following apply: (1) You know or have verified the identity of the person requesting the information, (2) you know that person has a real need to know the information, (3) the recipient has the authority to possess the information, (4) you know that person will safeguard the information, (5) you provide the information via the most reasonable secure means available, and (6) the transfer of the data complies with local law.
Treat Everyone with Dignity and Respect

All of our employees, and those seeking employment, will receive equal opportunities related to hiring, working conditions, training programs, promotions and other conditions of employment. Discriminatory practices are not tolerated.

We all share the responsibility of ensuring that the workplace is free from harassment in both the day-to-day work environment and work-related settings outside the workplace, whether by employees of RPM and its operating companies or vendors, customers or nonemployee business partners with whom our employees interact. Simply put, do not tolerate, under any circumstances, harassment regarding a person’s sex, age, disability, national origin, race, color, religion, marital status, sexual preference, gender identity, current or veteran military status or any other characteristic. You must show the moral courage to stop and report harassment, even if you are not the target.

Q: My friend is always telling jokes at work, but lately he’s started telling ethnic and sexual orientation jokes. I know that he is not prejudiced and that he doesn’t intend to hurt anyone’s feelings, but I told him to stop doing that. That was not an overreaction, was it?
A: No, that was the proper way to handle the situation, and you can always ask a supervisor for help. Harassment occurs when a person or group engages in an activity that creates or intends to create a hostile, offensive, or intimidating work environment. Your friend may not have intended to hurt anyone, but any employees, customers or suppliers who hear the jokes may be offended. Therefore, his jokes create an uncomfortable and possibly a hostile work environment. Harassment can occur through visual means, verbally, in writing, or through physical contact. It may be motivated by malice or intentional conduct, such as when the person seeks sexual gratification, is retaliating against someone, or intends to humiliate or injure someone. It can even occur when a person does not intend to harm anyone because the inappropriate actions are unwanted and offensive to the recipient or to bystanders who observed, felt, or heard the conduct.
As we pursue RPM’s interests in global markets and interact with our business partners, communities, suppliers, competitors and the government, we must strictly adhere to the Value of 168 and its underlying core principles of Integrity, Commitment, Responsible Entrepreneurship and Moral Courage. You must avoid situations that might lead to improper conduct. Never take advantage of anyone through any unfair practices.

Maintain Accurate, Complete and Transparent Records

We will always maintain all of our records with the utmost honesty. Always prepare and maintain books, records, accounts and financial statements in an orderly, detailed, accurate and truthful manner. You must cooperate with RPM’s internal and independent auditors, and neither you nor anyone else may attempt to coerce, manipulate, mislead or fraudulently influence them.

All employees, directors and officers involved in the company’s disclosure process — including, but not limited to RPM’s Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, Controller or persons performing similar functions at operating companies (“Senior Financial Officers”) — are required to be familiar with and comply with the company’s disclosure controls and procedures. They must also be familiar with internal controls over financial reporting relevant to their area of responsibility, in order to ensure that the company’s public reports and documents are presented fairly, accurately and in accordance with U.S. federal securities laws, Generally Acceptable Accounting Principles and the Securities and Exchange Commission (SEC) rules, and relevant local financial reporting laws.
Anyone with direct or supervisory authority regarding SEC filings, submissions or other public communications concerning the general business, results, financial condition or prospects of RPM or any of its operating companies should, when appropriate, consult with other officers and employees who have subject-matter expertise in these areas and take appropriate steps regarding these disclosures. The goal is full, fair, accurate, timely and understandable disclosure.

Any issues or concerns regarding accounting, internal accounting controls, or auditing matters, or any material violation of any securities laws, must be reported in accordance with the reporting procedures described on pages 34, 35 and on the back cover of this guidebook.

