



# PPG Investor Overview

April, 2022



We protect and beautify the world™

# Forward-looking statements

This presentation contains forward-looking statements that reflect the Company's current views with respect to future events and financial performance. You can identify forward-looking statements by the fact that they do not relate strictly to current or historic facts. Forward-looking statements are identified by the use of the words "aim," "believe," "expect," "anticipate," "intend," "estimate," "project," "outlook," "forecast" and other expressions that indicate future events and trends.

Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our reports to the Securities and Exchange Commission. Also, note the following cautionary statements:

Many factors could cause actual results to differ materially from the Company's forward-looking statements.

Such factors include global economic conditions, increasing price and product competition by our competitors, fluctuations in cost and availability of raw materials, the ability to achieve selling price increases, the ability to recover margins, customer inventory levels, our ability to maintain favorable supplier relationships and arrangements, the timing of and the realization of anticipated cost savings from restructuring and other initiatives, the ability to identify additional cost savings opportunities, difficulties in integrating acquired businesses and achieving expected synergies therefrom, economic and political conditions in the markets we serve, the ability to penetrate existing, developing and emerging foreign and domestic markets, foreign exchange rates and fluctuations in such rates, fluctuations in tax rates, the impact of future legislation, the impact of environmental regulations, unexpected business disruptions, the effects on our business resulting from the COVID-19 virus, the results of governmental investigations and the unpredictability of existing and possible future litigation.

However, it is not possible to predict or identify all such factors. Consequently, while the list of factors presented here and under Item 1A of PPG's 2021 Form 10-K is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in the results compared with those anticipated in the forward-looking statements could include, among other things, lower sales or income, business disruption, operational problems, financial loss, legal liability to third parties, other factors set forth in Item 1A of PPG's 2021 Form 10-K and similar risks, any of which could have a material adverse effect on the Company's consolidated financial condition, results of operations or liquidity.

# Content Overview

- **PPG Overview and Competitive Advantages**
- **Innovation and Growth Opportunities**
- **PPG Segment, Business Unit, and Other Information**
- **Appendix**



# PPG: industry-leading, global maker of paints, coatings and specialty materials

## Diverse Portfolio



*Aerospace*



*Architectural*



*Auto Refinish*



*Protective & Marine*



*Auto OEM*



*Industrial*



*Packaging*



*Traffic Solutions*

## \*Sales

**\$16.8B**

**+21% YOY**

## \*Adj. EPS

**\$6.77**

**+11% YOY**

## \*Cash Flow

**~\$1.6B**



**\$1.7B of  
acquired  
annual sales  
since Dec '20**

**Acquisitive Growth**



**Continuing to  
lead in new  
product  
technology**

**Innovation**



**Strong cash  
generation:  
deployed  
~\$24B in 10 yrs**

**Cash Generation**



**~10%  
dividend  
increase in  
3Q 2021**

**Cash Deployment**



**~38% of sales  
from sustainable  
products and  
processes**

**Sustainability**



**Operations  
in 75+  
countries**

**Global Footprint**

\*Financials are full year 2021, Adjusted EPS excludes amortization expense related to acquisitions. Cash flow is cash from continuing operations. See appendix for reconciliation of PPG reported to adjusted EPS

# Many levers for profitable growth



Well positioned to deliver growth

# PPG provides attractive investment fundamentals

## 1 Attractive positioning (specialty chemicals)

- High functional value products
- Stable earnings/cash flow
- Vast growth potential



Epoxy electrocoat with low-temp cure

## 2 Global footprint and capabilities

- Customer reach across every major region
- Opportunities to expand in Asia and growth markets
- Diverse participation in all key coatings end-use markets
- Shared service centers support lower cost



Auto refinish automated painting system

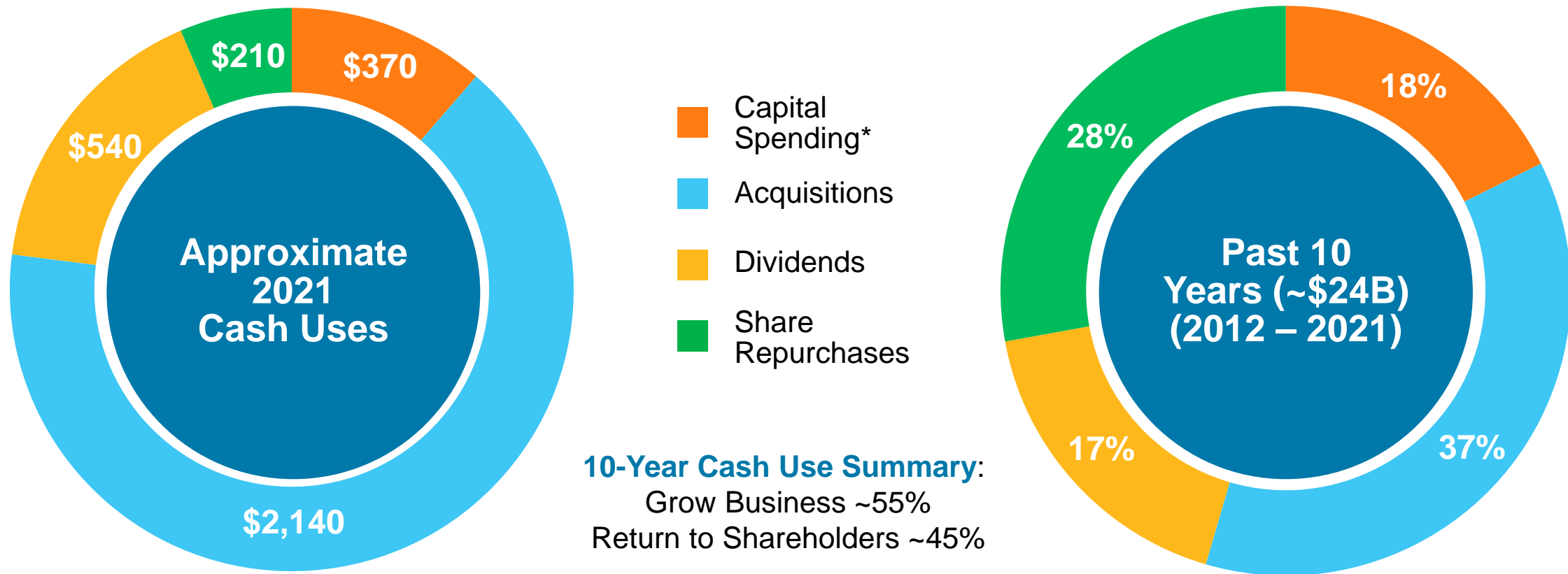
## 3 Innovative

- Commitment to investment; R&D spend ~3% of sales
- New product sales are approximately 24% of total sales
- On the frontier with products for electric vehicles



Electric vehicle battery pack

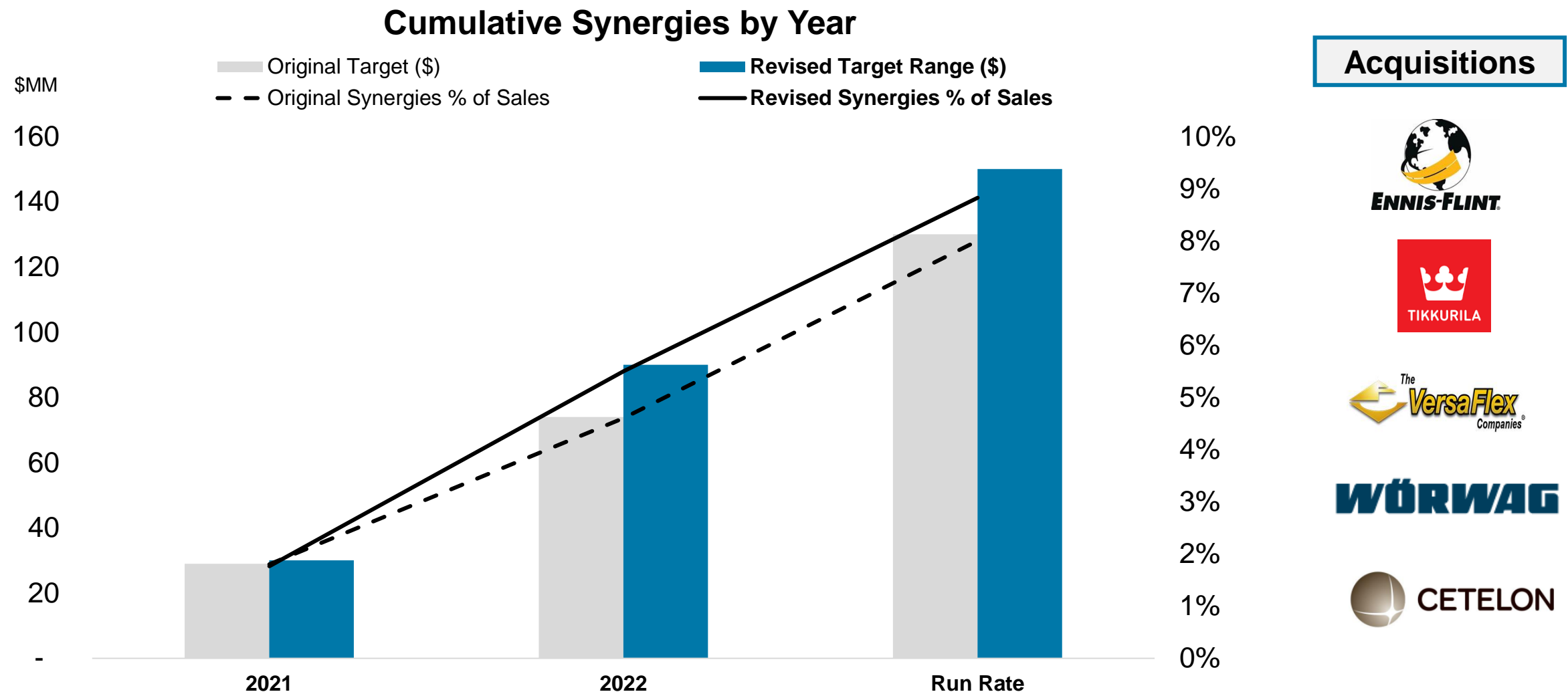
# Balanced cash deployment



Legacy of consistent and prudent cash deployment



# Increasing acquisition synergy earnings targets, +margin growth



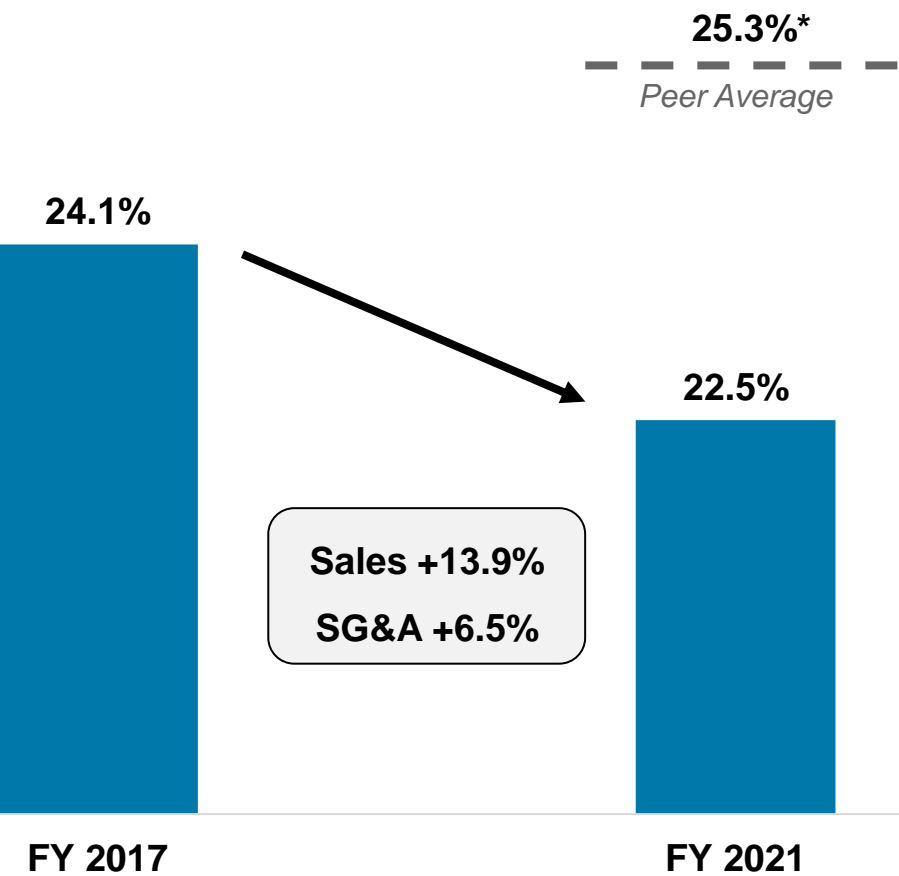
Targeting \$150 million of cumulative synergies: ~15% higher than original target