**Employees, including Senior Financial Officers, must:**

- Act ethically and with honesty and integrity.
- Appropriately handle actual or apparent conflicts of interest between personal and professional relationships.
- Promote full, fair, accurate, timely and understandable disclosure in all reports and documents that the company communicates to or files publicly with any government agency.
- Promote compliance with applicable laws, rules and regulations of federal, state and local governments, and applicable private and public regulatory agencies.
- Not knowingly misrepresent, or cause others to misrepresent, facts about the company, including to the company’s independent auditors, governmental regulators and self-regulatory organizations.
- Promptly report to RPM’s Chief Compliance Officer or the Audit Committee Chair violations or suspected violations in accordance with the rules and procedures set forth in this guidebook or under the RPM Reportable Events Policy.
Use Only Public Information To Make Stock Market Trading Decisions

When trading in the stock market, we may only purchase or sell RPM stock or those of any other company when the trading decision is made using public information. The trading of any stock using nonpublic information could be illegal, and in all cases violates our values and expectations. You may not have someone else buy or sell shares for you to avoid these rules. Do not share nonpublic information with someone who could take advantage of it.

If you are unsure about the rules involving a purchase or sale of stock while in the possession of nonpublic information, consult RPM’s General Counsel. If you become aware of potential noncompliance with any securities exchanges’ rules or regulations, promptly notify RPM’s Chief Compliance Officer, CEO, or the Audit Committee Chair.

What is a tip when it comes to insider trading?

Employees are prohibited from passing along confidential or “inside” information to friends or family members under circumstances that suggest you are trying to help someone make a profit or avoid a loss in the stock market. Such information is considered a tip and can unlawfully be used to someone’s advantage.
We must be responsible entrepreneurs and always behave with the highest integrity and moral courage. As a result, we must never allow ourselves to become involved in any activity that may appear to be corrupt. You must never accept, receive, give or offer to give anything of value, including gifts, if the purpose is to influence an improper advantage in the business, or for the improper gain of a person or entity involved in or tied to the payment. It doesn’t matter whether you or the individuals or entities involved acted directly or indirectly or benefited from the transaction directly or indirectly. Remain vigilant and use reasonable efforts to ensure that those with whom we transact business do not engage in actions on behalf of you or the company to accomplish indirectly what you can’t accomplish directly. You, your company and RPM could be held liable for unlawful payments.

The Values and Expectations of 168 require that you openly and transparently identify in detail any payments or gifts made or received on behalf of RPM or your company in its records and books. If you ever doubt whether an offer, payment, or gift is appropriate, or are unsure how to properly document transactions in your corporate books and records, seek legal advice from your group’s or RPM’s General Counsel.

Avoid Situations That May Be Viewed as Corrupt

**Simple rules about payments:**

- Bribes of any kind are not permitted.
- Nothing of value may be offered or accepted if it is intended to induce anyone to grant someone an improper advantage or gain.
- Facilitating payments (payments made to government officials to expedite a routine government action) are not permitted unless previously approved in writing by RPM’s General Counsel.
- All corporate books and records must reflect the true nature, amount and purpose of payments made or received.
THE FOLLOWING ARE A FEW EXAMPLES OF SITUATIONS THAT REQUIRE FURTHER INVESTIGATION OR LEGAL ADVICE:

The person offering, giving, or receiving the payment:

- Has family or business ties with governmental officials
- Has a bad reputation in the business community, or seems to lack sufficient resources to perform the services offered
- Requires that his or her identity not be disclosed, or cannot provide references to document experience
- Adds or asks for extra money over his or her normal fees or industry-standard fees for products or services
- Asks for peculiar or abnormal terms for payments.

Scenario: I want to give someone a payment to do something for my company, but I’m concerned that if I write down what I’m doing, it will look bad. I think I should talk to my group’s General Counsel before I do anything.

Your Obligation: Great job! That is exactly what you should do. If you are questioning whether you should document a payment offered, made or received, that itself is a red flag indicating that perhaps the payment or offer is inappropriate. By seeking advice prior to acting you can ensure that whatever action you take is appropriate.
Act In A Manner That Promotes Open Competition

RPM and our companies are committed to competing vigorously in all aspects of business but will only do so in an ethical and responsible manner. As responsible entrepreneurs, we are committed to ensuring that competition in the market for products and services is maintained and protected. No employee of RPM or its operating companies may take any action on behalf of the company that violates this principle. Therefore, you must not collaborate with unaffiliated companies or engage in unilateral conduct that is abusive, distorts competition or is contrary to fair and open competition.

If you are ever in doubt as to whether any action that you are seeking to take violates our principle of responsible entrepreneurship or any antitrust or competition law, you must seek the advice of the legal department of your operating group or of RPM.

Q&A

Scenario: During lunch at a trade show, I sat with our competitors, who were talking about taking action against a supplier they don’t like to deal with. I told them that they should not be talking about taking action against suppliers or customers, and I walked away.

Your Obligation: You did the right thing. Employees should not discuss with competitors activities involving suppliers, customers or anyone with whom we transact business. If faced with a similar scenario, leave the area, document what occurred and notify your group’s or RPM’s General Counsel or RPM’s Director of Global Compliance.
Guidelines for dealing with competitors

Avoid entering into agreements with competitors. If you are making arrangements about prices, discounts, production rates, bids or suppliers, to name a few, you may be in violation of our values and expectations and/or laws. Avoid making arrangements with competitors for any reason. If you think there is a legitimate business reason for doing so, talk to your supervisor or your operating group’s or RPM’s legal department to be sure.

Here are other guidelines relating to competitiveness.

• Membership or participation in trade associations or trade shows should be approved by your operating company in advance. Copies of materials distributed at the show or meeting should be kept in accordance with your operating company’s document retention policies.

• Avoid unnecessary informal contact with competitors.

• If you are at a meeting where competitors are discussing topics such as pricing or customers, leave immediately. Even informal discussions about these topics could be a violation.

• Do not submit statistics or other information to trade associations without approval of your group’s legal counsel.

• Although competitive pricing is permissible, do not set unfairly low prices with the intent or effect to drive competitors out of the market (predatory pricing).

• Any business ventures with competitors must be reviewed by your group’s legal counsel.

• Avoid product appearance, marks and names that are the same, or confusingly similar to, those of a competitor.

• Do not disparage competitors.
Guidelines for relations between customers and suppliers

Many rules and laws apply to the relationships between customers and suppliers, and we can’t cover them all. However, common sense should apply. If a deal or action feels wrong, it probably is. If you aren’t sure, check with legal counsel. Here are some areas that can raise concerns.

- There may be anti-competition problems when seeking to exercise control over a customer’s handling of products of other suppliers, or its selection of customers, prices or where to sell. Make no effort to restrict a customer’s marketing activities without first discussing it with your group’s legal department.
- There may be potential anti-competition problems with contracts or arrangements if you or your company require a distributor to purchase particular products, or a line of products, exclusively from an RPM company, subsidiary or affiliate. Seek legal advice before entering into any such arrangements or contracts.
- Do not force a customer to buy an item from a seller or supplier as a condition of obtaining another item also offered by that seller.
- Sales or the granting of any merchandising allowance should not be made on the condition that the purchaser buy or lease another product from the company.
- Avoid discussions with customers or potential customers that indicate you will buy from them if they buy from us.
- We must avoid discriminating against or treating differently any customer competing with one or more other customers. If prices, rebates, discounts or bonuses vary, make sure the variations are legally justified. Differences in prices or other terms of sale may be permitted if justified by actual cost savings, volume efficiencies, meeting competition or other objective reasons.
- When meeting competitive prices, document how the lower price was determined and calculated to meet a bona fide competitive price.
- Commissions, finder’s fees or compensation of a similar nature shall not be paid directly or indirectly to a customer for his or her own end-use purchases.

All agreements appointing a third party who may receive such compensation must contain an express provision prohibiting the party from passing any part of its commission to his or her customer.
- Generally you should not refuse to supply customers with products or services. However, you may refuse to deal with any party if your decision is made independently, is not intended to be coercive and is not based on an arrangement with a third party, such as competitors, dealers or suppliers.
- Obtain legal advice before refusing to deal with a customer or terminating a customer.
- Avoid misleading customers by promising performance that you know can’t be fulfilled or doubt can be fulfilled. Likewise, avoid advertising or making representations about products or services that cannot be substantiated.
Q: Every time I attend trade association meetings, a competitor approaches me and says, “These customers are killing our industry by always asking for huge discounts off our list prices. We have to get prices up.” He also sometimes sends me emails with a similar message. What should I do?