# PPG has delivered significant cost savings

## SG&A % of Sales



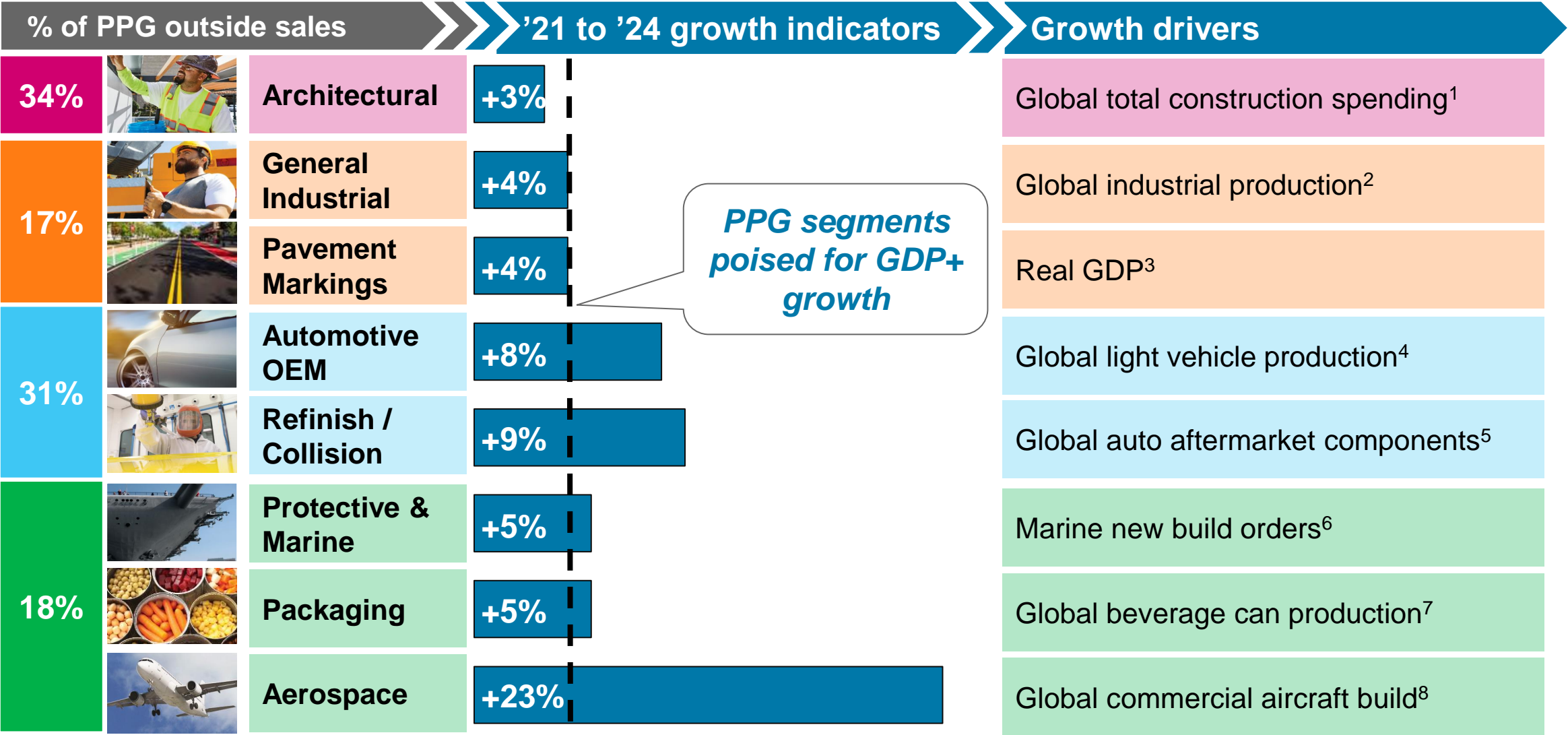
## Restructuring Programs

**Cumulative expected savings of ~\$380MM  
Included in both SG&A and Cost of Sales**

- April '18 – savings ~**\$85MM**: largely centered around the U.S. architectural coatings DIY business
- June '19 – savings ~**\$125MM**: result of comprehensive internal operational assessment to identify further opportunities to improve the profitability of the overall business portfolio
- June '20 – savings ~**\$170MM**: addresses weakened global economic conditions stemming from the COVID-19 pandemic and related pace of recovery in a few end-use markets along with further opportunities to optimize supply chain and functional costs

**Significant cost savings to support strong operating leverage as volumes recover**

# PPG is well positioned in attractive coatings segments



— — 2021 – 2024 Global GDP forecast (+4%)

1. IHS Markit: Real Total Construction Spend 2. IHS Markit 3. Global Economic Indicators – IHS 4. IHS Markit 5. GlobalData: Value excludes Labor 6. Clarksons Research New Building Report, September 2021 7. Crown Holdings, Inc. 8. Forecast International

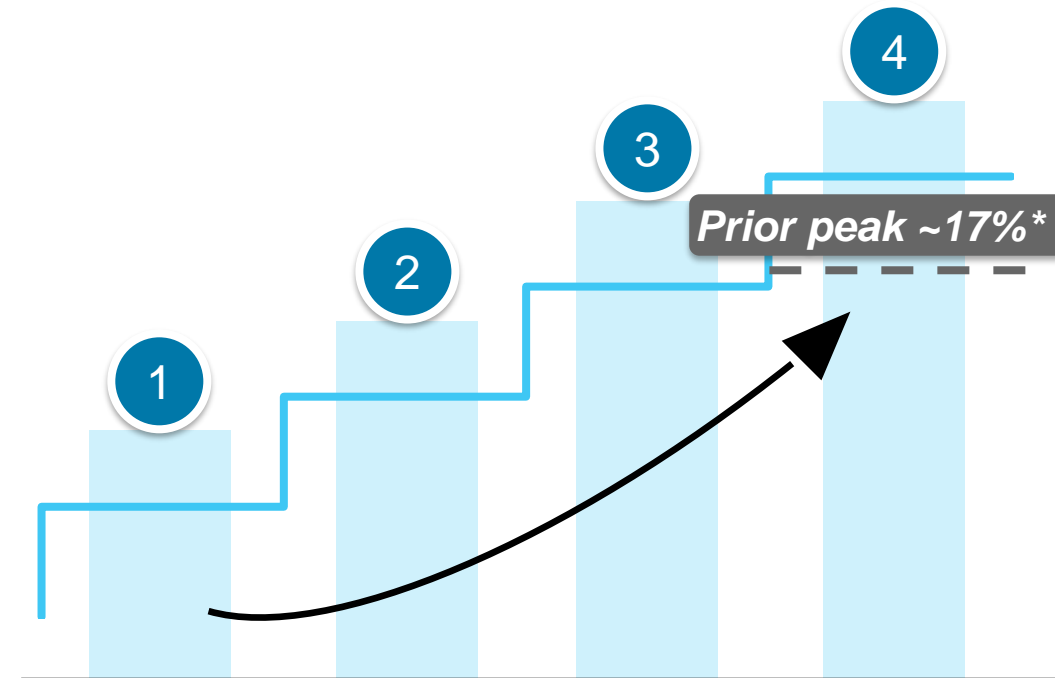


# PPG is positioned to drive margin expansion

## Drivers:

- 1 Price / cost normalization
- 2 Acquisition synergies
- 3 Lower cost structure, enabling higher operating leverage
- 4 ~40% of the business portfolio poised for recovery – higher margin businesses

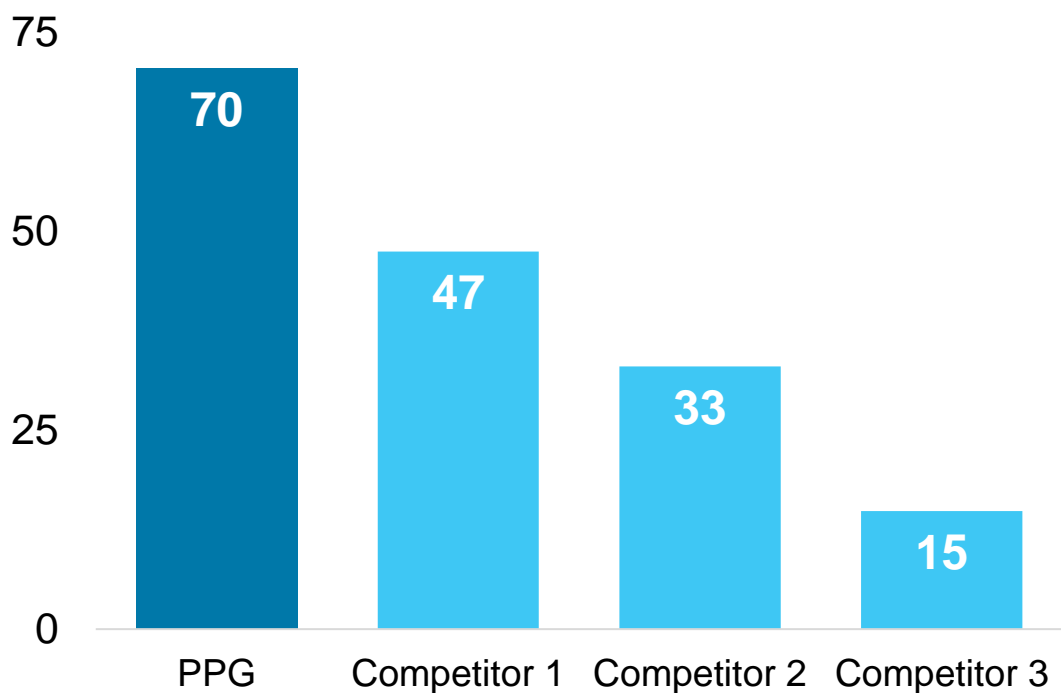
Opportunity to expand segment margins above prior peak levels



Many levers to return to and exceed prior peak margins






# PPG has demonstrated a history of innovation

United States Coatings Patents  
5 year average (2016 – 2020)



*PPG has a foundation of scalable, innovative market-aligned products to build upon for growth*

PPG Innovation Awards

Award	Year	Recognition
	Yearly	12 wins since 2016
	2020	PR-2930 High Strength Adhesive
	2019	B1:B2™ Compact Paint System
	2013	ANDARO tint dispersions
	2001	POWERCRON 8000 electrodeposition coatings

PPG is a leading developer of technology-advantaged coatings





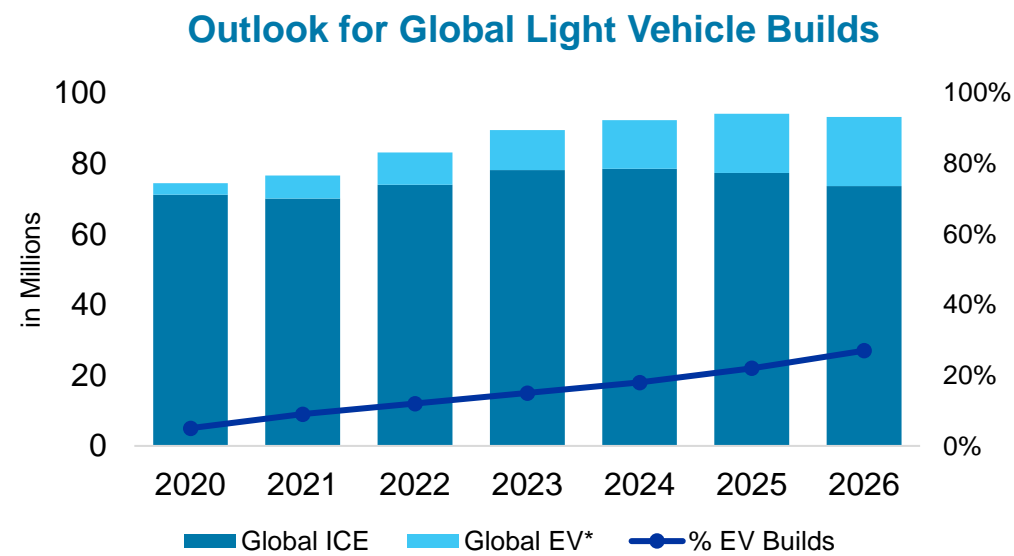
# Global LV Production Shift to EV Creates Growth Opportunity

Electric Vehicles (EV) poised to grow

Stated 2025 Regional Electric Vehicle Targets

CHINA ~20%      EUROPE ~25%

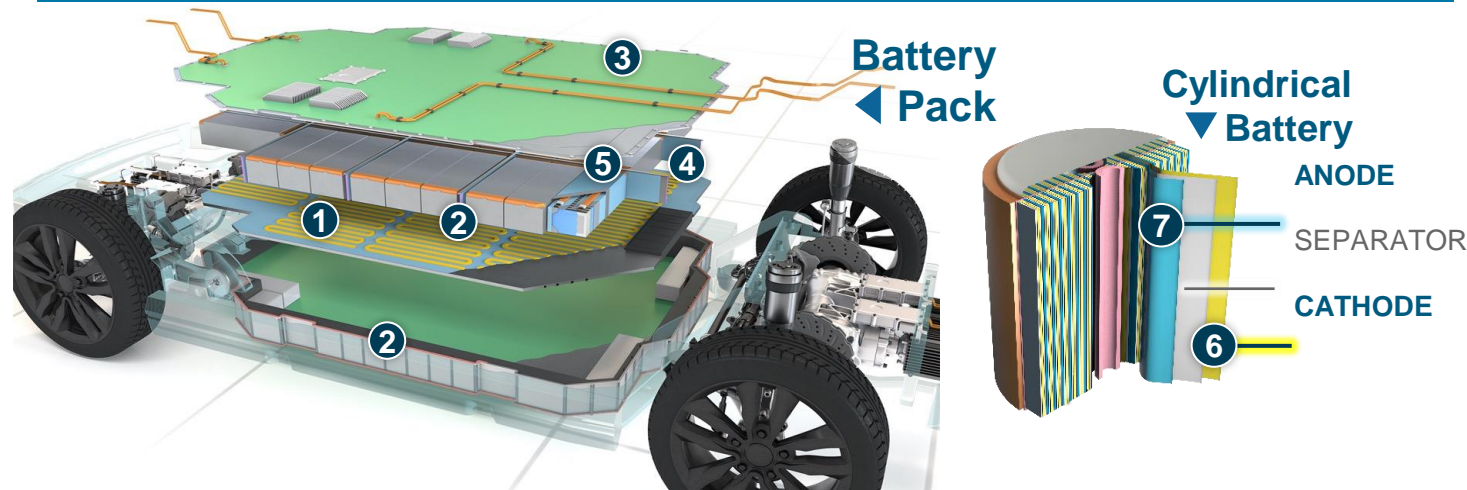
Sourced from IHS Markit & EV Volume Builds



Global EV = Combined Global BEV and Global PHEV  
Source: IHS Markit & EV-Volumes.com

Expecting >10 million BEV's by 2025

PPG Solutions Create Mutual Sustainable Value



SOLUTIONS	Benefits
1 Thermal Materials	Improves battery performance, reduces battery production costs
2 Adhesives & Sealants	Improves battery performance
3 Corrosion & Impact Protection	Provides protection to the battery enclosure
4 Dielectric Protection	Automated application and improves battery safety
5 Battery Fire Protection	Improves battery safety, scalability, more sustainable product
6 Cathode Binder Formulation	Improves battery performance, reduces usage of NMP
7 Anode Binder Formulation	Improves battery cell performance, more sustainable product

# PPG ESG recent progress



## Environmental Resilience

21% electricity from **renewable sources**

34% waste disposal intensity reduction

14.5% water intensity reduction  
*vs 2017 baseline*

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**Over \$5B of sales (35% of total)**

Generated from sustainable products & services

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**237,000 MT GHG emission reduction** (24% lower)

12.5% GHG emission intensity reduction vs 2017 baseline



## Social Responsibility

Appointed PPG's first global leader of DE&I and global VP of Sustainability

33% new hires are female

8 employee resource networks relaunched

\$10MM funding for Colorful Communities® projects over 10 years; 386 projects in 42 countries completed since 2015

Continue to achieve historically low injury and illness rate



## Governance

2 independent directors appointed in 2021

5 years average director tenure; down from 10 years in 2015

2 of 4 Board Committees chaired by women

**Fully aligned with SASB reporting**



# PPG ESG current priorities



## Environmental Resilience

**TCFD** assessment and strategy

Completing **sustainable product assessment methodology** to align to UN Sustainable Development Goals

**Science Based Targets** under development

Launch of **2021 ESG Report** in first half of 2022



## Social Responsibility

Launched inaugural **Diversity Report** with 5-Year Strategy

Committed to investing **\$20M** by 2025 to **advance racial equity**

100% on 2022 **Corporate Equality Index**. Recognized by Newsweek as **Most Responsible Company**

Maintain workforce health and operational capability through global application of robust **COVID-19 protocols**



## Governance

8 new Directors since 2015

- 4 out of last 5 **diverse in gender, race or ethnicity**

**Strong Board oversight of ESG priorities**, strategy, risk management and culture

**Board ESG Framework** defined

Portion of **Executive Compensation** directly tied to ESG and DE&I metrics

**ESG is core to PPG's business, strategy and customer value creation**

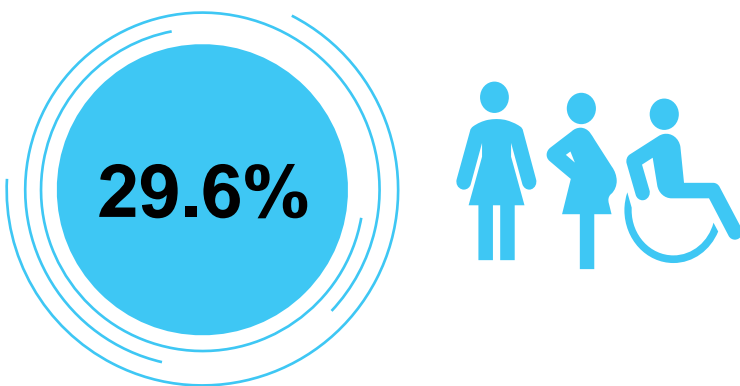


# ESG Update: PPG Published Inaugural Diversity, Equity & Inclusion (DE&I) Report

## Key Goals & Progress

Achieve 34% to 36% representation of non-frontline, global female professionals by 2025

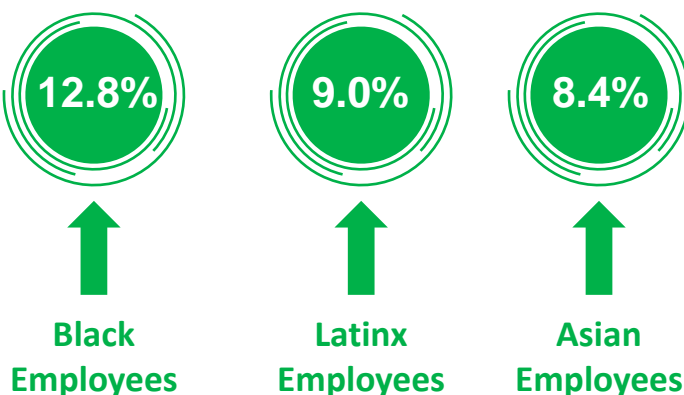
Achieved:



As of December 31, 2021

Increase headcount of Black, Latinx and Asian employees by 45% to 55% across non-frontline, U.S.-based employee population by 2025 (using January 1, 2021, as our baseline)

Increases achieved:



As of December 31, 2021

Achieve total global employee resource network and DE&I capability-building participation of 50% by 2025

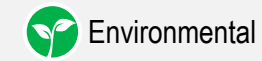
Achieved:



As of December 31, 2021



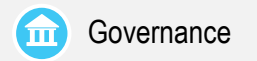
# PPG ESG: framework for board oversight



Environmental



Social



Governance



## Sustainability and Innovation Committee

- Employee health and safety
- Environmental programs
- Product stewardship
- Remediation activities
- Sustainability programs and performance
- Climate change risks and opportunities



## Human Capital Management and Compensation Committee

- Culture and purpose
- Employee engagement
- Employee development
- Pay equity

## PPG Board of Directors



- ESG strategy
- Succession planning
- Diversity, equity and inclusion
- Community engagement and charitable programs

## Nominating and Governance Committee



- Corporate governance oversight
- Government affairs and political activities
- Shareholder engagement
- ESG program governance
- Recommending new directors and executive officers