A: Collaborations or agreements between competitors to raise or fix the price of a product are illegal and may be prosecuted as crimes. Your competitor could be suggesting such an agreement, and you should immediately break off any pricing conversation and tell him to stop sending you emails on the subject. Document what occurred, immediately contact your operating group’s or RPM’s General Counsel or the Director of Global Compliance, and forward copies of the emails you received.

If you suspect a violation of any of our values and expectations, please inform your supervisor, your group’s or RPM’s legal department or RPM’s Director of Global Compliance, or submit your concern via the hotline.
Transact Business With Reputable and Trusted Individuals and Entities

Money laundering results when people try to disguise proceeds from criminal activities through “legitimate” business transactions to conceal the identity, source or destination of those funds to make them appear legal. Our company will conduct business only with verified and reputable customers and suppliers that are involved in legitimate and noncorrupt business practices. We must all take steps to learn about those with whom we transact business to ensure that all actions taken by third parties for the benefit of the company are in keeping with the Value of 168 and its inherent core principles.

If you have any doubt whether a customer or supplier is using ill-gotten funds to do business with your company, consult with your operating group’s or RPM’s General Counsel or Director of Global Compliance before completing transactions with that individual or entity.

These anti-money laundering red flags indicate, at a minimum, that further investigation is necessary.

- Purchases or sales that are unusual for the nature of the customer’s trade or business
- Unusual payment methods, such as large cash payments or multiple money orders
- Customer or supplier attempts to maintain a high degree of secrecy, displays a reluctance to provide complete information or provides false information
- Transactions appear to be structured to evade reporting requirements (e.g., a series of transactions of less than $10,000)
- Unusually complex deal structures
- Payment methods without an apparent business purpose
- Unusually favorable payment terms
- Transfers from foreign countries or third parties unrelated to the transaction
Ensure Lawful Cross-Border Transactions

U.S. government trade control laws (including import, export and anti-boycott) are applicable to all of us because RPM is incorporated in the U.S. We will only contract with customs brokers, sales representatives, distributors or other intermediaries who are committed to complying with and assisting RPM and its companies to follow such laws, rules and regulations.

Personnel should review all documents and correspondence, but specifically letters of credit and shipping instructions, to identify language supporting the boycott of Israel which we cannot agree to comply with. Any request to refrain from doing business with or in Israel, or to discriminate against anyone based upon race, religion, sex, national origin or nationality, may not be agreed to or honored and must be reported to RPM’s legal department on the quarterly Anti-Boycott reporting form.

You may not conduct business with any person or company that is in, or that you have reason to believe may be in Cuba, North Korea, Iran, Syria or Sudan. Further, you may not conduct business with any party or in any manner prohibited by U.S., European Union or local law. Our companies cannot allow third parties to violate these laws and regulations on our behalf. Therefore, prior to transacting business, you must ensure that any individual or company with whom you are conducting business is not a prohibited party or operating to our benefit in an embargoed country. Consult with the legal department of your group or of RPM when there is doubt about doing business with any country, organization or person that may be subject to trade restrictions.

For further information and guidance regarding trade compliance laws and regulations, please consult with your group’s or RPM’s legal department.
### Exchange Gifts Properly

Employees must be careful when exchanging gifts with any person or entity that interacts with our company. A gift is anything of value, whether tangible or intangible. It may bestow a benefit on the recipient directly or indirectly.

Gifts between our company employees and those with whom we interact may create an appearance of impropriety or a conflict of interest, could be misinterpreted as corruptive, and, if excessive, could become inappropriate or unlawful payments.

The following restrictions apply when exchanging gifts with individuals or entities who transact business with RPM or any of its companies.

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<td>• Do not offer to, or accept gifts from, charities that are engaged in for-profit business transactions benefitting any RPM company.</td>
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<td>• Do not solicit gifts.</td>
<td>• Do not use corporate funds to make gifts based upon a personal relationship or connection.</td>
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<td>• Do not offer or accept gifts of cash or cash equivalents, such as prepaid credit cards/checks/money orders.</td>
<td>• Do not give or accept gifts of travel or lodging without prior approval from your group’s or RPM’s General Counsel.</td>
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<td>• Do not offer or accept extravagant gifts.</td>
<td>• Do not give or accept gifts if doing so violates this or the policy of the other party’s organization.</td>
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<td>• Do not offer or accept frequent gifts, even if individual gift amounts are small in value.</td>
<td>• Do not offer or accept any gifts to government officials or entities (except nominally valued gifts such as a company logo hat or similar item).</td>
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#### Travel, Lodging, Meals, Gifts and Entertainment