## Audit Committee

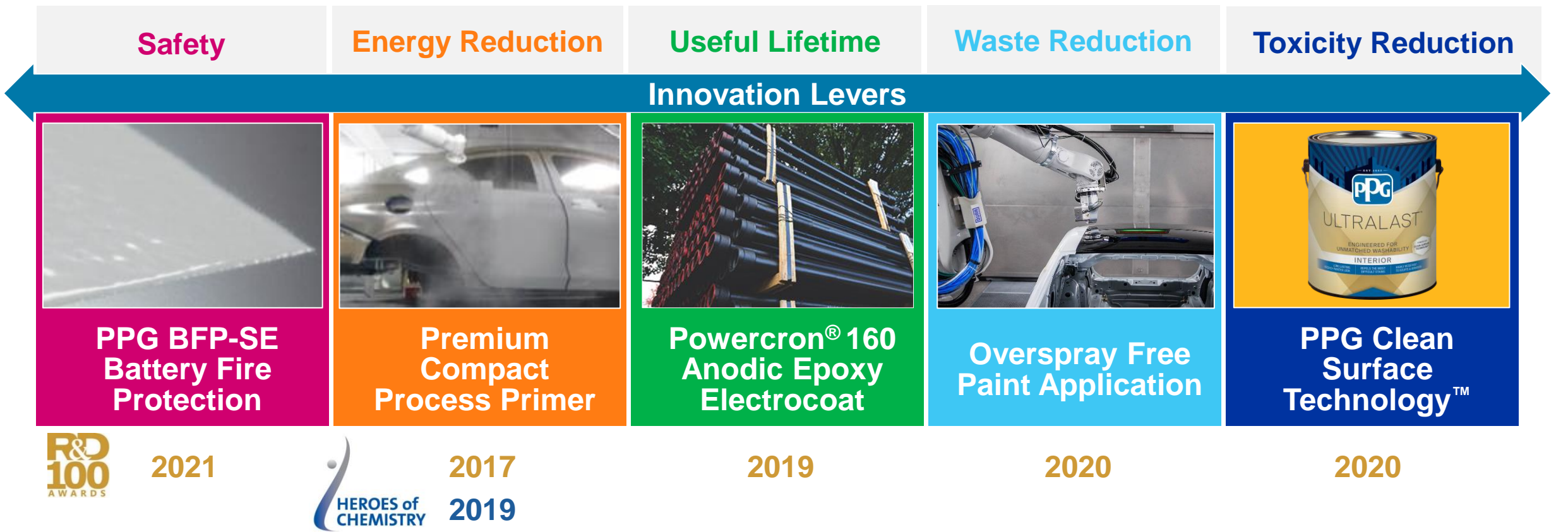


- Enterprise risk management
- Cybersecurity
- Data privacy



# Innovation levers at PPG link to sustainability advantages

Driving innovation across all aspects of coatings technology



PPG is a recognized leader in Innovation



# Global paint and coatings industry (~\$170B)

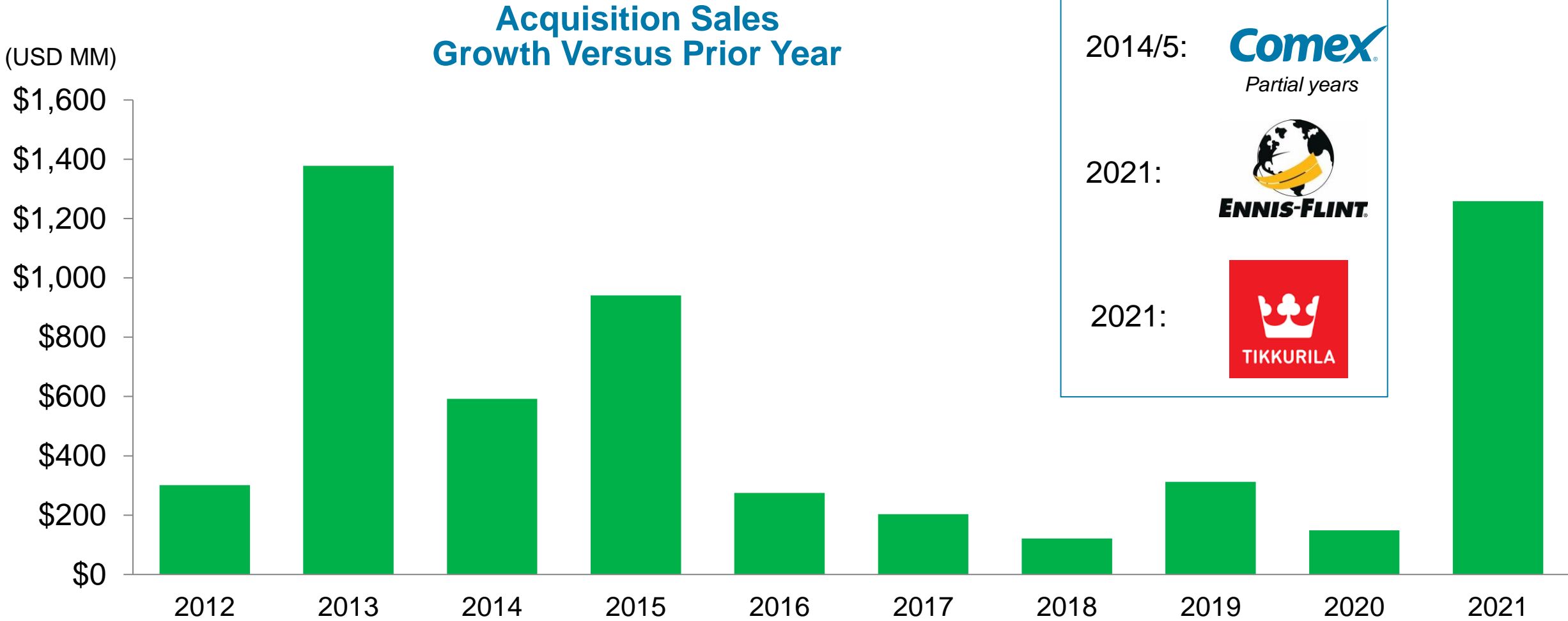
## Strong fundamentals

- Stable earnings/cash
- Growth potential
- Low capital intensity
- Technology and service
- Consolidating industry

PPG has completed ~30 strategic acquisitions since the beginning of 2015





# Acquisitions contribute to sales growth



**Notable Acquisitions:**

2014/5: **Comex**  
*Partial years*






2021:   
**ENNIS-FLINT**

2021:   
**TIKKURILA**

Acquisitions supplement organic growth/ ~4% average sales growth



# Overview of recently announced acquisitions

					
<i>Date of Closing</i>	<i>December 2020</i>	<i>June 2021</i>	<i>February 2021</i>	<i>May 2021</i>	<i>April 2021</i>
<i>Estimated Annual Revenue</i>	<i>~\$600MM</i>	<i>~\$700MM</i>	<i>~\$70MM</i>	<i>~\$260MM</i>	<i>~\$40MM</i>
Key Attributes					
Geographic Expansion		✓			
Product Line Extension	✓		✓	✓	✓
Complimentary Technology	✓	✓	✓	✓	✓
ESG Benefits	✓	✓	✓	✓	✓
Other key factors	Mobility / infrastructure opportunities	Strong regional presence and distribution	Additional end-use market opportunities	Waterborne OEM specs and qualifications	Automotive / light truck wheel applications

# Coatings geographic mix



PPG data is for full year 2021  
Source: Orr & Boss



# Coatings end-uses



Architectural



General Industrial



Pavement Markings



Automotive OEM



Refinish / Collision



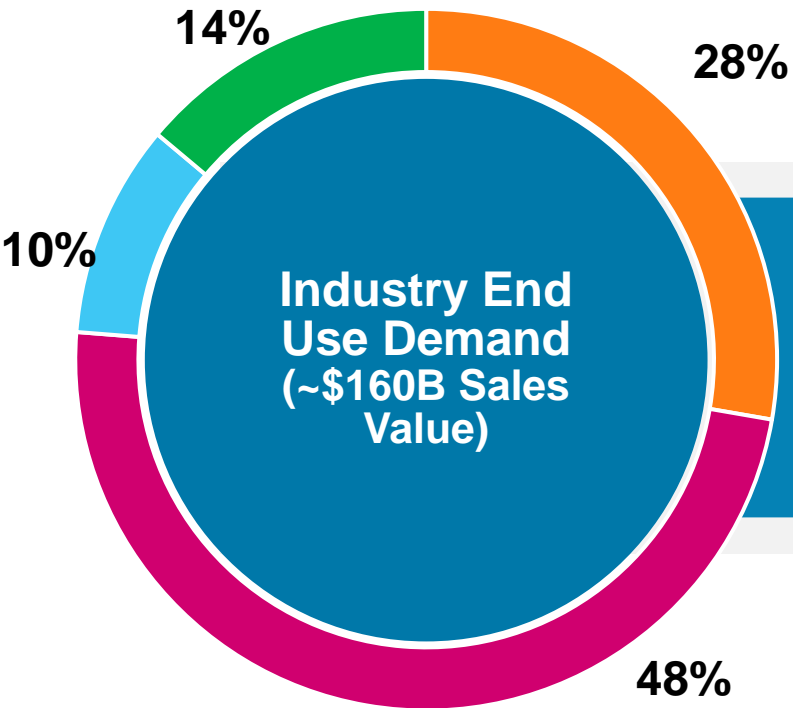
Protective & Marine



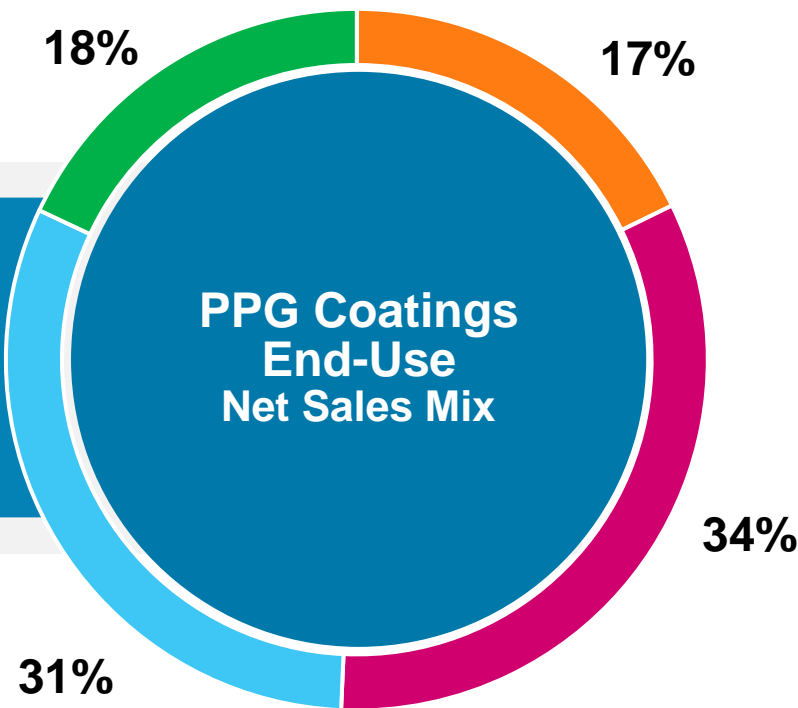
Packaging



Aerospace



PPG is in line with the global coatings industry end-use mix



PPG data is for full year 2021  
Source: Orr & Boss, Company Annual Reports, PPG estimates



# PPG global end-use positions

*Position  
by Coatings  
Vertical*



**Global  
Position**

**Architectural**

**General  
Industrial**

**Protective  
& Marine**

**Automotive  
OEM**

**Refinish /  
Collision**

**Packaging**

**Aerospace**

**Pavement  
Markings**

		<b>#2</b>	<b>#3</b>	<b>#3</b>	<b>#1</b>	<b>#2</b>	<b>#2</b>	<b>#1</b>	<b>#1</b>
<b>PPG</b>	<b>#2</b>								
<b>Sherwin-Williams</b>	<b>#1</b>								
<b>AkzoNobel</b>	<b>#3</b>								
<b>Nippon</b>	<b>#4</b>								
<b>RPM</b>	<b>#5</b>								
<b>Axalta</b>	<b>#6</b>								
<b>BASF</b>	<b>#7</b>								



Meaningful Presence



No Current Meaningful Presence

**PPG well-positioned in end-use markets; volume expected to recover in 2022 – 2023**



# PPG's portfolio reporting through two segments



**Performance Coatings**

**~60%**



- Aerospace Coatings
- Architectural Coatings\*
- Automotive Refinish Coatings
- Protective & Marine Coatings
- Traffic Solutions



**Industrial Coatings**

**~40%**



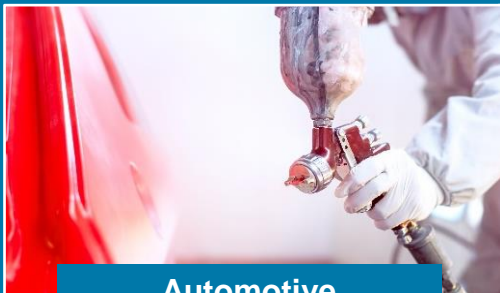
- Automotive OEM Coatings
- Industrial Coatings
- Packaging Coatings
- Specialty Coatings & Materials

PPG's business portfolio is diverse and well positioned for growth

25 \* Includes Architectural Coatings - Americas and Asia Pacific and Architectural Coatings - Europe, Middle East and Africa



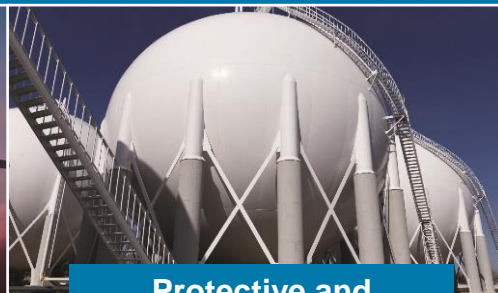
# Performance Coatings segment



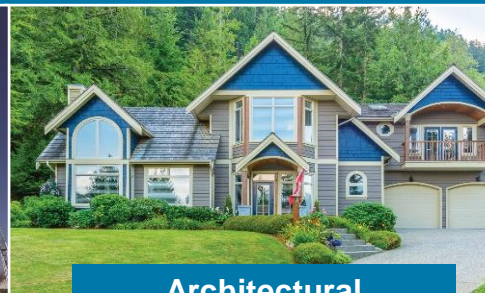
Automotive  
Refinish Coatings



Aerospace



Protective and  
Marine Coatings



Architectural  
Coatings\*

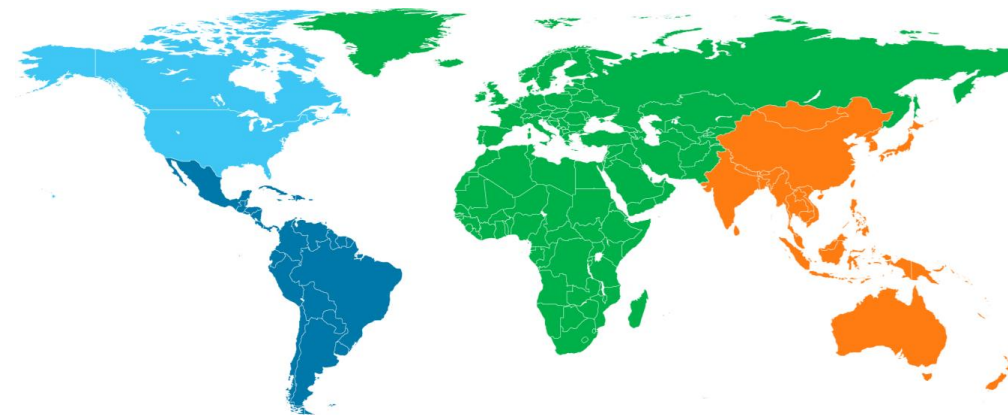


Traffic Solutions

## Segment Traits

- Distribution focus
- After-market and maintenance component
- Consistent cash generation
- Stable industries
- Entered Traffic Solutions market

## 2021 Net Sales by Geography



USCA	EMEA	AP	LA
42%	35%	12%	11%

# Automotive Refinish Coatings

## Industry trends

- 1) Value-added programs and training
- 2) Emerging region growth – growing car-park
- 3) Continuing technology shift to waterborne
- 4) Color complexity

## PPG competitive advantages and ESG highlights

PPG's Platinum program and training offerings

Leading products and positions in China and India

Advantaged waterborne product technology and global reach

Leading color match products and processes

## Industry at a glance

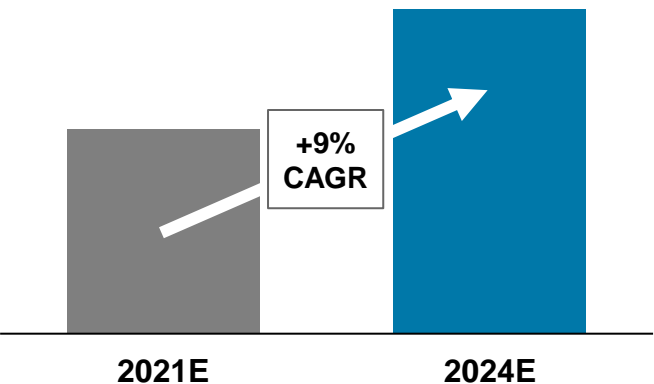
### Est. Size<sup>1</sup>

2021E  
Global Coatings



### Key Industry Metric<sup>2</sup>

Global Auto Aftermarket  
Components Value (billions)



## End uses





# Aerospace

## Industry trends

- 1) Recovery continues – leisure travel to recover first
- 2) Single-aisle aircraft driving near-term growth
- 3) Military demand remains robust
- 4) Faster manufacturing cycle times and sustainable products

## PPG competitive advantages and ESG highlights

- Ability to develop products to meet complex technical and sustainability requirements (e.g., light-weighting)
- Industry leader in tailoring products to optimize customer application and throughput
- Ability to support high-rate production in product platforms
- Leader in transitioning products from design phase to full-rate production / commercialization

## Industry at a glance

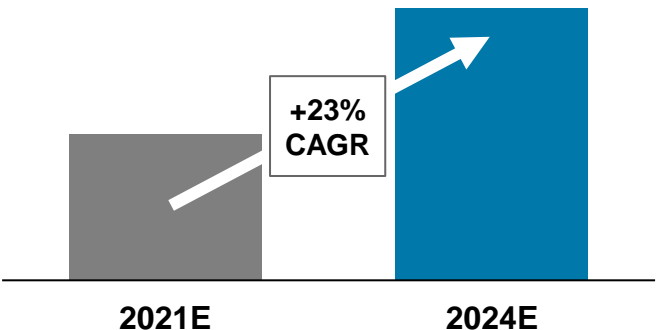
### Est. Size<sup>1</sup>

2021E  
Global Coatings



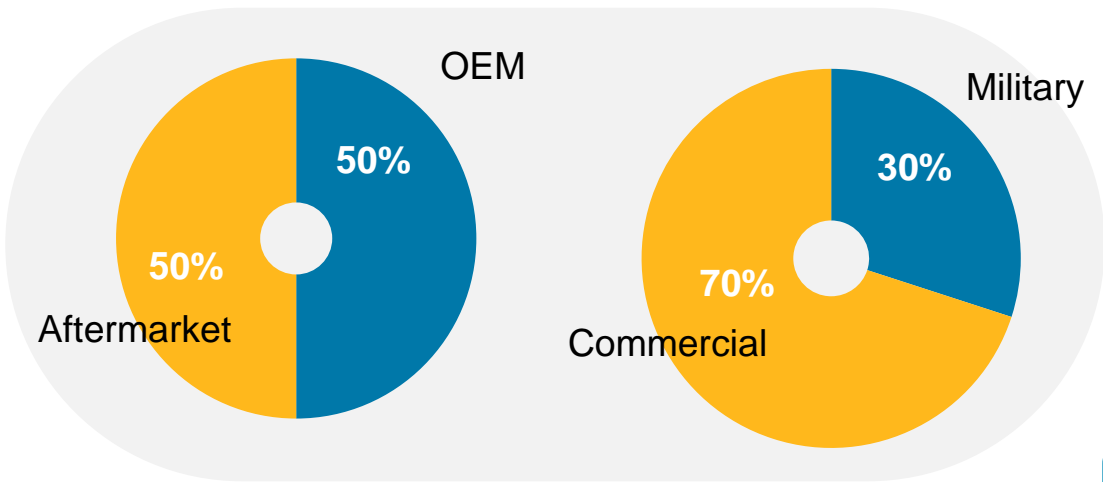
### Key Industry Metric<sup>2</sup>

Global Commercial Aircraft Build



## PPG net sales mix

(2019: pre-COVID)



# Architectural Coatings\*

## Industry trends

- 1) Increasing adoption of digital tools / e-commerce
- 2) Strong focus on sustainability and governmental regulations
- 3) Professional segment outpacing DIY growth
- 4) Painters seeking efficiencies and productivity offerings

## Industry at a glance

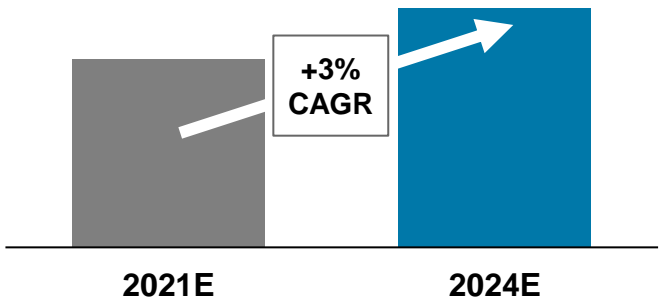
### Est. Size<sup>1</sup>

2021E  
Global Coatings



### Key Industry Metric<sup>2</sup>

Global Total  
Construction Spend (billions)



## PPG competitive advantages and ESG highlights

Employing digital solutions; rapidly increasing omni-channel engagement

Strong water-based product portfolio with adoption of recycled packaging & material; proprietary anti-viral products launched

Robust multi-channel distribution approach and product offering provides convenience to Professional segment

Leading productivity with painters via paint innovation, state of the art applicators, and convenience offerings

## End uses





# Architectural Coatings is diversified globally and well positioned

Region	Strength / Focus	Brands
 <b>U.S. and Canada</b>	<ul style="list-style-type: none"> <li>Services / Delivery</li> <li>Digitalization</li> <li>Optimized Pro offering &amp; distribution</li> </ul>	  
 <b>EMEA</b>	<ul style="list-style-type: none"> <li>Strong local brands</li> <li>Leading positions in many countries</li> <li>Optimize footprint</li> </ul>	  
 <b>Latin America</b>	<ul style="list-style-type: none"> <li>Leading brand recognition</li> <li>Concessionaire model</li> <li>Expansion in B2B segment</li> </ul>	 
 <b>Asia-Pacific</b>	<ul style="list-style-type: none"> <li>Strong brand in ANZ</li> <li>Regional participation in China</li> </ul>	  

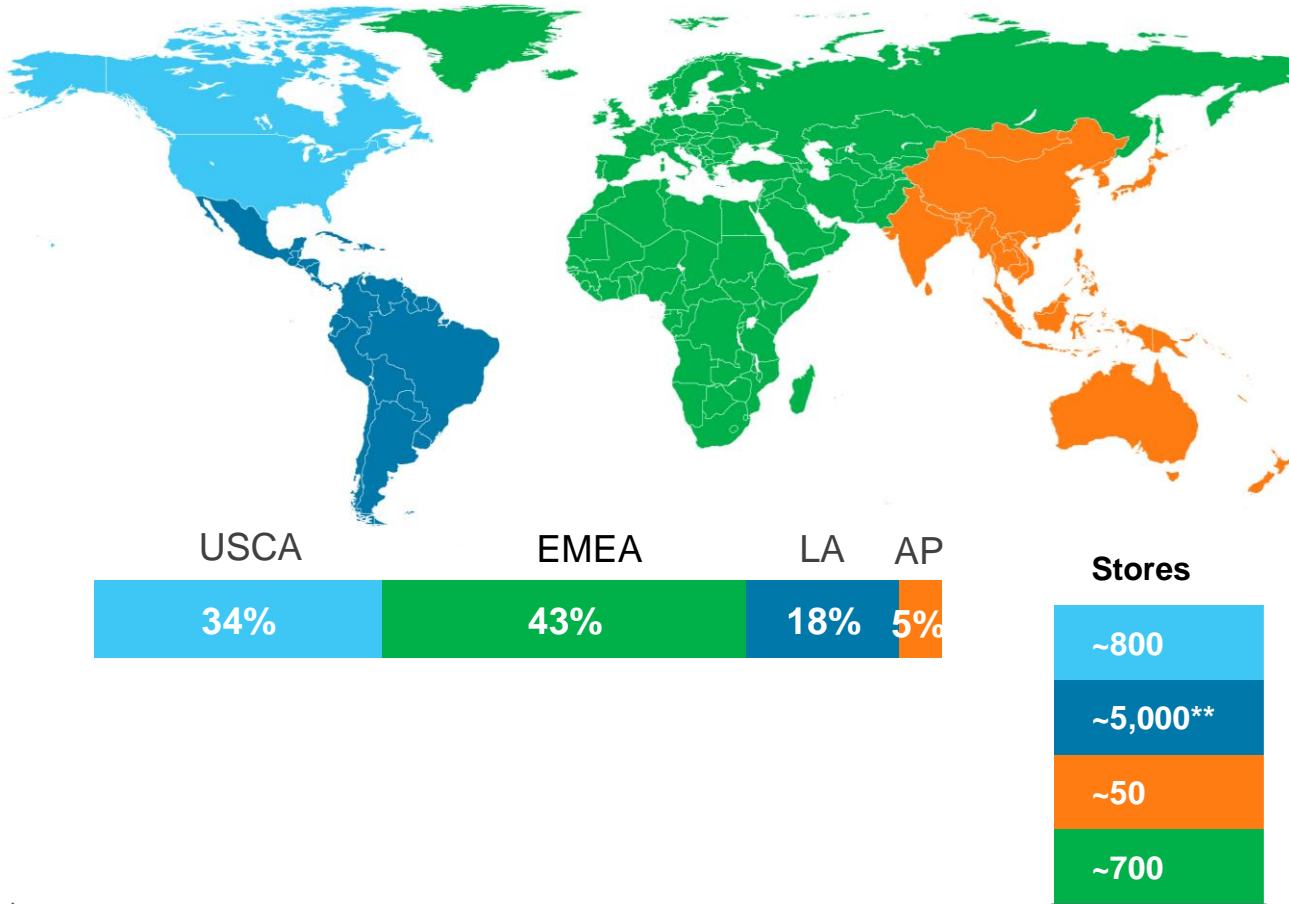
**PPG's local brands provide opportunities for growth**