- Responsible Entrepreneurship
The following are acceptable actions relating to gifts:

- In most instances, gifts may be appropriately declined
  - In the unusual event that a gift may not be declined because rejecting the gift would be personally or culturally inappropriate, impolite, or embarrassing to the person or entity providing the gift, notify RPM’s General Counsel immediately following the acceptance. If appropriate, the gift may be displayed and/or shared by the company’s employees, or it may be donated to a charitable organization. Additionally, an appropriate memorandum in the company books and records must be made explaining the circumstances surrounding the exchange of the gift, the reasonable estimated value of the gift and the final disposition of the gift.

- If given or received on behalf of RPM or one of its companies, gifts must be properly and openly documented.

- Gifts or receipt of gifts is acceptable if based on a personal relationship or personal connection or association with a charity. Corporate funds may not be used when a gift is exchanged based upon a personal relationship or connection. (Note that any personal relationship or connection will necessarily create a conflict of interest that must be appropriately reported.)

Q&A

Q: I was talking to one of our suppliers about my son’s soccer team last week. Our supplier does not have kids and didn’t even know about the team. Yesterday, he called me to tell me that he donated a small amount of money to my son’s team so the team could buy jerseys. We don’t have to worry about that since that was not a gift given to me or our company, do we?

A: The circumstances described make it very likely that our supplier donated the money intending it to be for your benefit. Remember, a gift is anything of value that is directly or indirectly given and that directly or indirectly benefits the recipient. Here, our supplier did not directly give you or the company the donation, but it indirectly benefited you, and it appears from your conversations with the supplier that he made the donation with that intent, perhaps to inappropriately influence you to ask your company to purchase from his company. This or similar events are scenarios that you should discuss with the legal department of your group or of RPM to ensure you continue to comply with our values and expectations.
Factors that may be considered in all instances, whether the employee is giving or receiving a gift:

(1) Would a reasonable, prudent person in society view the gift as extravagant? If so, then the gift should not be offered, given or accepted.

(2) Would a reasonable person in society view the circumstances surrounding, or the occasion for the giving or receiving of a gift, as appropriate? If not, then the gift should not be offered, given or accepted.

(3) With what frequency are gifts being exchanged between the employee or company and the negotiating party’s entity or employees? Even gifts of little value that are exchanged with excessive frequency may lead to circumstances in which a reasonable person in society would view the transactions as occurring for an inappropriate purpose or for the purpose of influencing the recipient to act in a corrupt manner.

**PROPERLY REPORT TRAVEL, LODGING, MEALS AND ENTERTAINMENT**

Business payments and reimbursements for lodging, travel, meals and entertainment must be closely scrutinized to ensure they do not become gifts, or worse, inappropriate payments. Travel, lodging, meals and entertainment may be business expenses (not gifts) if all of the following apply: 1) The expense is reasonable, 2) proportional and directly connected to a bona fide business transaction, 3) the expenses are properly and with detail documented in the company’s records.

Examples of bona fide business transactions include product demonstrations, promotions and explanations. Trips and lodging that are primarily for personal entertainment purposes are not bona fide expenses, and are prohibited without prior approval from your operating group’s or RPM’s General Counsel.
Basic guidelines for business payments for travel, lodging, meals and entertainment:

- Must be directly and proportionally connected to a legitimate business purpose.
- Payments must be permitted by local law.
- All payments made and received must be openly and with detail identified in the company’s financial records.
- Only corporate funds may be used to pay for travel, lodging, meals and entertainment connected to a legitimate business purpose. Lodging and travel payments are only authorized if tied to a legitimate business purpose. (Lodging and travel cannot be gifts, unless previously approved in writing by your group’s or RPM’s General Counsel.)
- Meals and entertainment may become gifts if not tied to a legitimate business expense. (Gift rules will then apply).
- No cash reimbursements for meals, lodging, travel and entertainment may be accepted or given.
- Payments directly to or from individuals should be avoided. If reimbursing someone for travel, meals, lodging and entertainment expenses, your company should reimburse the employer of the individual, and the individual can seek reimbursement from his or her employer. The same procedure applies if you are the one who is being reimbursed.

If you have any doubt whether giving or receiving a gift or whether a business expense payment is appropriate, consult with the legal department of your operating group or of RPM.
Q: My company developed a new product and we want to show our primary customers its advantages over existing products. Can we fly customers to our facility at our expense to demonstrate the product?

A: Of course. You may pay for travel, lodging and meals, as long as the expenses are directly and proportionally connected to the demonstration of your product or for other legitimate business purposes. If that standard is met, the payments are business expenses and not gifts.

Q: The sales manager of an international nongovernment customer wants to fly business class and bring her husband. What do I do?

A: You must maintain the expenses for her travel proportional to what you would normally pay for similar events. When covering expenses for travel, lodging, meals and entertainment for nonemployees, only cover what you would allow for your employees. If you would pay for your managers to travel on international flights in business class, you can pay for a business-class ticket for your customers who are managers; otherwise, you should not. As the spouse’s presence is not directly connected to the promotion of your product, the company should not cover his trip. You could consider whether paying her spouse’s trip expense would meet the gift policy standards, but all gifts for travel and lodging must be previously approved by your group’s or RPM’s General Counsel.

Q: Our product demonstration only lasts one day, but most of our customers are staying overnight. Can we take them to a ball game or museum at our expense?

A: Sure. As with travel, meals and lodging expenses, entertainment expenses can be paid by the company if directly and proportionally connected to the demonstration of the product. However, entertainment expenses should not be extravagant and should remain proportional to normal expenses associated with the business purpose.

Q: Another customer brought his wife and they want to stay for vacation. Can we pay their bills for the week?

A: No. You can pay for the night that your customer would be required to stay in connection to your product’s demonstrations. As long as the rate for the round-trip ticket expense for the week is similar to the overnight ticket expense required for the product demonstration, you can pay for the entire ticket for the customer. However, payments for your customer’s spouse’s ticket, or the customer’s and his wife’s additional nights of lodging, meals and entertainment, are not directly connected to the product demonstration, and thus, payment for these expenses is not warranted unless strict adherence to the gift rules would permit such payments.

As these examples show, what may start out as a business expense that is directly and proportionally connected to a legitimate business purpose can quickly transform into a gift scenario. A gift consideration may potentially become too extravagant and convert into an inappropriate payment in violation of anti-corruption laws and our values and expectations. When faced with these or similar situations, contact your operating group’s or RPM’s General Counsel or Director of Global Compliance and get advice before making payments or reimbursing expenses. The facts supporting any payments are critical and, thus this scenario also demonstrates why it is important to properly and transparently identify legitimate business expenses.
Moral Courage
TO REPORT AND CORRECT SUSPECTED VIOLATIONS

HOTLINE:
• Hotline numbers for your location are posted around your workspace.
• Hotline phone numbers applicable to the country in which you work may also be found at www.rpminc.com/hotline/.
• You may also notify the hotline in writing by filling out a report at https://iwf.tnwgrc.com/rpminternational.

YOU HAVE A DUTY AND ARE ENCOURAGED TO REPORT AND CORRECT SUSPECTED VIOLATIONS WITHOUT FEAR OF RETALIATION

No matter what situation you are facing, our values and expectations demand that we all act with complete honesty and integrity. As employees, we are responsible for complying with all applicable laws, company policies and business standards. Your commitment to always doing the right thing, the right way, for the right reason will strengthen our company and your own personal reputation. Never be afraid to make inquiries or express concerns regarding safety, ethical issues or adherence to the law.

No director, officer, or employee shall be subject to reprisal for correcting or reporting in good faith a suspected violation of the law or our values and expectations. Any director, officer, or employee who engages in any reprisal, retaliation, or retribution for the reporting or correction of a suspected violation will be subject to disciplinary action, which may include termination.

We have set up hotline numbers and a web-based reporting method that allow you to easily report violations in any country in which we have operations without fear of retaliation.