# Architectural Coatings\*

## PPG approximate sales mix

Region	Company Stores	Independent Dealers	National Retailers
USCA	45%	15%	40%
LA	~1%	90%	10%
AP	10%	40%	50%
EMEA	45%	30%	25%
Worldwide	35%	35%	30%

## 2021 net sales by geography



\* Architectural Americas & Asia-Pacific and Architectural EMEA strategic business units  
\*\* Latin America “stores” are mostly concessionaire locations in Mexico and Central America

# Traffic Solutions

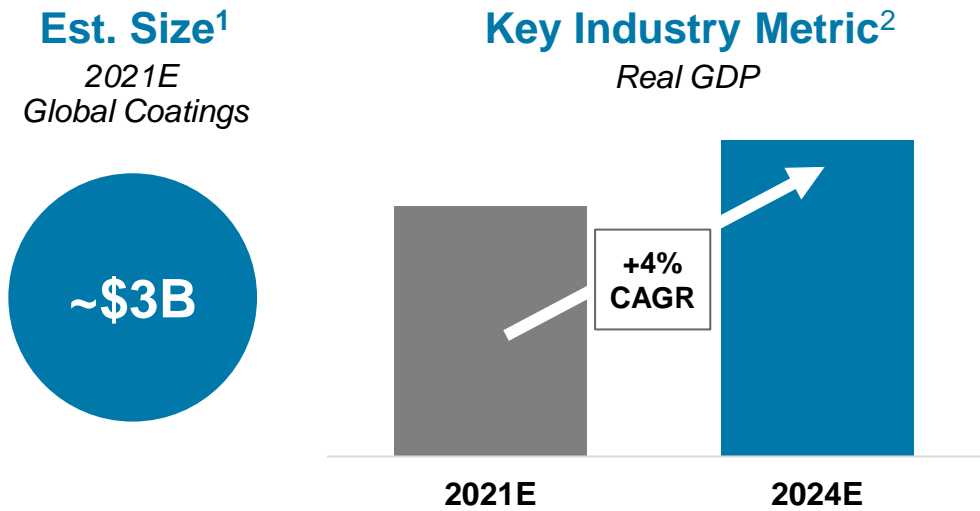
## Industry trends

- 1) Increasing road safety concerns
- 2) Government initiatives supporting infrastructure
- 3) Safety for non-vehicular road users, e.g. bicyclists
- 4) Desire for sustainable options

## PPG competitive advantages and ESG highlights

- R&D capabilities
- Access to/understanding of autonomous vehicle value chain
- U.S. geographic presence
- Product portfolio breadth with sustainable solutions

## Industry at a glance



## End uses



# Protective and Marine Coatings

## Industry trends

- 1) Significant infrastructure investments in many countries
- 2) Investment shifting to renewable energy
- 3) New Marine industry targets established to reduce emissions
- 4) Marine new build vessel orders showing strong recovery

## PPG competitive advantages and ESG highlights

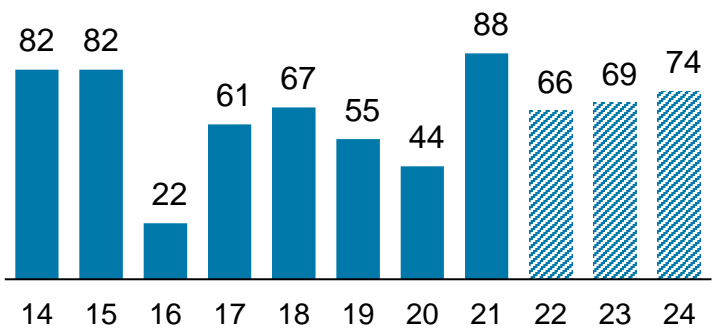
- Comprehensive portfolio to address infrastructure segment enhanced by VersaFlex acquisition
- Leverage longstanding PPG experience in the energy segment
- Innovative PPG fouling release coatings support customer emission reductions
- Utilize global footprint, products, and customer relationships to capitalize on growth opportunity

## Industry at a glance

**Est. Size<sup>1</sup>**  
2021E  
Global Coatings

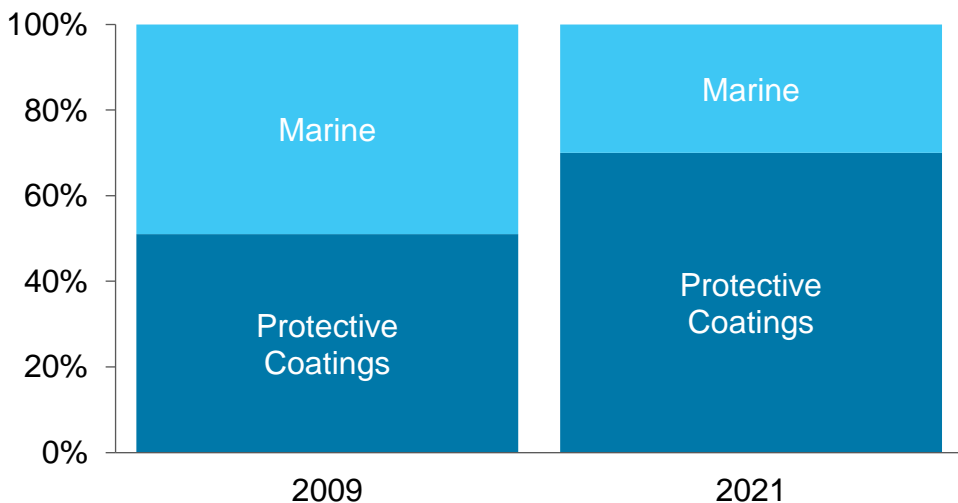


**Key Industry Metric**  
**Marine New Build Orders, m.GT<sup>2</sup>**



Leading Indicator

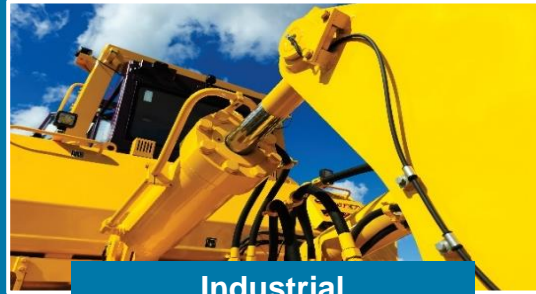
## PPG net sales mix



# Industrial Coatings segment



Automotive  
OEM



Industrial  
Coatings



Packaging  
Coatings

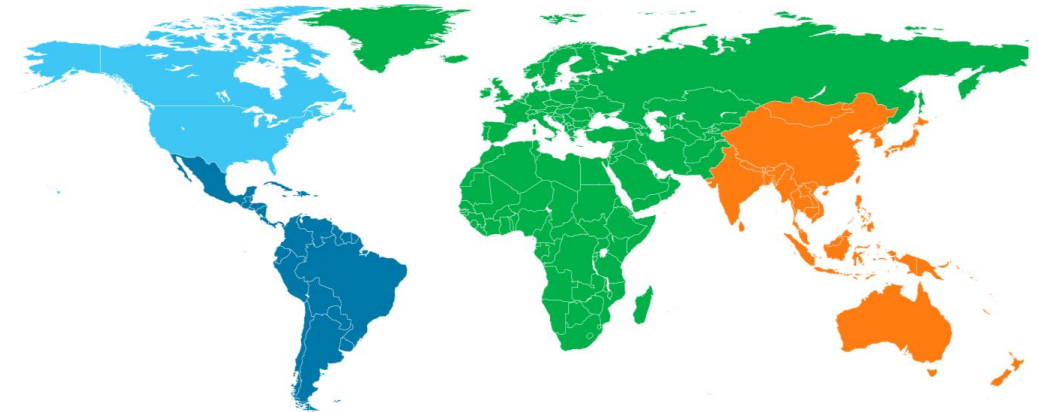


Specialty Coatings  
& Materials

## Segment traits

- Technology-advantaged products
- Mix of global and local customers
- High quality product performance
- Global customer footprint
- Customers seeking sustainable solutions
- Increased focus on electrification

## 2021 Net Sales by Geography



USCA

36%

EMEA

29%

AP

26%

LA

9%



# Automotive OEM Coatings

## Industry trends

- 1) Transition to electric vehicles / mobility
- 2) Sustainable solutions
- 3) Automated manufacturing
- 4) Digital transformation

## PPG competitive advantages and ESG highlights

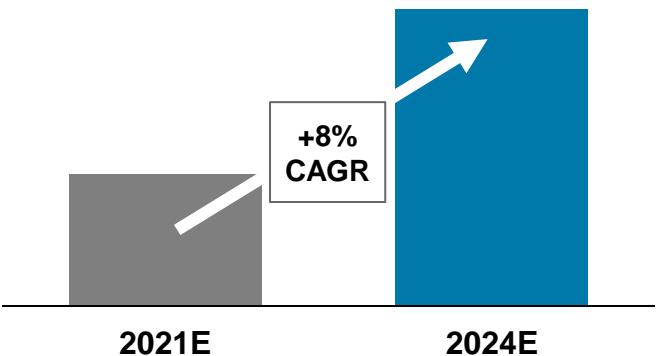
- Largest breadth of coatings products for battery pack and cell
- Low-temperature cure / lower water and energy utilization
- Innovative production processes & digital color
- AI and machine learning to reduce waste

## Industry at a glance

**Size<sup>1</sup>**  
2021  
Global Coatings



**Key Industry Metric<sup>2</sup>**  
Global Light Vehicle  
Production (millions)



## End uses



# Industrial Coatings

## Industry trends

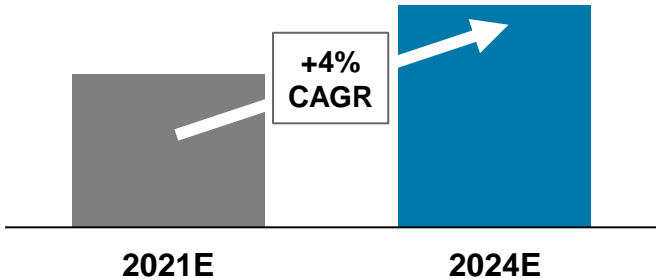
## PPG competitive advantages and ESG highlights

1) Large fragmented global industry	Broad geographic coverage and strong service capabilities
2) Shift toward waterborne liquid and powder technologies	Global leader in waterborne coatings; investing in powder
3) Growth driven by product innovation and service capabilities	Focus on faster growing segments (e.g., consumer products)
4) Customers investing in emerging economies	Successful acquisition integration track record