If you are ever in doubt as to whether to report or correct anything, err on the side of caution and use the many methods available to notify someone in our company. Failing to report or to assist with the correction of a suspected violation may allow unethical, unsafe or dishonest practices to continue, effectively making you a facilitator in a violation of our values and expectations. Therefore, the failure to report or assist with the correction of a violation is in itself a violation of our values and expectations.

HOTLINE BASICS
• Hotline calls are not voice recorded.
• Unless the local law prohibits anonymous reporting, you do not have to provide your identity unless you choose to do so.
• You will receive instructions directing you to contact the hotline in order to receive status updates about your report or additional instructions.
• If you decide to remain anonymous, please keep in mind that your concerns may not be resolved unless there are independent facts to validate the allegations.
• Retaliation is strictly prohibited.
• Certain non-U.S. countries may restrict what may be reported via hotlines. For more information go to www.rpminc.com/hotline/.
Q: Should I report something suspicious, even if I’m not sure that what I saw was, in fact, wrong?
A: Absolutely. We all have a duty to protect RPM, fellow employees, other stakeholders and company assets. A report made in good faith shows that you are aware of and understand your obligations. Even if it is later determined that no violation occurred, you did the right thing by reporting your legitimate concerns.

Q: But it is none of my business; why should I report it?
A: It is your business — anything that occurs within RPM and any of its operating companies affects each and every employee and the other RPM stakeholders. That is why you are required to report known violations and why failing to report a known violation is, itself, wrongful conduct.

WAYS TO REPORT YOUR CONCERNS

- Talk to or email your supervisor.
- If you are uncomfortable speaking with your direct supervisor about your concerns, you can speak with or submit your concerns in writing or via email to another supervisor, someone at RPM or someone in HR.
- If you are in one of RPM’s operating companies, you can speak or identify your concerns in writing or via email directly to your operating group’s legal counsel or compliance representative.
- A hotline (phone and web-based reporting) is available at all locations, and in many countries a hotline report may be made anonymously. Directions on how to use the hotline are described on posters located at RPM and all operating company locations as well as at www.rpminc.com/hotline/.

We All Have a Duty to Cooperate in All Investigations

All good-faith reports of any violations of the law or our values and expectations will be appropriately investigated. In the event of an ongoing investigation, always behave in the following manner.
- Preserve information regarding the situation being investigated. Destruction or concealment of any documents or information is strictly prohibited.
- Provide true and complete information.
- Unless otherwise required or permitted by law, do not discuss matters under investigation without prior approval from the investigation team.

If an investigation concludes that misconduct has occurred, our company will take all appropriate steps consistent with applicable laws. This may include reporting violations to the appropriate authorities, providing further training, refining policies and procedures and taking disciplinary action, including termination. Anyone engaged in unlawful misconduct may be subject to civil or criminal prosecution.
HOTLINE:

- Hotline numbers for your location are posted around your workspace.
- Hotline phone numbers applicable to the country in which you work may also be found at www.rpminc.com/hotline/.
- You may also notify the hotline in writing by filling out a report at https://iwf.tnwgrc.com/rpminternational.

Applicability of these Values and Expectations
All employees, officers and directors of RPM, its operating companies and its subsidiaries must comply with the values and expectations identified in this guidebook. All officers and directors of RPM and its operating companies and subsidiaries must also comply with RPM’s Management Policies.

Updated electronic versions of this guidebook and all of RPM’s Guidelines may be found at www.rpminc.com/about-rpm/worldwide-code-guidelines/.

Interpretations, waiver
RPM International Inc.’s Board of Directors Governance and Nominating Committee is responsible for the interpretation and application of the Values & Expectations of 168 and approves this guidebook as RPM’s Code of Business Conduct and Ethics and, subject to review, implementation guidelines, and approvals as required by relevant local laws, it is applicable to all employees and to its Senior Financial Officers. From time to time, the company may waive certain provisions. Any waiver of these provisions for directors, executive officers or Senior Financial Officers of the company may be made only by the Board of Directors or the Governance and Nominating Committee and must be promptly disclosed as required by SEC or New York Stock Exchange rules. Any request for a waiver for other employees must be submitted in writing to RPM headquarters’ General Counsel. Approvals must also be in writing and must be obtained in advance of the action requiring the waiver.

The Value of 168 is a registered trademark of RPM International Inc.