## Industry at a glance

**Est. Size<sup>1</sup>**  
2021E  
Global Coatings

**Key Industry Metric<sup>2</sup>**  
Global Industrial Production –  
Indexed to 2015



## End uses

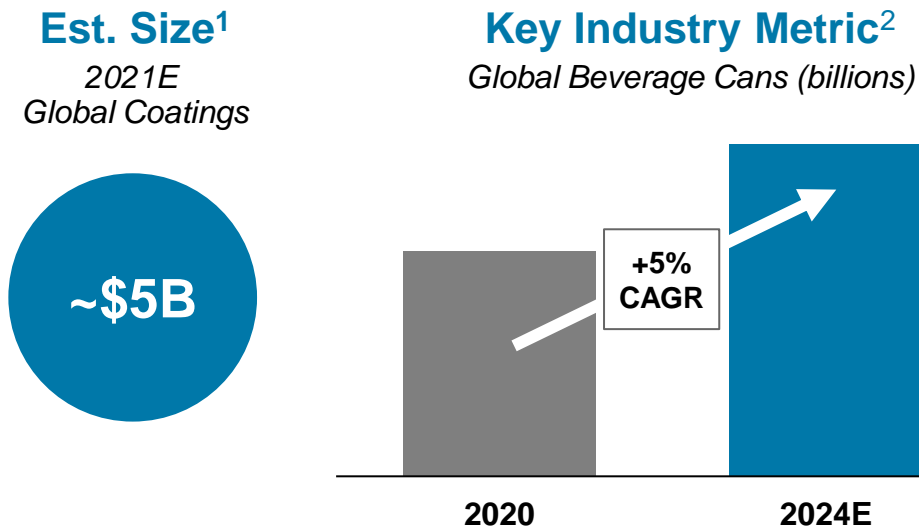


# Packaging Coatings

## Industry trends

- 1) Consumer preference for metal packaging driven by sustainability, portability, performance, and safety
- 2) Record demand translates to record customer investment in metal can-making capacity
- 3) Continued and increased attention to food-contact materials (ingredients) of concern

## Industry at a glance



## PPG competitive advantages and ESG highlights

- Continued new product introduction for sustainably and advantaged solutions
- Trusted products, local production, and industry-leading technical service and applications expertise in all regions to support customers
- PPG SafeAssure™ product development program to support consumer safety

## End uses



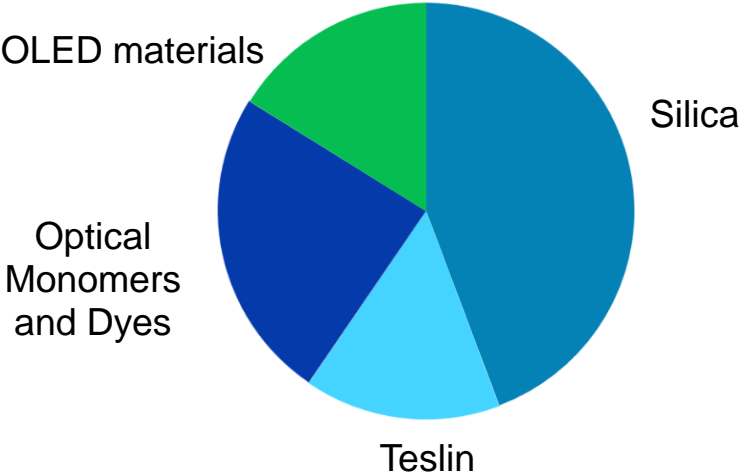
# Specialty Coatings & Materials

Industry trends

PPG competitive advantages and ESG highlights

1) Increased fuel efficiency requirements and increased durability for EV's	<b>Silica</b> enables a fuel efficient and durable tire
2) LCD to OLED shift in mobile, TV and Automotive	Unmatched high purity / small-scale manufacturing of <b>OLED</b> materials
3) Increasing requirements for secure / tamper evident security documents	PPG <b>Teslin</b> microporous / tamper evident
4) Two billion people in need of vision correction	Unique <b>Optical</b> resin + dye + display technology product portfolio

## Net sales mix



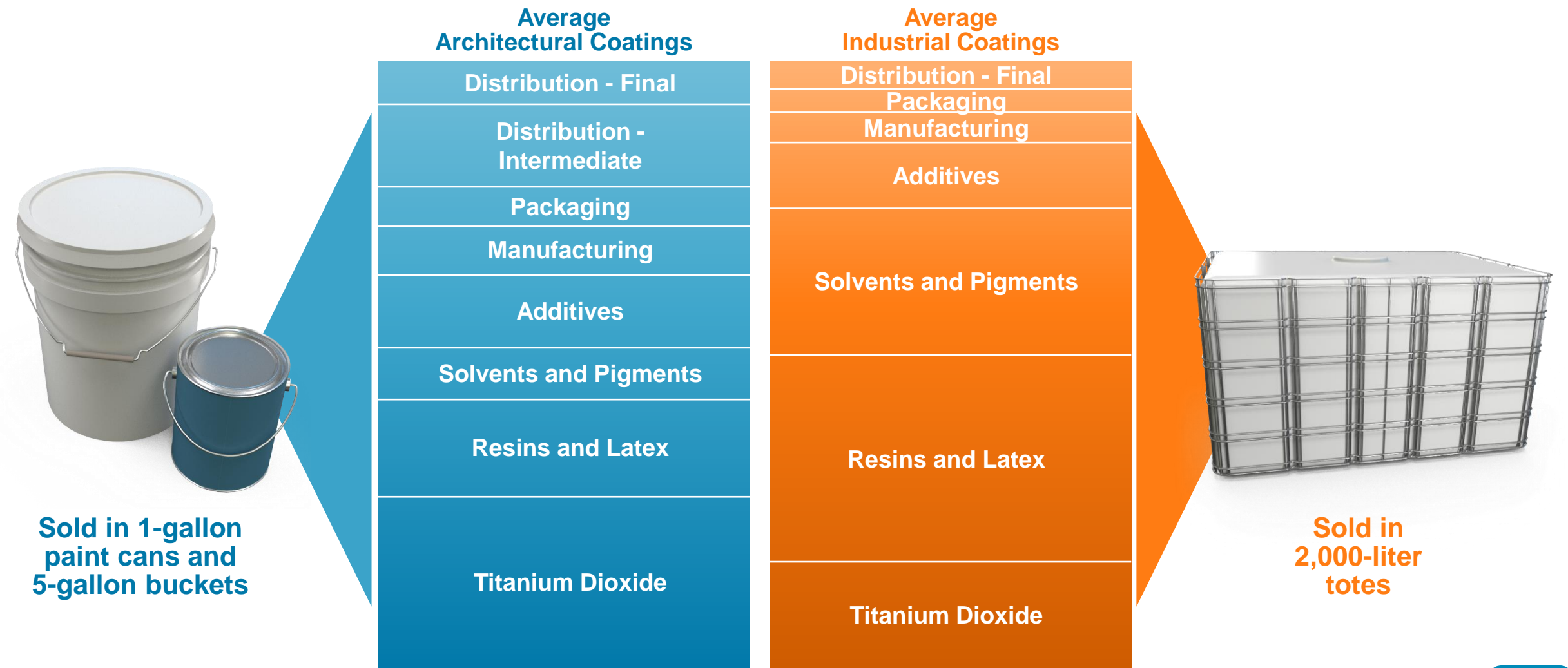
## End uses





# Coatings cost comparison

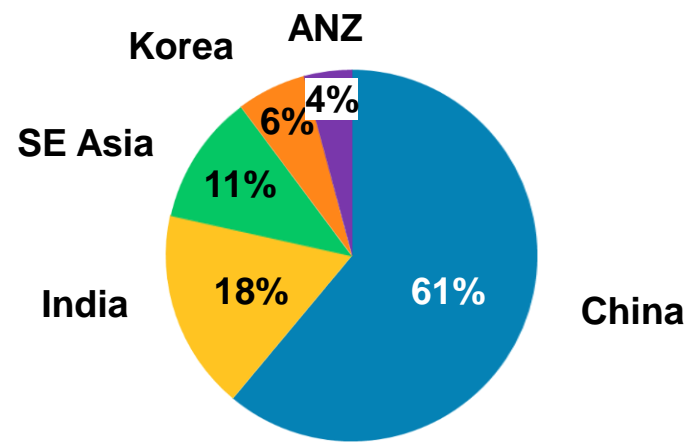
Raw material basket and manufacturing/distribution costs are different





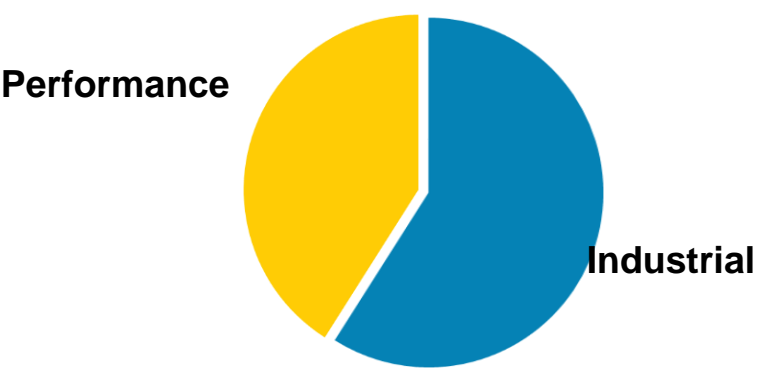
# Strong and growing Asia-Pacific presence (excl. Japan)

Industry coatings demand in Asia\*

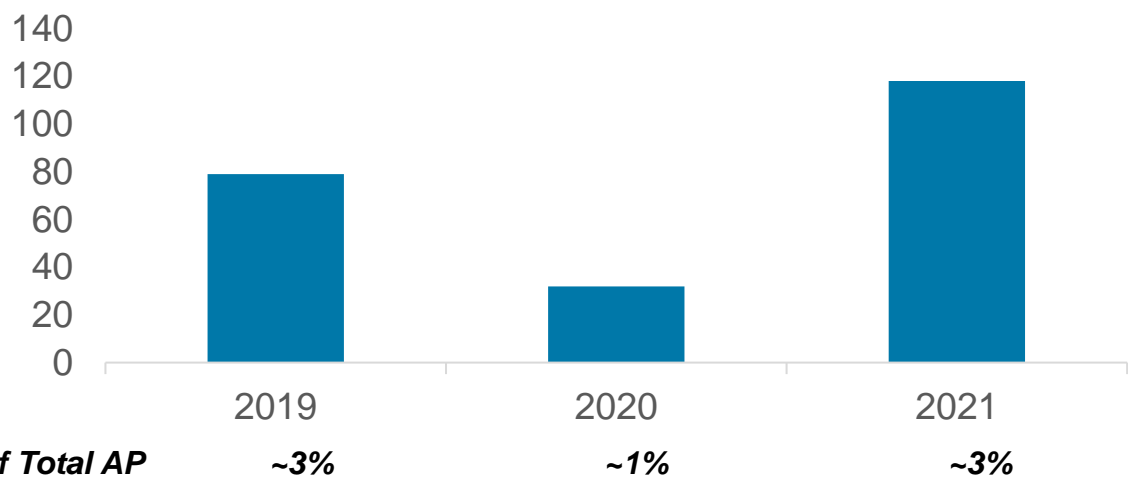


PPG Asia Net Sales mix (2021)

Broad, full range coatings business portfolio



Sales from Acquisitions 2019 – 2021 (\$MM)



Many leading Asian markets (excl. Japan)\*

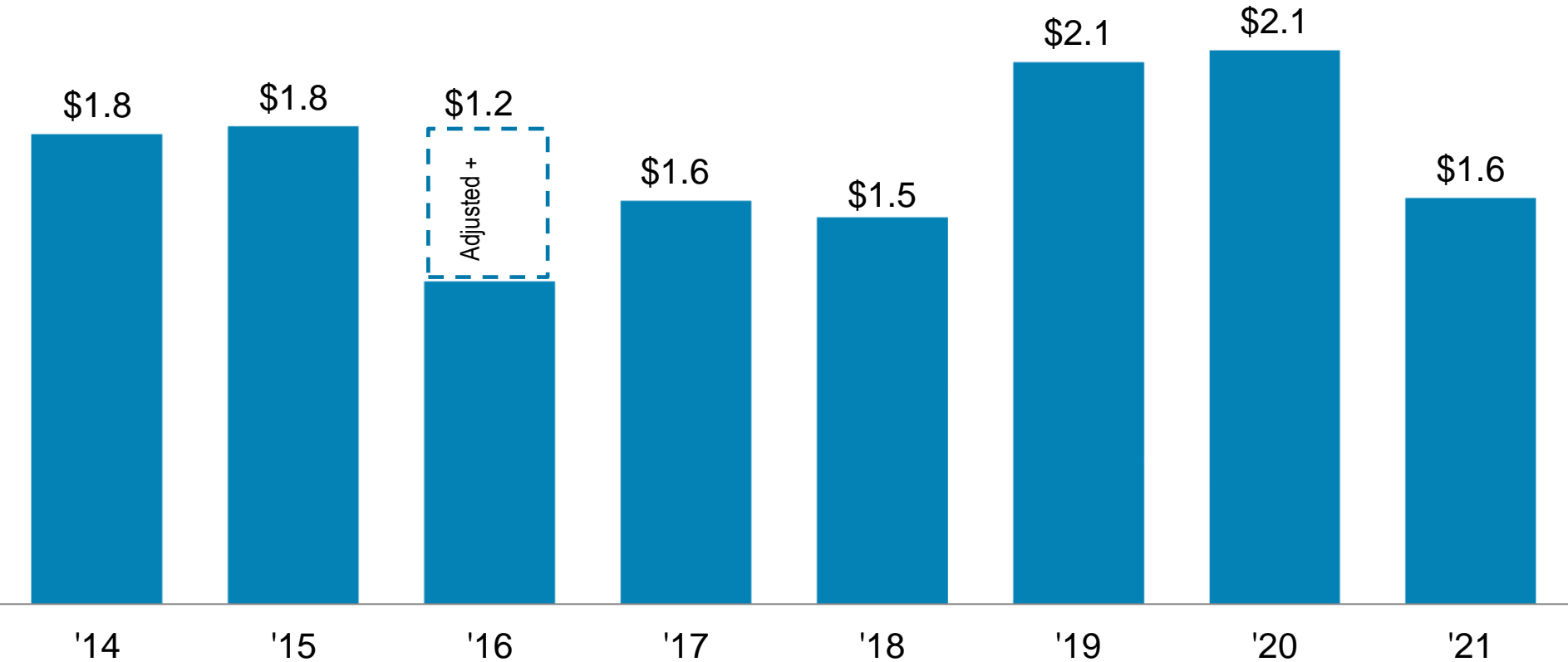
Segment	PPG Market Position
Automotive OEM	#1
General Industrial	#2
Packaging	#1
Auto Refinish	#1
Aerospace	#1
Protective/Marine	#3
Architectural China/ANZ	#7
Total Coatings	#3



# PPG operating cash flow trends

## Cash From Operations\*

\$ Billions USD



Robust cash generation over time; +2 billion per year capability

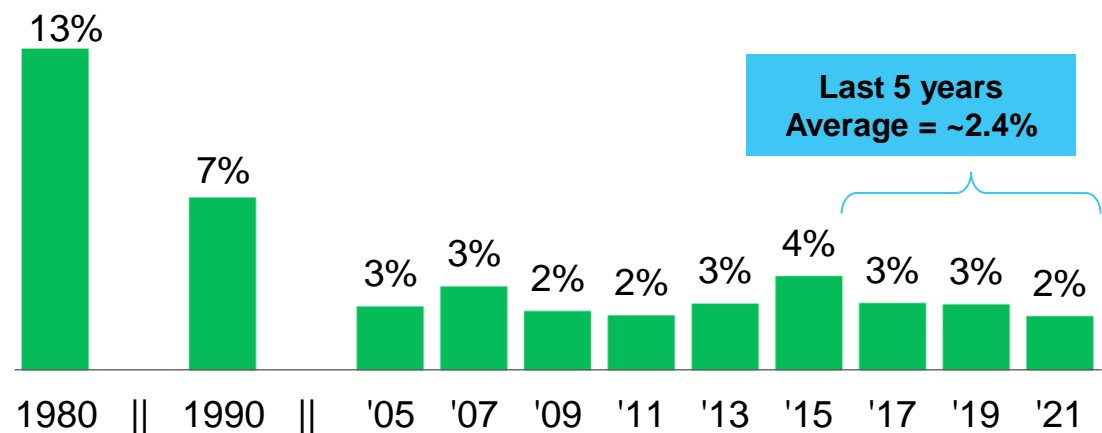
\* As originally reported, not adjusted for business divestitures  
+ Adjusted Cash from Operations; excluding cash paid to fund the Pittsburgh Corning asbestos trust



# PPG financial hallmarks

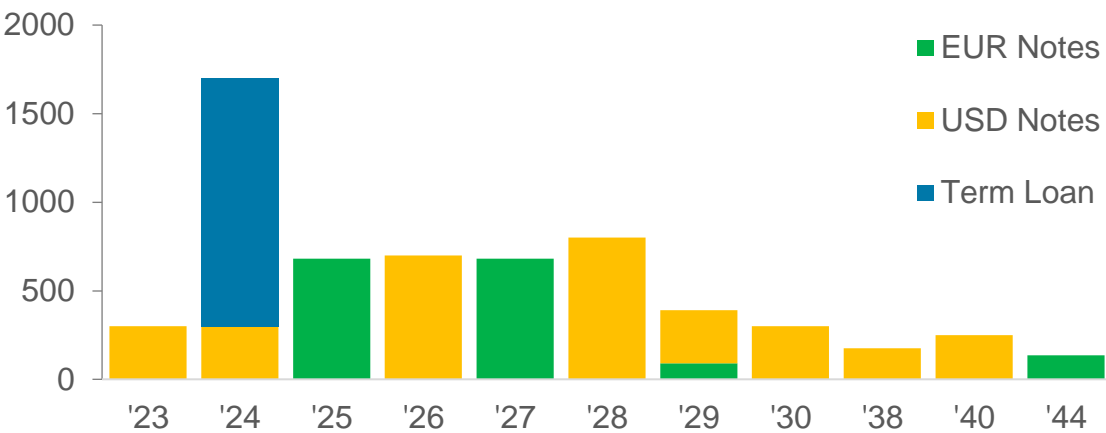
## Capital Spending as % of Sales

(As originally reported, not adjusted for business divestitures)



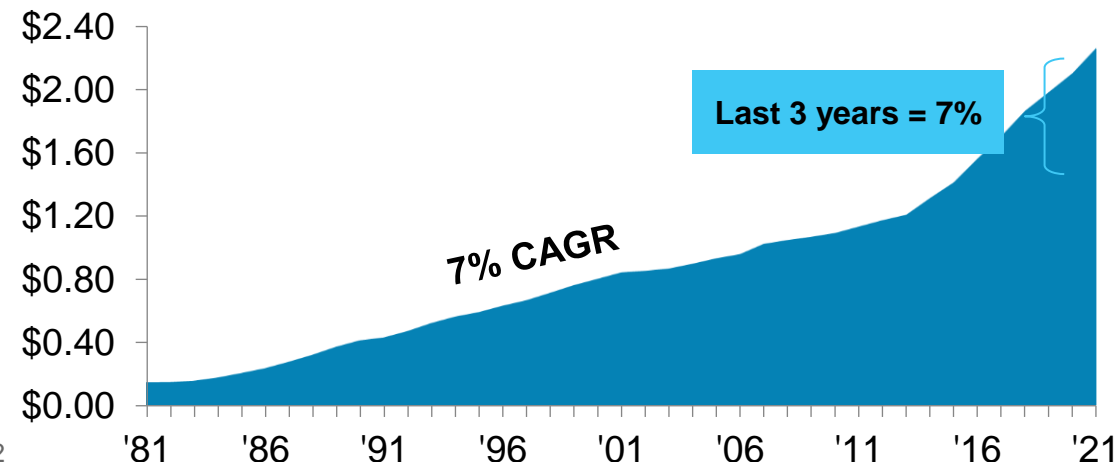
## Long-Term Debt Maturity Schedule

\$ in millions



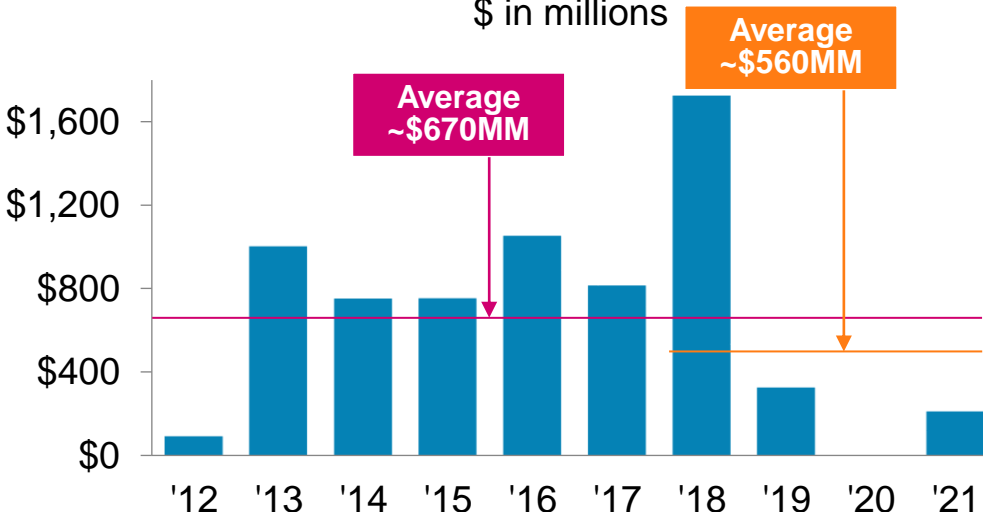
## 50 Years of Increased Dividends

Dividends per share – adjusted for stock splits



## PPG Share Repurchases

\$ in millions



# Additional materials and appendix

# Adjusted EPS Reconciliation

\$ in millions, except EPS

Full Year 2021	Total PPG	
	Net Income	EPS <sup>(a)</sup>
<b>Net Income from Continuing Operations, As Reported</b>	\$ 1,420	\$ 5.93
Acquisition-related amortization expense	130	0.55
Acquisition-related costs, net <sup>(b)</sup>	69	0.29
Pension settlement charges	36	0.15
Environmental remediation charges	26	0.11
Net tax charge related to UK statutory rate change	22	0.09
Business restructuring-related costs, net <sup>(c)</sup>	20	0.08
Expenses incurred due to natural disasters <sup>(d)</sup>	13	0.06
Impairment charges <sup>(e)</sup>	12	0.05
Change to allowance for doubtful accounts related to COVID-19	(11)	(0.05)
Income from legal settlements	(17)	(0.07)
Asbestos-related claims reserve adjustment <sup>(f)</sup>	(101)	(0.42)
<b>Adjusted Net Income Attributable to PPG</b>	<b>\$ 1,619</b>	<b>\$ 6.77</b>

(a) Earnings per diluted share is calculated based on unrounded numbers. Figures in the table may not recalculate due to rounding.

(b) Acquisition-related costs, net include the impact for the step up to fair value of inventory acquired in certain acquisitions which are included in Cost of Sales, exclusive of depreciation and amortization in the condensed consolidated statement of income. Acquisition-related costs also include advisory, legal, accounting, valuation, other professional or consulting fees, and certain internal costs directly incurred to effect acquisitions. These costs are included in Selling, general and administrative expense in the condensed consolidated statement of income.

(c) Included in business restructuring-related costs, net are business restructuring charges, accelerated depreciation of certain assets and other related costs, offset by releases to previously approved programs and a \$34 million gain on the sale of certain assets. This gain is included in Other income, net in the condensed consolidated statements of income. Business restructuring charges of \$52 million were recorded in the fourth quarter 2021 related to recent acquisitions.

(d) In 2020, two hurricanes damaged a southern U.S. factory supporting the company's specialty coatings and materials business. In early 2021, a winter storm further damaged that factory as well as other company factories in the southern U.S. Incremental expenses incurred due to these storms included costs related to maintenance and repairs of damaged property, freight and utility premiums and other incremental expenses directly related to the impacted areas.

(e) An impairment charge was recorded in the third quarter 2021 related to the previously planned sale of certain smaller entities in non-strategic regions.

(f) In the fourth quarter 2021, the reserve for asbestos-related claims was reduced to reflect the Company's current estimate of potential liability for these claims.



# Notes



We protect and beautify the world™